

INTERNATIONAL FUND FOR ANIMAL WELFARE (IFAW)

(Limited by guarantee)

Company registered number 02701278

Charity registered number 1024806

**Annual report and financial statements
for the year ended 30 June 2019**

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Annual Report and Financial Statements for the year ended 30 June 2019

CONTENTS

	Pages
Trustees' report	2-31
Independent auditor's report	32 – 33
Statement of financial activities	34
Statement of financial position	35
Statement of cash flows	36
Notes to the financial statements	37 - 56

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Trustees' report for the year ended 30 June 2019

Trustees and advisors

Trustees

Joyce C. Doria (Chair)
Mark. T. Beaudouin (Vice Chair)
Barbara U. Birdsey (Vice Chair)
Robert C. Barber
Graeme R. Cottam
Brian W. Hutchinson
Daniel T. Lenyo
Catherine H. Lilly
Gregory J. Mertz (*resigned 2 Aug., 2018*)
Debobrata Mukherjee
Virginia A. Pollak
Susan J. Wallace (*resigned 5 October, 2018*)
Catherine Z. Bearder (*appointed 13 June, 2019*)
Judi W. Wakhungu (*appointed 13 June, 2019*)

Executive management

Azzedine T. Downes, Chief Executive Officer
Thomas M. Maul, Chief Financial Officer
James Sawyer, Regional Director – United Kingdom

Independent auditors

RSM UK Audit LLP
25 Farringdon Street
London
EC4A 4AB

Solicitors

Bates Wells
10 Queen Street Place
London
EC4R 1BE

Bankers

HSBC Bank plc
28 Borough High Street
London
SE1 1YB

Investment advisors

Holden & Partners
113-117 Farringdon Road
London
EC1R 3BX

Brokers

Rathbones Investment Management Limited
159 New Bond Street London
W1S 2UD

Principal & registered office

87-90 Albert Embankment
London SE1 7UD

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Trustees' report for the year ended 30 June 2019 (continued)

The Trustees present their report and the audited financial statements of the charitable company for the year ended 30 June 2019. The Trustees have had regard to the Charity Commission's guidance on public benefit.

Structure and Governance

International Fund for Animal Welfare (IFAW) ("IFAW Charity" or "the Charity") is a private company limited by guarantee, registered in England and Wales (Company registered number 2701278), and is registered as a charity with the Charity Commission for England and Wales (Charity Commission registered number 1024806). IFAW Charity is based in London, and is part of a worldwide group of non-profit entities 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.

IFAW Charity was incorporated on 27 March 1992 under the Companies Act 1985. Governance is by a Board of Trustees and Memorandum and Articles of Association. The Board of Trustees (also referred to as the "Directors", or "BOT") is comprised of international members, three of whom are residents of the UK.

IFAW Commerce Limited, a wholly owned subsidiary of the Charity, had no activity for the year ended 30 June 2019. The subsidiary's primary activity ceased during Fiscal Year 2014 when the specialised research vessel, the Song of the Whale, was granted to Marine Conservation Research International (MCR). Under the terms of the grant they are required to use the vessel for IFAW charitable purposes for the rest of its estimated useful life of five years. As the vessel came to the end of its estimated useful life during the fiscal year the Charity released its lien on the Song of the Whale, thus granting complete title to Marine Conservation Research International.

Trustee appointment

The guarantors of the Charity are the Trustees who are also the members. The liability of each guarantor is limited to £1. The Trustees who held office during the year are listed on page 2.

Potential Trustees are recommended by staff, friends or existing Trustees. Trustees are introduced through the nominating committee. Those recommended are then nominated and approved by the full BOT. Once appointed, Trustees participate in an orientation session and are provided a manual which contains information such as IFAW mission and values statements, organisational charts, BOT directory, programmatic overviews, BOT committee structures, financial overviews, by-laws and conflict of interest policy. The maximum number of Trustees is not limited, but the minimum number is three. At 30 June 2019 there were 12 Trustees. The Charity began fiscal year 2019 with 12 Trustees with two resigning early in the fiscal year.

Statement of Trustees' responsibilities

The Trustees are responsible for the strategic direction and policy of the Charity and for approving major commitments based on advice from staff and advisers. They are also responsible for the appointment, oversight and appraisal of the Chief Executive Officer. Day-to-day operations are delegated by the Trustees to the Chief Executive Officer, who leads the Executive Management Group.

The Trustees (who are also directors of International Fund for Animal Welfare (IFAW) for the purposes of company law) are responsible for, and have, prepared the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Trustees' report for the year ended 30 June 2019 (continued)

application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practice 'Accounting and Reporting by Charities ('the Charities SORP');
- make judgements and 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; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

Statement of disclosure to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Relationship to the International Fund for Animal Welfare, Inc.

The International Fund for Animal Welfare, Inc. (IFAW US), is a company established under the laws of the Commonwealth of Massachusetts (USA) and registered with the US Internal Revenue Service under Section 501(c)(3) of the US Internal Revenue Code. As a charitable organisation IFAW US possesses a mission consistent with the objects of the Trust. IFAW US provides direct support for certain program, fundraising and administrative activities for all the IFAW entities. Other activities include shared finance, technology and human resource support. The Charity (and other IFAW affiliated entities) make financial contributions to IFAW US for their participation in shared support. The Trust and IFAW US are part of a network of organisations in which no parent, subsidiary relationship exists between the two organisations.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic Report

The objects of the Charity are to advance the welfare and conservation of animals throughout the world by reducing commercial exploitation of animals, helping animals in crisis or distress and working to prevent cruelty and suffering to wild animals and domestic animals; to protect, conserve and preserve terrestrial and marine wildlife habitats and to educate policy makers and the public in respect of the foregoing.

Our Vision: Animals and people thriving together.

Our Mission: Fresh thinking and bold action for animals, people and the places we call home.

Our Approach: Every animal is part of a species, and every species depends on its habitat for survival. Our new RE:SOLVE approach mirrors the same interconnectedness. By marrying animal welfare and conservation, IFAW delivers comprehensive protection to individual animals, populations and habitats.

RE:SOLVE means that we rescue animals in need, rehabilitate them back to health and safely release them back into secure and sustainable habitats. As a standalone, each of these pillars delivers value. But the sum of its parts creates immediate and enduring impact for animals, people and the places we call home.

Our Belief: In order to achieve IFAW's vision of animals and people thriving together, we follow three key principles in our work.

- Conservation policy should be based on sound science within an ethical framework that recognises the intrinsic value of individual animals and species, and the welfare needs of animals as sentient beings.
- Conservation decisions should be guided by full consideration of ecological and biological sustainability and the precautionary principle.
- Humans have a moral responsibility to provide for the needs of those animals who are dependent on them. This responsibility extends to protecting wild animals and their habitats from human harm, whether caused intentionally or unintentionally. Responsible human behaviour should prevent, avoid or, at the very least, minimise direct and indirect harm to all animals.

Risk management

The Charity faces many financial and non-financial risks. The Trustees actively monitor key risks, and perform periodic assessments of the effectiveness of its risk management systems and procedures. The assessment process includes:

- a review of the risks the Charity faces in fundraising, investment and reserves management and financial commitments;
- a review of systems in place to mitigate risk and provide timely information to down-turns in performance/revenue or upturns in program demand; and
- regular reviews and initiatives to minimise the impact of external risk factors on the Charity.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

Reputation and external forces risk

IFAW Charity has established a reputation for being a leader in the field of animal welfare and habitat protection. The Charity takes strict measures to ensure that its program, fundraising, and governance activities align with its charitable objects. Further, the Charity monitors external forces to evaluate compliance with relevant regulations and industry best-practices.

Financial and physical assets misappropriation risk

IFAW Charity maintains robust controls over its physical and financial assets. Controls are monitored and reviewed routinely to ensure that they are properly designed and functioning effectively.

Credit risk

Credit risk on amounts owed to the Charity is low. The majority of debtors relate to accrued legacies and amounts due from affiliated organisations.

Income and liquidity risk

IFAW Charity is reliant upon donations from its supporters to finance activities in support of achieving its objects. Cash flows are continuously monitored and evaluated to ensure cash outflows associated with its operational activities are matched by inflows from donations and investment income. As noted in the Reserves Policy section (below), the Charity, with the other IFAW affiliated entities, intends to maintain global operating reserves equal to approximately two months of operating expenditures and global strategic reserves sufficient to generate approximately 1-2% of annual budgeted expenditures.

Foreign exchange risk

The Charity maintains its funds in Sterling, and most expenses are incurred in Sterling and US dollars. The organisation has a foreign exchange management policy designed to reduce volatility and unpredictability of payments for purchases of goods and services denominated in other currencies. The policy provides for the Charity to enter into foreign currency purchase and sale contracts with other affiliated entities. At 30 June 2019 the organisation did not have outstanding foreign exchange hedging contracts.

Employee safety risk

Employee safety (in the office and while traveling) is critically important to our work and our culture. Safety protocols and procedures are maintained to educate and prepare staff for workplace emergencies. Additionally, the Charity and its affiliates subscribe to a traveller assistance service which offers complete travel information and support (pre, during and post travel) along with medical and security incident management.

Data protection risk

Data protection has emerged as a significant risk for businesses and charities around the world. With the EU General Data Protection Regulation becoming law in May 2018, IFAW has made data privacy a priority and devoted significant resources toward our efforts to ensure compliance. The Trustees, senior management and staff are actively engaged and IFAW is committed to continue working to the highest standards of data privacy. The Charity has a dedicated position (Head of Data Compliance and Fundraising Regulation) to oversee implementation and compliance with current regulations.

Following the reviews of the Charity's risk management systems and procedures, the Trustees are satisfied that the above risks are adequately monitored and mitigated.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

Financial reserves Policy

Careful consideration is always given to financial resource needs for planned projects, campaigns and emergency response activities as well as the Trustees' fiduciary responsibility to grow the Charity's funds base through prudent investment management.

The worldwide affiliated IFAW entities are financially and operationally interdependent. IFAW's Financial Reserves Policy establishes discrete funds to support specific goals and objectives for IFAW at the global level. As such, individual IFAW entities may vary with respect to nature and quantities of reserves. Financial reserves have been established as follows:

1. Operating reserves– cash and liquid assets intended to provide an internal source of funds for unforeseen situations that threaten budgeted activities
2. Strategic reserves – invested assets intended to provide unrestricted financial resources to support the organisation's annual budgets and long range strategic objectives
3. Donor endowed assets – maintained (as relevant) to provide financial resources to the Organisation in accordance with donors' intentions

Donor endowed funds (if any) held by the Charity are permanently restricted, and therefore included with restricted funds on the balance sheet. Operating and strategic reserves are classified as general funds on the balance sheet.

These structures are intended to mitigate financial risks embedded in the Charity's operating activities and position the Charity to pursue programmatic and institutional activities. IFAW aims to maintain global operating reserves of approximately two months of operating expenditures and global strategic reserves sufficient to generate approximately 1-2% of annual budgeted expenditures.

At 30 June 2019, the operating and strategic reserves add up to £12.1 million (£4.3 million and £7.8 million, respectively). Operating reserves constituted approximately 4 months of Fiscal year 2019 annual expenditures (which meets the stated objective of maintaining a minimum of two months of operating expenses). This is a decrease from total reserves of £14.4 million at 30 June 2018. Given financial interdependency of the worldwide IFAW entities, local reserves are an important component of the operating reserve considerations.

Restricted reserves were £nil (2018: £157,839).

Investment policy and performance

IFAW Charity's investment policy stipulates that investments be allocated between fixed income and equity investments in ratios ranging from 30% - 70%. Further, the policy provides for an ethical mandate which requires screening of all portfolios to ensure underlying investments align with the IFAW's global mission and values. Investment manager (Rathbones Investment Management Limited) compliance with the policy is monitored monthly by an investment advisor, Holden & Partners, and annually by the Trustees for appropriateness considering performance and program demands.

During Fiscal year 2019, portfolio market values increased £469 thousand compared to the increase of £422k during fiscal year 2018. Fiscal year 2019 results reflect another strong market. Total managed investment holdings were £7.5 million at 30 June 2019 (2018: £7.2 million).

Remuneration Policy

Position descriptions form the basis of the Organisation's wage and salary program. Staff positions, including senior management roles, are evaluated and priced against market data that is obtained from an independent compensation consultant. Each position is priced using relevant local data that is deemed representational of similar not-for-profits. The Chief Executive Officer's compensation

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

level is reviewed against available market data and is approved (including changes) by the Executive Committee of the Board of Trustees. Key management remuneration is discussed further in note 6.

Grant Making Policy

IFAW Charity achieves its mission objectives through a combination of staff, vendors and partnerships. The Charity frequently engages in grant making as a means of delivering programmatic impact while maintaining flexible and efficient cost structures. Grants are awarded to organisations that advance the interests of IFAW Charity. Grants are subject to underwriting procedures and formal documentation of terms and conditions. Grants are awarded to recipients that effectively demonstrate: expertise in areas of rescue and/or conservation; impact for animals and their environments; and accountability for funding. IFAW Charity typically requires recipients provide financial and non-financial reporting regarding the use and effectiveness of the funding. The level of monitoring and evaluation of grantees is commensurate with the value of the award, the nature of and timing of programmatic work and reputation and performance history of the grantee.

Fundraising review

IFAW Charity supporters continued to give generously in Fiscal year 2019, providing vital resources that advance our mission to protect animals and the places they call home. Fundraising results for Fiscal 2019 reflect the strength of our supporter's commitment as well as the impacts of changes in fundraising strategies.

The Organisation takes seriously its obligation to maintain responsible cost structures to procure the vital resources needed to improve the lives of animals. In addition, IFAW Charity understands that donor attitudes, public perception and the regulatory environment are all critical components of our fundraising strategies.

Fundraising Approach

Over the years, IFAW Charity has developed a variety of channels designed to engage a diverse donor base including direct marketing, online marketing and planned giving. This multi-faceted approach enables the organisation to effectively communicate with donors about the issues that are most important to them. IFAW Charity did not engage professional fundraisers or commercial participators in Fiscal 2019. The Organisation is registered with the Fundraising Regulator and is a member of the Institute of Fundraising and the Data and Marketing Association. The Charity also has staff membership in the Institute of Legacy Management.

Fundraising Compliance and Monitoring

The Charity understands that donor confidence is essential to maintaining a sustainable relationship. The Organisation maintains policies, designed to demonstrate our commitment to protecting donors' interests.

Periodically, the organisation receives feedback and complaints from donors. During this period the Organisation received 247 complaints relating to fundraising activity. The majority of these complaints were satisfactorily resolved by the Supporter Development Team. Complaints that require escalation are handled in compliance with IFAW's Complaint Policy and resolved by the applicable senior member/s of staff. There were no compliance failures in Fiscal 2019.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

IFAW Charity is committed to following the Fundraising Regulator's Code of Fundraising Practice, the Data & Marketing Association's Guidelines for Ethical Practice and the Advertising Standards Authority's Code of Non-broadcast Advertising and Direct & Promotional Marketing (CAP code).

The Organisation has a Vulnerable Person's Policy which gives guidance to IFAW's staff and Trustees on relevant issues, such as how to identify if a person is vulnerable and what to do in those situations. If IFAW works with third party fundraisers they will be required to follow this policy. Relevant fundraising staff have received training and guidance. The policy also voices IFAW's commitment to not engaging in unreasonable intrusion, being unreasonably persistent and putting pressure on people to give money. In addition, IFAW Charity has a Gift Acceptance Policy and a Refund Policy which highlights our responsibilities to vulnerable people.

IFAW Charity immediately stops online contact as soon as we can when a supporter unsubscribes. IFAW aims to stop all postal direct mail within 28 days of request. The Organisation has internal Copy and Design Guidelines, the guiding principles of which is to put into practice our commitment to treating our supporters and members of the public with respect, being responsive and sensitive to their needs and taking responsibility for our fundraising actions. IFAW Charity commits to ethical and legal fundraising that keeps our supporters' best interests at the forefront.

Data protection

The EU General Data Protection Regulation (GDPR) came into effect in May 2018. IFAW Charity is fully committed to the highest standards of privacy and ensuring compliance with the new regulations. IFAW's Head of Data Compliance lead on implementation and training of charity staff and oversees continued compliance.

Financial review

The accounts, which constitute an integral part of this report, comply with the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities'. Trustees consider that in preparing these accounts, they have consistently applied appropriate accounting and reporting policies supported by reasonable and prudent judgements and estimates where required.

Sources of funds for charitable expenditure

IFAW Charity's revenue sources in Fiscal year 2019 were comprised primarily of monthly donations (sustainers), sweepstakes, multi-purpose direct mail gift appeals (newsletters) that educate/advocate as well as fundraise, legacies and gift aid income. The income produced from these activities totalled approximately £3.7 million (2018: £4.0 million), £1.7 million (2018: £2.4 million), £2.6 million (2018: £2.4 million), £6.6 million (2018: £7.1 million), and £1.4 million (2018: £1.5 million) respectively.

During Fiscal 2019 donations and legacies totaled £16.6 million, a decrease of approximately £1.5 million (2018: £18.1 million), which was primarily due to weaker than expected sweepstakes income. Slight declines in sustainer, newsletter and sweepstakes income were generally anticipated as investments in these channels are being diverted into new channels (such as digital and legacy) that have greater growth potential.

Expenditure of funds for charitable purposes

Charitable expenditures for Fiscal 2019 totaled £19.6 million compared to Fiscal 2018 of £19.1 million. Overall, Fiscal 2019 charitable expenditures were generally consistent with the annual financial plan of £19.4 million, which called for using prior years' surpluses (generating an operating deficit as planned) to improve diversification of funding channels and to increase programmatic impact. Included in annual expenditures for Fiscal 2019 were grants of £8.9 million (2018: £8.2 million) which included grants to unrelated organisations for £1.9 million (2018: £2.1 million).

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

The result for Fiscal year 2019 was a deficit totaling £2.3 million which was an increase from the budgeted deficit of £500K (2018: surplus £300K), which was funded by surpluses generated in previous years. The Organisation maintains its financial strength with a healthy operating and strategic reserves levels. '

Programs Overview: Goals, Progress

Wildlife Rescue

Approach

Our efforts to rescue, rehabilitate and release injured and orphaned wildlife into secure habitats span continents and species. Uniting all of our wildlife rescue work is our commitment to best practice, building capacity and learning from our experiences and partners. While FY2019 presented us with a steady stream of wildlife fighting for their lives, thanks to our global supporters, we were able to achieve important milestones—in rescue, in release into secure habitats and in building awareness and the capacity of partners and communities to protect wildlife. This fiscal year, IFAW supported the rescue, rehabilitation and, where appropriate, the release of more than 6,700 wild animals around the world, including elephants, rhinos, big cats, primates, bears, birds and reptiles.

Global

Saving One Elephant Calf Can Make a Big Difference - the Story of Nania

In Burkina Faso, we're rehabilitating an orphan elephant calf, finding her herd and preparing her for reintegration to the wild.

An elephant named Nania was just two months old when she got separated from her herd. She was lost, confused and alone. She wandered into a local village where people wanted to help and she was rescued by the Unite de Gestion du Parc des Deux-Balé, the local park management authority. But the villagers knew that they didn't have the skills or the resources to properly care for her. So soon after, IFAW and the authorities of Burkina Faso signed an agreement that IFAW France would take charge of Nania's rehabilitation, re-wilding and future release.

We've been working with the local authorities and community in Burkina Faso ever since, sharing technical expertise and covering costs for veterinary care, food and the construction of facilities. IFAW also provides funds to cover the wages of Nania's four keepers, who are lovingly raising this little orphan elephant, working tirelessly to ensure that she learns the survival skills necessary to thrive in a wild elephant herd.

It takes anywhere between three and ten years to rehabilitate an elephant calf and release it back into the wild. Before we release Nania, we need to find her a herd and a home. Using DNA research, we're currently trying to find her natal herd so that we can reintegrate her back into her original herd if possible. If we cannot find her original herd, we'll work to secure the national park area where she can be safely and successfully released when she is ready.

Over the course of this year, IFAW France organized the move of Nania and her friend Whisty, a sheep, to her new boma, an enclosure within Deux-Balé National Park, where she can continue her rehabilitation. The transfer was covered prominently by the French television broadcaster France 2 TV, an event that attracted almost 2 million viewers.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

There are only a few dozen elephants living in the national park where Nania was born, and just 6,800 elephants in all of Burkina Faso. Countless calves are lost each year in Africa; saving even one of them makes a difference. IFAW has now built a foundation to help them. Because Nania is not alone.

FY20 and Beyond: IFAW will continue to procure appropriate food and medicine for Nania and critical equipment for the rehabilitation team. Keepers will be trained in behavioral monitoring and we are undertaking DNA analysis of wild elephants of the park to identify Nania's herd/mother.

Elephants in Zimbabwe, Zambia and India One Step Closer to Life in the Wild

IFAW is working closely with partners and government authorities to enable the rescue, rehabilitation and release of elephants into secure landscapes. In three different countries, IFAW and our partners, have translocated 15 elephants in FY19 to protected soft release sites in or near national parks. In Zimbabwe, IFAW has partnered with Wild is Life-ZEN, a dedicated and passionate team of expert wildlife rehabilitators, led by founder Roxy Danckwerts, to rescue five additional elephants in FY19 and translocate eight rehabilitated orphans to Panda-Masui Forest Reserve for the first phase of their release. In Zambia, IFAW works with Game Rangers International and their Zambia Elephant Orphanage team on a science-led rehabilitation program, where two elephants were translocated in FY19 from the nursery site in Lilayi to a protected soft release site in Kafue National Park. Both of these projects are the first of their kind in their countries. Elephants in both Zimbabwe and Zambia will gradually integrate into the wild as they master critical survival skills learned from interactions with wild herds.

In India, with our partner, Wildlife Trust of India, five elephants at the Center for Wildlife Rehabilitation and Conservation (CWRC) in Assam have been translocated and will soon be released into wild areas, as there are no immediate threats to their safety.

FY20 and Beyond: Additional elephants are slated to be translocated for release in FY20 and FY21.

Improving the Odds for Injured and Orphaned Wildlife in India

Through the Centre for Wildlife Rehabilitation and Conservation (CWRC) and Mobile Veterinary Service Units in the Assam region, IFAW and partner Wildlife Trust of India (WTI) treated 390 animals and achieved an annual release rate of 76 per cent in FY19. Two rhino calves were rescued during the annually recurring Assam floods, and four others were translocated to an acclimatisation boma in Manas National Park, a UNESCO World Heritage site that IFAW and WTI have been instrumental in restoring. When ready for life in the wild, at least two of the rhinos will be pioneers in resettling the Panbari area of the park, which has been without rhinos for years. Other milestones during FY19 include the VHF collaring of four released elephants to enable one year of post-release monitoring; the rescue of 32 vultures after secondary poisoning, achieving a remarkable 88 per cent release rate; and treatment of elephants, leopards, small cats and civets. During FY19 IFAW and WTI also established the Kaziranga Discovery Park, an interpretation centre for the general public opposite the CWRC campus; shared expertise with veterinarians from Cambodia and Vietnam; and supported the lifesaving work of Emergency Response Networks in India, which rescued thousands of snakes, birds and community animals.

FY20 and Beyond: IFAW and WTI are preparing for the soft release of three rescued rhinos. Additional capacity building workshops, including on developing a roadmap for controlling emergence of infection, are planned.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

Securing a Future for Koalas in Australia

Koala populations are declining dramatically in Australia, and habitat loss is the number one cause. In FY19 IFAW launched a holistic strategy to rescue, rehabilitate and release koalas into secure habitats. To strengthen rescue and rehabilitation capacity in New South Wales, IFAW is supporting a part-time veterinary nurse at Friends of the Koala's Triage, Pathology and Treatment Clinic. In the first seven weeks of the position being in place (mid-May to end June 2019), 45 koalas had been treated. Increased expertise and ability to treat immediately and onsite, rather than transport animals to other hospitals means that more animals are saved. We aim to increase the release rates and conduct post-release monitoring as we move forward. In South West Victoria, koalas are facing a welfare crisis due to being displaced from natural habitat into private blue gum plantations, where they become collateral damage of tree clearing and chipping. Collaborating with Port Macquarie Koala Hospital, IFAW held a veterinary workshop for 52 vets and vet nurses and sponsored the publication of the Koala Rehabilitation manual, a go-to authoritative guide for wildlife carers.

IFAW commissioned research by Western Sydney University's Dr. Edward Narayan, which was the first of its kind to look at physiological stress levels in wild koalas using non-invasive methods. The research, published in April 2019, found that land clearing was the top stressor for koalas, pointing to the need to consider the harm to koalas from land clearing and development projects. To help secure koala habitat, IFAW launched a partnership with Bangalow Koalas to restore a 50km koala wildlife corridor in the Northern Rivers, New South Wales. One hundred twenty-two volunteers planted 1,500 trees in a single hour, including koala food and medicinal trees as well as rainforest species to provide canopy.

FY20 and Beyond: IFAW will help plant 25,000 additional trees in 2020 and will continue to monitor and care for the saplings. Because koalas are an umbrella species, by restoring their habitat we can conserve countless other wildlife as well. As of this writing, IFAW was monitoring the heat and wildfire risks and impacts to koalas and other species, providing support to our local partners in rescue, rehabilitation and release efforts and deploying additional staff to respond.

Disaster Response and Risk Reduction

Approach: Rescuing Animals in Need

We put ourselves on the frontlines of natural and manmade disasters to rescue animals in need. Over the years, we've rescued and rehabilitated thousands of animals threatened by natural disasters. This year alone, IFAW rescued 4,730 wild animals, an estimated one million bees, 14,500 companion animals and 18,204 livestock.

From South America to Asia, we supported emergency responses in 15 countries, including Brazil, India, Pakistan, Tanzania, the United States, Guatemala, Indonesia, Mexico, Myanmar, Serbia, South Africa, France, Vietnam, Ukraine and Australia.

Global

Intervention Highlights

Lifesaving interventions took place following the earthquake and subsequent tsunami in Sulawesi, Indonesia, in September 2018. Our Southeast Asia Animal Rescue Network provided dogs and cats with emergency veterinary care, and as the disaster transitioned to recovery, the team provided pet food and temporary sheltering for community members and their animals.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

Throughout November and December 2018, IFAW deployed to Butte County, California, where we provided trained search and rescue teams and temporary sheltering for pets after the devastating fire reduced the entire community of Paradise to ashes. In the weeks after the fire, IFAW led efforts to reunify hundreds of pets with their owners.

A heatwave in Australia during December affected hundreds of flying fox, who received life-saving care thanks to several organisations working together, supported by IFAW. Disaster response can be some of the most dangerous work we do, but sometimes we're able to make the biggest difference simply by sharing expertise, helping to coordinate or providing grant funding when urgently needed.

In May 2019 we deployed to Oklahoma to support temporary sheltering for pets evacuated from flooded communities. The team then travelled to Arkansas to partner with Wings of Rescue and together we flew out 172 cats and dogs to shelter partners so that local animal shelters could make space for these owned pets.

Disaster Risk Reduction Work

When communities and authorities work together to reduce threats to humans and animals, lives are saved. In FY19 we trained 214 participants in Tanzania, India, Vietnam, the United States, Serbia and Mexico in disaster relief strategies. In June 2019 IFAW helped establish a Cohabitation Sheltering program for the state of Mississippi, USA. This innovative model allows families and pets to stay together in emergency shelters.

As a follow-up to the IFAW flood response in June 2018, our teams, along with the government of Quintana Roo, Mexico, returned to the devastated community of Chumpon to support animal and human relief distribution as well as to provide ongoing, critical veterinary care. Our team also collected data from community members and leaders to aid resiliency building and better planning for future disasters.

Our annual trainings continue in Myanmar with our government partners to build local capacity. This year we provided training for 49 people in disaster management, emergency evacuation and sheltering best practices.

At the request of several local NGOs in Tanzania, IFAW presented the country's first Animals in Disasters workshop. Participants included government authorities, IFAW regional director James Isiche and Disaster Response & Risk Reduction global technical rescue experts. We remain committed to working with our local partners to support planning initiatives at each level of government—because every life matters.

FY20 and Beyond: As of this writing, IFAW had conducted a sustained intervention in the Bahamas to help animals and people impacted by Hurricane Dorian, and was elevating our response to the devastating fires in Australia. Also in FY20, IFAW will be identifying opportunities to strengthen disaster response capacity in Europe and will continue to support its global Emergency Response Networks.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

Marine Mammal Rescue and Research

Approach

The gently sloping, sandy beaches and dramatic tidal fluxes of Cape Cod, USA—home to IFAW's International Operations Centre—make the area one of the world's busiest locations for cetacean (that is, dolphin and whale) strandings. For the past 20 years, we have been the first line of defense for marine mammals in distress there. We aim to continue to provide the best triage and veterinary care possible to these animals in need and give as many as possible a second chance at life. When there's a complex rescue mission, anywhere in the world, we're the first ones called to help. We train first responders in cutting-edge stranding response and our data serve as the baseline in other teams' research globally.

The 5,000th Response to Help Marine Mammals in Need

On 27 November 2018, our team responded to the 5,000th case since we started this work in November 1998. It was a remarkable milestone, in what has also been the busiest year on record, with a total of 539 responses—more than double the annual average of 251. We responded to 151 live marine mammal strandings, of which seven were rescued for further rehabilitation and 74 were assessed, treated and released safely back to the sea.

More and More Successful Releases

This ongoing high response rate allows us to pioneer field health assessments and treatments for stranded dolphins and whales in order to increase the likelihood of their survival after release. By gaining more insights, improving techniques and evaluating scientific data, our successful release rate for the past year was 66 per cent. Looking back from where we started in 1998, we've increased our dolphin release rates from 15 per cent to more than quadruple that rate today. And that hasn't gone unnoticed. We have spread the knowledge we've gained across the globe, from the United Kingdom to New Zealand, from Iceland to India. Today, IFAW is a world leader in rescuing stranded dolphins.

New Tracking and Transmitting Record

We also continued the use of innovative tracking technology to help evaluate the survival of released dolphins. On 28 November 2018 we successfully released a single female Atlantic white-sided dolphin with a temporary satellite tag, which transmitted for 160 days. This was the longest tag transmission time from one of our released cetaceans. Our efforts have shown that stranded animals not only survive after release but thrive too. These data are used not only to improve future stranding responses but also to shed light on how these animals navigate their ocean habitat.

Leading in International Marine Mammal Rescue and Research

This year we co-hosted a stranding response and necropsy workshop at the 50th annual International Association for Aquatic Animal Medicine (IAAAM) conference in Durban, South Africa. In addition, our staff continues to share knowledge by presenting at scientific conferences and conducting trainings across the globe—this year in the United Kingdom, South Africa, Brazil, New Zealand, and the Czech Republic.

FY20 and Beyond: Seal and large whale disentanglement efforts will continue in FY20, as will US National Oceanic and Atmospheric Administration (NOAA)-funded investigation of Brucella in dolphins. Planned infrastructure improvements including a new Mobile Dolphin Rescue Clinic vehicle, database enhancements, and enhanced short term triage capacity for seals will strengthen the team's ability to improve outcomes for rescued marine mammals.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

Landscape Conservation

Approach

Much of the mission of IFAW work is anchored around rescue and rehabilitation of animals. But there's a third "r" in this triumvirate – release. And to safely release a wild animal to thrive and survive requires safe space.

This is where IFAW's Landscape Conservation Programme works to ensure that habitats remain healthy and viable, able to provide ecosystem functions to both animals and people who call them home.

Empirical evidence shows that the last decade has been a period of extreme heat, almost certainly the hottest decade on record with temperatures on average 1.1°C hotter than in the pre-industrial period and moving towards the 1.5°C increase that could see the actual loss of vital ecosystems. There is also the reality of socio-economic development pressure on land resources that further compromises habitat quality. So there's never been a more important time for us to take bold action to stem the threats to our planet.

When habitats deteriorate so do the animals who live there – people suffer too. In eight endangered landscapes around the world IFAW is empowering people to invest in their natural assets. Across Africa, in India and in China, we are implementing community conservation projects that benefit people, reduce human-wildlife conflict and protect iconic species like elephants and their habitats.

Global

Landscape Conservation Projects Around the World

From China to Africa and back again to India, IFAW's landscape conservation programme helps secure fragile landscapes for people and wildlife in the places they call home.

It may be small but the Chikolongo Livelihood Project, in Malawi, is mighty in the results it has shown for the community. Focussing on three things—a safe supply of water, an elephant-proof fence and agriculture—IFAW's support has been a game-changer. Until 2015 up to three villagers a month lost their lives to human-wildlife conflict (mostly crocodiles) while fetching water from the Shire River in Liwonde National Park.

With the installation of a solar powered pump, water comes to the people and not a single soul has been lost to human-wildlife conflict (HWC) since 2016. At the same time poaching of wildlife and fish has been reduced—the community now focus their efforts on growing and earning an income from irrigated crops, fish farming, beekeeping and poultry. In the past year they have taken 10 tonnes of rice to commercial market, crops of vegetables are sold to nearby tourism ventures and more than 1,500 people have food security. A well-maintained fence keeps elephants and other wildlife in the park and out of their crop fields, and community attitudes towards wildlife and elephants in particular have softened with their rising fortunes.

Also in Africa, elephants' freedom to move between habitats along traditional migratory routes has been hindered by growing human populations, infrastructure development and climate change.

The Maasai communities of Kenya have traditionally been cattle herders and shepherds, but many are now changing their old way of life to become farmers. Often there is conflict with elephants who raid and destroy crops and are then hunted down in revenge.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

Since 2013, when IFAW signed a ground-breaking agreement with the Maasai community, including leases with 1,600 landowners, we've been working to secure the elephant corridor that connects Amboseli National Park in Kenya with Kilimanjaro National Park in Tanzania. In 2018 IFAW renewed its agreement, this time with 2,600 landowners, for another five-year term.

That work continues with the ongoing development of tourism—economic and educational opportunities that enable people to thrive and wild elephants to move safely between two critical habitats that span an international border.

In India, Asian elephants have used the same migratory routes for sometimes hundreds of years to move from habitat to habitat. But with a population of nearly 1.3 billion people—about 17 per cent of the world's total population—space for elephants is running out and habitats have become fragmented and hemmed in by human habitation, often leading to conflict.

Infrastructure such as roads and railways have improved quality of life for humans, but rails that bisect migration routes can be disastrous for animals. Every year elephants are killed or injured by trains and vehicles.

IFAW and the Wildlife Trust of India have launched Gaj Yatra, a campaign to secure the right of passage for wild elephants in India. Together we are working to preserve 101 critical corridors for elephants so that people and elephants can co-exist on increasingly fragmented land.

In FY19 IFAW staff travelled cross-country, hosting meetings with target groups such as policy makers and linear infrastructure agencies and holding flag ceremonies and special events to honour elephants. Our efforts hit a crescendo with the four-day Gaj Mahotsav festival, where 101 life-sized elephants by noted Indian artists and sculptors were unveiled to an audience of celebrities, conservationists and politicians. These elephants are being placed in public spaces and government offices around India, a visual encouragement for humans and elephants to live together in harmony.

In China, community development has played an important role in IFAW's Asia Elephant Project since its inception two decades ago. As Asian elephants frequently stray from protected areas into villages and towns, we have rolled out comprehensive human-wildlife conflict safety trainings for the communities living alongside elephants.

So far more than 1,000 people have received the training in Xishuangbanna, at least 30 per cent of them women from the Hani ethnic minority group. Most of the women said that they were usually engaged in farm work and housework, but the opportunities to attend the trainings in their villages had broadened their horizons and had given them vital skills to protect themselves.

In another initiative, IFAW trained villagers to build and tend beehive fences. Since elephants avoid bees, the fences discourage elephants from entering the villagers' fields and destroying crops. IFAW sponsored 55 beehives for communities after the training concluded.

Zimbabwe: Panda-Masui Forest Reserve – Saving Habitat, Saving Elephants and Helping People

Rescue and rehabilitation is an indispensable part of IFAW's work, but it doesn't just stop there. What about when the time comes to return animals to the wild? For IFAW finding—and securing—places to release the animals we help save is as important as saving the animals in the first place.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

In Zimbabwe, in Southern Africa, that place is the Panda-Masuie Forest Reserve—a vast 85,000-acre habitat close to the world-famous Victoria Falls UNESCO World Heritage Site. This is where, elephant by elephant, IFAW has been able to support Wild is Life-ZEN in its mission to reintroduce—and release into the wild—the orphan elephants they have hand-reared.

Paradoxically, Panda-Masuie was once a hunting concession, and most wildlife, including herds of wild elephants, had learned to give it a wide berth. In the past two years, since a lease was signed converting it to a nature reserve, Panda-Masuie has seen a remarkable rejuvenation in the variety of species and density of wildlife spotted across its landscape.

Now large herds of wild elephant traverse the reserve, including two rescued and relocated elephants that have successfully joined one of the family groups. Lions roam, herds of up to 100 buffalo are regularly spotted and two packs of endangered wild dogs make their home in there. Other rare species like leopard, caracal, vulnerable brown hyena and bat-eared fox have returned to the Panda-Masuie forest—all species that had not been seen in years.

Investment in infrastructure and gaining the support of local communities has been crucial to the success of the project. Panda-Masuie now employs more than 25 people from the local Woodlands community in essential support roles, including elephant handlers, construction and mechanical workers, cooks and cleaning staff.

Waterholes have been built, providing life-saving sustenance for wildlife during an extended dry season; more than 60 miles of fire breaks cleared to prevent wildfires; as well as roads graded. A radio tower enables communication channels to stay open to those with the all-important job of securing the landscape.

Our partner Wild is Life-ZEN (WIL) continued to invest in the community by building a cattle dip and upgrading school infrastructure.

With at least five people supported by every job created, Panda-Masuie has become a vital support for the Woodlands community.

At the heart of all this are the elephants. Wild is Life rescues orphans and carefully and lovingly hand-rears them at their nursery, 450 miles away in Harare. Only as adolescents are they moved to Panda-Masuie for “rewilding”: walking for up to six miles a day with their handlers, browsing, learning elephant behaviour and interacting with wild elephant herds.

Of course, none of this could have happened without the help and support of government agencies such as Zimbabwe Parks and Wildlife Management Authority (ZimParks) and the Forestry Commission of Zimbabwe, from which Panda-Masuie Forest Reserve is leased.

Rangers from these agencies protect Panda-Masuie's elephants and other wildlife from the threat of poachers, patrolling many miles of the forest every day. The good news is that they are finding fewer snares and less evidence of poachers than ever. Under their watch not a single elephant has been poached on Panda-Masuie since 2017.

Panda-Masuie forms an important link within the Kavango-Zambezi Trans-Frontier Conservation Area (TFCA) of Zimbabwe, Angola, Zambia, Botswana and Namibia, where elephant herds can safely range across a vast protected region almost twice as large as the United Kingdom.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

IFAW's partnership with WIL is landscape-level conservation. It has led to pioneering work in Zimbabwe and has helped secure an important part of the Kavango-Zambezi Transfrontier Conservation Area.

FY20 and Beyond: IFAW will continue its collaboration with WIL to support the rewilding of additional orphan elephants in Panda-Masuie. IFAW has signed an MOU with ZimParks and the first phase of collaboration will focus on The Makona Field Station, and its buffer communities in Hwange National Park, to rehabilitate the main access road, build ranger capacity, support key infrastructure and operational needs, and address human wildlife conflict. Additionally, targeted scientific research on elephants, giraffes and fire management will be conducted to generate information to enhance conservation connectivity

Landscape Conservation in India

Strengthening Local Rescue Capacity

There is more work to do. Manas National Park's ecologically fragile Bhabar zone is prone to erosion and flooding. Our long-term goal is to stabilise the flood zone so that people and animals in the region can continue to thrive together. To build rescue capacity while these threats persist, we held a Training of Trainers (ToT) programme with Bhutanese officials, which resulted in 178 rescues of animals, including an Asian elephant calf, an Asiatic black bear, a common leopard and many more, IFAW also supplied Bhutan with a rapid rescue vehicle, which was presented by our partner WTI's CEO, Vivek Menon, to Sonam Wangdi, the Chief Forestry Officer of NCD, Royal Government of Bhutan.

Central India Landscape

As India's population grows, clashes with central India's tigers have become more frequent. More tigers are found dispersing outside the protected areas in search of new territory or mates, leading to conflict with humans and an increase in poaching. WTI works to ensure long-term presence of tigers and their free movement in this area. In addition, IFAW provides training and legal assistance and supports capacity building for forestry staff. In November 2018, we trained 34 frontline personnel from across 10 ranges of the Kanha National Park to promote human and tiger co-existence.

FY20 and Beyond: A report on the flora and fauna survey conducted in the First Addition to Manas NP will be shared and population estimation of Greater One-horned Rhinoceros and Eastern Swamp Deer will be continued in 2020. Technical assistance will be provided to the Forest Department in preparing the Management Plan of First Addition to Manas NP. Grassland habitat recovery efforts will continue and we will expand the reach of alternative livelihood programs to the fringe of the First Addition to Manas NP, who are totally dependent on forest resources extraction as a source of primary livelihoods.

Malawi-Zambia Transboundary Landscape Project

Wildlife knows no borders. Creatures of habit and instinct, they migrate to meet their needs—better grazing during the lean months, access to water during the dry seasons and a safe habitat to raise and nourish their young.

Increasingly though, it's humans who threaten the ability of wildlife to survive and thrive.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

Between Zambia and Malawi, there's a trio of wilderness spaces dotted across the eastern Luangwa Valley, valued for its natural beauty and rich diversity of wildlife. Running west to east are Luambe and Lukusuzi National Parks in Zambia, and Kasungu National Park in Malawi, which also forms the small Southern African country's western boundary. Once wildlife roamed freely across the corridors of land that link the parks. Now densely populated communities of people share the space and the land. Outside the protected areas is a mix of subsistence and commercial farms, as well as busy thoroughfares that are all too useful to poachers and traffickers keen to distribute their booty of elephant ivory, live pangolins, bush meat and even illegally mined gemstones.

From poaching hotspot to poaching free: That's one of the main goals of IFAW's Malawi-Zambia Transboundary Landscape Project, which works cross-border to reduce poaching and combat wildlife trafficking, harnessing the help of the communities in the three parks.

How do we do this? By engaging the community in every aspect of the work we do. From its base in Kasungu the project employs over 100 local men and women to assist our ranger cadre—from cooks to the construction team, from drivers and mechanics to tailors who sew the uniforms for our rangers—1,200 uniforms in FY19 alone.

These staffers each earned the equivalent of US\$26,782, allowing them to support an average of five dependents per breadwinner—500 family members benefiting from the project to end wildlife crime.

The other key ingredient is ensuring a ranger staff that are drilled, professional and keenly enthusiastic to end the scourge of wildlife crime. In collaboration with DNPW-Malawi and DNPW-Zambia we conducted three strenuous trainings in Kasungu.

It was a proud moment when we gathered for the graduation parade of 124 new officers, both male and female, who had completed a thorough five-month training. Eleven new members of the DNPW Instructor Cadre and 113 new Parks and Wildlife Assistants (rangers) were lauded by senior dignitaries led by Malawi's Minister of Natural Resources, Energy and Mining, the Honourable Aggrey C. Masi.

Part of that training was Ops Wang'ombe, a teamwork exercise in which trainees carry six tonnes of equipment to the top of Mount Wang'ombe for the completion of a radio communications station. Funding from the German government's development aid agency GIZ, with additional funds from the IFAW/USAID partnership, has enabled rangers to be in constant contact with their transboundary counterparts.

Our rangers, supported by the Community Enforcement Networks (CEN), a cadre of brave civilian informants, have made great strides in reducing wildlife poaching and trafficking. In a single quarter they arrested a staggering 121 poachers in Malawi and Zambia, seizing 130 kg of ivory, 8 kg of pangolin scales as well as one live pangolin (which was later released). Every one of the poachers was convicted.

Poaching of elephants in Kasungu National Park has virtually ceased. The park's elephant population has increased to more than 70, up from fewer than 50, three years ago. So convinced is the Malawi government of the long-term success of our work, that it plans to repopulate the park with a variety of wildlife.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

With the ongoing support of local communities and in partnership with government agencies, other local NGOs and funders, the Malawi-Zambia Transboundary Landscape Project manifests IFAW's mission: using a holistic approach to ending poaching and wildlife trafficking, protecting landscapes, engaging communities and promoting wise land use.

FY20 and Beyond: IFAW will continue project implementation and is preparing for the future translocation of various species to Kasungu National Park from other parks in Malawi to continue its rejuvenation now that the landscape is secure.

Marine Conservation

Approach

Life in the sea is under threat. As many as 1 million species live in our oceans, and many of them are in danger. IFAW works to protect whales and other marine species from threats including entanglements in fishing gear, collisions with high-speed ships, ocean noise pollution, commercial whaling, marine plastics and climate change. Whether promoting alternative practices or lobbying for stronger laws, we focus on solutions that enable animals and people to thrive together.

Global

The Right Whale to Save

For millennia, they numbered in the tens of thousands: males and females, mothers and their calves, moving slowly up and down the coast of North America, following migratory pathways from birthing grounds off Florida and Georgia to feeding grounds in the cool waters of the Canadian Maritimes. Known by Yankee whalers as the "right" whale to hunt, by the 20th century these gentle, slow-moving creatures had been almost completely annihilated. Today, the North Atlantic right whale is once again perilously close to extinction at the hands of humans, but from two completely different causes – entanglement in commercial fishing gear and collisions with high speed vessels. IFAW's flagship marine conservation campaign is addressing both of these threats, giving one of the most endangered animals on the planet a fighting chance.

The right whales' ancient pathway is now one of the planet's most industrialised ocean corridors, and the intensity of human activity within this urbanised waterway has all but decimated this formerly abundant species. Today, the once thriving population has been reduced to some 400 individuals, of which only 90 are reproductively viable females. Alarmingly, 30 right whales have died in the last 36 months.

Through extensive advocacy efforts in both the United States and Canada, grassroots campaigning and media outreach initiatives, IFAW is at the forefront of the effort to engage government officials, the fishing and shipping industries and other stakeholders to take immediate action to protect the right whale and proactively preserve their habitat.

Reducing the threat of entanglement lies at the core of IFAW's campaign. Entanglement in fishing gear causes immediate, traumatic drowning in some cases and prolonged, painful death in others, as whales constricted by ropes slowly starve. Eighty-five per cent of right whales have experienced entanglement at least once within their lifetime.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

Multi-agency research led by IFAW veterinarian Dr. Sarah Sharp and published in 2019 has demonstrated that between 2003 and 2018, where cause of death could be definitively determined, no adult or juvenile North Atlantic right whale deaths were a result of natural causes. Not even one. IFAW is determined to overcome this disheartening reality, as the loss of even one individual represents a major blow to the long-term recovery of the species as a whole.

The past year has also seen continued collaboration between IFAW and regional fishing industry associations and underwater technology manufacturers to encourage widespread adoption of "ropeless fishing gear". This whale-safe technology eliminates vertical buoy lines in the water to allow right whales safe passage through migration corridors, ultimately ensuring the livelihoods of local fishermen while also safeguarding the survival of the right whale.

IFAW continues to encourage the private sector, government officials and other stakeholders to endorse and adopt new approaches and technologies to reduce or eliminate persistent threats to right whales.

Through our comprehensive action, advocacy, collaboration and encouragement of technological innovation, IFAW will remain steadfast at the helm, setting a course for recovery of the North Atlantic right whale for generations to come.

Protecting Marine Life and Habitats

Underwater Noise – the Invisible Pollution

Life in the ocean has become loud and busy. Underwater noise pollution from human activities now threatens the world's largest ecosystem. Less known than plastic pollution and invisible to the human eye, noise pollution from construction, seismic surveys, military sonar and commercial shipping is displacing whales from their feeding and breeding grounds and changing life underwater for more than 130 marine species.

Fast-moving commercial vessels are also striking whales and emitting large quantities of greenhouse gases, endangering the planet as a whole. These problems are connected, and we've committed to working together across sectors and national borders to set better standards and align interests. In this way, IFAW is addressing urgent animal welfare and conservation challenges in the context of global concerns that fundamentally affect human well-being.

Taking one breath at a time, we are concentrating our efforts on the shipping industry, the largest source of ocean noise pollution. Recent research shows that a moderate reduction in the speed of all merchant vessels could have several corresponding environmental benefits: reducing underwater noise, reducing the risk of ship strikes to whales and reducing greenhouse gas emissions. For example, studies suggest that a 15 per cent reduction in global shipping speeds could reduce underwater noise from shipping by up to 50 per cent.

Partnering for Progress in Iceland

Since Iceland returned to commercial whaling in 2003, IFAW has been working with Icelandic colleagues and partners to raise awareness and encourage protection of the largest mammals in the marine ecosystem. This very visible Icelandic-led campaign work has helped raise awareness among tourists and Icelandic citizens alike, discouraging whale meat consumption and changing attitudes by focusing on the benefits of conservation. Our campaign to end whale hunting and promote

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

responsible whale watching culminated with a complete cessation of Icelandic whaling in 2019. IFAW's positive approach is driving positive outcomes and delivering real results.

The End of High-Seas Whaling

The past year also produced leviathan progress in the long-running campaign to end the killing of whales in international waters. In December 2018, Japan announced it would end its high seas whaling around Antarctica and in the North Pacific. For the first time since the advent of industrial whaling, no whales are being hunted in international waters or in the Southern Hemisphere and the long-running sham of 'scientific whaling' has ended. These hard-won victories are major milestones in IFAW's campaign to end commercial whaling. Unfortunately, some whales are still being hunted in Japan's coastal waters. But there is new hope for them too. Thanks to the steadily growing whale watching industry in Japan, living whales are bringing real value to coastal communities around the country, helping build a better world for animals and people. Outside Japan and through our offices worldwide, IFAW continues to work closely with governments active in International Whaling Commission (IWC), charting a course for effective whale conservation in the 21st century.

FY20 and Beyond: IFAW will continue supporting testing of ropeless fishing gear on the East coast of the US and advocating in the US Congress for increased funding to protect North Atlantic right whales. Outreach will continue to shipping companies and policymakers on the impacts of ship strikes and ocean noise on marine life and ways to mitigate these threats. IFAW will also work to sustain the progress made toward ending commercial whaling.

Wildlife Crime

Approach

In our efforts to protect animals and the places they call home, we seek to end the illegal trade in wildlife species. Of the many threats to our planet's wildlife, the illegal trade in live animals and their body parts is one of the most inhumane and detrimental to their survival. Animal species—many of which are already under threat from shrinking habitats, human development and climate change—are increasingly falling victim to illegal wildlife trade. Poachers are menacing dwindling rhino populations to meet the demand for 'medicinal' powder and artifacts made from their horns. Grey parrots from the African continent are being captured by hunters and sold as exotic pets. Sophisticated criminal networks are slaughtering elephants to sell the ivory from their tusks to feed a global market.

The illegal wildlife market is dependent on supply and demand, just like any other market. By breaking every link in the criminal trade chain, we are making the world safer for animals, and for people. We're decreasing the supply of illegal wildlife products by working with local communities and park rangers to stop poaching at its source. We engage with governments and the private sector to disrupt global trafficking networks. And we're curbing the demand for illegal wildlife products by raising consumer awareness and changing behaviour.

Global

Policy and Legislation

We help produce the strongest possible global, regional, national and local legislation and policies for the protection of individual wild animals, populations and their habitats. We advise key legislators to rethink their approach to wildlife crime—not only as an environmental issue, but also as a threat to the rule of law and national security. A significant example are the results this past year on wildlife

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

cybercrime: we invested in research and advocacy work that brought the issue to light, and we lobbied to get it on the agenda of the relevant international policy forum—the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). We also lobbied successfully at national level and through other networks to push for the outcomes we wanted, and we are now looking to how we can use our networks and resources to ensure those decisions are implemented on the ground.

Together with policy makers and the private sector, we work to shut down ivory markets online and offline around the world. IFAW's monitoring of these markets shows significant reduction in ivory trade in, for instance, China since the country's ban in 2018. However, legal ivory markets and a lack of action against large illegal markets in certain countries continue to provide opportunities for criminal syndicates to traffic ivory. The European Parliament and Commission recognize IFAW as one of the leading NGOs on this topic and are reviewing potential changes to the current legislation. We successfully supported the UK's ivory ban through the House of Commons resulting in what is likely one of the toughest ivory bans in the world. And after several years of campaigning in Australia, the country recently announced its decision to ban the domestic trade in elephant ivory and rhino horn.

Law Enforcement

IFAW works with government and community rangers and informants to provide training, coaching, mentorship, infrastructure, equipment, food, clothing and other resources to prevent crimes against wild animals on the ground. We also respond to poaching incidents in the field in order to bring poachers and traffickers to justice.

Over the past year we successfully wrapped up the Horn of Africa Wildlife Crime Prevention project, which was initiated by the Dutch government and implemented under the leadership of the International Union for the Conservation of Nature—Netherlands Committee (IUCN NL). A great deal was accomplished in a short amount of time, including the establishment of a regional intergovernmental platform in the Horn of Africa called HAWEN (Horn of Africa Wildlife Enforcement Network) and the strengthening of law enforcement capacity in both Kenya and Ethiopia using community scouts to supplement national wildlife authorities. Those successes not only aided wildlife protection, but also helped build relationships between communities and government enforcement agencies.

Impact of Law Enforcement Efforts in Kenya

- Poaching reduced by 85 per cent in the Loita region in Kenya (compared with the 2010 - 2014 period), with only three elephants killed in 2016.
- In the Tsavos, 85 poaching incidents were prevented in two years: the poaching numbers went down by 76 per cent (37 elephants saved) in 2015, and in 2016 poaching incidents went down by 98 per cent (48 elephants saved), with only one elephant killed.
- Patrolled over 25,000 square km of conservation land, protecting over 2,000 elephants every day.

Applying IFAW's tenBoma methodology in this project showed the value of collecting and analysing information from a variety of sources, to produce actionable intelligence for operations. This was only possible through collaboration with the Kenya Wildlife Service intelligence unit, highlighting the importance of public-private partnerships in the fight against wildlife crime.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

Through our tenBoma method, we continue to organise, train and equip government and community rangers in vital landscape areas to combat wildlife crime. This work receives support from the European Union, the TUI Care Foundation and many generous individual donors.

Kenya-Tanzania Transfrontier Conservation Area

In the Amboseli-Tsavo-Kilimanjaro landscape another 10 community wildlife rangers who graduated from an IFAW-sponsored three-month training were deployed—bringing the total number of IFAW-trained community rangers to 50. The combined force of 76 rangers at Olgulului-Ololarashi Group Ranch (OGR) is critical in securing the expansive area of traditional Maasai community lands (147,000Ha or 1,470 km²) shared by both people and wildlife, which almost completely encompasses Amboseli National Park.

The Olgulului Community Wildlife Rangers (OCWR) were also joined by a team of eight young Maasai women who completed their initial training and now form Team Lioness—one of Kenya's first all-female ranger units. The recruits range in age from 19 to 26 years old, and many are the first women in the history of their families to secure employment. Team Lioness is at the forefront of championing the protection and safety of the region's wildlife, while ensuring female voices and perspectives are better represented in community discussions about wildlife and protected area management.

FY20 and Beyond: A new digital radio network will be installed and OGR rangers will be trained in its use, which will enable the community rangers within Kenya and Tanzania to communicate seamlessly. The EU-supported Data Sharing Agreement between IFAW, African Wildlife Foundation and Big Life Foundation will be implemented. This is the first of its kind in the region, and is the culmination of nearly two years of work, which will enhance the information available to community rangers to anticipate and intercept poaching and human-wildlife conflict.

Uganda-Democratic Republic of the Congo Transfrontier Conservation Area

IFAW undertook a tenBoma-based intelligence gathering and analysis training of 16 rangers from Queen Elizabeth National Park in Uganda Wildlife Authority (UWA) and two from Virunga National Park in the DR Congo. In Uganda and DR Congo, we trained another 55 law enforcement officers based at airports, seaports, border points and in parks, as well as 25 judicial and prosecutorial officers—which has increased arrests and convictions.

IFAW also organised three community and district leaders' engagement meetings with the park management of Uganda's Queen Elizabeth National Park in the districts of Rubirizi, Kasese, Rukugiri and Kanungu. These meetings were the first of their kind, bringing together district leaders and park managers to discuss major drivers of poaching and trafficking; raise awareness of the impacts of wildlife crime on animal populations, habitat and people; look for ways to strengthen community/park relations; and sensitise local leaders on wildlife laws.

In addition, IFAW spearheaded efforts to involve local communities in selected sites around Queen Elizabeth National Park in tackling wildlife crime. Eight wildlife crime community monitors were selected from fishing villages, equipped with mobile phones and then trained on collecting information on poaching plans, identifying poaching routes, identifying traffickers and reporting collected information without detection. Results included:

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

- Five pieces of ivory confiscated, approximately 40kgs. Suspects tried in court and sentenced to one year in jail or to pay a fine of one million Ugandan shillings each.
- 87 spears, 109 wire snares and 18 hunting nets handed over by community members who are poachers after encouragement from their local leaders.
- Two pieces of ivory from elephant killed by snare recovered with the help of a wildlife community monitor from Kazinga fishing village.

FY20 and Beyond: Capacity building trainings will be conducted for 60 law enforcement officers drawn from Uganda and DRC and we anticipate the completion of the construction and equipping of the ranger outpost in Queen Elizabeth National Park.

Benin

West Africa has recently become a hub for smuggling poached pangolins, elephants and other wildlife to markets in Asia and Europe. Detection dogs—like the ones you see at the airport—can sniff out shipments of animal parts in the same way that police dogs can sniff out narcotics and explosives. We therefore developed a wildlife crime detection training programme for dog units in the city of Cotonou in Benin. The programme trains dogs to detect animal parts like ivory and pangolin scales, and includes best practices and high standards for animal welfare. It also prepares their handlers, who may not have had any previous experience working with dogs. Once trained, the units will deploy to strategic locations like ports, airports, border crossings and the boundaries of protected wildlife habitats.

In this first year, as per agreement with the government of the Republic of Benin, we focused on renovating and modernising the existing K9 Brigade facility, which included new and improved dog kennels, veterinary facilities, training areas and offices. We also selected seven out of the program's eight dogs, some of whom come from local communities or from French shelters.

Four volunteering police officers were selected to drive the detection dogs and another four officers will be selected from the Water & Forest department. All officers and dogs will receive continuous training throughout the project. In addition:

- Two Brigade cars were adapted in order to transport and deploy the K9 units
- First shipment of 4 tonnes of high quality dry dog food was received from Almo Nature
- First year of project implementation was co-funded by the Elephant Crisis Fund
- Two supplies of veterinary medicine were received from Ceva Santé Animale

FY20 and Beyond: In FY20, dog-handler training of the 4 police officers will be implemented, and training of the 4 police K9 units at Cotonou airport will begin. We also aim to identify the 8th local dog for the project.

China and Vietnam

In Asia, IFAW collaborated with Chinese government agencies and the police academy to build political commitment and enhance enforcement. IFAW organised five capacity-building trainings and communication workshops for more than 240 frontline law enforcement officers. As customs officers stepped up their inspection, they needed new tools to identify species and authenticate wildlife products. IFAW therefore developed toolkits for frontline enforcers of which, since early 2019, almost 900 have been distributed and used in 36 local customs and 56 local anti-smuggling bureaus in China.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

To enhance regional coordination, communication and collaboration to disrupt wildlife trafficking, IFAW supported two enforcement workshops between China and Vietnam customs agencies. Less than a month after the workshops, major seizures were made in Vietnamese ports, including a confiscation of 7.5 tonnes of elephant ivory and pangolin scales.

Wildlife Cybercrime

We cannot stop wildlife crime by cracking down on poachers and organised traffickers alone. We also need to reduce the demand for live animals and animal parts. So, at the interface of supply and demand, we disrupt illegal wildlife trade on online marketplaces.

We work with online technology companies to ensure that trafficked animals and illegal wildlife products do not appear on their online platforms. We continue to roll out the Coalition to End Wildlife Trafficking Online, in partnership with WWF and TRAFFIC.

The first monitoring and evaluation report for the Coalition showed that:

- The Coalition increased by 62 per cent since its launch in March 2018 (from 21 to 34 partners)
- 76 per cent of company partners have wildlife-friendly policies in place
- 82 per cent of company partners have taken part in Coalition events designed to share best practices
- Almost 200 staff have received training on wildlife cybercrime
- eBay removed 165,000 listings between 2017 and 2019
- Baidu cleaned up more than 276,700 illegal wildlife trade listings, shut down 44 online groups and banned 94 users permanently from 2018 to May 2019
- Tencent's support for law enforcement has helped uncover and dismantle a criminal network and had led to the arrest of 129 suspects, seizure of 216 pangolins and other wildlife products, and the confiscation of over 18 million Chinese yuan transaction funds

We have also been instrumental in ensuring that the CITES Wildlife Cybercrime Working Group and the CITES Secretariat proposed amendments to a Resolution and a Decision on Wildlife Crime Linked to the Internet. This means that wildlife cybercrime continues to be on the international political agenda thanks to IFAW and supportive governments.

FY20 and Beyond: As of August 2019, CITES Parties had adopted amendments to Resolution Conference 11.3 on Compliance and Enforcement and Decision 18.81-18.85 that both specifically tackle wildlife crime linked to the internet. IFAW, in conjunction with WWF, TRAFFIC, the French and Costa Rican governments and 11 other NGO co-sponsors will advocate for a motion entitled 'Implementing International Efforts to Combat Wildlife Cybercrime' at the IUCN World Congress in June 2020.

Demand Reduction

On the demand side, we change the behaviours of wildlife consumers through campaigns that raise awareness and mobilise society to make wildlife consumption socially unacceptable.

In China, IFAW organised more than 10 events with multiple private and public sector partners to raise public awareness on illegal wildlife products, reaching an audience of more than 10 million people. We successfully incorporated ivory demand reduction messages into the Antique Ivory Exhibition at the Jinsha Site Museum, encouraging consumers to 'appreciate the art of ivory carving

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

in museums only.’ Our relationship with key media outlets ensured campaign coverage in 60 per cent of urban China that has metro systems in operation, leveraging significant in-kind support.

IFAW leveraged private sector support to ensure our campaigns reach their target audiences with precision. For instance, anyone searching for wildlife products on Baidu, the largest Chinese-language search engine, will have to watch an IFAW campaign video on Iqiyi, the equivalent of YouTube in China. Our innovative use of technology to reach our target audiences also received praise from our donors, and in 2018 we were awarded the Annual Public Service Communication Award at the 8th China Charity Festival—a platform for communication and cooperation among media, celebrities, business companies and nonprofit institutions.

FY20 and Beyond: IFAW will continue to leverage pro bono advertising online and offline to reach even more people with its public awareness messaging, sustain monitoring of wildlife markets and information sharing with companies and enforcement authorities, and build higher political will to address illegal wildlife trade.

UK

UK Ivory ban – Achieved – Ivory Bill passed December 2018

Following an intensive two-and-a-half-year campaign to close the domestic ivory market to protect elephants threatened by the poaching crisis, IFAW was instrumental in getting the UK ivory ban through parliament. This has resulted in one of the strongest bans on domestic trade in ivory products in the world.

The bill received Royal Assent on 20 December 2018. It is now an Act of Parliament and, following some delays due to political upheaval in the UK, it is currently expected to come into force by spring 2020.

During the run-up to the ban, IFAW ran a diverse campaign of activities, including high-profile public ivory surrenders with an integrated media strategy, events in parliament, advocacy work with decision makers and online actions which galvanised our supporters.

IFAW held meetings with a wide range of members of parliament, ministers and opposition party representatives, as well as key peers. It was this work in building the required political support that was key to the passing of the bill.

We participated in government-led workshops and provided detailed evidence at All-Party Parliamentary Groups and Select Committees. IFAW created effective networks of musicians, museums, fine art dealers, enforcement agencies, other NGOs and supportive antique dealers—a coalition that was critical to the success of this campaign.

FY20 and Beyond: We will support Defra to defend this vital piece of legislation against any legal challenges. In early 2020, a consultation on statutory instruments will take place and we will be working to ensure the Act is not undermined or weakened in the process of becoming law. We are also calling for additional ivory bearing species to be afforded protection under the law, with a particular emphasis on hippo ivory.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

London Illegal Wildlife Trade (IWT) Conference – Achieved – October 2018

IFAW has been heavily involved with Illegal Wildlife Trade (IWT) conferences since the UK government hosted the inaugural meeting in London in 2014, and with the annual conference returning to London in 2018, we retained our high profile at the event.

We took part in the planning panel with the Foreign and Commonwealth Office and Defra and staffed a display stand highlighting our ivory fingerprinting kits, which were provided to country delegations. IFAW achieved political buy-in which helped ensure that the threats to vulnerable species posed by wildlife cybercrime were high on the agenda. IFAW, with WWF and TRAFFIC, organised a series of key events and opportunities under the banner of the Coalition to End Wildlife Trafficking Online, and together we presented a stand to showcase this work to delegates and media.

Highlights included Microsoft's Chief Environmental Officer promoting the work of the Coalition on the main stage during panel sessions that brought together representatives from the technology, tourism, financial and transport sectors, and were hosted by Lord William Hague, former Foreign Secretary.

The Coalition was further showcased during the 'Access denied: disrupting wildlife trafficking online' panel, hosted by then Minister of State Mark Field, with panellists from eBay, Google and Rakuten and moderated by a former BBC environment correspondent. The panel event received national media coverage.

We were able to demonstrate our ability to convene leading technology giants and work in partnership with NGOs, enforcers and academics to thwart online sales of endangered wildlife. Alongside INTERPOL, the Oxford Martin Programme on the Illegal Wildlife Trade, the Durrell Institute of Conservation and Ecology (DICE) at the University of Kent, TRAFFIC and WWF, we also launched the Global Wildlife Cybercrime Action Plan, to bring together critical actors in the fight against wildlife trafficking online.

FY20 and Beyond: In 2020, we plan to follow up on the distribution of ivory fingerprinting kits to pivotal countries and further build relationships, and we will continue to encourage partners to join the Coalition, to help combat online wildlife crime in the UK.

Community Engagement

Approach

We work closely with communities to ensure that, in the face of disease, disasters and changes in habitat, people and animals can thrive together in the places they call home.

Global

Better Lives for Community Animals in Bali

There is another side to beautiful Bali that most people don't know about. Bali is an epicenter for natural disasters, volcanic eruptions, tsunamis, earthquakes and landslides. In partnership with the local government, we supported community teams that helped over 5,000 dogs through veterinary care, owner education and community partnership. This successful collaboration resulted in 79 per cent fewer dogs in poor condition. We are immensely proud to see participating villages like Sanur Kaja doing so well with their animals. This year Sanur Kaja won the Bali-wide "engaged community" contest for their work in Program Dharma, placing second in the Indonesia nation-wide competition.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

In Good Hands with UNDP

In Bosnia-Herzegovina we have partnered with a United Nations Development (UNDP) program to increase the numbers of communities that are committed to managing their dogs humanely. With our support, 10 communities are now independently providing for the health and welfare of thousands of dogs, leading to better wellbeing for animals and people. Reaching the final stage of our support, we are now handing the program over to UNDP, who will run it full-time as part of their nationwide Integrated Local Development Program.

Humane Solutions in Morocco

The community of Ain Leuh in Morocco has for the first time come together to develop humane solutions to the ongoing challenge of crop-raiding monkeys. The joint goal is to protect endangered Barbary Macaque monkeys while making sure the farmers can still harvest their crops successfully.

Thriving Together in Canada's First Nations

First Nations in Canada are often in remote places, far from assistance, including veterinary services. Left with few options, dogs often wander freely, threatening the safety of the community. We have provided direct care and shelter to dogs in several communities and produced the first-ever animal welfare education materials created specifically for First Nations, which are being distributed to more than 2,000 First Nations outreach officers to help children and communities learn how to live safely with their dogs.

Jaguars of Mexico

Finally, in Mexico, where jaguars face numerous threats across their jungle home, IFAW harnesses the knowledge and willingness of locals to protect animals by helping local groups to build jaguar-proof shelters for dogs, chickens and livestock. In FY19 90 shelters were built, keeping more than 300 animals—and their communities—safe from jaguar attacks, and keeping jaguars safely away from human retaliation.

FY20 and Beyond: In addition to supporting ongoing projects, Community Engagement efforts will include mitigating human-wildlife conflict, improving food and water security and increasing access to education in IFAW-supported landscape conservation projects in Malawi, Zambia, Zimbabwe and Kenya. IFAW will also support the capacity and resilience of communities to address animal needs in disasters.

Animal Welfare Policy in the UK

Animal Welfare (Service Animals) Act (Finn's Law) – Achieved – Law passed June 2019

This year we continued campaigning to ensure our laws worked to protect people and animals.

In 2016 a police dog called Finn was nearly killed when both he and his handler, PC Dave Wardell, were attacked by a knife-wielding suspect they were chasing. Wardell sustained injuries to his hand, while Finn was treated for life-threatening stab wounds. However, under the eyes of the law, service dogs are property, so the suspect was charged only with criminal damage for his attack on Finn.

Since the incident, PC Wardell has worked tirelessly to change the law and provide service animals like Finn with the protection they deserve. Throughout his campaign to pass Finn's Law, IFAW has been proud to support him.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Strategic report for the year ended 30 June 2019 (continued)

IFAW helped to raise public awareness of the need for a change in the law and facilitated meetings with prominent decision makers, MPs and peers to ensure a swift progression of the bill at every stage through parliament.

In June 2019 the government passed Finn's Law, known as the Animal Welfare (Service Animals) Act, making it a criminal offence to injure the brave service animals that provide vital support to our law enforcement officers.

Banning the Third Party Sales of Puppies – Achieved - Lucy's Law passed May 2019

After a two-and-a-half-year campaign, in 2019 we helped to pass Lucy's Law —protecting puppies and kittens from cruel breeding establishments in the UK and across Europe.

In 2013 a dog named Lucy was rescued from a puppy farm in Wales after spending her whole life in a cage. She was extremely ill, her hips had fused together and her fur had fallen out after years of abuse at the hands of her breeders. After she was rescued, her owner started a campaign to ban the third-party sales of puppies and kittens.

Across the country, puppies were being separated from their mothers far too early and sold via pet shops and online marketplaces without proper regulation.

In 2016 IFAW launched the P.U.P.S. campaign, which helped to raise public awareness of irresponsible dog breeding, while also calling on the government to introduce legislation to stop third-party puppy sales.

IFAW worked closely with partner organisations and influential campaigners to support Lucy's Law's passage through parliament. We lobbied extensively across all parties, responded to the government's call for evidence and engaged supporters to raise the issue with their MPs. On 13 May 2019, Lucy's Law finally passed. When it is implemented in April 2020, the new legislation will ban the sale of puppies and kittens from a third-party sellers such as pet shops or online listings. Instead, anyone looking to buy a new puppy or kitten will have to deal directly with the breeder or rehoming shelter.

The Animal Welfare (Sentencing) Bill – Partially Achieved

Every year in the UK, we see cases of shocking animal abuse result in disappointingly lenient sentences. We are working to change this.

We have been campaigning for several years to increase the maximum sentence for those who are found guilty of animal abuse. In 2019 we successfully lobbied the government to sponsor a bill which would increase the maximum penalty to five years' imprisonment. The Animal Welfare (Sentencing) Bill, which would complement Finn's Law, would ensure tougher punishments and act as a real deterrent in the future.

As part of our campaign, IFAW worked with partner organisations to lobby the government and garner cross-party support for the bill in the House of Commons. IFAW also attended briefings with the Secretary of State for the Environment at 10 Downing Street to advise on the proposed changes to the law.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

The bill was introduced in the House of Commons in June and is due to enter the committee stages in the coming months. However, the uncertainty facing parliament in the leadup to Brexit may delay or even cancel the bill.

We will be working closely with the government to ensure this bill is passed through parliament as soon as possible and, with the backing from MPs and our supporters, we believe it is only a matter of time before we can right this wrong.

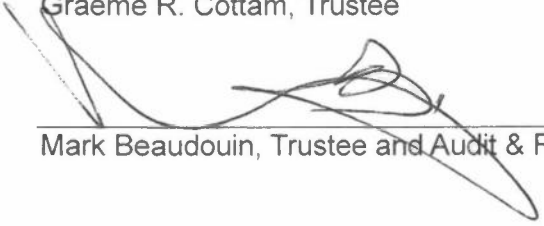
The Trustees' Report and the Strategic Report were approved by the Trustees on 26 February 2020 and signed on their behalf by;



26 February 2020

Graeme R. Cottam, Trustee

Date



Mark Beaudouin, Trustee and Audit & Risk Oversight Committee Chair

2/26/20

Date

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE INTERNATIONAL FUND FOR ANIMAL WELFARE (IFAW)

Opinion on financial statements

We have audited the financial statements of International Fund for Animal Welfare (IFAW) (the 'charitable company') for the year ended 30 June 2019 which comprise the Statement of Financial Activities, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 charitable company's affairs as at 30 June 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Matters on which we are required to report by exception

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

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 3-4, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

NICHOLAS SLADDEN (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB

Date: *9 March 2020*

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Statement of Financial Activities (incorporating the Income and Expenditure account) for the year ended 30 June 2019

	Note	2019 Unrestricted £	2019 Restricted £	2019 Total £	2018 Total £
Income from:					
Donations and legacies	2	16,294,629	266,860	16,561,489	18,132,588
Grants from connected organisations	16	-	142,917	142,917	406,912
Program income		-	-	-	2,073
Interest and Investment income		191,567	-	191,567	174,128
Total income		16,486,196	409,777	16,895,973	18,715,701
Expenditure on:					
Raising funds	3	3,199,076	-	3,199,076	3,486,267
Charitable activities	3	15,880,651	567,616	16,448,267	15,602,224
Total expenditure		19,079,727	567,616	19,647,343	19,088,491
Net resources expended before investment gains		(2,593,531)	(157,839)	(2,751,370)	(372,790)
Net gains on investments		274,476	-	274,476	312,445
Net resources expended		(2,319,055)	(157,839)	(2,476,894)	(60,345)
Other recognised gains		228,840	-	228,840	360,020
Net movement in funds		(2,090,215)	(157,839)	(2,248,054)	299,675
Reconciliation of funds					
Total funds brought forward	17	14,193,540	157,839	14,351,379	14,051,704
Total funds carried forward		12,103,325	-	12,103,325	14,351,379

The notes on pages 34 to 56 form part of these accounts.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Statement of Financial Position at 30 June 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	9	8,347	19,284
Investments	10	7,545,965	7,200,586
Other investments	10	1	1
Total fixed assets		7,554,313	7,219,871
Current assets			
Debtors	11	4,309,229	4,796,394
Cash in bank and in hand		1,644,696	3,434,723
Total current assets		5,953,925	8,231,117
Liabilities			
Creditors falling due within one year	12	(1,404,913)	(1,099,609)
Net current assets		4,549,012	9,330,726
Net assets		12,103,325	14,351,379
The Funds of the charity			
Unrestricted income funds	17	12,103,325	14,193,540
Restricted income funds	17	-	157,839
Total charity funds		12,103,325	14,351,379

The financial statements on pages 34 to 56 were approved by the board of Trustees and authorised for issue on 26 February 2020 and signed on its behalf by:



Graeme R. Cottam, Trustee



Mark Beaudouin, Trustee

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Statement of cash flows for the year ended 30 June 2019

	Note	2019 £	2018 £
Cash provided by operating activities	18a	(2,221,356)	(1,316,575)
Cash flows from investing activities			
Interest & investment income		191,566	174,128
Payments to acquire tangible fixed assets		-	(8,125)
Payments to acquire fixed asset investments		(554,193)	(1,505,366)
Proceeds from sales & maturities of fixed asset investments		793,956	1,396,416
Cash provided by investing activities		431,329	57,053
Increase in cash and cash equivalents in the year		(1,790,027)	(1,259,522)
Effect of foreign exchange rate changes		(228,840)	-
Cash and cash equivalents at the beginning of the year		3,434,723	4,694,245
Total cash and cash equivalents at the end of the year	18b	1,415,856	3,434,723

The notes on pages 34 to 56 form part of these accounts.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019

1 Principal accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments to market value. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: accounting and reporting by charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. International Fund for Animal Welfare (IFAW) meets the definition of a public benefit entity under FRS 102. The statements are presented in the functional currency of the Organisation, British pound sterling (GBP).

Going Concern

The Charity has adequate financial resources and the Trustees consider it is well placed to manage the business risks. As explained in the Trustees' Report, the planning process, including financial projections, takes into consideration the current economic climate and its potential impact on the various sources of income and planned expenditures. The Trustees have a reasonable expectation that the charity has adequate resources and are of the view that there are no material uncertainties about the charity's ability to continue in operational existence for the foreseeable future. The accounts have therefore been prepared on the basis that the charity is a going concern.

Financial Statements

The accounting policies are set forth below:

Funds

General Fund

This fund is not restricted as to its use and is for activities that fall within the objects of the charity. The General Fund is available to fund the annual expenditure of the Charity.

Designated Funds

These are funds set aside by the Trustees out of unrestricted general funds for particular future purposes or projects. The Trustees have designated funds to generate income to fulfil the long term objects of the charity. The income generated by this fund remains within the fund. The fund and current needs of the charity are reviewed on a regular basis and transfers to unrestricted funds are made as deemed necessary by the Trustees.

Restricted Funds

Certain grant and other income that is restricted as to its use by the donor is shown separately on the Statement of Financial Activities together with related expenditure.

Legacies

Legacy income is recognised on an accrual basis when it becomes probable that the legacy will be received and the amount is determinable. For residual legacies, this is taken to be the point in time that the will and schedule of assets and liabilities is received. For pecuniary legacies, this is taken to be the point in time that the amount is notified to us.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

Donation income

Donations, other than legacy income, and other similar income, are recorded when receivable.

Income from grants

Grants receivable are recognised in the period in which the conditions for receipt of the grant have been met.

Income from investments and deposits

Income on investments and deposits is recognised on an accruals basis.

Intangible income

Gifts of services or assets, which the Charity would otherwise have had to purchase, are reflected in the financial statements at cost to the donor, where the benefit is quantifiable and measurable.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Tangible fixed asset purchases less than £5,000 are deemed de minimis, and therefore are expensed through the Statement of Financial Activities in the period in which they were acquired. Depreciation is calculated so as to write off the cost of tangible fixed assets on a straight-line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

- Computer equipment is depreciated over 3-5 years.
- Furniture and fixtures are depreciated over 5 years.
- Leasehold improvements are depreciated over the term of the lease.

Tangible fixed assets are evaluated for impairment when there are indications that their carrying value may be greater than their recoverable amount. If an asset's carrying value is determined to be greater than its recoverable amount, an impairment charge in the amount of the excess is to be recorded on the statement of financial activities.

Fixed asset investments

Investments are stated at market value at the balance sheet date. Any realised and unrealised gains or losses are reflected within the Statement of Financial Activities.

Other investment is comprised of investments in affiliated organisations, and is stated at its historical purchase cost.

Operating leases

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

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

Grant expenditure

Grants payable are recognised in the Statement of Financial Activities at the time each grant is approved and communicated to the recipient.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any value added tax that cannot be recovered. Expenses are recognised in the period in which goods and/or services are received.

Certain expenditures are directly attributable to specific activities and have been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by personnel on those activities.

Charitable expenditures are those costs incurred directly in support of expenditures on the objects of IFAW Charity and include project management.

Fundraising costs involve inducing potential donors to contribute money, securities, services, materials or time. They include publicising and conducting fundraising campaigns, maintaining donor mailing lists, preparing and distributing fundraising materials, and conducting other activities involved with soliciting.

Governance costs include the direct costs of administering the Charity. Support costs include oversight, business management, general record keeping, budgeting, financing, and all management and administration in support of charitable activities. Governance and support costs are apportioned to the relevant cost categories based upon the estimated time and effort associated with direct activities of the organisation.

Provisions

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Pensions and similar obligations

IFAW Charity operates a defined contribution pension scheme and costs are charged to the Statement of Financial Activities as incurred. Assets of the pension scheme are held separately to those of the company.

Foreign currencies

Operational transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling when the transaction was entered into. 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 taken to the Statement of Financial Activities. Forward exchange contracts are recognised at fair value on the balance sheet date. Resulting unrealized gains or losses are taken to the Statement of Financial Activities.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

Financial Instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its 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 asset investments, cash at bank and in hand, and debtors excluding prepayments.

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.

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.

Investments, including bonds and cash held as part of the investment portfolio, are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary and affiliated organisation are held at cost less impairment.

The Charity enters into foreign currency forward contracts to manage the foreign change risk of future transactions and cash flows. The contracts are valued based on available market data. The company does not adopt hedge accounting for forward exchange contracts and, consequently, fair value gains and losses are recognized in the profit or loss.

Significant areas of estimation and judgement

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities, revenues and expenses. The nature of estimation and judgement means that actual outcomes could differ from expectation. Significant areas of estimation and judgement include accrued legacy income, which is estimated based on the best information available at the balance sheet date.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

2 Donations and contributions

	2019	2018
	£	£
Sustainer donations	3,747,267	3,994,526
Sweepstakes donations	1,663,629	2,420,319
Newsletter appeal donations	2,604,457	2,441,161
Legacies	6,622,630	7,110,724
Gift aid contributions	1,360,851	1,534,971
Other donations	562,655	630,887
	<u>16,561,489</u>	<u>18,132,588</u>

This table reflects unrestricted income of £16,294,629 (2018: £17,796,936) and restricted income of £266,860 (2018: £335,652).

3 Allocation of expenses

Costs by charitable activity for Fiscal year 2019 and 2018 were as follows:

	2019			Total £	2018 £
	Activities undertaken directly £	Activities undertaken through grants £	Support costs £		
Charitable activities:					
Landscape Conservation	1,730,009	1,561,133	283,720	3,574,862	3,292,834
Marine Conservation	213,969	2,661,309	247,870	3,123,148	2,317,488
Wildlife Crime	855,068	1,694,245	219,769	2,769,082	3,758,132
Community Engagement	841,586	1,062,836	164,175	2,068,597	1,855,619
Wildlife Rescue	2,644,039	1,878,651	389,888	4,912,578	4,378,151
Total Programs	<u>6,284,671</u>	<u>8,858,174</u>	<u>1,305,422</u>	<u>16,448,267</u>	<u>15,602,224</u>

Fiscal 2019 program expenses were comprised of £15,880,651 unrestricted (FY18 £15,037,635) and £567,616 restricted (FY18 £564,589).

Cost apportionment between charitable activities is based upon:

- Activities undertaken directly – employee time and direct expenses associated with conducting programmatic activities.
- Activities undertaken through grants – nature of programmatic activities of organisations that received grant funding from IFAW Charity.
- Support costs – support activities are apportioned based upon the estimated time and effort associated with direct activities of the organisation.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

3 Allocation of expenses (continued)

Costs of raising funds for Fiscal year 2019 and 2018 were as follows:

	Total 2019 £	Total 2018 £
Campaigns and projects:		
Contracting and granting	-	-
Direct staffing	6,306	10,462
Support staffing	203	187
Support costs	3,589	5,034
Total	<u>10,098</u>	<u>15,683</u>
Multimedia outreach and influence:		
Production and placement	2,904	-
Digital marketing and fundraising	1,825	-
Direct staffing	8,271	2,081
Support staffing	419	36
Support costs	7,399	938
Total	<u>20,818</u>	<u>3,055</u>
Supporter awareness and advocacy:		
Outreach, production and distribution	1,440,811	1,741,703
Direct staffing	358,159	343,877
Support staffing	58,002	37,310
Support costs	1,311,188	1,344,639
Total	<u>3,168,160</u>	<u>3,467,529</u>
Total mission costs	<u>3,199,076</u>	<u>3,486,267</u>

Governance costs included for Fiscal year 2019 and 2018:

	2019 £	2018 £
Auditors' remuneration		
Statutory audit - Charity auditor	20,700	15,532
Statutory audit - associate of the Charity auditor	70,374	63,886
Legal fees	45,332	58,990
Trustee indemnity insurance	9,390	10,736
	<u>145,796</u>	<u>149,144</u>

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

3 Allocation of expenses (continued)

Total support costs from raising funds and charitable activities of £1,559,315 (2018: £1,616,597) include Direct expenditure of £614,109 (2018: £574,187) and Institutional shared support costs of £945,206 (2018: £1,042,410) representing the Charity's portion of worldwide support costs reimbursed to IFAW US by the Charity at cost. The apportionment of all costs is based upon the estimated amount of staff time and effort required to perform the above activities.

4 Other recognised gains

	2019 £	2018 £
Unrealized gain from foreign currency hedging contracts	144,149	360,020
Gain on foreign exchange	228,840	-
	<u>372,989</u>	<u>360,020</u>

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

5 Grants Payable

	2019 £	2018 £
International Fund for Animal Welfare, Inc. (United States)*	6,827,932	5,366,938
International Fund for Animal Welfare IFAW in Action*	75,000	570,000
International Fund for Animal Welfare NPC (South Africa)*	-	31,733
IFAW Internationaler Tierschutz-Fonds gGmbH (Germany)	68,747	-
International Fund for Animal Welfare (IFAW) Limited (Malawi)*	12,048	75,683
International Fund for Animal Welfare Limited (Zambia)*	-	103,437
International Fund for Animal Welfare Inc./Fonds international pour la protection des animaux inc. (Canada)*	-	8,435
Wild is Life Foundation	800,331	474,458
Wildlife Trust of India	623,881	777,363
Sergey Valentinovich Pazhetnov	160,195	119,498
Game Rangers International - Zambia	110,486	205,082
Yayasan Bali Animal Welfare Association	73,000	126,817
International Aid for the Protection and Welfare of Animals	31,137	-
IUCN International Union for Conservation of Nature	19,358	17,813
University of Oxford	15,655	-
Tsavo Trust Limited	13,122	40,983
Associacao Mico Leao Dourado	7,777	-
Chimpanzee Sanctuary and Wildlife Conservation Trust	7,750	-
Annie's Productions and Animals	3,920	-
Paw Forensic Working Group	3,000	-
Hounds off	2,500	-
SANCCOB	2,333	20,739
Wilderness Welfare Limited	-	17,050
Kenya Wildlife Services, Inc	-	6,839
Lilongwe Wildlife Centre	-	34,527
Marine Conservation Research International	-	49,000
Imani Consultants Limited	-	22,540
Daw Thin Thin SWE	-	10,927
U Kyaw Win	-	11,321
Conservation Ecology Research Unit (CERU)	-	94,526
Mark White Motors Pty, Ltd.	-	12,607
Sergey Ganusevich	-	1,676
Trans Regional Non Governmental Organization Center for the Rehabilitation of Tigers and Other Rare Animals	-	18,394
Maniago Safaris, Ltd.	-	4,344
	<u>8,858,172</u>	<u>8,222,730</u>

* indicates affiliate grant

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

5 Grants Payable (continued)

Grants made to affiliated entities were expended as follows:

	2019 £	2018 £
International Fund for Animal Welfare, Inc. (United States)		
Landscape Conservation	2,655,754	241,720
Marine Conservation	1,509,592	1,530,365
Wildlife Crime	949,830	2,075,575
Community Animals	778,154	735,828
Wildlife Rescue	934,603	783,450
	<u>6,827,933</u>	<u>5,366,938</u>
	2019 £	2018 £
International Fund for Animal Welfare IFAW in Action (UK)		
Landscape Conservation	-	-
Marine Conservation	75,000	152,913
Wildlife Crime	-	364,427
Community Animals	-	-
Wildlife Rescue	-	52,660
	<u>75,000</u>	<u>570,000</u>
	2019 £	2018 £
IFAW Internationaler Tierschutz-Fonds gGmbH (Germany)		
Landscape Conservation	68,748	-
Marine Conservation	-	-
Wildlife Crime	-	-
Community Animals	-	-
Wildlife Rescue	-	-
	<u>68,748</u>	<u>-</u>
	2019 £	2018 £
International Fund for Animal Welfare Inc./Fonds international pour la protection des animaux inc. (Canada)		
Landscape Conservation	-	-
Marine Conservation	-	-
Wildlife Crime	-	8,435
Community Animals	-	-
Wildlife Rescue	-	-
	<u>-</u>	<u>8,435</u>
	2019 £	2018 £
International Fund for Animal Welfare NPC (South Africa)		
Landscape Conservation	-	-
Marine Conservation	-	-
Wildlife Crime	-	26,733
Community Animals	-	5,000
Wildlife Rescue	-	-
	<u>-</u>	<u>31,733</u>

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

5 Grants Payable (continued)

	2019 £	2018 £
International Fund for Animal Welfare (IFAW) Limited (Malawi)		
Landscape Conservation	-	61,191
Marine Conservation	-	-
Wildlife Crime	-	14,492
Community Animals	-	-
Wildlife Rescue	-	-
	<u>-</u>	<u>75,683</u>
	2019 £	2019 £
International Fund for Animal Welfare Limited (Zambia)		
Landscape Conservation	-	84,255
Marine Conservation	-	-
Wildlife Crime	-	19,182
Community Animals	12,048	-
Wildlife Rescue	-	-
	<u>12,048</u>	<u>103,437</u>

6 Employees

	2019 £	2018 £
Wages and Salaries	1,174,512	1,090,945
Social Security Costs	257,542	237,678
Pension costs	103,698	64,174
	<u>1,535,752</u>	<u>1,392,797</u>

Staff activities are illustrated as follows:

	2019	2018
Program	9	8
Program support	6	4
Fundraising	13	15
	<u>28</u>	<u>27</u>

As of 30 June 2019 IFAW Charity had pension liabilities of £10,719 (2018: £8,528) included as a component of creditors.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

6 Employees (continued)

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

£	2019	2018
60,000 - 70,000	1	1
70,000 - 80,000	3	1
80,001 - 90,000	-	2

Contributions of £22,692 (2018: £18,390) were made into pension schemes on behalf of the above employees.

The key management personnel of the Charity are the Trustees, the Regional Director – United Kingdom, the Chief Executive Officer (CEO), and the Chief Financial Officer (CFO). The Trustees receive no remuneration. Salary and pension information for the Regional Director is included in the figures above. The CEO and CFO are employees of the International Fund for Animal Welfare, Inc., the United States affiliate and World Headquarters for the IFAW affiliated entities. These salaries are part of the institutional shared costs discussed in Note 3. Total employee compensation of these key management positions were £559,271 (2018: £499,467). The amount of these costs allocated to the Charity were £147,279 (2018: £155,470).

7 Trustees' emoluments

The Trustees received no remuneration in the period (2018: £nil). Travel expense of £11,704 were reimbursed to Trustees (2018: £1,886). The travel expenses were reimbursed to two Trustees (2018: One)

The Organisation pays certain meeting costs on behalf of the Trustees, such as travel and accommodations. These costs are part of the institutional shared costs discussed in Note 3. The amount of these costs allocated to the Charity were £8,775 (2018: £8,369).

Trustees are covered by indemnity insurance, the cost of which is incurred by the Charity's US affiliate, and is included as a component of institutional shared support. The cost of such insurance was £11,922 in Fiscal year 2019 (2018: £14,170).

8 Taxation

The income of the Charity is applied exclusively to charitable purposes and is exempt from taxation in accordance with Section 505 of the Income and Corporation Taxes Act 1988.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

9 Tangible Assets

	Leasehold Improvements £	Furniture and Fixtures £	Computer Equipment £	Total £
Cost				
At 1 July 2018	35,412	20,238	41,765	97,415
Additions	-	-	-	-
Disposals/ transfers	-	-	-	-
At 30 June 2019	35,412	20,238	41,765	97,415
Accumulated depreciation				
At 1 July 2018	28,966	19,272	29,893	78,131
Charge for the period	3,683	966	6,288	10,937
Disposals/transfers	-	-	-	-
At 30 June 2019	32,649	20,238	36,181	89,068
Net book value				
At 30 June 2019	2,763	-	5,584	8,347
At 1 July 2018	6,446	966	11,872	19,284

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

10 Fixed Asset Investments and Other Investments

	2019 £	2018 £
Fixed Asset Investments:		
Investment portfolio at 1 July	7,354,835	6,932,604
Less: Cash deposits with managers awaiting investment at 1 July	<u>(154,249)</u>	<u>(133,141)</u>
Market value at 1 July	7,200,586	6,799,463
Additions at cost	554,193	1,505,517
Disposal proceeds	(793,956)	(1,396,416)
Net investment gains/(losses)	<u>585,142</u>	<u>292,022</u>
Market value at 30 June	7,545,965	7,200,586
Add: Cash deposits with managers awaiting investment at 30 June	277,898	154,249
Investment portfolio at 30 June	<u><u>7,823,863</u></u>	<u><u>7,354,835</u></u>
Historical Cost:		
Investments portfolio at cost at 30 June	<u><u>5,415,698</u></u>	<u><u>5,511,313</u></u>

Market value comprises:

	2019 £	2018 £
Equities:		
Services	459,924	427,338
Financials	3,089,646	2,923,942
Fixed Income	1,786,616	1,665,244
Utilities	795,364	703,652
Consumer goods	490,704	537,039
General industry	594,576	608,511
Property Funds	329,135	334,860
	<u><u>7,545,965</u></u>	<u><u>7,200,586</u></u>

No individual investment was greater than 10% of the portfolio. All investments are listed securities held within the United Kingdom.

Other investment is a 1/6th interest in International Fund for Animal Welfare (Australia) Pty Ltd, an affiliated Organisation at a cost of £1. The investment is reported at cost, as the Organisation owns a minority interest and exercises no managerial or operational control over this entity.

Other investment of the Charity only is £1. This represents the 1/6 interest discussed above.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

11 Debtors: Amounts falling due within one year

	2019 £	2018 £
Accrued legacy income	3,574,937	3,904,625
Other accrued income	390,306	267,782
Prepayments	125,921	136,938
Other current asset (Fx hedging)	-	310,666
Due from connected organisations (see note 16)	218,065	176,383
	<u>4,309,229</u>	<u>4,796,394</u>

12 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	957,373	712,980
Due to connected organisations (see note 16)	221,386	159,144
Accruals	226,154	227,485
	<u>1,404,913</u>	<u>1,099,609</u>

13 Net movement in funds

Net movement in funds is stated after charging

	2019 £	2018 £
Property lease rental	283,822	284,027
Depreciation of owned tangible fixed assets	10,937	10,294
	<u>294,759</u>	<u>294,321</u>

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

14 Lease commitments

At 30 June 2019, the Charity had total commitments under non-cancellable operating leases as follows:

Land and buildings	2019	2018
Amounts due:	£	£
Within one year	140,019	191,220
Between two to five years	-	191,220
	<u>140,019</u>	<u>382,440</u>

15 Membership of the company

The Charity was incorporated on 27 March 1992 and is limited by the guarantee of its members. The guarantee of each member is restricted to one pound. The members are the directors of the company and also act as Trustees for the charitable activities of IFAW Charity.

16 Related party transactions

The Charity is connected with the following UK and non-UK organisations:

Name	Country
International Fund for Animal Welfare (Australia) Pty Ltd	Australia
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 in Action	United Kingdom
International Fund for Animal Welfare, Inc.	United States
International Fund for Animal Welfare Limited	Zambia

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

16 Related party transactions (continued)

Amounts owed by connected organisations at 30 June:

	2019 £	2018 £
Stichting IFAW (Netherlands)	34,929	7,438
International Fund for Animal Welfare (Australia) Pty Ltd	55,083	83,107
International Fund for Animal Welfare (France)	92,855	-
International Fund for Animal Welfare Inc./Fonds international pour la protection des animaux inc. (Canada)	28,709	83,558
International Fund for Animal Welfare NPC (South Africa)	6,489	-
International Fund for Animal Welfare IFAW in Action (UK)	-	2,280
	<u>218,065</u>	<u>176,383</u>

Amounts owed to connected organisations at 30 June:

	2019 £	2018 £
International Fund for Animal Welfare, Inc. (United States), net	150,043	8,536
International Fund for Animal Welfare NPC (South Africa), net	-	25,006
IFAW Internationaler Tierschutz-Fonds gGmbH (Germany)	71,343	98,151
International Fund for Animal Welfare (France)	-	27,451
	<u>221,386</u>	<u>159,144</u>

Income received from connected organisations:

	2019 £	2018 £
International Fund for Animal Welfare, Inc. (United States)	24,404	184,236
Stichting IFAW (Netherlands)	27,561	46,949
International Fund for Animal Welfare Inc./Fonds international pour la protection des animaux inc. (Canada)	8,791	40,434
International Fund for Animal Welfare (France)	28,624	87,046
International Fund for Animal Welfare (Australia) Pty Ltd	53,537	48,247
	<u>142,917</u>	<u>406,912</u>

This table reflects restricted grants from connected organisations of £142,917 (2018: £406,912). There were no unrestricted grants from connected organisations (2018: £nil).

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

16 Related party transactions (continued)

Grants paid to connected organisations:

	2019 £	2018 £
International Fund for Animal Welfare, Inc. (United States)	6,827,933	5,366,938
International Fund for Animal Welfare IFAW in Action (United Kingdom)	75,000	570,000
IFAW Internationaler Tierschutz-Fonds gGmbH (Germany)	68,748	-
International Fund for Animal Welfare Inc./Fonds international pour la protection des animaux inc. (Canada)	-	8,435
International Fund for Animal Welfare NPC (South Africa), net	-	31,733
International Fund for Animal Welfare (IFAW) Limited (Malawi)	-	75,683
International Fund for Animal Welfare Limited (Zambia)	12,048	103,437
	<u>6,983,729</u>	<u>6,156,226</u>

During Fiscal year 2019 International Fund for Animal Welfare, Inc. (IFAW US) provided certain program, fundraising and administrative activities for all the IFAW entities. Such shared costs includes programmatic strategy, projects and campaign development strategy and campaign communication strategy and public awareness, along with shared finance, technology and human resource support. The cost of this shared support is reimbursed to IFAW US by the Charity at cost. These costs are reported as a component of institutional shared costs totalling £5,355,276 (2018: £5,173,592) of which the Charity's portion of share cost amounted to .

17 Funds

As part of the Charity's overall reserves and risk management strategies, the Trustees voted to adopt an Institutional Financial Reserves Policy at the October 2013 Board of Trustees meeting. The worldwide affiliated IFAW entities are financially and operationally interdependent, and therefore the policy established discrete funds to support specific goals and objectives for IFAW at the global level. As such, individual IFAW entities may vary with respect to nature and quantities of reserves. Financial reserves have been established as follows:

- Operating reserves – intended to provide an internal source of funds for unseen situations
- Capital reserves – maintained (as needed) to provide financial resources in support of capital acquisitions
- Strategic reserves – intended to provide unrestricted financial resources to support the organisation's long range strategic objectives
- Donor endowments – maintained (as relevant) to provide financial resources to the Organisation in accordance with donors' intentions

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

17 Funds (continued)

This structure is intended to mitigate financial risks embedded in the Organisation's operating activities and position the Organisation to pursue programmatic and institutional program activities. IFAW intends to maintain global operating reserves of approximately two months of operating expenditures and global strategic reserves sufficient to generate approximately 1-2% of annual budgeted expenditures. Concurrent with the Financial Reserves Policy, the Directors voted to adopt a revised Institutional Investment Policy Statement to support the goals and objectives of the respective reserve funds.

IFAW Charity's funds were comprised of the following as of 30 June 2019 and 2018:

	General Fund	Restricted Fund	Total
	£	£	£
At 1 July 2018	14,193,540	157,839	14,351,379
Incoming resources	16,486,196	409,777	16,895,973
Resources expended	(19,079,727)	(567,616)	(19,647,343)
Unrealised gains on investments	228,840	-	228,840
Realised gains on investments	274,476	-	274,476
At 30 June 2019	<u>12,103,325</u>	<u>-</u>	<u>12,103,325</u>
At 30 June 2018	<u>14,193,540</u>	<u>157,839</u>	<u>14,351,379</u>

During Fiscal year 2019 the Charity received funds from donors and affiliated organisations totalling £409,777 (2018: £742,564), which were restricted to use for costs associated with the Charity's priority and regional programs. During Fiscal year 2019, restricted funds totalling £567,616 (2018: £634,377) were expended. Amounts restricted as to use as of 30 June 2019 and 2018 are illustrated as follows:

	2019	2018
	£	£
Landscape Conservation	-	153,498
Community Animals	-	4,341
	<u>-</u>	<u>157,839</u>

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

17 Funds (continued)

Net assets by fund were comprised of the following at 30 June 2019 were as follows:

	General Fund	Restricted Funds	Total
	£	£	£
Fixed assets	7,554,313	-	7,554,313
Current assets	5,953,925	-	5,953,925
Current liabilities	(1,404,913)	-	(1,404,913)
Net assets	<u>12,103,325</u>	<u>-</u>	<u>12,103,325</u>

Net assets by fund were comprised of the following at 30 June 2018 were as follows:

	General Fund	Restricted Funds	Total
	£	£	£
Fixed assets	7,219,871	-	7,219,871
Current assets	8,073,278	157,839	8,231,117
Current liabilities	(1,099,609)	-	(1,099,609)
Net assets	<u>14,193,540</u>	<u>157,839</u>	<u>14,351,379</u>

18 Notes to the cash flow statement

Note 18a	2019	2018
	£	£
Net movement in funds	(2,476,894)	299,675
Deduct investment income shown in investing activities	(191,567)	(174,128)
Add back depreciation charge	10,937	10,294
Realised (gains)/losses from tangible investments	(585,141)	(292,022)
Foreign exchange gain	228,840	-
(Increase)/decrease in debtors	487,165	(874,690)
(Decrease)/increase in creditors	305,304	(285,704)
Net cash provided by operating activities	<u>(2,221,356)</u>	<u>(1,316,575)</u>

Note 18b	2019	2018
Cash and cash equivalents	£	£
Cash at bank and in hand	1,357,765	3,079,402
Money market investments	9,027	201,073
Cash Investments	277,903	154,248
	<u>1,644,695</u>	<u>3,434,723</u>

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2019 (continued)

19 Financial instruments

The carrying amount of the Organisation's financial instruments at 30 June were:

	2019	2018
	£	£
Financial assets		
Instruments measured at fair value through profit and loss	7,823,863	7,665,501
Debt instruments measured at amortised cost	4,183,308	4,348,790
	<u>12,007,171</u>	<u>12,014,291</u>
Financial liabilities		
Measured at amortised cost	1,364,967	1,062,844
	<u>1,364,967</u>	<u>1,062,844</u>

20 Forward contracts

The Organisation hedges certain anticipated cash flows using forward exchange contracts. At 30 June 2019 the Organisation had no outstanding forward exchange contracts, however at 30 June 2018 the charity had outstanding contracts totalling £7,040,000 covering cash flows over the following twelve months. The fair value of these contracts at 30 June 2018 was £310,666.

21 Trading subsidiary: IFAW Commerce Limited (Company Registered Number 7572366)

IFAW Commerce Limited is a wholly owned subsidiary of the Charity. The principal activity of IFAW Commerce Limited was that of undertaking research activities to support the aims of the charity, utilizing the research vessel *Song of the Whale*. In Fiscal 2013, the Directors and the Trustees of the companies took the decision to grant the vessel and related equipment on economic grounds. On 6 March, 2014, the *Song of the Whale*, was granted, for no consideration, to the not for profit organisation Marine Conservation Research International. Under the terms of the grant they are required to use it for charitable purposes for the rest of its estimated useful life of five years. As the vessel came to the end of its estimated useful life during the fiscal year the Charity released its lien on the *Song of the Whale*, thus granting complete title to Marine Conservation Research International.

As a result of this grant, and the lack of financial activity since 2014 IFAW Commerce Limited's shared capital of £150 is not consolidated in these financial statements.