

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 2020**

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Annual Report and Financial Statements for the year ended 30 June 2020

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Trustees' report for the year ended 30 June 2020

Trustees and advisors

Trustees

Mark T. Beaudouin (Chair)
Joyce C. Doria (Vice Chair)
Barbara U. Birdsey (Vice Chair)
Robert C. Barber
Graeme R. Cottam
Brian W. Hutchinson (*resigned 30 June, 2020*)
Daniel T. Lenyo
Catherine H. Lilly
Debobrata Mukherjee
Virginia A. Pollak
Catherine Z. Bearder
Judi W. Wakhungu
Constantin Bjerke (*appointed 27 February, 2020*)

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

209-215 Blackfriars Road
London SE1 8NL

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Trustees' report for the year ended 30 June 2020 (continued)

The Trustees present their report and the audited financial statements of the charitable company for the year ended 30 June 2020. 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 02701278), 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 2020. 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 prior 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 2020 there were 12 Trustees. The Charity began fiscal year 2020 with 12 Trustees with one resigning at the end of the fiscal year and one appointed during the year.

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.

Statement of Trustees' responsibilities

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

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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.

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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.

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Strategic report for the year ended 30 June 2020 (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 Financial 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 2020 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.

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Impact of COVID-19

On March 11, 2020, the World Health Organisation assessed the coronavirus outbreak (COVID-19) as a pandemic. The outbreak has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. The extent to which COVID-19 will impact the Organisation's results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and actions taken to contain the virus or its impact, among others. As noted above, Executive Management and Charity Leadership have taken measures to monitor potential risks associated with the pandemic.

Management has taken a conservative approach to financial planning during these uncertain times. This includes cost saving measures with the organisation making the following expenditures priority, employees compensation to maintain capacity, direct fundraising costs to ensure we continue to procure financial resources, charitable activities with priority for rescue efforts, landscape conservation and restricted funded projects. In addition to these priorities the organisation has also included any fixed payments and or any contractual agreements, all other forms of spending are being strictly limited.

Going Concern

The Board of Trustees is of the opinion that The Charity has adequate financial resources to continue in operational existence for the foreseeable future. This opinion is based upon financial results, conditions and forecasts prepared weekly, monthly and quarterly by the Executive Management Team, which is provided to the Trustees. Further, management's income projections for the remainder of FY2021 and preliminary targets for FY2022 reflect confidence that continued donor support (including legacy income) coupled with the Charity's variable cost expense structures provide additional support for going concern. Lastly, the Charity maintains healthy operating and strategic reserves levels, which serve to mitigate budgetary risks.

Since the start of the COVID-19 pandemic, the Executive Management Team has convened weekly to review and evaluate potential effects on IFAW's and the Charity's operational and financial wellbeing. Management compiles and reviews key data including revenue performance, operating results, and operating and strategic levels on a weekly basis. The analysis from these weekly meetings are shared with the Board of Trustees.

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

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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 2020, the operating and strategic reserves add up to £12.5 million (£5.2 million and £7.3 million, respectively). Operating reserves constituted approximately 4 months of Fiscal year 2020 annual expenditures (which meets the stated objective of maintaining a minimum of two months of operating expenses). This is an increase from total reserves of £12.1 million at 30 June 2019. Given financial interdependency of the worldwide IFAW entities, local reserves are an important component of the operating reserve considerations. Restricted reserves were £10,697 (2019: £nil).

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 2020, portfolio market values decreased £480k compared to the increase of £469k during fiscal year 2019. Fiscal year 2020 results reflect a weak market. Total managed investment holdings were £7.0 million at 30 June 2020 (2019: £7.5 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 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 in Fiscal year 2020, providing vital resources that advance our mission to protect animals and the places they call home. Fundraising results for Fiscal 2020

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reflect the resilience 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 2020. 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 86 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 2020.

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.

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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 2020 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 £3.5 million (2019: £3.7 million), £1.6 million (2019: £1.7 million), £2.6 million (2019: £2.6 million), £6.6 million (2019: £6.6 million), and £1.4 million (2019: £1.4 million) respectively.

During Fiscal 2020 donations and legacies totaled £16.4 million, a decrease of approximately £200k (2019: £16.6 million), which was primarily due to weaker than expected sweepstakes income. Slight declines in sustainer, 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 2020 totalled £16.4 million compared to Fiscal 2019 of £19.6 million. Overall, Fiscal 2020 charitable expenditures decreased compared with the annual financial plan of £18.9 million, due a reduction in spending related to impact of COVID-19. Included in annual expenditures for Fiscal 2020 were grants of £6.0 million (2019: £8.9 million) which included grants to unrelated organisations for £1.5 million (2019: £1.9 million).

The overall result for the entire Organisation for Fiscal year 2020 was a surplus totalling £379k which was an increase from the budgeted deficit of £800K (2019: deficit £2.3 million), this surpluses will help increase the Organisations financial strength and healthy operating and strategic reserve levels.

Programs Overview: Goals, Progress

UK Impacts

Positive outcomes for animals in Scotland

There was a double win for animals in Scotland in June 2020, with the Scottish government announcing a ban on fish farmers shooting seals in Scottish waters and increased sentencing powers for animal cruelty cases.

Maximum sentencing for animal cruelty cases increased from one to five years, following extensive campaigning by IFAW and others. The Scottish government had previously pledged support for a 'Finn's Law' for Scotland, to recognise in law the importance of service animals such as dogs and horses and better protect them from attack. It is hoped that increased sentencing powers for animal cruelty cases will provide a deterrent for such attacks on service animals, as well as giving broader protection to all animals.

Finn's Law was named after police dog Finn who was stabbed in the head and chest while protecting his handler, PC Dave Wardell during an incident in Hertfordshire, England in 2016. A resulting campaign for better recognition of service animals and increased measures to protect them led to Finn's Law being passed in England and Wales and Scotland pledging to introduce similar legislation.

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IFAW had campaigned for many years to bring about an end to the cruel practice of licenced 'seal shooters' at Scottish fish farms being able to kill seals believed to be damaging their salmon stocks, nets and other equipment. Necropsies of seals shot in this way have shown some seals died slowly and painfully; that 35% of these necropsied seals were pregnant grey seals; and that some seals were nursing mothers.

In addition to the cruelty, IFAW always maintained that shooting seals was ineffectual in preventing them from damaging salmon stocks, as there has been little evidence that shooting reduces seal interactions with the farms, or that the seals shot were the ones causing the damage.

More than 1,700 grey and harbour seals have been shot under licence since 2011. The new ban has been brought about partly by the risk of Scottish farmed salmon no longer being eligible for export to the lucrative US market from the start of 2022 while seals were still being shot on fish farms, under new regulations coming into force in the US under the Marine Mammal Protection Act.

Lucy's Law comes into force

In April 2020, the ban on third party sales of puppies and kittens came into force in England, also known as 'Lucy's Law'. This new law will help shut down the inhumane puppy farm trade and put a stop to unscrupulous breeders who place profit ahead of animal welfare.

Before the introduction of Lucy's Law, people could purchase a dog or cat from a third party establishment such a pet shop or an online marketplace. Buying a puppy or kitten this way often meant that pet owners weren't able to see the animal's parents, determine whether it had been bred in a safe environment or if it had been taken from its mother and littermates too early. Unfortunately, many of these animals were sick, underage or had severe behavioural issues.

The implementation of Lucy's Law marks the end of years of campaigning by IFAW and our partners, vet Marc Abraham and the Lucy's Law campaign team, which was set up in memory of a very special dog named Lucy. Lucy was rescued from a puppy farm in Wales and had suffered terrible abuse at the hands of her breeders. Sadly, she died just three years after been rescued.

Over the past few years IFAW has lobbied the Government extensively, supplied evidence and worked with our loyal supporters to raise awareness of the devastating consequences of third party sales of puppies and kittens. Our 'Suzy Puppy' campaign helped to highlight the problems associated with buying pets from third party sources among consumers and with MPs. In May 2019, Lucy's Law was finally passed.

On April 6 2020, the Animal Welfare (Licencing of Activities Involving Animals) (England) (Amendment) Regulations 2019 came into force. It ensures that puppies and kittens must be sold in the place of their birth, in the presence of their mother, and not sold or resold by a third party. This law will help to end the suffering caused by commercial puppy farming and provide animals with the protection they need.

Animal Welfare (Sentencing) Bill

For many years, IFAW has been working closely with the Government to increase the maximum sentence for anyone found guilty of animal abuse.

Currently, in the UK those found guilty of animal abuse face just six months in prison. We know that animals deserve better. IFAW has been campaigning to increase the maximum penalty to five years' imprisonment, which we believe will act as a real deterrent in the future. During this time we have lobbied the Government extensively, advised on proposed law changes and attended key briefings on the subject.

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In June 2019, we celebrated as the Animal Welfare (Sentencing) Bill was introduced in the House of Commons, and protection for animals under law was in sight. Sadly, due to the political turbulence of 2019, including a general election and ongoing Brexit debates, the Bill was dropped. We were back to square one.

Fortunately, in February 2020, MP Chris Loder introduced a Government-backed Private Members Bill. In FY 20, IFAW's campaign team worked tirelessly to garner support for the Bill among MPs and ensure it passed swiftly through Parliament and on to the statute books.

The Bill was due its second reading in June when the COVID-19 pandemic hit. Like many other Bills, the Animal Welfare (Sentencing) Bill had to be delayed as the Government prioritised tackling the global crisis. A revised second reading is scheduled for October 2020. IFAW will continue to support the Bill in FY 21 to make sure we can give animals the protection they deserve.

The Ivory Act is upheld

In FY 20, the UK Ivory Act faced a serious threat from the antiques lobby who were looking to overturn it at the High Court.

In December 2018, after a two-and-a-half-year campaign, the UK finally closed down its domestic ivory market, and IFAW was one of the leading organisations that helped successfully see the ban pass through Parliament. Over this period, we ran a number of high-profile activities including ivory surrenders, events in Parliament and advocacy work with key decision makers and MPs.

The result was one of the strongest bans on ivory in the world. However, in October 2019 the Friends of Antique Cultural Treasures Limited (FACT) challenged the Secretary of State for Environment, Food and Rural Affairs at the High Court – arguing that the ban infringed on their human rights.

Every year, 20,000 elephants are killed in Africa for their ivory, just to make meaningless trinkets and items of jewellery. By shutting down ivory markets we are helping to put an end to poaching. To overturn the ban would put thousands of these magnificent animals' lives at risk.

During the hearing, IFAW was at the High Court to support the Ivory Act and we were delighted to see the High Court reject FACT's bid to overturn the ban. However, in May 2020, FACT continued their campaign and took their case to the Court of Appeal. Again, Defra was asked to defend the Ivory Act against the interests of a few antique dealers. Thankfully, the Court Of Appeal decided to uphold the Act.

Sadly, the actions of FACT have delayed the Ivory Act from being implemented but, IFAW is continuing to work closely with the Government to ensure that the Act will not be undermined or weakened and we can close down the UK's ivory market once and for all.

UK animal heroes awarded

One of the highlights in IFAW UK's calendar is the annual Animal Action Awards held each year at the House of Lords to honour a special group of people who do inspiring work to protect animals both at home and overseas.

The event provides an opportunity to thank some of the many people who devote their time to improving the lives of animals in need. By highlighting their selfless work, others are inspired to do their bit to protect animals and their habitats.

The high profile event also enables IFAW to engage with key politicians, stakeholders, supporters and other VIPs while garnering extensive local, regional and national media coverage. The 2019

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winners have helped a countless number of animals, from dogs and cats to hedgehogs, rhinos and even the pine marten.

Also honoured at the event was IFAW's Animal of the Year, springer spaniel Diesel. Ten-year-old Diesel works with the Scottish Fire and Rescue Service and his specialist skills are also used by the UK International Search and Rescue Team, which assists after earthquakes and other natural disasters overseas. In 2015 Diesel was deployed to search for survivors of the devastating earthquake in Nepal. His primary day-to-day role is urban search and rescue, searching for survivors when buildings collapse. He is also used to help in searches for vulnerable missing persons.

Among the other winners were Pauline and Keith Marley, from Aberdeenshire, for rehabilitating 15,000 wild animals and birds in need at their rescue centre; Elisa Best, from Bristol, for helping orphaned rhinos and other threatened African wildlife with her Blankets for Baby Rhinos charity and Helen Renshaw, from London, for helping sick and injured horses in Egypt. In addition, Jo Collins, from Ipswich, was recognised for her work rescuing stranded seals and other marine mammals; Kim Cooling, from London, was awarded for improving the lives of thousands of street dogs in Sri Lanka and Linda Hewett, from Portsmouth, was honoured for rescuing injured and orphaned hedgehogs. Trudie James, from London, received an award for years of tireless work rehoming abandoned and mistreated dogs in the UK while Stuart Edmunds, from Cheshire, was honoured for dedication to researching and protecting the elusive British pine marten.

Global Impacts

Landscape conservation

Despite the extraordinary impact of COVID-19, IFAW was able to continue to support essential landscape conservation in fiscal year 20, forge new partnerships and address challenges in a holistic way. This year we once again achieved noteworthy success in the priority landscapes where we work across Africa and Asia.

We remain committed to working with governments, local communities, and other stakeholder to ensure connected conservation networks become a reality that provide wildlife, particularly keystone species like elephants, with the space they need to survive and thrive. This year IFAW-supported rangers recovered 2,498 kilograms of elephant ivory and arrested 1,289 poachers. Plus, IFAW-supported efforts added another 350 square kilometers of habitat to Manas National Park in India.

We continue to link conservation and community livelihoods through substantive community engagement and participation. This year we supported alternative livelihood diversification activities that resulted in an astonishing US\$278,000 in direct income for communities in Malawi, Zambia, and Kenya. We supported training for 289 people with skills like tailoring, brickmaking, construction, and beekeeping in the places where we work, including China and India.

Our work is driven by our belief that when people thrive, animals will thrive along with them.

Partnering for conservation in the Greater Manas Landscape

In fiscal year 20 we continued to make a difference in [the Greater Manas Landscape](#) through our long-term partnership with the [Wildlife Trust of India \(WTI\)](#). [Greater Manas](#) is a ribbon of 1,450 square kilometers of protected landscape that runs along India's border with the Kingdom of Bhutan, in the foothills of the Himalayan Mountains. At its heart is the 500 square kilometer [Manas National Park](#), a [World Heritage Site](#) in Assam, that is a contiguous landscape with [Royal Manas National Park](#) in [Bhutan](#).

To improve enforcement capabilities, IFAW-WTI built an anti-poaching camp in the extended area of [Greater Manas](#) known as "[First Addition](#)." The camp is strategically located to ensure patrol staff can

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provide enhanced protection to [First Addition](#) as well as an area that is key habitat for Gee's golden langur, one of India's most endangered primate species.

In December 2019, two rhinoceros calves rescued from floods in [Kaziranga National Park](#) were translocated to [Manas National Park](#) and released into suitable habitat. This brings the population of greater one-horned rhinos in Manas to 39 individuals, 19 having been hand raised at our [jointly run Centre for Wildlife Rehabilitation and Conservation](#) in Kaziranga as part of an initiative to return threatened species to Manas.

The illegal logging of trees for fuelwood is a major concern for protected area management. During fiscal year 19, [IFAW-WTI](#) installed 26 improved cook stoves at commercial establishments in local markets around [Manas](#) and [First Addition](#). These fuel-efficient stoves require significantly less wood for heating and the markets showed a 32% decline in the usage of fuelwood as a result. Since the project began, we have also installed about 2,000 stoves in homes in the [Greater Manas Landscape](#) reducing overall use of fuel wood by ~25%. Better fuel efficiency also means that households can dedicate time and resources to other important economic and social activities in the community. Such initiatives are key in reducing environmental impact and helping the region to become more sustainable.

[IFAW-WTI](#) has set up four weaving centers that provide 200 women with livelihoods and support traditional weaving techniques. When the COVID-19 lockdown prevented weavers from going to work, we were able to mobilise more than 150 women to continue working from home making face masks. We procured and distributed 300 kilograms of high-quality cotton yarn to weavers at two centers and the weavers produced more than 500 masks for use in the community. Weavers were able to earn a monthly income of RS 8,000 (US\$108), which is a meaningful amount, especially during the nation-wide lockdown. At [Manas National Park, India](#), [IFAW](#) also supported frontline staff by providing 142 items of protective gear.

The partnership between [IFAW](#) and [WTI](#) has been a true conservation success story ever since it was formalised in 2001. Together we've worked on projects that meet a variety of [IFAW's](#) programme objectives. One of the most significant achievements was the expansion of the [Greater Manas Landscape](#) through the [#BringingBackManas](#) initiative. This contributed to [UNESCO](#) removing Manas from its List of World Heritage sites in danger in 2011. The fruitful partnership between [IFAW](#) and [WTI](#) will continue to ensure that both animals and people thrive.

Supporting rangers to protect wildlife during the COVID-19 crisis

Lockdowns due to COVID-19 had an immediate and devastating impact on tourism around the world. The safari tourism industry that supports many thousands of employees and their families had no choice but to cease operations and lay off staff. Within days, bustling tourism hubs turned into ghost towns and we received reports of increased snaring and poaching activities, a potent indicator of the impact of the pandemic on livelihoods.

Just by their mere presence, tourists visiting protected areas form an effective surveillance system that helps reduce poaching and illegal activities. The two factors of desperate times and empty parks potentially provided an opportunity for criminal elements to place wildlife under threat.

Rangers are considered an "essential service" in all the landscapes where [IFAW](#) works, so they did not leave their bases to return home to their families during the lockdown period. Many remained at work for months to protect wildlife and habitat.

In some countries, the downturn in tourist revenue meant conservation authorities were short-paying or not paying rangers at all. In others, the shortage of income meant funds were not available to buy

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fuel for patrol vehicles. We heard of rangers denied essential protective supplies, such as face masks and hand sanitiser, simply due to lack of money.

IFAW's Landscape Programme went to work in partnership with government authorities and wildlife departments to ensure that rangers and law enforcement officers received all they needed to remain motivated and effective during the crisis. The international lockdown caused by COVID-19 created one of the greatest challenges ever to rangers tasked with protecting wildlife. During the lockdown they made enormous personal sacrifices. We thank them and we salute them.

Kenya and Tanzania

One of the priorities for IFAW is wildlife security in community lands in the larger Amboseli-Tsavo-Kilimanjaro (ATK) landscape straddling the Kenya-Tanzania border. In March 2020, COVID-19 lockdowns prohibited all non-essential movement and services in Kenya. As protectors of wildlife and their habitat, and also as first responders in incidences of human wildlife conflict, the Olgulului Community Wildlife Rangers (OCWR) were declared an essential service by the leadership of the Olgulului Olalarashi Group Ranch (OGR).

To ensure the safety of wildlife during this time, and to avoid the risk of COVID-19 transmission, the OCWR had to stay within the six ranger outposts for over four months without travelling home. Through the generosity of the European Commission and the TUI Care Foundation, IFAW remained steadfast in supporting the OCWR by providing salaries, rations, equipment, and personal protective equipment.

Malawi and Zambia

In Malawi and Zambia, the Combatting Wildlife Crime (CWC) Malawi-Zambia Transboundary Landscape Project supports 120 rangers. The tailoring team based at Kasungu National Park made 1,540 camouflage masks that were distributed to all Department of National Parks and Wildlife (DNPW) rangers in Malawi. In addition, we distributed 400 COVID-19 personal protective equipment packs and supplied bicycles to community health workers so they could safely continue their work. Despite the lockdown, rangers continued to patrol the 7,000 square kilometer transboundary landscape with no reported increase in poaching. The elephant population in Kasungu National Park has more than doubled from 55 in 2015 to 115 in 2019. This has made it essential to refurbish the western boundary fence, which is the project's next milestone.

Zimbabwe

Victoria Falls, Zimbabwe, a main center for safari tourism, was particularly hard hit by COVID-19 closures. With many people left destitute and without income, the threat of an increase in poaching in the surrounding protected areas was very real. At the WIL-ZEN elephant release site in the Panda Masuie Forest, a short distance from Victoria Falls, an additional ranger base was established. Over a 12-week period, an additional 504 patrol hours were made from the base especially along the eastern boundary where there are human settlements. The entire staff was issued personal protective equipment and food to support the families of approximately 20 people who work as drivers, cooks, and maintenance workers.

At Hwange National Park, Zimbabwe's largest national park, IFAW supports Zimbabwe Parks and Wildlife Management Authority (ZimParks) rangers working in the Makona section, which is a known poaching hotspot. At any time, this 4,500 square kilometer area of the national park is patrolled by just 25 rangers, which is just one ranger per 180 square kilometers, far below the accepted standard of 1 ranger per 20 square kilometers. The impact of COVID-19 on surrounding communities was dire, greatly raising the risk of an increase in poaching.

IFAW is supporting ZimParks for operational support, including food provisions for patrols and diesel for rangers safeguarding the Makona sector. Over time support was expanded, enabling ZimParks to

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extend vehicle and foot patrols in the [Sinamatella](#), [Main Camp](#) and [Robins sections](#) and surrounding communal areas. During the lockdown, IFAW support enabled [ZimParks'](#) vehicle patrols to cover an additional 3,230 square kilometers every month, greatly reducing the potential for poaching activity.

Conservation footprint in Hwange National Park

In late 2019, IFAW and the Zimbabwe Parks and Wildlife Management Authority (ZimParks) shook hands on an agreement to enhance wildlife conservation in the country renowned for its incredible commitment to conservation of biodiversity and its large elephant populations.

Our work with [ZimParks](#) addresses conservation challenges in the [Hwange-Matetsi ecosystem](#), which covers the iconic [Hwange National Park](#), [Zambezi National Park](#), [Victoria Falls National Park](#), and adjoining community areas. These areas are home to some 53,000 elephants and 600 lions and together form part of the world's largest conservation area, the 519,912 square kilometer [Kavango-Zambezi Transfrontier Conservation Area \(KAZA-TFCA\)](#).

The partnership spans a variety of conservation objectives, including developing on-the-ground law enforcement capacity to protect wildlife populations from poaching and working with communities to prevent human-wildlife conflict.

In [Hwange National Park](#), our work focuses on Makona, a known hotspot for poaching due to the porous 150-kilometer boundary it shares with the neighbouring [Tsholotsho](#) communal area. Keeping wildlife safe requires intense protection by a well-motivated and well-equipped cadre of rangers. IFAW's goal is to reduce elephant poaching in the landscape by 50% by 2023.

One of our first actions was to help [ZimParks](#) upgrade part of the [Main Camp-Makona](#) access road, a 40 kilometer stretch which was difficult to access due to deep [Kalahari](#) sands. Rehabilitating road infrastructure is a game changer in helping rangers respond swiftly to poaching activities. It also improves the tourism experience and this road will make it possible for visitors to explore new sections of the park that were difficult to reach before.

IFAW funding also provided [ZimParks](#) with a new tractor and trailer and two new 4x4 off-road vehicles to support anti-poaching efforts in [Hwange](#). A further two vehicles were refurbished to increase the law enforcement fleet. Rangers made some significant breakthroughs in their anti-poaching work, seizing 64 kilograms of ivory and arresting at least two poachers (one, a well-known local footballer, was jailed for nine years for illegal possession of eight pieces of unmarked raw ivory).

The partnership with [ZimParks](#) has thrived despite the challenges of the first year and we're confident that we will see long-term success and positive outcomes for animals and people in the landscape.

Wildlife crime

The world's COVID-19 crisis put added pressure on wildlife. For example, the simple presence of people helps keep poachers away, so when tourists vanished due to lockdowns and travel restrictions, animals in many parks and protected areas were at increased risk. Meanwhile, many frontline rangers saw their wages cut or eliminated due to the lack of tourist revenue.

In the places where IFAW works, we stepped in to help. We made sure rangers were paid, supported, and able to do their work. And that was just one aspect of our actions to reduce wildlife crime in fiscal year 2020.

IFAW's Wildlife Crime Programme takes a multi-faceted approach. We support capacity building for law enforcers and we strongly believe that change at an international and national policy level is key to tackling wildlife crime. IFAW continues to be a pioneer disrupting online trade in wildlife. IFAW's

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Wildlife Crime Programme is committed to reducing public demand for illegal wildlife and wildlife products through public awareness.

Strengthening law enforcement capacity

The COVID-19 pandemic has thrust issues around the legal and illegal trade of wildlife into the global spotlight like never before. But away from the headlines, statements, and promises, the day-to-day work of wildlife law enforcement personnel, often dangerous and very unglamorous, continues and IFAW has been there with our partners throughout this tumultuous year.

Despite the challenges and restrictions imposed by the pandemic, our projects were able to train a total of 479 law enforcement personnel in eight countries, across four continents. Our operations support led to our partners seizing over 350 kilograms of elephant ivory and hundreds of kilograms of bush meat and other contraband, including illegal firearms.

In fiscal year 20 we kick-started two new initiatives, [Operation Jaguar](#) in [Bolivia](#), [Suriname](#) and [Guyana](#) and the [Legal Intelligence for Cheetah Illicit Trade \(LICIT\)](#) project in the [Horn of Africa](#).

Protecting jaguars

Operation Jaguar (funded by the Dutch Postcode Lottery and led by IUCN NL) provides training to personnel from a range of government agencies responsible for tackling wildlife crime, along with prosecutors and judges, who are critical elements of the legal system that are often overlooked by conservation organisations. Before COVID-19 travel restrictions caused a pause in some activities, we were able to work with 26 staff from seven different agencies, led by the Guyana Wildlife Conservation and Management Commission. We have adapted some of our training methods and course content to make it available for remote training and will be looking to utilise these methods more while travel restrictions persist.

Combatting cheetah trafficking

The [LICIT Project](#) (funded by the UK Government's [Illegal Wildlife Trade Challenge Fund](#) and led by the [Cheetah Conservation Foundation](#)) addresses the need for stronger legislation and enforcement and greater cross-border cooperation to combat trafficking of cheetahs. IFAW is helping to establish networks of organisations and individuals to prevent cheetah cubs from being taken from their dens and sold into the exotic pet industry, which, tragically, is often done by cattle herders in [Ethiopia](#), [Somalia](#), and [Somaliland](#) in an effort to protect their livestock from predators.

Our expert trainers will be working with law enforcement personnel from across the region to assist them in tackling this devastating trade. It is estimated that nearly 300 cubs a year are trafficked illegally from the region. At this rate, it will not be long before populations are locally extinct.

Disrupting wildlife trafficking networks

IFAW teams in [southern and eastern Africa](#) continue making inroads into networks trafficking in wildlife products. In [Zambia](#), over 114 kilograms of ivory was seized, along with pangolin scales and leopard skins. Among those arrested were a number of citizens from other countries in the region, highlighting the long and multinational nature of the trafficking chains. In [Kenya](#), [Kenya Wildlife Service \(KWS\)](#) staff and IFAW-supported Community Rangers seized more than 110 kilograms of ivory and bush meat that had been poached from elephants and vulnerable giraffe populations.

Combatting wildlife crime in the Malawi-Zambia landscape

Combating Wildlife Crime in the Malawi-Zambia Transboundary Landscape is a five-year project managed by IFAW and supported by USAID. The project operates across a 7,000 square kilometer transfrontier landscape that includes national parks, wildlife reserves, forest reserves, game management areas, and communal lands.

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IFAW plays an active role in wildlife crime prevention by working with partners (and sub-grantees) the Lilongwe Wildlife Trust, Wildlife Crime Prevention, and the Departments of National Parks and Wildlife in both Zambia and Malawi.

Despite the challenges of COVID-19, the impact of the project in fiscal year 20 has been significant, including the seizure of a total of 949 kilograms of illegal ivory and the arrest of almost 600 poachers and wildlife traffickers between October 2019 and June 2020.

Building a better future

We supported training 50 teachers who, despite the interruption to the school year due to the pandemic, were able to provide environmental education to at least 10,000 learners.

We also supported infrastructure development, including the installation of three VHF antenna masts to provide radio communication, one in [Zambia](#) and two in [Kasungu National Park in Malawi](#), funded by the [German Corporation for International Cooperation \(GIZ\)](#). VHF masts are a key communications tool for rangers across the transfrontier, allowing them to remain in touch with their counterparts to prevent wildlife crime.

Another significant construction project was building a bridge linking two key communities near [Kasungu National Park](#). This makes it possible for communities to continue to trade and for children to safely get to school during the rainy season when flash floods sometimes occur.

Through alternative livelihoods initiatives approximately US\$39,872 was placed directly into the hands of the local community between April and June 2020. While 206 people directly benefited from earning money, each “breadwinner” supports an average of six people, which means that more than 1,000 members of the local community have benefited from these initiatives.

Reducing wildlife crime in the Greater Kilimanjaro Trans Frontier Conservation Area

IFAW continues to play an important role in supporting law enforcement in the Greater Kilimanjaro Trans Frontier Conservation Area (TFCA), working with both community scouts and the wildlife management agencies of Kenya and Tanzania to better support their efforts to secure the vast area.

IFAW provides logistical and technical support to the 76 rangers of the Olgulului Community Group Ranch, including the members of IFAW’s Team Lioness, one of the region’s first all-female ranger teams. This year, our team has supported the roll-out of landscape-wide systems to collate, assess, and present data on poaching and trafficking incidents, human wildlife conflict, and many other data points essential to managing the landscape effectively and using resources efficiently.

Throughout fiscal year 20, IFAW facilitated cross-border security meetings between Kenyan and Tanzanian partners to improve intelligence sharing and to promote joint operations against gangs trafficking ivory and bush meat. IFAW supported an operation by Kenya Wildlife Service (KWS) that resulted in the seizure of over 110 kilograms of ivory and the breakup of three networks responsible for trafficking in wildlife products.

The impact of the COVID-19 pandemic has been significant in East Africa. Loss of vital income from tourism has meant that desperately needed funds for law enforcement have run dry. When the pandemic took hold, in-person training and support became challenging so IFAW pivoted to providing logistical support to KWS, including fuel, rations, and equipment to keep rangers in the field.

Improving security in the Greater Virunga landscape

With financial support from the [European Union](#), IFAW (in partnership with [IUCN-Netherlands](#)) in fiscal year 20 moved into the final year of our [project](#) supporting law enforcement and communities in

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[Queen Elizabeth National Park in Uganda](#) and [Virunga National Park in the Democratic Republic of Congo](#).

Our experts trained more than 35 frontline law enforcement officers and intelligence staff from both parks, focusing on tackling cross-border wildlife trafficking. In mid-2020, we completed and handed over a 12-person ranger outpost in [Queen Elizabeth National Park](#) to the [Uganda Wildlife Authority \(UWA\)](#). This strategically located facility will allow Uganda's rangers to secure the western boundary of the park and disrupt the activities of poachers and traffickers who previously had free reign in this important part of the landscape.

In addition to supporting a number of joint patrols between [Congolese and Ugandan Rangers](#), IFAW supports a number of community wildlife monitors who support park operations with information and act as bridges between communities and park management. Working with [UWA](#), the activities of our monitors led to the arrest and prosecution of 36 poachers and the recovery of snaring equipment, bush meat, and vehicles used in cross-border smuggling.

We facilitate meetings that let communities share with UWA rangers their concerns and challenges about living alongside wildlife. We also work with local community informants to support the park in tackling wildlife crime, such as poaching and trafficking.

Reducing market supply and consumer demand in China

With internet technology rapidly evolving, the illegal wildlife trade has been shifting from offline to online platforms for years. However, as platform providers strengthen their efforts to regulate wildlife cybercrime, sellers have become more vigilant and are constantly exploring new ways to avoid detection, including transitioning from using code words to images, short videos, and live-streaming to convey the wildlife products they sell. Traditional code-word searching and monitoring is no longer enough to cope with the evolving trend. A tool that is able to recognise commonly traded wildlife products is urgently needed.

Collaboration with internet companies to promote wildlife conservation

IFAW works in close collaboration with prominent internet companies in [China](#) to bring the conversation about wildlife conservation to the mainstream. In January 2020, IFAW, along with other NGOs, worked with [Alibaba](#) to launch the wildlife conservation initiative Ai Ling Plan (Caring for Beings), which attracted more than 3 million visits to its site. The second largest Chinese search engine, [Sogou](#), launched campaigns with IFAW in January and March 2020 that changed [Sogou's](#) homepage to wildlife conservation information, attracting more than 44 million views in seven days.

Adding artificial intelligence to the fight against online wildlife crime

In April 2020, IFAW and [Baidu](#) launched an artificial intelligence (AI)-powered tool to identify images of endangered wildlife products illegally traded online. The [AI Guardian for Endangered Species](#) was jointly developed by IFAW and Baidu's open-source deep learning platform [PaddlePaddle](#). The tool currently has 75% accuracy for recognising images of elephant ivory, tiger canine teeth, skin, claws, and pangolin scales and claws. So far, the [AI Guardian](#) helped recognise more than 4,000 illegal wildlife product pictures from more than 250,000 messages from different Chinese online platforms. The tool will significantly improve the efficiency and coverage of IFAW's regular online research and help support enforcement agencies and platform regulators in their efforts.

Changing social behaviour for wildlife

To reduce demand for wildlife parts and products, IFAW conducts social behaviour change communications campaigns to change individual consumer behaviour as well as create an environment for wider social change. Leveraging technology from the private sector, IFAW's campaign promoting the ivory trade ban and the legal ramifications of wildlife consumption was able to reach target audiences with precision. With support from media partners, including [JCDecaux](#)

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[Advertising \(Shanghai\)](#), [Dynamic Winning Partners Media Group](#), [Beijing MTR](#), [Beijing AirMedia United Advertising](#) and others, IFAW's public service announcements reached more than 20 urban centers in China.

We are also engaging private sector partners to incorporate wildlife-friendly concepts into their own marketing strategies to mainstream and amplify IFAW campaign messages. IFAW and [InNail](#), one of the leading high-end nail care and beauty lifestyle brands in [China](#), jointly launched a series of wildlife conservation-themed products motivating consumers with "Hands-on Rejection of Wildlife Products" messaging.

In March 2020, IFAW and [Meituan](#), China's largest food delivery platform, launched a joint campaign calling on people to refrain from eating wild meat. 17,000 merchants on [Meituan](#) responded to the call and promised to remove wild meat from menus. Within days of launching the campaign, [Meituan](#) delisted 7,514 "wildlife meat" relevant merchants. In fiscal year 20 IFAW leveraged over US\$24 million of in-kind donations from [China's](#) media and private sectors.

Wildlife cybercrime

Stopping wildlife crime relies not only on protecting wildlife in its natural habitat, but also on disrupting the marketplace for wildlife products. Today, the biggest marketplace is online. It's a borderless market that's always open and connects buyers and sellers around the world with the click of a mouse. The global pandemic has pushed even more commerce online, making it more important than ever for IFAW to continue its vital work with private-sector partners, international policy forums, and consumers to end wildlife cybercrime and protect some of our most threatened species.

Working with vital partners to make a difference together

The Coalition to End Wildlife Trafficking Online continues to bring together the world's biggest online technology, e-commerce, and social media companies from across the world in partnership with the World Wildlife Fund (WWF), the Wildlife Trade Monitoring Network (TRAFFIC) and IFAW for an industry-wide approach to reduce wildlife trafficking online. The coalition focuses on company policy harmonisation, industry collaboration, user education, mobilising citizen spotters, in-depth company training, and machine learning enhancement.

In March 2020, for the second anniversary of the coalition, IFAW, WWF, and TRAFFIC published *Offline and In the Wild*, a report highlighting coalition successes, including more than three million prohibited species listings having been either blocked or removed, almost 470 staff trained, and more than 4,500 listings flagged to companies by cyber spotters.

In addition, IFAW successfully recruited two new partners for the coalition – France's Leboncoin and Germany's Deine Tierwelt.

In fiscal year 20 IFAW proudly launched its cyber spotter programme with 29 volunteers trained in Germany, France, and China. The volunteers monitored online commerce platforms and reported listings suspected of offering live animals or animal parts. They identified more than 3,000 wildlife listings for removal across 10 platforms.

IFAW also continues working with partners on a two-year project aimed at disrupting criminals trafficking wildlife in or via the EU. Funded by the Internal Security Fund of the Directorate General for Migration and Home Affairs of the European Commission, the work is implemented by a coalition including IFAW, WWF, INTERPOL, and the Belgian Customs, with in-kind support from TRAFFIC. The "Disrupting and dismantling wildlife cybercriminals and their networks in the European Union" project is helping train customs, police, and other enforcement officers across the EU to detect and deter wildlife trafficking. It also engages with delivery and online tech companies.

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Making progress through international policy forums

IFAW's effective lobbying helped ensure that parties adopted important amendments at the [Convention on International Trade in Endangered Species of Wild Fauna and Flora \(CITES\) CoP18](#), held in Geneva, Switzerland in August 2019. The amendments specifically tackle wildlife crime linked to the internet with calls for parties to evaluate or develop domestic measures to ensure that they sufficiently address wildlife crime and that adequate resources are available to investigate these crimes.

The amendments will help establish national monitoring programmes and engagement with online platforms to raise awareness. At the conference, new CITES Secretary General, Yvonne Higuero, championed the issue of wildlife cybercrime, mentioning it in many of her speeches and in her closing remarks.

Wildlife cybercrime was also high on the agenda at the Americas Regional Conference on Illegal Wildlife Trade, the first high-level conference on illegal wildlife trade in the Americas, which saw countries from North, Central and South America and the Caribbean come together in Lima, Peru for two days in October 2019 to identify ways to combat wildlife crime. Twenty-one signatories pledged to "address wildlife crime linked to the internet with effective penalties and sanctions."

Article: First high-level conference on illegal wildlife trade in the Americas
<https://www.ifaw.org/uk/news/illegal-wildlife-trade-conference-peru>

Positioning IFAW as a pioneering world leader on wildlife cybercrime

IFAW continues to grow its reputation as a leading group tackling wildlife cybercrime globally. In fiscal year 20, we provided valuable expertise to companies, governments, enforcers, inter-governmental agencies, funders, and consumers. Examples include providing IFAW's breadth of experience and expertise at:

- [CITES CoP18](#)
- [Americas Regional Conference on Illegal Wildlife Trade in Peru \(October 2019\)](#)
- [INTERPOL's Wildlife Crime Working Group in Singapore \(November 2019\)](#)
- [The General Police Equipment Conference \(GPEC\) wildlife crime workshop in Frankfurt, Germany \(February 2019\)](#)
- [The Coalition to End Wildlife Trafficking Online event in New York \(March 2020\)](#)
- Online presentation about combatting wildlife cybercrime for key functions at [ByteDance](#) (the parent company of [TikTok/Douyin](#)) (May 2020)

Wildlife Rescue

Following the outbreak of COVID-19, IFAW's Animal Rescue Programmes implemented adaptive measures to protect staff and continue our rescue, rehabilitation, and release work. As global lockdowns rolled out across the world and borders closed, IFAW worked with local partners to ensure animals at their facilities received care and staff had access to essential safety equipment in order to continue operations.

Beginning in March 2020, our Animal Rescue Programme teams received an influx of support requests from projects and organisations around the world. As a part of our COVID-19 response strategy, the team prioritised grant requests for biosecurity, sanitation, and operational support. Grant funds were used to purchase personal protective equipment and sanitation stations and to support bio-security measures, animal care, and veterinary staffing costs.

IFAW's in-house expertise and quick mobilisation ensured rapid protections for our staff and frontline rescue teams. In total, we were able to protect and care for people and animals in 15 countries at 27 partner project sites.

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Caring for sick and injured birds of prey

The IFAW Beijing Raptor Rescue Center (BRRC) is Beijing's only designated rehabilitation facility for receiving and caring for sick and injured birds of prey such as hawks, eagles, falcons, and owls. BRRC has admitted a total of 5,343 raptors between when it was established in 2001 and June 2020. 133 raptors were brought into care in fiscal year 20, representing 22 different species. This year we released a total of 131 raptors back into the wild, which was a combination of raptors brought into care in fiscal year 20 and raptors still in our care from previous years.

BRRC continues to conduct research and development with Beijing Normal University, Capital Normal University, Institute of Zoology at the Chinese Academy of Sciences, and China Agricultural University, among others. Topics include active monitoring of raptor diseases, blood parasites in raptors, and gender identification using DNA.

Monitoring of our released birds via satellite tracking provides valuable and insightful data on their survival and movement patterns in the wild. One upland buzzard, tracked via satellite tag for over two years, travelled to Mongolia and its GPS data reveals the buzzard has remained in the area since.

Adhering to the latest scientific methods in the rescue, rehabilitation, and release of birds of prey, and demonstrating the highest animal welfare standards in the care of wildlife, BRRC not only saves individual raptors, but also educates people about threats to wildlife and promotes policies and actions that advance the conservation and welfare of animals.

Despite the COVID-19 pandemic, BRRC was able to provide excellent care to raptors in rehabilitation and continue to operate with safety protocols to protect rescue and rehabilitation staff.

Six orphaned elephants rescued in Zimbabwe

In Zimbabwe, as part of our ongoing partnership with Wild Is Life's Zimbabwe Elephant Nursery (ZEN) led by founder Roxy Danckwerts, we rescued six orphaned elephant calves in fiscal year 20, doubling the number of calves and bringing the total to 13 elephants currently in rehabilitation at the nursery. The ZEN team provided 24/7 care for all the new rescues, expanded the stable area by adding four individual stables, and crafted unique milk formulas and feeding plans according to each calf's dietary needs.

One of those elephants is Amira. In October 2019, Amira was spotted alone and had collapsed from exhaustion in Mana Pools National Park, Zimbabwe. Without her mother or herd, this seven-month-old orphan would likely have died without intervention. With the help of ZimParks rangers and a local safari operator, the team was able to airlift Amira to ZEN where she continues to receive around-the-clock care from her keepers and is learning the skills she will need to survive in the wild.

Elephant calf reunited with herd in India

The IFAW-Wildlife Trust of India (WTI) Mobile Veterinary Service (MVS) teams rescued and treated six wild elephant calves in fiscal year 20. One of the rescues, a two-month-old calf, was reunited with his herd. The young calf, a male, was rescued by local community members after he fell into a tea garden drain. Our MVS team was able to provide emergency care and locate his herd in the nearby forest. The team released him close the herd and remained onsite until they confirmed he had reunited with them.

Our partnership with Wildlife Trust of India began in 2001, and since then our elephant rescue operations in the state of Assam have ensured that more than 75% of orphaned elephant calves are rescued and brought to our Center for Wildlife Rehabilitation and Conservation (CWRC) for rehabilitation. If not for this critical work, many of these calves would likely have perished, or ended up in lifetime captivity.

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Six elephants are currently in rehabilitation at CWRC, four females and two males. These calves spend their days growing, gaining strength, learning survival skills in a protected forest area, and bonding together as a herd. As the calves grow and gain strength during their rehabilitation, they progress closer to the ultimate goal of release back to life in the wild.

Caring for animals seized in the crackdown on illegal wildlife trade

The illegal trade in live exotic animals is a global problem that threatens animal welfare and conservation efforts. At IFAW, we believe it is essential to ensure that animals seized in trade by authorities are well cared for. Government authorities, such as law enforcement agencies, wildlife management authorities, and veterinary bodies, need to have sustainable care options and humane processes for any confiscated animals.

In fiscal year 20, we continued to provide governments with technical guidance and recommendations to increase frontline officers' capacity to secure protected areas and country borders, investigate suspicious persons or items, and care for seized animals. Clear options and decision processes help governments and authorities understand that in conservation, every individual animal matters, whether they are in the wild or seized during an operation to prevent illegal wildlife trafficking.

Disaster Response and Risk Reduction

As disasters around the world increase in intensity and frequency, IFAW's Disaster Response and Risk Reduction team is ready to help by deploying to the hardest-hit communities to rescue animals and support local animal guardians and authorities throughout the crisis. In fiscal year 20, IFAW's Disaster Response and Risk Reduction team rescued 50,639 animals.

IFAW's Disaster Response team crafted a "Go/No-Go" deployment guide to ensure our team and trained responders could evaluate and deploy safely to disaster zones during the COVID-19 crisis.

Our greatest impact often comes after the disaster strikes, when we work with local stakeholders to evaluate a community's risk and to address threats through strategic planning and building local capacity to prepare for and respond to the next disaster.

During the first few months after Hurricane Dorian hit the Bahamas, IFAW immediately deployed trained responders and provided over 5,000 animals with direct care and over 113,000 kilograms of supplies including food, veterinary supplies, and humanitarian aid. Since then, we continue to work closely with our partners and the Bahamian government to implement a successful, long-term, comprehensive emergency management plan for the islands.

Catastrophic bushfires in Australia

Australia's annual drought and bushfires combined for a devastating 2019-2020 season. The climate crisis contributed to record-breaking temperatures and a prolonged drought, which ignited wildfires throughout the landscape earlier than normal and they increased in magnitude and intensity throughout the season.

IFAW has been on the ground in Australia for more than 32 years. For decades, we have grown our team and strengthened our relationships with wildlife rehabilitators and government agencies across the country. So, when unprecedented disaster struck, we were well-placed to respond. Early on, we leapt in to provide assistance to rescue and care teams on the ground. With the invaluable support of generous donors from around the world, we were able to deliver help where it was needed most.

Locating koalas in burned-out forests

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Bear, a koala detection dog, was an integral part of our search and rescue efforts to locate koala survivors in the bushfires. Trained by IFAW's partners at the University of the Sunshine Coast's (USC) Detection Dogs for Conservation team, Bear is one of the few detection dogs in Australia able to locate live koalas through the scent of their fur. This lovable canine isn't new to our roster, but we are certainly proud of the celebrity and media attention he garnered while successfully tracking over 100 koalas in burned-out forests this season.

Thanks to timely reporting from the field and widespread attention from media, IFAW received an influx of corporate, private, and foundational grants. With this support and more, Bear and the USC Detection Dogs for Conservation team are now conducting crucial research on the health and resilience of koala populations through the bio-health of their scat after the fires.

Scientific research

Not all of our impact happens on charred ground, and in March 2020, IFAW published a first-of-its-kind scientific report identifying a significant loss of 6,382 koalas across New South Wales –15% of the state's population. Over the past 20 years, 62% of the population is estimated to have perished due to drought, bushfires, and man-made causes exacerbated by climate change. For this reason, we embarked on a policy push, calling on our peers, supporters, and the state and federal government to “uplist” the status of koalas from “vulnerable” to “endangered.”

Planting trees

This fiscal year alone, we have taken part in the planting of 35,000 native eucalyptus trees, with plans to expand our collaborative efforts and connect a network of essential wildlife corridors up and down Australia's east coast. This investment in restoration and regrowth – much like our commitment to the migration routes of elephants and whales – will support generations of animals to come, and these community projects help to instill a desire for local landowners to be part of building a healthy future.

Rescue, relief, and recovery after Hurricane Dorian

In September 2019, the Bahamas was hit by its worst natural disaster on record. Hurricane Dorian, a Category 5 storm, struck the islands and left a trail of devastation in its wake, destroying many of the places people and animals called home.

Shortly after Dorian made landfall – and at the request of the Bahamian Government – IFAW deployed 50 responders to help with rescue and relief efforts in Abaco and Grand Bahama over the course of two months. While on the ground, IFAW established and led a coalition of organisations to rescue animals, provide shelter and veterinary care, and reunite pets with their owners.

When IFAW arrived in Grand Bahama, 71 unowned dogs and 86 unowned cats at the Humane Society of Grand Bahama needed immediate transportation from the island. Along with our partners, IFAW supported flights to take the animals to the United States, where they could undergo health assessments before finding forever homes.

In total, IFAW, alongside GreaterGood.org and Wings of Rescue, organised emergency transport for over 700 animals—including dogs, cats, rabbits, birds, and turtles. Many of these animals had been rescued from some of the hardest hit areas and required emergency veterinary care and extensive daily care support.

As a result of IFAW's work across the islands, from our immediate response through to ongoing recovery efforts, more than 5,000 animals received direct care and more than 113,000 kilograms of supplies including food, veterinary supplies, and humanitarian aid were delivered to Nassau, Abaco, and Grand Bahama.

Supporting successful long-term recovery

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IFAW is continuing to work closely with the coalition to implement a successful, long-term recovery plan for the islands. On all three islands, we awarded emergency grants to local partners as they rebuild stronger than ever and care for the animals in their communities.

The Abaco Animal Shelter was able to cover mobile pet wellness clinics at Marsh Harbour and Sandy Point, where over 100 animals received treatment, vaccinations, and purchased a truck for volunteers to deliver vital pet supplies to families in the aftermath of the hurricane. IFAW grants were also used to repair the original shelter and increase Abaco Animal Shelter's capacity to care for animals in need and promote responsible pet population management.

Preparedness that reduces future risk

In spring 2020, IFAW created a Bahamas Comprehensive Emergency Management Plan and submitted it for consideration to the Ministry of Agriculture and Marine Resources, Division of Veterinary Services, and all other coalition members. IFAW is working one-on-one with all coalition members to create contingency plans and prepare their communities.

By implementing a full-circle approach to disaster response, from response and recovery to preparedness and risk reduction, we can help communities be more resilient, protecting even more animals from harm.

Saving animals from flooding to support communities

We know that healthy animals are often the key to community health and resilience. Since 2015, IFAW's community-led Safelands project in Myanmar has provided farmers with raised platforms for their cattle to find refuge when flooding hits. Farmers rely on cattle for plowing fields, so the animals provide vital support to the farmers' families and their communities. Cattle caught in floodwaters suffer and become vulnerable to illness and death.

In fiscal year 20, one Safelands platform in Myanmar provided safe refuge for 175 cattle during flooding. Evacuation of these cattle by boat would have cost the community around US\$1300, which is a significant amount that can instead be saved and invested in other aspects of the community.

Today, Myanmar's government is investing its own resources to replicate the Safelands project across the delta region. In fiscal year 20, an additional eight platforms were built.

The Safelands project is an example of how sustainable projects can thrive when community participation, ownership, and leadership is encouraged. By fiscal year 20, all 11 project sites had established community-led committees to oversee the management of the Safelands, and several of the communities had hosted training sessions for their own villages. In the Myan Aung community, which is one of the government-built Safeland sites, IFAW helped three local women set up a community fund to pay for upgrades and repairs. This community and female-led initiative has secured donations from community members and local business that will help sustain their Safeland in the future.

IFAW's Safelands project was featured on the United Nations' Sustainable Development platform, highlighting IFAW's commitment to implementing sustainable conservation and animal welfare projects.

Five rhino calves rescued from flooding

Since 2001, we have partnered with the Wildlife Trust of India (WTI) and the Assam Forest Department to protect animals and the habitats they call home. By implementing an approach that combines animal rescue, landscape conservation, and community engagement we have seen the return of some of the region's most iconic species and allowed landscapes to thrive.

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In July 2019, along with our partner WTI, we rescued five rhino calves from the annual flooding in Kaziranga National Park, Assam. All five of the calves have now been moved into the rhino enclosure at the jointly run Centre for Wildlife Rehabilitation and Conservation facility where they have successfully adjusted to their new environment and are exploring the natural feed available to them. In time, they will be released back into the wild in places like Manas National Park, where our integrated approach to welfare and conservation shows landscape conservation, wildlife crime teams, and rescue efforts, all contributing to a holistic solution.

Keeping families together by feeding pets

IFAW's work also included keeping families together during the COVID-19 pandemic. From the West Coast of the United States to Mexico and the US Virgin Islands, IFAW issued grants and worked with local partners to purchase and distribute pet food to families facing economic challenges during the pandemic. In total, 25,000 kilograms of pet food was distributed to families in need. In the US Virgin Islands alone, we helped feed more than 1,200 pets.

Marine Mammal Rescue

For the last 22 years, IFAW's Marine Mammal Rescue and Research (MMRR) Programme has embraced the highest tenets of animal welfare and research science for marine mammal strandings. Our team is one of the most respected marine mammal stranding response programmes in the world. With over 5,500 responses to date, we know that every hotline call is not only an opportunity to provide aid to an animal in distress, but also a chance to advance our knowledge about marine life and how to help these animals thrive.

In fiscal year 20, the team responded to 257 reports of stranded marine mammals. This includes responses to 34 live small aquatic mammals (small cetaceans, including small whales, dolphins and porpoises), 21 of which were treated and released back to wild.

In addition to our hands-on rescue and research work, IFAW's MMRR team trains other response teams, increasing the welfare, treatment, and veterinary care of stranded marine mammals around the world. We also engage and train passionate members of local communities to support rescue efforts as volunteer responders. It's a testament to what can be achieved for animals when we work together with the people living closest to them.

Rushing to save marine mammals

The North Atlantic right whale, one of most endangered animals in the world, has faced devastating population losses in the last four years. Every individual whale matters more than ever, so we need to do everything we can to save each one.

IFAW maintains a custom-built large whale remote drug deployment system, making us the only team in the world with the capabilities to provide medical intervention to free-swimming large whales. This system was needed for the response to a severely injured right whale calf off the coast of Georgia, USA in January 2020. The right whale calf, born just days earlier, had already been the victim of a severe vessel strike. The multi-agency response team was able to relocate the calf, assess its condition, and remotely administer antibiotics. This marked the first time the remote drug deployment system was used to treat a North Atlantic right whale calf.

With 477 stranding responses, calendar year 2019 was our busiest year ever and one that pushed our teams and our resources to the limits as we ensured that every live animal received the best care possible. In fiscal year 20, the team responded to 257 stranded marine mammals, including out-of-region animals and animals that stranded more than once. This included responses to 34 live small aquatic mammals (small cetaceans, which includes small whales, dolphins and porpoises), 21 of

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which could be released. Three released dolphins were fitted with temporary satellite tags to allow for post-release monitoring which improves future responses.

In an effort to inform and focus large whale conservation efforts, IFAW maintains one of the most skilled large whale necropsy teams in the USA. In fiscal year 20 the team responded to eleven dead large whales in an attempt to determine the cause of death. Two of these responses were to North Atlantic right whales and in both cases human actions (entanglement and vessel strike) were determined to be the cause of death.

The Marine Mammal Rescue team was the recipient of a competitive Prescott grant to improve understanding of the highly infectious Brucella bacteria, which can result in reproductive disease, heart disease, severe lesions and, in some cases, death.

With the outbreak of COVID-19, the team's constant response preparedness benefitted a whole new group: local first responders. The team was able to donate their existing supply of N95 masks and other personal protective equipment to local hospitals to help them bridge the gap until more supplies arrived.

Adapting to the pandemic didn't stop there. Response protocols were thoroughly revised to increase safety and reduce exposure to COVID-19 for stranding responders while rescuing animals in the field. These protocols were shared across IFAW departments as well as partners regionally and internationally. Teams were able to continue to respond to reports of stranded or injured marine mammals and provide the best care possible care for each individual animal.

Marine Conservation

Life in the ocean is under threat. IFAW works to strengthen protections for whales, other marine species, and ocean habitats worldwide. We focus on the threats of entanglement in fishing gear, collisions with ships, underwater noise pollution, commercial whaling, and climate change. Whether promoting alternative industrial practices or lobbying for stronger laws, we focus on solutions that enable animals and people to thrive together.

Dr. Sidney Holt, 1926–2019

We were all saddened by the passing of our long-time mentor, advisor, and colleague Dr. Sidney Holt in December 2019. Sidney's singular contributions to marine conservation and leviathan legacy of leadership in the global campaign to end commercial whaling will ripple across the ocean planet for generations to come. Razor sharp and prolific to the end, Sidney lived to celebrate the end of Antarctic whaling and see the International Whaling Commission migrate from a whalers' club toward world-class whale conservation in the 21st century, a course he had charted 60 years before. Farewell, dear friend. Well done.

Celebrating the end of whaling in Iceland

Seventeen years of campaigning to end commercial whaling in [Iceland](#) is finally paying off. In spring 2020 we received word from Iceland that neither minke nor fin whaling would take place that calendar year. This marks the second year in a row without any whaling in [Iceland](#).

The end of Icelandic whaling is good news for whales, good news for Iceland, and good news for marine conservation worldwide. IFAW salutes and commends our long-time partners and friends in Iceland who have been working to end the cruel and wasteful killing of fin whales and minke whales in Icelandic waters and to end consumption of whale meat by international tourists.

In a public statement, the last remaining company conducting minke whaling confirmed that it would cease operations. The main reason given was economic inefficiency and the extended whale

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sanctuary in Faxaflói Bay, off Reykjavík. IFAW instigated and played a key role in the creation of this whale sanctuary and its later expansion.

A second, lone company that carries out fin whaling is yet to make an official announcement about the future of its enterprise and whether the commercial fin whale hunt might resume in 2021. Public sentiment in Iceland favors an end to all whaling and patience with the last remaining whalers is wearing thin. IFAW started the biggest-ever petition in Iceland calling for an end to whaling, with well over 150,000 signatures delivered to the Icelandic government.

Fin whales—the second largest animal on Earth—had previously been harpooned in Iceland specifically for export to Japan. Minke whales were killed for the domestic whale meat market, but mainly used to feed curious tourists in the country. More than 1,500 fin and minke whales have been killed in Iceland since 2003, the year the country resumed commercial whaling after a 13-year hiatus. IFAW has worked with Icelanders since this time to promote responsible whale watching as an alternative to the cruelty of whaling.

Reducing the negative impact of shipping

As part of ongoing efforts to reduce the negative impacts of shipping on marine life and the marine environment, IFAW has continued to raise awareness of the detrimental effects of continuous underwater noise from shipping. Ship propellers are the major cause of this noise, and the increase in the size, speed, and number of ships globally has led to huge increases to the constant din in oceans throughout the globe.

Technical options and reducing ship speeds are straightforward solutions that reduce underwater noise from shipping. IFAW continues to work within the [International Maritime Organization \(IMO\)](#), the [United Nations](#) body governing marine traffic, to place the issue onto the work agenda of the [Marine Environment Protection Committee](#). IFAW submitted a supportive paper, supported by a wide coalition of NGOs, and is working with various governments to secure their support as well.

Slowing down ships not only reduces this constant background noise, it also results in fewer ship strikes and reduced greenhouse gas emissions. During fiscal year 20, this link was documented in a research paper by IFAW's Russell Leaper, "The Role of Slower Vessel Speeds in Reducing Greenhouse Gas Emissions, Underwater Noise and Collision Risk to Whales," which was published in *Frontiers for Marine Science*. The research shows that an achievable 10-15% reduction in global ship speeds would likely reduce the number of whales killed by ship strikes or affected by shipping noise by 50%. In light of these findings, IFAW is calling for a 10% reduction in shipping speeds. We are working to find holistic solutions and are collaborating with industry, having made contact with nine international shipping companies and associations.

Collisions between vessels and whales ("ship strikes") remain an underestimated threat to whales. Experts suspect that for every whale we see that has been (fatally) injured by a strike, twenty whales with the same fate go undetected.

Protecting endangered sperm whales from ship strikes in Greece

Working with our local partners in [Greece](#) to address the significant and serious conservation and welfare problem that ship strike poses to an endangered population of sperm whales in the [Hellenic Trench](#), west of [Greece](#), has resulted in significant engagement with the [Greek government](#), the [Hellenic Chamber of Shipping](#), and the [Union of Greek Shipowners](#) over the last year. Consultation is now taking place at the Ministerial level to consider ship strike risk reduction options to help protect these endangered whales.

To achieve change, we are also joining forces with other NGOs to help drive political decisions and highlight the impacts human activities are having on marine animals. One heartbreaking example

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came to the world's attention in the spring of 2020 when a fin whale missing its entire tail fluke was spotted in the [Mediterranean Sea](#). It quickly became evident that the whale must have fallen victim to both a ship strike and entanglement in fishing gear, eventually causing it to lose its tail flukes. IFAW is working on smart and collaborative solutions to address these serious conservation and welfare issues. These deaths are avoidable.

Campaign to save North Atlantic right whales

IFAW continues to work to ensure the survival of the critically endangered North Atlantic right whale (NARW). With fewer than 360 North Atlantic right whales remaining, our work focuses on reducing the threats they face in their critical habitat off the east coast of North America.

The biggest threats these whales face is getting entangled in outmoded fishing gear or being struck by boats and ships. Our work to eliminate these threats is more urgent than ever as only 25% of the remaining whales are reproductive-aged females. The death of even one animal is potentially catastrophic to species recovery. Tragically, two new-born calves were killed in 2020, making a total of 43 dead (or presumed dead) North Atlantic right whales since 2017. Staggeringly, that's nearly 12% of the known population dead in just three years. In every case where the cause of death could be definitively determined, it was human activity (entanglements and vessel strikes) that killed each whale.

Our team has focused first and foremost on extensive outreach with industry, government, and local stakeholders to develop and implement solutions to protect these whales. One crucial element to NARW survival is the development and use of ropeless fishing gear, which would eliminate the number of fixed vertical buoy ropes currently in the water, thus ensuring safe passage for whales through migration corridors and into critical habitats. We are conducting at-sea trials of ropeless gear with the fishing industry, scientists, and technology companies to accelerate its use in the water as the sustainable long-term solution.

Alongside this effort to reduce the risk of vessel strikes, we are working with shipping companies to educate them on the importance of slow transit and speed restriction compliance. The Whale Alert mobile app allows commercial and recreational mariners and the general public to locate whale "safety zones" and enables real-time reporting of whale sightings to ensure improved protection and to minimise the possibility of vessel strikes.

IFAW is leading a campaign that drives public awareness of the critical conservation situation for this species and advocates for essential regulatory change to drive strong mitigation measures.

IFAW's key legislative efforts helped secure US\$3 million in funding in the fiscal year 20 year-end Federal Appropriations package for North Atlantic right whale conservation, including US\$1 million towards a pilot programme for innovations in new fishing gear technology to reduce the risk of entanglement. In addition, our efforts resulted in the successful re-introduction of SAVE Right Whales Act in the US House of Representatives and Senate that establishes a new collaborative research grant programme allocating US\$50 million over the next decade for conservation action focusing on the North Atlantic right whale. It passed favorably with bipartisan support out of committee and the bill awaits a final vote late in late fall, 2020.

Additionally, IFAW commissioned a report entitled "Ropeless is Real." Made public in May 2020, this critical research discusses the efficacy of ropeless gear technology and the role it plays in reducing NARW entanglements. The report was released within the context of a broader effort that included over 5,500 IFAW supporters from all 50 states in the USA calling upon the National Oceanic and Atmospheric Administration (NOAA) to increase measures to protect NARWs from further entanglement and vessel strikes.

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International Policy

At IFAW, when we talk about secure habitats for the places animals call home, we mean more than just security on the ground. We cannot be sure these habitats and species will be safeguarded over time unless both are adequately protected in law and policies. That's why IFAW engages so actively in advocacy work, both nationally and internationally.

IFAW has long participated in the workings of multilateral environmental agreements (MEAs) to ensure their decisions are in the best interests of the world's wildlife. The impact of the global pandemic in fiscal year 2020 has meant that many of these meetings are taking place virtually or are postponed. However, despite these challenges, IFAW's vital international policy work continues; lending our expertise in supporting partners, governments, and other decision-makers to implement agreed work and continuing to advocate positive change for some of our most vulnerable species.

Increased protection for shark and ray species

Important new protections under international law were awarded for a number of IFAW priority species at key global policy forums in fiscal year 20. These included a major conservation win for many endangered species of shark and ray, some at the tipping point of extinction due to the scale of international trade in their fins and meat.

A record 18 species were awarded key Appendix II protections at the 18th Conference of the Parties (CoP18) of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), held in Geneva, Switzerland in August 2019. The listing includes the endangered shortfin and longfin mako shark (some of the most heavily fished sharks in the world), six species of endangered giant guitarfish and 10 species of wedgefish, nine of which are endangered. In addition, IFAW secured grant funding to help implement CITES shark listings in the Middle East, North Africa, Latin America, and the Caribbean.

A significant victory was also secured for the critically endangered oceanic whitetip shark at the 13th Conference of the Parties (CoP) of the UN Convention on Conservation of Migratory Species of Wild Animals (CMS) in Gandhinagar, India in February 2020. Government representatives from the 130 member parties accepted a proposal to list the oceanic whitetip shark on Appendix I of CMS—the forum's highest level of protection. This means it is now forbidden to catch this shark throughout its range.

Once considered one of the most common tropical sharks in the world, the oceanic whitetip shark is an apex predator and plays a crucial role in marine ecosystems. It is now one of the most endangered shark species due to overfishing, driven by international demand for shark fin soup. The increased protection is vital for the species' survival.

Important victory for jaguar conservation

IFAW partnered with governments from across Latin America to achieve a major win for jaguars at the 13th Conference of the Parties (CoP) of the UN Convention on Conservation of Migratory Species of Wild Animals (CMS) in Gandhinagar, India in February 2020. The threatened species was given the forum's highest level of protection, which will protect it across its entire range, which stretches from the USA to Argentina and almost every country in between. This new legal protection will drive regional cooperation to counter threats facing jaguars from habitat loss and fragmentation and the growing illegal trade in jaguar parts.

Urgent action is vital to save the jaguar, with 40% of its habitat having been lost over the last 100 years. While also a target of illegal wildlife trade, further destruction of habitat and critical migratory corridors likely poses the greatest threat to the survival of this iconic animal—the largest native cat in the Americas and third largest big cat in the world. Halting the loss of habitat and destruction of

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migratory corridors is vital, especially for isolated and endangered populations, if the jaguar is to survive across the Americas.

The Appendix I and II listing will encourage greater regional cooperation, particularly for management of transboundary populations, maintenance or creation of key migratory corridors for isolated populations, and prevention of further jaguar habitat loss and population declines.

While the jaguar is classed as “Near Threatened” globally, 13 range states have declared the jaguar to be “Endangered,” four “Vulnerable” and two have already suffered local extinctions. Co-proposed by six countries in Latin America, this was the highest ever number of co-proponents for a proposal at CMS, excluding those sponsored collectively by all EU member states. This demonstrates the strength of regional support for this flagship species.

IFAW is also helping governments to implement these decisions through Operation Jaguar, a joint project working to end poaching and the illegal trade in jaguar parts, with a focus on ranger training and law enforcement in Bolivia, Suriname, and Guyana.

Preventing efforts to reopen ivory and rhino trade

Attempts to reopen the international ivory trade by allowing sales of ivory stockpiles were roundly rejected at CITES CoP18, thanks to efforts from IFAW and partners. Similarly, a proposal to reopen trade in white rhino horn also failed.

Instead, governments at CITES chose to increase pressure on countries to close domestic ivory markets, demanding countries with significant ivory markets still open, such as the EU and Japan, to report on what further measures they plan to take. This follows announcements of closures of key ivory markets in China, the USA, and UK in recent years to tackle the elephant poaching crisis.

An important component in ending the illegal trade is closing down opportunities for criminals to launder illegal products into legal markets, so it was significant that the conference reiterated the need for governments to tackle these legal ivory markets. The EU promised to bring forward further measures to tackle the huge market across its 28 member states. Australia also announced its intention to ban the domestic trade in ivory and rhino horn.

With populations of elephants and rhinos decimated by trade in their tusks and horns, it is important that as we work to reduce consumer demand for these items, the door to international trade remains firmly closed.

Thanks to IFAW’s ground-breaking work to reveal the extent of online trade in ivory and other wildlife products, CITES also urged greater action to address online wildlife markets. IFAW followed up this victory at CITES by using recently acquired IUCN membership to submit a draft resolution to the forthcoming IUCN Congress (postponed due to COVID-19) to call for further action in the area of wildlife cybercrime. IFAW’s particular expertise on this issue is also helping governments to implement these decisions.

Elephants were also on the agenda at CMS, this time specifically the Asian elephant which was listed for the first time and host country India announced its intention to work with other Asian elephant range states to form a regional agreement with collective actions to safeguard the animal, which is classified as “Endangered” by the International Union for Conservation of Nature (IUCN) Red List.

Asian elephants suffer from habitat loss and fragmentation as well as illegal killing for their ivory and other products, such as skin, which has fueled poaching to supply a growing demand for elephant

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skin jewelry. In addition, Asian elephants are regularly victims of retaliatory attacks due to human-elephant conflict and can be killed by contact with human infrastructure, such as collisions on roads and railways.

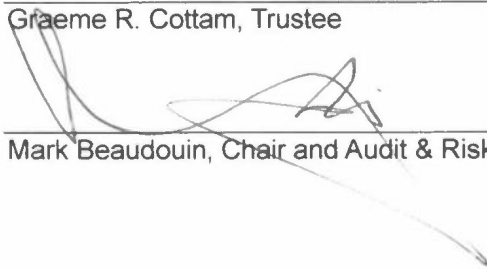
The Trustees' Report and the Strategic Report were approved by the Trustees on 25 February 2021 and signed on their behalf by;



Graeme R. Cottam, Trustee

February 25, 2021

Date



Mark Beaudouin, Chair and Audit & Risk Oversight Committee Chair

02/25/2021

Date

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

Opinion

We have audited the financial statements of International Fund for Animal Welfare (IFAW) (the 'charitable company') for the year ended 30 June 2020, 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 2020 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

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- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the 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: *8 March 2021*

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 2020

| | Note | 2020 Unrestricted £ | 2020 Restricted £ | 2020 Total £ | 2019 Total £ |
|---|------|---------------------------|-------------------------|--------------------|--------------------|
| Income from: | | | | | |
| Donations and legacies | 2 | 16,222,796 | 175,659 | 16,398,455 | 16,561,489 |
| Grants from connected organisations | 17 | - | 98,968 | 98,968 | 142,917 |
| Interest and Investment income | | 154,516 | - | 154,516 | 191,567 |
| Total income | | 16,377,312 | 274,627 | 16,651,939 | 16,895,973 |
| Expenditure on: | | | | | |
| Raising funds | 3 | 3,230,420 | - | 3,230,420 | 3,199,076 |
| Charitable activities | 3 | 12,866,727 | 263,930 | 13,130,657 | 16,448,267 |
| Total expenditure | | 16,097,147 | 263,930 | 16,361,077 | 19,647,343 |
| Net resources incoming/ (expended) before investment gains | | | | | |
| | | 280,165 | 10,697 | 290,862 | (2,751,370) |
| Net gains on investments | | 88,122 | - | 88,122 | 274,476 |
| Net resources incoming/ (expended) | | | | | |
| | | 368,287 | 10,697 | 378,984 | (2,476,894) |
| Other recognised gains | | - | - | - | 228,840 |
| Net movement in funds | | 368,287 | 10,697 | 378,984 | (2,248,054) |
| Reconciliation of funds | | | | | |
| Total funds brought forward | 18 | 12,103,325 | - | 12,103,325 | 14,351,379 |
| Total funds carried forward | | 12,471,612 | 10,697 | 12,482,309 | 12,103,325 |

The notes on pages 38 to 57 form part of these accounts.


International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Statement of Financial Position at 30 June 2020

| | Note | 2020 £ | 2019 £ |
|--|------|-------------------|-------------------|
| Fixed assets | | | |
| Tangible assets | 9 | 265,066 | 8,347 |
| Investments | 10 | 7,031,224 | 7,545,965 |
| Other investments | 10 | 1 | 1 |
| Total fixed assets | | 7,296,291 | 7,554,313 |
| Current assets | | | |
| Debtors | 11 | 5,500,948 | 4,309,229 |
| Cash in bank and in hand | | 2,408,092 | 1,644,696 |
| Total current assets | | 7,909,040 | 5,953,925 |
| Liabilities | | | |
| Creditors falling due within one year | 12 | (2,528,647) | (1,404,913) |
| Net current assets | | 5,380,393 | 4,549,012 |
| Creditors falling due after more than one year | 13 | (194,375) | - |
| Total Net assets | | 12,482,309 | 12,103,325 |
| The Funds of the charity | | | |
| Unrestricted income funds | 18 | 12,471,612 | 12,103,325 |
| Restricted income funds | 18 | 10,697 | - |
| Total charity funds | | 12,482,309 | 12,103,325 |

The financial statements on pages 38 to 57 were approved by the board of Trustees and authorised for issue on 25 February 2021 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 2020

| | Note | 2020 £ | 2019 £ |
|---|------|-------------------------|-------------------------|
| Cash provided by operating activities | 19a | 312,853 | (2,221,356) |
| Cash flows from investing activities | | | |
| Interest & investment income | | 154,516 | 191,566 |
| Payments to acquire tangible fixed assets | | - | - |
| Payments to acquire fixed asset investments | | (458,022) | (554,193) |
| Proceeds from sales & maturities of fixed asset investments | | 795,243 | 793,956 |
| | | <u>491,737</u> | <u>431,329</u> |
| Cash provided by investing activities | | 491,737 | 431,329 |
| Cash flows from financing activities | | | |
| Repayments of borrowing | | (34,094) | - |
| Interest paid | | (7,100) | - |
| | | <u>(41,194)</u> | <u>-</u> |
| Cash applied to financing activities | | (41,194) | - |
| Increase/(decrease) in cash and cash equivalents in the year | | <u>763,396</u> | <u>(1,790,027)</u> |
| Cash and cash equivalents at the beginning of the year | | 1,644,696 | 3,434,723 |
| Total cash and cash equivalents at the end of the year | 19b | <u><u>2,408,092</u></u> | <u><u>1,644,696</u></u> |

The notes on pages 38 to 57 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 2020

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) second edition, effective 1 January 2019 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 2019. 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, impact of COVID-19 and its potential impact on the various sources of income and planned expenditures. The Executive Management Team has made this assessment based on weekly meetings to discuss the impact of COVID-19 on the Charity's operations, in which analysis is performed using the most current financial and non-financial data that is available. This information and analysis is communicated to the Trustees on a weekly basis as well. The Trustees have a reasonable expectation that the charity has adequate resources to meet all obligations for at least twelve months after issuance of these statements and requires no assistance from affiliated organisations. It is the Trustees' view that there are no material uncertainties about the charity's ability to continue in operational existence for the foreseeable future. As noted above, this view is based upon management's income projections for the remainder of FY2021 and preliminary targets for FY2022 reflect confidence that continued donor support (including legacy income) coupled with the Charity's variable cost expense structures provide additional support for going concern. Lastly, the Charity maintains healthy operating and strategic reserves levels, which serve to mitigate budgetary risks. 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.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2020 (continued)

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.

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.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2020 (continued)

Leasing and hire purchase commitments

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases") the assets are treated as if they been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding lease commitments are shown as obligations to the lessor. Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the statement of financial activities in the proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to the Statement of Financial Activities on a straight line basis over the lease term.

Rent free periods or other incentives received for entering into a lease are accounted for over the period of the lease so as to spread the benefit received over the lease term or, if shorter the period ending when prevailing market rentals will become payable.

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.

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.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2020 (continued)

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.

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. Management's estimate is prudent in respect of illiquid asset to be accrued.

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2020 (continued)

2 Donations and contributions

| | 2020 | 2019 |
|-----------------------------|-------------------|-------------------|
| | £ | £ |
| Sustainer donations | 3,510,860 | 3,747,267 |
| Sweepstakes donations | 1,596,085 | 1,663,629 |
| Newsletter appeal donations | 2,637,967 | 2,604,457 |
| Legacies | 6,585,561 | 6,622,630 |
| Gift aid contributions | 1,354,375 | 1,360,851 |
| Other donations | 713,607 | 562,655 |
| | <u>16,398,455</u> | <u>16,561,489</u> |

This table reflects unrestricted income of £16,160,216 (2019: £16,294,629) and restricted income of £238,239 (2019: £266,860).

3 Allocation of expenses

Costs by charitable activity for Fiscal year 2020 and 2019 were as follows:

| | 2020 | | | | |
|-----------------------------------|--------------------------------|--------------------------------------|------------------|-------------------|-------------------|
| | Activities undertaken directly | Activities undertaken through grants | Support costs | Total | 2019 |
| | £ | £ | £ | £ | £ |
| Charitable activities: | | | | | |
| Landscape Conservation | 1,662,954 | 1,330,238 | 295,822 | 3,289,014 | 3,574,862 |
| Marine Conservation | 155,178 | 1,208,228 | 134,920 | 1,498,326 | 3,123,148 |
| Wildlife Crime | 778,223 | 1,928,250 | 267,515 | 2,973,988 | 2,769,082 |
| Wildlife Rescue | 2,005,708 | 1,042,718 | 301,275 | 3,349,701 | 4,912,578 |
| Disaster Response and Risk | 671,974 | 223,284 | 88,699 | 983,957 | - |
| Marine Mammal Rescue and Research | 131,534 | 69,630 | 20,175 | 221,339 | - |
| International Policy | 561,140 | 179,734 | 73,458 | 814,332 | - |
| Community Engagement | - | - | - | - | 2,068,597 |
| Total Programs | <u>5,966,711</u> | <u>5,982,082</u> | <u>1,181,864</u> | <u>13,130,657</u> | <u>16,448,267</u> |

Fiscal 2020 program expenses were comprised of £12,866,727 unrestricted (FY19 £15,880,651) and £263,930 restricted (FY19 £567,616).

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 2020 (continued)

3 Allocation of expenses (continued)

Costs of raising funds for Fiscal year 2020 and 2019 were as follows:

| | Total 2020 £ | Total 2019 £ |
|---|-----------------------------|-----------------------------|
| Campaigns and projects: | | |
| Contracting and granting | - | - |
| Direct staffing | 13,889 | 6,306 |
| Support staffing | 179 | 203 |
| Support costs | 6,256 | 3,589 |
| Total | <u>20,324</u> | <u>10,098</u> |
| Multimedia outreach and influence: | | |
| Production and placement | - | 2,904 |
| Digital marketing and fundraising | 4,640 | 1,825 |
| Direct staffing | 2,062 | 8,271 |
| Support staffing | 86 | 419 |
| Support costs | 3,018 | 7,399 |
| Total | <u>9,806</u> | <u>20,818</u> |
| Supporter awareness and advocacy: | | |
| Outreach, production and distribution | 1,576,564 | 1,440,811 |
| Direct staffing | 397,388 | 358,159 |
| Support staffing | 25,452 | 58,002 |
| Support costs | 1,200,886 | 1,311,188 |
| Total | <u>3,200,290</u> | <u>3,168,160</u> |
| Total mission costs | <u>3,230,420</u> | <u>3,199,076</u> |

Governance costs included for Fiscal year 2020 and 2019:

| | 2020 £ | 2019 £ |
|--|-------------------|-------------------|
| Auditors' remuneration | | |
| Statutory audit - Charity auditor | 20,700 | 20,700 |
| Statutory audit - associate of the Charity auditor | 43,922 | 70,374 |
| Legal fees | 64,622 | 45,332 |
| Trustee indemnity insurance | 6,939 | 9,390 |
| | <u>136,183</u> | <u>145,796</u> |

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2020 (continued)

3 Allocation of expenses (continued)

Total support costs from raising funds and charitable activities of £1,470,134 (2019: £1,559,315) include Direct expenditure of £559,208 (2019: £614,109) and Institutional shared support costs of £910,926 (2019: £945,206) 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

| | 2020 £ | 2019 £ |
|---|----------------|----------------|
| Unrealized gain from foreign currency hedging contracts | 397,065 | 144,149 |
| Gain on foreign exchange | - | 228,840 |
| | <u>397,065</u> | <u>372,989</u> |

5 Grants Payable

Grants payables were as follows

| | 2020 £ | 2019 £ |
|----------------------------|------------------|------------------|
| Affiliated organisations | 4,464,960 | 6,983,729 |
| Unaffiliated organisations | 1,519,123 | 1,874,445 |
| | <u>5,984,083</u> | <u>8,858,174</u> |

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2020 (continued)

5 Grants Payable (continued)

Program priorities for the external grants for related organisations were as follows

| | 2020 | | | | | | | | | 2019 |
|---|-----------------------------|---------------------|----------------------|------------------------|---------------------------|--------------------------|---------------------------|----------------------|------------------|------------------|
| | Landscape Conservation £ | Wildlife Crime £ | Wildlife Rescue £ | Disaster Response £ | Marine Mammal Rescue £ | Marine Conservation £ | International Policy £ | General Support £ | Total £ | Total £ |
| International Fund for Animal Welfare, Inc. (United States) | 545,494 | 1,872,462 | 300,168 | 199,770 | 67,916 | 1,204,785 | 132,180 | - | 4,322,775 | 6,827,933 |
| International Fund for Animal Welfare IFAW in Action | - | - | - | - | - | - | - | 2,000 | 2,000 | 75,000 |
| International Fund for Animal Welfare (Australia) Pty Ltd | - | - | 139,985 | - | - | - | - | - | 139,985 | - |
| International Fund for Animal Welfare Inc./Fonds international pour la protection des animaux inc. (Canada) | - | - | 200 | - | - | - | - | - | 200 | - |
| IFAW Internationaler Tierschutz-Fonds gGmbH (Germany) | - | - | - | - | - | - | - | - | - | 68,748 |
| International Fund for Animal Welfare (IFAW) Limited (Malawi) | - | - | - | - | - | - | - | - | - | 12,048 |
| | <u>545,494</u> | <u>1,872,462</u> | <u>440,353</u> | <u>199,770</u> | <u>67,916</u> | <u>1,204,785</u> | <u>132,180</u> | <u>2,000</u> | <u>4,464,960</u> | <u>6,983,729</u> |

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

Notes to the financial statements for the year ended 30 June 2020 (continued)

5 Grants Payable (continued)

Program priorities for the external grants for unaffiliated organisations were as follows

| | Location of Impact | 2020 | | | | | | | | 2019 |
|---|--------------------|-----------------------------|---------------------|----------------------|------------------------|---------------------------|--------------------------|---------------------------|------------|------------|
| | | Landscape Conservation £ | Wildlife Crime £ | Wildlife Rescue £ | Disaster Response £ | Marine Mammal Rescue £ | Marine Conservation £ | International Policy £ | Total £ | Total £ |
| Wild is Life Foundation | Zimbabwe | 457,889 | - | 317,788 | - | - | - | - | 775,677 | 800,331 |
| Wildlife Trust of India | India | 244,517 | 41,815 | 248,492 | 8,951 | 1,715 | 2,043 | 27,259 | 574,793 | 623,881 |
| Conservation Ecology Research Unit (CERU) | Southern Africa | 82,338 | - | - | - | - | - | - | 82,338 | - |
| IUCN International Union for Conservation of Nature | Global | - | - | - | - | - | - | 20,295 | 20,295 | 19,358 |
| Game Rangers International - Zambia | Zambia | - | - | 16,185 | - | - | - | - | 16,185 | 110,486 |
| Tsavo Trust Limited | Kenya | - | 13,973 | - | - | - | - | - | 13,973 | 13,122 |
| Limbe Wildlife Center | Cameroon | - | - | 7,890 | - | - | - | - | 7,890 | - |
| Jakarta Animal Aid Network | Indonesia | - | - | 6,930 | - | - | - | - | 6,930 | - |
| Jaringan Bantuan Satwa Jakarta | Indonesia | - | - | - | 6,600 | - | - | - | 6,600 | - |
| Vale Wildlife Hospital and Rehabilitation Centre | United Kingdom | - | - | 2,500 | 1,500 | - | - | - | 4,000 | - |
| Yayasan Masarang | Indonesia | - | - | 2,580 | 1,300 | - | - | - | 3,880 | - |
| Chimpanzee Sanctuary and Wildlife Conservation Trust | Uganda | - | - | - | 3,788 | - | - | - | 3,788 | 7,750 |
| Bayworld Centre for Research and Education | South Africa | - | - | - | - | - | 1,400 | - | 1,400 | - |
| ONG Reniala | Madagascar | - | - | - | 1,374 | - | - | - | 1,374 | - |
| Sergey Valentinovich Pazhetnov | Russia | - | - | - | - | - | - | - | - | 160,195 |
| Yayasan Bali Animal Welfare Association | Indonesia | - | - | - | - | - | - | - | - | 73,000 |
| International Aid for the Protection and Welfare of Animals | Nepal | - | - | - | - | - | - | - | - | 31,137 |
| University of Oxford | United Kingdom | - | - | - | - | - | - | - | - | 15,655 |
| Associação Mico Leão Dourado | Brazil | - | - | - | - | - | - | - | - | 7,777 |
| Annie's Productions and Animals | Sudan | - | - | - | - | - | - | - | - | 3,920 |
| Paw Forensic Working Group | United Kingdom | - | - | - | - | - | - | - | - | 3,000 |
| Hounds off | United Kingdom | - | - | - | - | - | - | - | - | 2,500 |
| Southern African Foundation for the Conservation of Coastal Birds | South Africa | - | - | - | - | - | - | - | - | 2,333 |
| | | 784,744 | 55,788 | 602,366 | 23,513 | 1,715 | 3,443 | 47,554 | 1,519,123 | 1,874,445 |

International Fund for Animal Welfare (IFAW)

Company registered number 02701278

6 Employees

| | 2020 £ | 2019 £ |
|-----------------------|------------------|------------------|
| Wages and Salaries | 1,290,126 | 1,174,512 |
| Social Security Costs | 273,353 | 257,542 |
| Pension costs | 86,746 | 103,698 |
| | <u>1,650,225</u> | <u>1,535,752</u> |

Staff activities are illustrated as follows:

| | 2020 | 2019 |
|-----------------|-----------|-----------|
| Program | 10 | 9 |
| Program support | 8 | 6 |
| Fundraising | 12 | 13 |
| | <u>30</u> | <u>28</u> |

As of 30 June 2020 IFAW Charity had pension liabilities of £nil (2019: £10,719) included as a component of creditors.

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

| £ | 2020 | 2019 |
|-----------------|------|------|
| 60,000 - 70,000 | 1 | 1 |
| 70,000 - 80,000 | 2 | 3 |
| 80,001 - 90,000 | 1 | - |

Contributions of £22,758 (2019: £22,692) were made into a defined contribution pension schemes on behalf of the above employees and charged to unrestricted charitable activities on the Statement of Financial Activities.

As it relates to termination, employees of the Charity are generally provided with a termination notice in writing and can receive termination benefits directly corresponding to years of service at the Charity. The cost for such payments was approximately £24,000 in fiscal year 2020 (2019: £12,000)

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 £544,781 (2019: £559,271). The amount of these costs allocated to the Charity were £112,375 (2019: £147,279).

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Notes to the financial statements for the year ended 30 June 2020 (continued)

7 Trustees' emoluments

The Trustees received no remuneration in the period (2019: £nil). Travel expenses of £1,066 were reimbursed to Trustees (2019: £11,704). The travel expenses were reimbursed to one Trustee (2019: two)

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 £13,051 (2019: £8,775).

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 £8,596 in Fiscal year 2020 (2019: £11,922).

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.

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Notes to the financial statements for the year ended 30 June 2020 (continued)

9 Tangible Assets

| | Leasehold Improvements £ | Furniture and Fixtures £ | Computer Equipment £ | Total £ |
|-------------------------------------|--------------------------------|-----------------------------------|----------------------------|----------------|
| Cost | | | | |
| At 1 July 2019 | 35,412 | 20,238 | 41,765 | 97,415 |
| Additions | - | 284,452 | - | 284,452 |
| Disposals/ transfers | (35,412) | (13,557) | (11,227) | (60,196) |
| At 30 June 2020 | - | 291,133 | 30,538 | 321,671 |
| Accumulated depreciation | | | | |
| At 1 July 2019 | 32,649 | 20,238 | 36,181 | 89,068 |
| Charge for the period | 2,455 | 22,094 | 2,877 | 27,426 |
| Disposals/transfers | (35,104) | (13,557) | (11,228) | (59,889) |
| At 30 June 2020 | - | 28,775 | 27,830 | 56,605 |
| Net book value | | | | |
| At 30 June 2020 | - | 262,358 | 2,708 | 265,066 |
| At 1 July 2019 | 2,763 | - | 5,584 | 8,347 |

The net book value of furniture and fixtures includes £262,358 (2019: £nil) in respect to assets held under hire purchase contracts

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Notes to the financial statements for the year ended 30 June 2020 (continued)

10 Fixed Asset Investments and Other Investments

| | 2020 £ | 2019 £ |
|---|-------------------------|-------------------------|
| Fixed Asset Investments: | | |
| Investment portfolio at 1 July | 7,823,863 | 7,354,835 |
| Less: Cash deposits with managers awaiting investment at 1 July | <u>(277,898)</u> | <u>(154,249)</u> |
| Market value at 1 July | 7,545,965 | 7,200,586 |
| Additions at cost | 458,022 | 554,193 |
| Disposal proceeds | (795,246) | (793,956) |
| Net investment gains/(losses) | <u>(177,517)</u> | <u>585,142</u> |
| Market value at 30 June | 7,031,224 | 7,545,965 |
| Add: Cash deposits with managers awaiting investment at 30 June | 312,725 | 277,898 |
| Investment portfolio at 30 June | <u><u>7,343,949</u></u> | <u><u>7,823,863</u></u> |
| Historical Cost: | | |
| Investments portfolio at cost at 30 June | <u><u>5,213,229</u></u> | <u><u>5,415,698</u></u> |

Market value comprises:

| | 2020 £ | 2019 £ |
|------------------|-------------------------|-------------------------|
| Equities: | | |
| Services | 332,758 | 459,924 |
| Financials | 2,933,462 | 3,089,646 |
| Fixed Income | 1,647,175 | 1,786,616 |
| Utilities | 809,730 | 795,364 |
| Consumer goods | 430,598 | 490,704 |
| General industry | 633,305 | 594,576 |
| Property Funds | 244,196 | 329,135 |
| | <u><u>7,031,224</u></u> | <u><u>7,545,965</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)

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Notes to the financial statements for the year ended 30 June 2020 (continued)

11 Debtors: Amounts falling due within one year

| | 2020 £ | 2019 £ |
|---|------------------|------------------|
| Accrued legacy income | 4,615,131 | 3,574,937 |
| Other accrued income | 354,684 | 390,306 |
| Prepayments | 43,069 | 125,921 |
| Accrued income | 48,897 | - |
| Due from connected organisations (see note 17) | 439,167 | 218,065 |
| | <u>5,500,948</u> | <u>4,309,229</u> |

12 Creditors: amounts falling due within one year

| | 2020 £ | 2019 £ |
|--|------------------|------------------|
| Trade creditors | 1,391,779 | 957,373 |
| Due to connected organisations (see note 17) | 735,533 | 221,386 |
| Accruals and deferred revenue | 306,522 | 226,154 |
| Hire Purchase creditors | 55,982 | - |
| Other creditors | 38,831 | - |
| | <u>2,528,647</u> | <u>1,404,913</u> |

13 Creditors: amounts falling due after more than one year

| | 2020 £ | 2019 £ |
|-------------------------|----------------|-----------|
| Hire purchase creditors | 194,375 | - |
| | <u>194,375</u> | <u>-</u> |

This represent the outstanding capital value of hire purchase transactions for office furniture purchased

| Hire purchase creditors | 2020 £ | 2019 £ |
|---------------------------|----------------|-----------|
| Amounts due: | | |
| Within one year | 55,982 | - |
| Between two to five years | 194,375 | - |
| | <u>250,358</u> | <u>-</u> |

International Fund for Animal Welfare (IFAW)

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Notes to the financial statements for the year ended 30 June 2020 (continued)

14 Net movement in funds

Net movement in funds is stated after charging

| | 2020 | 2019 |
|---|----------------|----------------|
| | £ | £ |
| Property lease rental | 320,115 | 283,822 |
| Depreciation of owned tangible fixed assets | 27,426 | 10,937 |
| | <u>347,541</u> | <u>294,759</u> |

15 Lease commitments

At 30 June 2020, the Charity had total commitments under non-cancellable operating leases as follows:

| Land and buildings | 2020 | 2019 |
|---------------------------|------------------|----------------|
| Amounts due: | £ | £ |
| Within one year | 220,116 | 140,019 |
| Between two to five years | 788,749 | - |
| | <u>1,008,865</u> | <u>140,019</u> |

16 Membership of the company

The Charity was incorporated on 27 March 1992 in the United Kingdom 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.

17 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 2020 (continued)

17 Related party transactions (continued)

Amounts owed by connected organisations at 30 June:

| | 2020 £ | 2019 £ |
|---|----------------|----------------|
| Stichting IFAW (Netherlands) | 30,951 | 34,929 |
| International Fund for Animal Welfare (Australia) Pty Ltd | - | 55,083 |
| International Fund for Animal Welfare (France) | 115,088 | 92,855 |
| International Fund for Animal Welfare Inc./Fonds international pour la protection des animaux inc. (Canada) | 88,352 | 28,709 |
| International Fund for Animal Welfare NPC (South Africa) | 20,077 | 6,489 |
| IFAW Internationaler Tierschutz-Fonds gGmbH (Germany) | 182,389 | - |
| International Fund for Animal Welfare IFAW in Action (UK) | 2,310 | - |
| | <u>439,167</u> | <u>218,065</u> |

Amounts owed to connected organisations at 30 June:

| | 2020 £ | 2019 £ |
|--|----------------|----------------|
| International Fund for Animal Welfare, Inc. (United States), net | 663,265 | 150,043 |
| IFAW Internationaler Tierschutz-Fonds gGmbH (Germany) | - | 71,343 |
| International Fund for Animal Welfare (IFAW) Limited (Malawi) | 210 | - |
| International Fund for Animal Welfare (Australia) Pty Ltd | 72,058 | - |
| | <u>735,533</u> | <u>221,386</u> |

Income received from connected organisations:

| | 2020 £ | 2019 £ |
|---|---------------|----------------|
| International Fund for Animal Welfare, Inc. (United States) | 62,570 | 24,404 |
| Stichting IFAW (Netherlands) | 11,984 | 27,561 |
| International Fund for Animal Welfare Inc./Fonds international pour la protection des animaux inc. (Canada) | 5,938 | 8,791 |
| International Fund for Animal Welfare (France) | - | 28,624 |
| IFAW Internationaler Tierschutz-Fonds gGmbH (Germany) | 18,476 | - |
| International Fund for Animal Welfare (Australia) Pty Ltd | - | 53,537 |
| | <u>98,968</u> | <u>142,917</u> |

This table reflects restricted grants from connected organisations of £98,968 (2019: £142,917). There were no unrestricted grants from connected organisations (2019: £nil).

International Fund for Animal Welfare (IFAW)

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Notes to the financial statements for the year ended 30 June 2020 (continued)

17 Related party transactions (continued)

Grants paid to connected organisations:

| | 2020 £ | 2019 £ |
|---|------------------|------------------|
| International Fund for Animal Welfare, Inc. (United States) | 4,322,775 | 6,827,933 |
| International Fund for Animal Welfare IFAW in Action (United Kingdom) | 2,000 | 75,000 |
| IFAW Internationaler Tierschutz-Fonds gGmbH (Germany) | - | 68,748 |
| International Fund for Animal Welfare Inc./Fonds international pour la protection des animaux inc. (Canada) | 200 | - |
| International Fund for Animal Welfare (Australia) Pty Ltd | 139,985 | - |
| International Fund for Animal Welfare Limited (Zambia) | - | 12,048 |
| | <u>4,464,960</u> | <u>6,983,729</u> |

During Fiscal year 2020 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 £4,568,364 (2019: £5,355,276).

18 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 2020 (continued)

18 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 2020 and 2019:

| | General Fund | Restricted Fund | Total |
|--------------------------------|---------------------|------------------------|-------------------|
| | £ | £ | £ |
| At 1 July 2019 | 12,103,325 | - | 12,103,325 |
| Incoming resources | 16,377,312 | 274,627 | 16,651,939 |
| Resources expended | (16,097,148) | (263,930) | (16,361,078) |
| Unrealised loss on investments | (308,636) | - | (308,636) |
| Realised gains on investments | 396,758 | - | 396,758 |
| At 30 June 2020 | 12,471,611 | 10,697 | 12,482,308 |
| At 30 June 2019 | 12,103,325 | - | 12,103,325 |

During Fiscal year 2020 the Charity received funds from donors and affiliated organisations totalling £274,627 (2019: £409,777), which were restricted to use for costs associated with the Charity's priority and regional programs. During Fiscal year 2020, restricted funds totalling £263,930 (2019: £567,616) were expended. Amounts restricted as to use as of 30 June 2020 and 2019 are illustrated as follows:

| | 2020 | 2019 |
|---------------------|---------------|-------------|
| | £ | £ |
| Marine Conservation | 10,697 | - |
| | <u>10,697</u> | <u>-</u> |

International Fund for Animal Welfare (IFAW)

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Notes to the financial statements for the year ended 30 June 2020 (continued)

18 Funds (continued)

Net assets by fund were comprised of the following at 30 June 2020 were as follows:

| | General Fund | Restricted Funds | Total |
|------------------------|---------------------|-------------------------|-------------------|
| | £ | £ | £ |
| Fixed assets | 7,296,291 | - | 7,296,291 |
| Current assets | 7,898,343 | 10,697 | 7,909,040 |
| Current liabilities | (2,528,647) | - | (2,528,647) |
| Noncurrent liabilities | (194,375) | - | (194,375) |
| Net assets | <u>12,471,612</u> | <u>10,697</u> | <u>12,482,309</u> |

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> |

19 Notes to the cash flow statement

| Note 19a | 2020 | 2019 |
|--|----------------|--------------------|
| | £ | £ |
| Net movement in funds | 378,983 | (2,476,894) |
| Deduct investment income shown in investing activities | (154,515) | (191,567) |
| Deduct financed acquisition of tangible assets | (284,452) | - |
| Add back depreciation charge | 27,426 | 10,937 |
| Hire purchase interest paid | 7,100 | - |
| Realised (gains)/losses from tangible investments | 177,518 | (585,141) |
| Foreign exchange gain | - | 228,840 |
| (Increase)/decrease in debtors | (1,191,719) | 487,165 |
| (Decrease)/increase in creditors | 1,352,512 | 305,304 |
| Net cash provided by operating activities | <u>312,853</u> | <u>(2,221,356)</u> |

International Fund for Animal Welfare (IFAW)

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Notes to the financial statements for the year ended 30 June 2020 (continued)

19 Notes to the cash flow statement (continued)

Note 19b

| Consolidate analysis of changes in net debt | 1 July 2019 £ | Cashflow £ | Non Cash Movement £ | 30 June 2020 £ |
|---|------------------|-----------------|---------------------------|-------------------|
| Cash at bank and in hand | 1,357,765 | 728,544 | - | 2,086,309 |
| Money market investments | 9,028 | (9,028) | - | - |
| Cash Investments | 277,903 | 43,880 | - | 321,783 |
| | <u>1,644,696</u> | <u>763,396</u> | <u>-</u> | <u>2,408,092</u> |
| Hire purchase creditors | | | | |
| Short Term | - | (34,094) | 90,076 | 55,982 |
| Long Term | - | - | 194,375 | 194,376 |
| | <u>-</u> | <u>(34,094)</u> | <u>284,451</u> | <u>250,358</u> |
| | <u>1,644,696</u> | <u>729,302</u> | <u>284,451</u> | <u>2,658,449</u> |

20 Financial instruments

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

| | 2020 £ | 2019 £ |
|--|------------------|------------------|
| Financial assets | | |
| Instruments measured at fair value through statement of financial activities | <u>7,343,949</u> | <u>7,823,863</u> |

21 Forward contracts

The Organisation hedges certain anticipated cash flows using forward exchange contracts. At 30 June 2020 and 2019 the Organisation had no outstanding forward exchange contracts.

22 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, utilising 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 prior 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.