



Grant Thornton

**WORLD SOCIETY FOR THE  
PROTECTION OF ANIMALS**

CONSOLIDATED FINANCIAL  
STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2007

Charity no 1081849

# CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2007

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## Legal and administrative details

### **Governing instruments**

The WSPA is registered with the Charity Commission as a charity, and with Companies House as a company limited by guarantee. The Society is governed by its Memorandum and Articles of Association.

Charity registration number: 1081849

Company registration number: 4029540

Trustees (who are directors for Companies Act purposes):

- Ms J Ballard
- Dr A Rowan
- Dr H Wirth
- Professor R Munro
- Mr D Bellemare
- Mr W J Swann
- Dr B Clausen
- Mr E Sayres
- Mr P Mason
- Ms S Van Tichelen
- Mr D C Turner
- Ms H Maij-Weggen
- Dr T Metveit
- Ms M French
- Mr C Luke

Director General: Major General P R Davies

Principal office: 89 Albert Embankment  
London  
SE1 7TP

Charitable company secretary: Mr D Bellemare

Investment managers: UBS Wealth Management (UK) Limited  
1 Curzon Street  
London  
W1J 5UB

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**Bankers:** The Co-operative Bank  
62 - 64 Southampton Row  
Holborn  
London  
WC1B 4ND

**Solicitors:** Thomas Eggar LLP  
76 Shoe Lane  
London  
EC4A 3JB

**Auditors:** Grant Thornton UK LLP  
Registered Auditors  
Chartered Accountants  
Grant Thornton House  
Melton Street  
Euston Square  
London  
NW1 2EP

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# WORLD SOCIETY FOR THE PROTECTION OF ANIMALS

## REPORT OF THE TRUSTEES

For the year ended 31 DECEMBER 2007

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The trustees (who are directors for Companies Act purposes) present their report together with the financial statements of the World Society for the Protection of Animals (the WSPA) for the year ended 31 December 2007. The financial statements have been prepared according to the accounting policies set out on pages 18 to 20 of the financial statements and comply with the current statutory requirements, the Memorandum and Articles of Association, applicable law and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in April 2005.

### Structure, Governance and Management

The WSPA is a company limited by guarantee and is a registered charity. It has been in existence for 26 years but has been registered in the UK since 4 August 2000 and was incorporated on 7 July 2000. Its governing instrument is its Memorandum and Articles of Association which were updated in 2007. Prior to this the WSPA operated in the UK as a branch of a not for profit charitable company registered in the District of Columbia, USA.

The board of trustees consists of not more than fifteen individuals. The board meets three times a year to review the performance of the charity and make any decisions necessary to its governance and strategic direction. There is also a committee (the Finance Committee) covering financial policy, review of the annual audit and accounts and investment policy. The Finance Committee comprises three trustees namely Dr A Rowan (the Treasurer), Mr D Bellemare and Ms M French, two members of the WSPA Council namely Mr T Frost and Mr I Paterson, the Director General, the Deputy Director General and the Director of Finance and Facilities. The committee meets three times a year to review the management accounts and performance in relation to the budget along with a balance sheet and cash flow statement. The committee reviews the annual budget before it is presented to the trustees. The risk register is regularly reviewed. At least once each year the investment managers attend a meeting to review the investments. The day-to-day management of the investments is administered by UBS Wealth Management, with whom the trustees are satisfied.

Peter Davies, the Director General, is appointed by the trustees to manage the day-to-day operations of the charity with the Senior Management Team (SMT). The SMT consists of Tim Bowman; the Deputy Director General; Henry Bennett; Director of Finance and Facilities; Amanda Seller, Director of Marketing and Communications; Leah Garces, Director of Programmes and Philip Russell, Director of Disaster Management.

The trustees who held office during the year and to the date of signing were as follows:

Mr R Cummings (resigned 31 May 2007)  
Dr R Butcher (resigned 31 May 2007)  
Mr T P Frost (Chairman) (resigned 31 May 2007)  
Mr V J Beauchamp (resigned 31 May 2007)

The following trustees were appointed on 31 May 2007:

Dr Ranald Munro	President
Dr Andrew Rowan	Treasurer
Mr Dominique Bellemare	Charitable Company Secretary
Dr Hugh Wirth	
Mr Bill Swann	
Mrs Jackie Ballard	
Dr Bjarne Clausen	
Ms Hanja Maij-Weggen	
Dr Toralf Metveit	
Mr Edwin Sayres	
Ms Sonja Van Tichelen	
Dr Dennis Turner	

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Mr Peter Mason  
Ms Marcelle French  
Mr Carter Luke

The board continually reviews the skill requirements and performance of trustees. If new trustees are required the board and Director General are asked to recommend suitable candidates which the remainder of the board should approve before inviting the individual to consider the position.

The induction process for any newly appointed trustee comprises an initial meeting with the Director General and the board in order to brief them on the work of the WSPA. The induction pack includes a history of the charity, previous board minutes, prior year statutory accounts and global reviews, the Memorandum and Articles, current budgets and plans and guidance notes from the Charity Commission on the responsibilities and powers of trustees.

The charity employs a team of staff in London who travel around the world as required in order to carry out the global work of the WSPA. Weekly senior and middle management meetings take place to keep staff fully informed and involved in the running of the charity.

The WSPA in the UK is deemed to be the head office of a network of 17 other WSPA legal entities around the world. Ten of these are separate legal entities each with its own board of trustees but they all have a license to use the WSPA trade mark. The offices in Tanzania and Bangkok are branches of the UK entity. In 2007 the WSPA opened small offices in Hong Kong and Beijing and in 2008 Delhi, which are satellites of the Bangkok office.

In 2007 the international trustees, at that time directors of the US legal entity, undertook a review of the WSPA's governance. As the executive management of the organisation has been in London for some years it was decided to appoint the international trustees as directors of the UK charity. On 31 May the existing directors/trustees resigned and the international trustees were all appointed, as reported above. In 2006 the trustees had discussed the possibility of integrating the overseas legal entities more closely to the UK. The new board has decided to retain an arms-length relationship with the overseas WSPA's albeit they will sign an affiliation agreement.

### **Internal controls and risk management**

The trustees have responsibility for ensuring that the charity has in place an appropriate system of controls, financial or otherwise, to provide reasonable assurance that the charity is operating efficiently and effectively. The systems of financial control are continually reviewed and improved where necessary to provide reasonable assurance against material misstatement or loss.

In line with the recommendations of the Statement of Recommended Practice for Accounting and Reporting by Charities, the trustees have approved a risk management policy to assess business risk and implement risk management strategies. A process of identifying risks and development of a continuous programme of activities to monitor and mitigate risks has been undertaken and is regularly reviewed by the senior management team. This is reviewed annually by the Board.

This work entails:

- Clarifying management responsibility for the risks in each category
- Prioritising risks in terms of potential likelihood of occurrence
- Assessing risks in terms of their possible impact
- Assessing the types of risk and determining acceptable tolerance levels

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- Adopting suitable counter measures to mitigate the risks

### **Objectives, Activities and Performance**

The WSPA's objectives are to prevent or suppress cruelty and to relieve the suffering of animals and to do all such lawful acts as the WSPA may consider being conducive or incidental to the attainment of those objects.

The WSPA's vision is: "A world where animal welfare matters, and animal cruelty ends" and mission is: "To build a united global animal welfare movement."

The WSPA strives to:

- promote the protection of animals, prevent animal cruelty and relieve animal suffering in every part of the world
- promote humane education programmes to encourage respect for animals and lobby for laws and enforcement structures which will provide legal protection for animals
- promote cooperation between animal protection societies on an international scale

The WSPA's five-year strategy focuses on the following four major priority areas of work within animal welfare:

- Companion Animals
- Commercial Exploitation of Wildlife
- Farm Animal Welfare
- Disaster Management

In all aspects of its work, the WSPA aims to collaborate with and support animal welfare groups through the WSPA Member Society Network. The Network has grown extensively over the last few years and is now the largest international alliance of animal welfare organisations in the world, with over 852 groups in 150 countries.

Member societies include other large national organisations, covering a range of welfare issues as well as smaller specialist groups, working on specific problems. Over the last five decades the WSPA and its predecessors have implemented effective and sustainable animal welfare projects around the world through its Member Society Network and this work has benefited greatly from the local skills and knowledge that these groups bring to the project.

Educating to develop compassion and respect is also at the heart of the WSPA's work. Animals can experience pleasure, pain and suffering. When humans interact with animals we have a responsibility to safeguard their welfare. These values are at the heart of the WSPA's educational aim – to develop compassion, a sense of justice and to teach others to respect animals.

The charity provides funds to the WSPA work in Africa, Central Europe, the Middle East, Central and South America and South East Asia.

### **Public Benefit Requirement**

Under the Charities Act 2006, from April 2008 charity trustees have a duty to explain in their Trustees' Annual Report how they meet the requirement to demonstrate public benefit within the meaning of the Act. They are also

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obliged to explain the charity's achievements, measured by reference to the charity's aims and to the objectives set by the trustees.

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

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

In accordance with the requirements of the Charities Act 2006, the trustees have paid due regard to the Charities Commission's guidance on public benefit when deciding on and planning the WSPA's activities.

The sections which follow demonstrate how the WSPA met its charitable purposes in 2007 and its principal achievements under its respective strategic priority areas of work.

### **Companion Animals**

The WSPA's Companion Animal Programme seeks to address the suffering of companion animals, one of the most visible animal welfare issues and a primary concern of many of the WSPA member societies. The Companion Animal Programme is targeted towards four groups of animals: stray animals that endure persecution, disease and starvation across the globe; working equines forced to work despite malnutrition, injury and little or no veterinary care; pet animals that lack the basic requirements for a comfortable life; and companion animals that are exploited for commercial benefit.

There are hundreds of millions of stray animals globally, many face poor welfare on the streets or are subject to cruel methods of control. In the long-term the aim is for every country to develop comprehensive humane and effective methods of population management. In 2007 the WSPA worked towards this by advocating comprehensive and humane population management to organisations and governments. This was achieved through working with the OIE (World Organisation for Animal Health) on their guidelines for stray dog management and strategy for the Asia region, advocating comprehensive management to the World Health Organisation at conferences and engaging in World Rabies Day activities in 15 different countries. Training and advice was also provided in humane population management to governments in Europe, the Middle East and Asia. Throughout the year long-term model programmes and grant-funded partnership programmes continued to demonstrate the effectiveness of humane population management and provide examples for other countries to follow. The programmes supported in Sri Lanka, Indonesia, Nepal, India and Crete in order to achieve this objective sterilised over 11,000 dogs, vaccinated 6,500, and provided 4,000 with veterinary treatment.

There are an estimated 90 million working equines in the world, and over half the world's human population are reliant on the power provided by draft animals. Working equines suffer a range of welfare issues caused primarily through insufficient or ignorant care and husbandry. The WSPA provides education for owners in husbandry and working practices and access to resources essential for good health such as veterinary services, farrier skills, water and shade. It also lobbies for protective legislation to improve equine welfare. In 2007, three programmes were supported in Thailand, Afghanistan and Mongolia to improve equine welfare through training of owners and provision of resources. Together these programmes treated nearly 300,000 working equines.

The WSPA's mission is to build a global, united animal welfare movement. In 2007 the companion animal team provided advice, technical and financial support to many of the WSPA member societies working on companion

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animal issues. Significant support was provided in collaboration with the Jordanian government to complete the building of an Animal Hospital in Jordan to be run by the WSPA member society Humane Centre for Animal Welfare. The WSPA also provided training and financial support for member society Animal Freedom Korea's in-country campaign against the cruelty inherent in the dog and cat meat trade in South Korea. AFK's activities included a balance of public awareness activities, undercover investigations and both national and international lobbying.

### **Commercial Exploitation of Wildlife**

The WSPA works on a range of wildlife welfare issues through a combination of field work, lobbying and public campaigning with the vast majority of work being done in partnership with Member Societies. Issues addressed are wide ranging but all are specifically involved in the welfare of the animals concerned – there may also be conservation benefits but these are secondary.

Work with Member Society Wildlife Trust of India continued with retraining programmes for dancing bear owners (Kalandar gypsies) expanding throughout 2007. In total 72 Kalandars were engaged and to date 12 bears have been voluntarily surrendered. The number of surrendered bears will increase in 2008 following the building of a bear sanctuary in the state of Bihar. Continued support was also given to Member Society the Idaho Black Bear Rehabilitation centre in the USA which due to a drought took in a record 53 orphaned bears in 2007.

In July 2007 the WSPA published 'From Cage to Consumer', a report covering the findings of undercover investigations into the international bear bile trade. The report showed that bear bile products are still on sale illegally around the world and that many of these products come from China's bear farms. The WSPA's groundbreaking bear bile identification kits have been provided to customs and border control officials in eight countries resulting in the charity working directly with these governments. The field trials of the kits, the two largest being held in Canada and Australia, are helping provide evidence of illegal trade in bear bile from bear farms and will encourage participating governments to share their concerns on illegal bear bile trade with the Chinese government.

Enforcement of the phase out of bear farming in Vietnam has also begun. The WSPA is working with the Vietnamese government to help identify smuggled bears and locations of bear farms which will make it easier to detect and prosecute violations of the law. The WSPA also continues to work closely with Member Society Education for Nature Vietnam (ENV) increasing public awareness of the issue and providing targeted education programmes. This work has resulted in 70 cases relating to bears and bear products being reported by the public through ENV's wildlife crime hotline in 2007. Work on bear farming in Vietnam will be led by the WSPA Asia office in 2008.

A major new initiative on the bear baiting programme – the lobbying of religious leaders to support an end to bear baiting – has been hugely successful. Over three thousand mosque leaders in bear baiting districts in Pakistan have now signed up to support the campaign and are now including the anti-Islamic nature of bear baiting in their weekly 'Friday prayers'. From 2008 the bear baiting work will be run through the WSPA Asia office.

### **Farm Animal Welfare**

Over 60 billion animals are farmed annually to produce meat, milk and eggs. Many live in appalling intensive factory farm conditions throughout their short lives and many are killed inhumanely. As industrial factory farming of animals continues to grow in the developing world, the WSPA is strategically targeting Latin America and Asia to improve the lives of farm animals in these key regions.

The WSPA's goal is to influence governments and farmers by showcasing humane farming alternatives, and providing farm animal welfare training. The WSPA, and its Member Societies in these two regions, are working together to raise public awareness and are lobbying governments to introduce stronger farm animal welfare laws.

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The WSPA continued to support work by Member Societies in the Asian Coalition for Farm Animals in Taiwan, South Korea and Indonesia. Ongoing contacts were made with potential supporters of a Latin American Coalition for Farm Animals through a series of welfare conferences organised in the Region.

The WSPA's long term objective is to create an effective farm animal welfare network of member societies in Asia and Latin America to raise awareness and education, and to campaign for legislation change. Further progress to achieve this was made in 2007 by supporting the campaign for improvements in pig welfare by Member Society EAST in Taiwan, which successfully delivered further direct action against the inhumane Pigs of God contest, and a legislation change which strengthened slaughter laws to make inhumane slaughter a criminal offence punishable by imprisonment.

The WSPA has a five year objective to establish in target regions Centres of Excellence demonstrating viable alternative humane and sustainable farming models to governments, industry and the public. In addition, the WSPA intends to establish model humane slaughter training programmes in the target regions, and to work with governments, industry and academics to achieve measurable improvements in commercial slaughterhouses. Progress was made in 2007 with agreements signed between the WSPA and partners in Brazil and China to showcase humane sustainable farming alternatives as part of a Model Farm network. Memorandums of Understanding were also signed between the WSPA and Government bodies in Brazil and China for delivery of a pilot training programme in Humane Slaughter. A national training team was recruited and trained in the Henan province of China.

A shorter term objective is to co-ordinate a Global Coalition partnership to raise global awareness of the animal cruelty and human health risks of long distance transport of live farm animals, and to campaign to end this trade. In preparation for this campaign a year long research project on the long distance transport of live animals for slaughter was completed and reports, films and campaign materials were produced. A report was published looking at the damaging effects of factory farming on poverty in the developing world, and polls were conducted on public attitudes towards farm animal welfare in Brazil and China.

### **Disaster Management**

Disaster Management is conducted across four clearly identifiable areas; disaster risk reduction, preparedness, relief and recovery, which facilitates the delivery of precise, efficient and appropriate levels of advice, support and response. The WSPA works with governments, other NGOs and Member Societies to achieve this.

2007 has seen a year of intense development for the disaster management department, laying solid foundations for the department to expand its work and influence globally. Work has continued in pushing the importance of animals in disasters at UN and intergovernmental level while considerable time has been put into coordinating key animal welfare organisations to form an alliance to better serve these needs.

During 2007 the disaster management department undertook a series of international visits to meet key animal welfare organisations to achieve support for the development of a disaster alliance. The alliance will be coordinated by the WSPA disaster management department but will include funding and technical inputs from members in response to global events.

During the period January to December 2007, the WSPA responded to 19 disasters globally in four continents. Much of the work related to wind storms and flooding but also included earthquakes, volcanoes, humanitarian crisis and wildfires. The year saw the continuing development of key member society teams to respond on behalf of the WSPA in a number of disasters, most notably flooding in Bolivia and the Peru Earthquake (UPA) and the eruption of Mt Kelud volcano in Indonesia (ProFauna). In addition, the development of veterinary teams led to their involvement in a large intervention in Nicaragua in the aftermath of Hurricane Felix. In total over 106,763 animals were assisted during this twelve month period.

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Key elements of the risk reduction work this year involved the development of the concept of Emergency Response Units (ERUs). These ERUs will be based within key veterinary faculties and will be the WSPA supported teams for use regionally when disasters occur. The first example of these teams were utilised in a large disaster response in Nicaragua with great success.

### **Member Society Development**

Through its Member Society Network, the WSPA seeks to build a powerful global voice to set animal welfare firmly on the international agenda, to campaign against animal cruelty and reach out globally to raise the standard of animal welfare. These goals require animal welfare societies to work together to lend weight to campaigns and deliver best-practice animal welfare work. The WSPA provides support to animal welfare societies that sit within the WSPA network. To underpin this, the WSPA aspires to build a strong Member Society Network that will reach out globally to create a world where animal welfare matters and animal cruelty ends.

The aim of the Member Society Development unit is to build the WSPA member society network into a powerful alliance of effective animal welfare organisations. The WSPA continues to increase its membership to encompass more of the animal protection movement, delivering targeted support for developing organisations, and promoting cohesion and communication throughout the animal protection community. Through this development work the WSPA also aims to improve the quality of animal welfare programmes being delivered by member societies across the globe. This whole area of work, to build a united global animal welfare movement is integral to our mission.

In 2007, 122 new member societies were recruited to the member society network. These included the first member societies in Madagascar, Lesotho and American Samoa.

The Member Society Manual which covers animal protection issues, ways of tackling an issue, tools for running an animal protection society and essential skills for protectionists, was translated into Spanish and Portuguese.

The small grant programme ran very successfully in 2007 with a total spend of over £240,000 on 125 grants to groups in Europe, Africa, the Middle East, Asia, the Pacific, the US, Canada and Latin America. The grants funded a wide variety of items and work including: vehicles, computer and office equipment, veterinary and animal handling equipment, research projects, education and campaign materials and programmes.

The new capacity building grant programme was piloted with five grants of between 17k and 65k approved to member societies in Asia, Africa, Europe and Latin America.

The new fundraising programme commenced – with 38 member societies from Latin America, Africa, Europe and Middle East receiving training. A variety of bespoke training was also delivered for over 60 member societies on a number of issues including undercover investigations, media, strategic planning and shelter management.

As well as these five priority areas the WSPA covered the following areas of work:

### **Education**

The WSPA's Education programmes seek to integrate animal welfare education in the official schools-based curricula worldwide at primary, secondary and tertiary education level. The programmes are operational in Central and South America, Africa and Asia, and work according to the following guiding principles:

- **Partners and Networking**, by working with Ministries of Education, Educational Institutes, UNESCO, teachers, other relevant NGO's

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- Research and Development, by conducting research into national educational systems; analysing curricula to identify subjects into which animal welfare education might best be integrated; conducting research into the effects of educational programmes on knowledge about and attitudes towards animal welfare
- Content, by facilitating access to existing materials and programmes, through a dedicated database that provides objective descriptions of available educational resources worldwide; by developing new, bespoke content or adjusting existing resources to fit different cultural contexts
- Professional support, through working with teacher training institutes to embed animal welfare education in their curricula (a primary, long-term goal); organising teacher training workshops in animal welfare education; and through ongoing support and monitoring of teachers

In 2007, the regional office of UNESCO for Latin America and the Caribbean endorsed the WSPA's schools-based programme 'IN AWE' reaching several hundred school teachers and veterinary lecturers with animal welfare education workshops, interactive software, educational materials and a teacher training DVD for dissemination. An evaluation study of the 'IN AWE' programme was conducted in Costa Rica in collaboration with the University of Costa Rica.

In addition, the WSPA Education Unit supports other WSPA Programme areas with educational advice and guidance and supports member societies with their educational activities by providing guidance and grants.

### **Universal Declaration on Animal Welfare**

The Universal Declaration on Animal Welfare (UDAW) is an agreement among people and nations to recognise that animals are sentient and can suffer, to respect their welfare needs and to end animal cruelty for good. The WSPA and its key partner organisations, including the American Society for the Prevention of Cruelty to Animals (ASPCA), Humane Society International (HSI), Royal Society for the Prevention of Cruelty to Animals (RSPCA) and Compassion in World Farming (CIWF), seek to have the UDAW adopted by a critical mass of governments through a combination of political advocacy and public campaigning work around the world.

In 2007, the WSPA aimed to expand support for the UDAW initiative within the veterinary community by achieving formal support of key national, regional and international veterinary associations. In January, this was achieved with the Federation of European Veterinarians (FVE) stating official support for the initiative. This was followed by the Commonwealth Veterinary Association (CVA) in November which passed a resolution in support of the UDAW at their annual conference in Barbados.

The WSPA also aimed to achieve official recognition of the UDAW initiative by the World Organisation for Animal Health (OIE). The OIE is made up of chief veterinary officers from 169 countries worldwide and has huge potential to influence governments in other inter-governmental forums. In May, the OIE officially adopted a resolution supporting the development of a Universal Declaration on Animal Welfare.

In order to raise awareness of the issue of animal welfare among the public the WSPA aimed to collect one million petition signatures in support of UDAW. In October, a worldwide push to reach this target resulted in the collection of 280,000 signatures during World Animal Week with celebrities such as Ricky Gervais, Miranda Richardson and Jackie Chan all signing the petition. The President of Costa Rica agreed to sign as the official one millionth signatory.

By the end of 2007, the target of encouraging more and more animal welfare organisations to sign up to support the initiative was achieved. Early in the year, a resolution of support was passed by the 'Asia for Animals' conference and in December a group of animal welfare organisations making up the Middle East Network for Animal Welfare (MENAW) endorsed the Declaration initiative. Over 300 groups from around the world are now signed up and actively supporting the initiative.

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In line with objectives for 2007 related to keeping key animal welfare stakeholders informed about the UDAW initiative, an information pack and monthly newsletter was produced and distributed to governments and other key animal welfare stakeholders.

### Grant Making Policy

The WSPA makes grants to support its own animal welfare priorities by enabling member societies and other bodies to undertake activities which contribute to them, and strengthens member societies in order to improve and increase the level of animal welfare work which they can undertake, according to their own priorities.

The WSPA grant-funding ranges from proactive or strategic large grants to key member societies to small grants in response to immediate needs. Wherever possible it seeks to address causes rather than symptoms. While the WSPA makes grants globally, it awards the majority in countries where conditions are particularly difficult for animal welfare and where there are few if any alternative funding sources.

As planned, a new grants programme in support of member society development was piloted in 2007, its wider purpose being to increase the consistency, rigour and fairness of application and assessment procedures. As a result, five grants were awarded totalling £90,000. These will be carefully monitored during 2008. Feedback relating to the new processes will be reviewed in 2008 and a further limited pilot programme run, with a view to expansion in future years.

### Fundraising

Committed regular giving continues to be at the heart of the fundraising and marketing programme. 2007 was an excellent year for the Direct Marketing Team, who exceeded income targets in all three areas; acquisition, cash appeals and regular giving.

Successes included:

- Best acquisition results to date, due to the new, award nominated 'Eyes' TV advert and the highly profitable online programme
- Several highly successful appeals, including
  - the July Liberty raffle - highest grossing appeal ever
  - "You Choose" - highest grossing non-raffle appeal ever
  - the emergency BOS Orang-utan appeal – this successfully integrated communications across a number of channels, incorporating an appeal mailing and e-appeal to existing and lapsed supporters, online banner ads, press ads and an outbound calling campaign, all timed to take advantage of the BBC's Orang-utan diaries programme
- A 30% growth in the value of the regular giving file, due to the high-performing acquisition programme and a successful programme of upgrades, conversions and reactivations targeted at existing supporters

Existing regular giving income for 2007 came in at £3.27 million, exceeding target by over £21k. As a result of the upgrade and re-activation activity carried out during 2007, in particular the October appeal and outbound calling, the value of existing regular giving for December 2007 was the same as it was for January 2007. This means that in value terms, net attrition for the year is zero. Including acquisition and conversion activity, the total value of the regular giving file has increased approx 30% over the course of the year, which puts the WSPA in excellent stead for 2008.

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Community and events income doubled on 2006 from £141k to £292k. Although income from traditional income streams continued to show decline, new fundraising activities performed well, including the Stand Up for Animals event which raised over £60k.

Major gifts achieved an increase of 94% on 2006; of significance two gifts of £50K each were received from new sources. Although legacies did not realise as much as anticipated, they still raised £1.88 million.

All activity continues to be supported by the excellent work of the Supporter Services Team and the Database Manager.

### **Volunteers**

Over the year approximately 35 volunteers contributed to 400 days worth of a variety of office administration duties. In particular one volunteer spent a day a week in 2007 working in the education department and another in supporter services assisting with returned mail. In addition approximately 200 fundraising volunteers assist with mail outs, street fundraising and support those raising money for the charity at sponsored events.

### **Accountability**

In common with many other charities, the WSPA has become conscious of increasing public expectations for the need to demonstrate accountability to the people and organisations with whom it is actively engaged. In the case of the WSPA, apart from statutory obligations to the general public as represented by the Charity Commission, these include its donors, supporters and its member societies.

During the year the WSPA liaised with a number of other major charities to look at how they approach this issue and also reviewed its methods of reporting on projects funded, with a view to introducing new systems in 2008. The charity plans to improve monitoring and evaluation systems in 2008 in order to better assess the animal welfare impact of its programmes.

The WSPA continued to publish 'Global Network' magazine twice a year for its member societies and conducted a survey with them to ensure that it was providing the type of information they wanted, in the way they wanted. For donors and supporters, a monthly e-newsletter containing information on the WSPA events and campaigns continued to be provided. In addition the first edition of 'WSPA News' was launched, a bi-annual publication providing news and features about the WSPA campaigns and programmes around the world.

### **Financial Review**

#### **Review of 2007**

Income has dropped slightly in 2007 compared to 2006. Regular giving and individual appeals and gifts did increase from £6.0 million in 2006 to £7.7 million in 2007 which is an increase of 27.5% but this was offset by falls in other areas. Legacies, which are generally volatile for most charities, fell by £984,000 (34.4%); corporate donations fell by £105,000 (9.1%); and donations from other WSPA organisations fell by £94,000 (2.2%). Another main reason for income being lower than anticipated is the withdrawal of funding after the first year of a three year funding agreement by a foundation which has encountered unexpected financial difficulties. This is extremely disappointing and while it will have a big impact on activities in 2008 it is a manageable set back. Further funding will now be sought and feedback from initial approaches has been positive.

Expenditure on charitable activities has increased by 39% from £10.5 million in 2006 to £14.7 million in 2007. Notes 5 and 6 explain in more detail the programmes of work carried out. This is a very substantial increase in animal welfare expenditure of £4.2 million.

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As a result of this large increase in animal welfare expenditure the society suffered an overall deficit of £2.0 million in 2007 (2006 £2.8 million surplus). Funds carried forward remain healthy at £5.4 million, of which £2.0 million are restricted and £3.4 million unrestricted.

During 2007 the WSPA HQ in London moved from the 14<sup>th</sup> to the 1<sup>st</sup> floors at 89 Albert Embankment. The move was fully financed by favourable lease arrangements and gives the HQ more space in which to expand over the next few years. The leases on both floors expire on 25 March 2010.

The trading subsidiary income increased from £9,000 in 2006 to £27,000 in 2007 due to increased income from catalogue companies.

### **Reserves policy**

Reserves are required in order to ensure the long-term viability of the WSPA against an unforeseen reduction in income or increase in expenditure and to ensure the continuity of committed programmes of work. The Finance Committee recommended to the Board that the WSPA maintains free reserves at a ratio of not less than 0.5 and not more than 1.0 times working capital and annual fixed costs. Fixed costs include rent and all other property costs, administration costs, salaries and on-costs and any other contractually committed expenses. Working capital means assets that can be liquidated within three months and which have no restrictions on their use.

At 31 December 2007 the WSPA's free reserves were £3.4 million (2006 - £5.4 million). Working capital for reserves purposes was £2.7 million and fixed costs in 2007 were £3.3 million. Based on the above reserves policy the ratio of working capital to fixed costs is 0.82 which is towards the top of the target range.

### **Investment policy**

The investment managers' role is to protect the Society's investments as well as to generate a return. UBS manage portfolios based on tactical allocations within strictly agreed parameters. A yield portfolio has a low risk profile with the lowest exposure to equities. A growth portfolio is oriented towards capital growth and has a more risky profile. The WSPA's portfolio is a balanced one between these two approaches. Stress testing is used to illustrate how extreme events may impact a particular investment strategy.

The investment committee has reviewed the WSPA's investment policy and has advised the investment managers to exclude from our portfolio companies involved in five sectors: fast food; meat packaging (factory farming); pharmaceuticals; arms; and tobacco.

The investment portfolio in 2007 under-performed the index return. The portfolio showed a loss of 2.8% versus an index return of plus 2.5%. There was an overall loss of £31,000 on investment assets in 2007 (£67,000 gain in 2006).

### **Plans for future periods**

#### **Post Balance Sheet Events**

The SMT together with the trustees have been working on the 2009 to 2013 strategy and a document will be going to the board in June 2008 for their approval.

In March 2008 the WSPA opened a small office in Delhi, India which will be a satellite of the Asia regional office in Bangkok.

As mentioned above, notification was received early in 2008 that a major donation due to be received relating to 2007 activities was being withdrawn as was funding for 2008 due to the donor suffering financial difficulties.

# WORLD SOCIETY FOR THE PROTECTION OF ANIMALS

## REPORT OF THE TRUSTEES

For the year ended 31 DECEMBER 2007

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This has led to a thorough review of 2008 activities and an effort has been made to minimise costs where possible without impacting on animal welfare work.

In each specific area of activity some of the key aims and objectives for 2008 are:

### **Companion Animals**

In 2008 the WSPA's companion and working animals work will fall into four programmes: Population Management, Pet Trade and Care, Working Equines and the Dog and Cat Meat Trade.

The aim of the Population Management programme is to end cruel methods of stray control and the suffering of dogs and cats on the streets. The vision is for all countries to develop comprehensive, effective methods of population management that do not involve cruelty, and work towards this long-term goal will include advocating, introducing and supporting humane companion animal population management through intergovernmental organisations and regional model programmes.

The Pet Trade and Care programme aims to end the cruelty and neglect suffered by companion animals globally by ending cruel practices within the pet trade and promoting responsible ownership and vet care. This is a relatively undeveloped area of work for the WSPA. Activities will continue in the Middle East and Central America to address these issues regionally, alongside a programme of research to select areas of greatest need for future targeting.

For Working Equines, the aim is to improve the welfare of working equines globally. Partnership programmes will continue to provide direct equine welfare benefits in eight countries worldwide. A new programme will begin in 2008 improving knowledge and the capacity to create human behaviour change in owners and service providers, as it is believed that this is the key to long-term sustainable improvement in working equine welfare.

The Dog and Cat Meat Trade Programme aims to end this cruel trade in South Korea, and will continue to provide financial support and training for Animal Freedom Korea to maintain and improve their campaign. Investigations will also be conducted into this trade in other Asia countries, to explore the potential for expansion.

### **Commercial Exploitation of Wildlife**

The WSPA will continue to work with the Traditional Medicine (TM) community around the world to promote alternatives for the use of bear bile in medicines. The aim is to recruit 50 TM associations representing tens of thousands of practitioners from around the world, including China.

A research phase will begin in order to look at ways to increase involvement in zoo welfare issues of the zoo industry itself. Focusing on the worst zoos in specific countries the WSPA will facilitate member societies and the larger zoo community to press for minimum standards that will eradicate these zoos.

The Whalewatch coalition, officially disbanded in 2007, will be evolved by the WSPA into the Whalewatch network. The network will consist of experts in whale welfare and behaviour. Through the network the WSPA will strengthen the sharing of information and co-ordination of activities to ensure whale welfare stays high on the agenda of governments and NGOs.

A number of Member Society-led projects and campaigns will be funded through a 'Wildlife grants programme' that will enable a wider range of work to be done by expert Member Societies in the field. Examples include the Lola y Bonobo reintroduction project in the Democratic Republic of Congo and the David Sheldrick de-snaring programme in Kenya.

# **WORLD SOCIETY FOR THE PROTECTION OF ANIMALS**

## **REPORT OF THE TRUSTEES**

For the year ended 31 DECEMBER 2007

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The Nyaru Menteng Orang-utan sanctuary in Borneo will continue to be funded by the WSPA during 2008 and possibly beyond. The sanctuary, run by the Borneo Orangutan Survival (BOS) Foundation, rehabilitates rescued orphaned orang-utans for release back into the wild.

The WSPA will continue to address the issue of wildlife human conflict through field projects and research. Work in Turkey on bear human conflict will be expanded and research in Africa on the issue will begin.

### **Farm Animal Welfare**

The WSPA's Farm Animal Welfare Programme in 2008 seeks to continue its programmes of work to achieve its objectives as follows:

- To continue building and supporting the work of the Asian Coalition for Farm Animals, and holding a second conference on animal welfare in China. In addition, an inaugural conference for a Latin American Coalition for Farm Animals will be held this year in partnership with EARTH University in Costa Rica.
- A model farm site in Brazil will become operational, with training courses provided in partnership with San Palo University. In China training will start to a network of small scale humane farmers. A national Humane Slaughter training team will be recruited and trained in the St. Caterina state of Brazil, and a pilot training scheme run and evaluated in China.
- The WSPA will continue to act as the secretariat for the global coalition campaign against the cruel and unnecessary long distance transport of live animals for slaughter. Research will continue for a report on the global state of farm animal welfare, and on the damaging effects of factory farming on the sustainable environment.

### **Disaster Management**

2008 will see a further expansion of the disaster team globally with additional staff in Costa Rica, Thailand, Tanzania and Colombia. This expansion will further enhance the organisations response capacity. Additionally the department will be undertaking an ambitious preparedness and risk reduction programme which will include the training and equipping of veterinary faculties and member societies and the creation of industry standard models of risk reduction in all geographical areas. The department's liaison with UN bodies continues with the aim of further alignment with their activities.

### **Member Society Development**

The overall objective in 2008 is to continue to provide support, advice and funding to member societies to effect improvements in animal welfare within their respective countries. In 2008 the WSPA will also focus support and investment on a small number of member societies across the globe to enable these societies to become successful and sustainable, and in the longer term to develop into mentors and trainers for other societies in the region. For such organisations, the WSPA will build sophisticated, tailored, comprehensive packages combining funding with training and consulting elements. In 2008 a website for animal protectionists will be launched which will contain an online library of resources, details of job and volunteering opportunities, events and news.

### **Education**

In 2008, the school-based education programmes will continue in Costa Rica, Chile, Peru and Brazil and pilot teacher training will commence in Kenya, Thailand and Vietnam. In addition, as of January 2008, the WSPA is funding a PhD Studentship into the 'Assessment of attitudes towards animal welfare in veterinary education' which

# **WORLD SOCIETY FOR THE PROTECTION OF ANIMALS**

## **REPORT OF THE TRUSTEES**

For the year ended 31 DECEMBER 2007

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includes an element of evaluating the impact of the 'Concepts in Animal Welfare' syllabus for veterinary faculties on student attitudes.

### **Universal Declaration for Animal Welfare**

The overall objective in 2008 is to move all the countries identified as campaign targets into a position of official support for the UDAW. These countries will also be encouraged to support the UDAW in inter-governmental forums in order to gain pan regional support and ultimately global support as forums will be chosen that feed directly into the UN system. Efforts will also be focused on encouraging the FAO to support the initiative by adding animal welfare to its agenda for the Committee On Agriculture (COAG) Meeting, April 2009. Public campaigning efforts will be targeted in key countries and the aim is to reach two million signatures in order to further influence governments to lend official support to the UDAW.

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also directors of WSPA for the purposes of company law) are responsible for preparing 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and group 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 company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware
- 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.

**WORLD SOCIETY FOR THE PROTECTION OF ANIMALS**

**REPORT OF THE TRUSTEES**

For the year ended 31 DECEMBER 2007

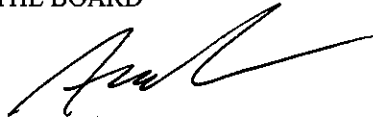
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**Auditors**

Grant Thornton UK LLP offer themselves for reappointment as auditors in accordance with section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD

**A Rowan**  
Trustee



3 June 2008

## **REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF THE WORLD SOCIETY FOR THE PROTECTION OF ANIMALS**

We have audited the group and parent charitable company financial statements (the "financial statements") of the World Society for the Protection of Animals for the year ended 31 December 2007 which comprise the principal accounting policies, the group statement of financial activities, the group and charitable company balance sheets, the group income and expenditure account, the group cash flow statement and notes 1 to 30. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

The responsibilities of the trustees (who are also the directors of the World Society for the Protection of Animals for the purposes of company law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Trustees' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.



# Grant Thornton

## Opinion

In our opinion:

the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent charitable company's affairs as at 31 December 2007 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended

the financial statements have been properly prepared in accordance with the Companies Act 1985; and

the information given in the Trustees' Report is consistent with the financial statements for the year ended 31 December 2007.

*Grant Thornton UK LLP*

GRANT THORNTON UK LLP  
REGISTERED AUDITORS  
CHARTERED ACCOUNTANTS

London

*6 June 2008*

# WORLD SOCIETY FOR THE PROTECTION OF ANIMALS

## PRINCIPAL ACCOUNTING POLICIES

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### **BASIS OF PREPARATION**

The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value and in accordance with applicable United Kingdom accounting standards.

In preparing the financial statements, the group and charity follows best practice as set out in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) issued in April 2005.

The principal accounting policies of the group and charity are set out below:

### **GROUP FINANCIAL STATEMENTS**

These financial statements consolidate the results of the charity and its wholly owned trading subsidiary WSPA Trading Company Limited. A separate Statement of Financial Activities (SOFA) is not presented because the charity has taken advantage of the provisions of paragraph 304 of the SORP and Section 230 of the Companies Act 1985.

### **FIXED ASSET INVESTMENTS**

Fixed asset investments are included at market value at the balance sheet date. Any gain/loss on revaluation is credited/charged to the SOFA.

### **TANGIBLE FIXED ASSETS**

The cost of tangible fixed assets over £1,000 is written off by equal annual instalments over their expected useful lives as follows:

Improvements to leasehold property	10 years
Computer equipment	3 years
Office equipment	5 years
Office move	Life of lease – 32 months

### **LEASED ASSETS**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their estimated useful lives. The interest element of the leasing payments represents a constant proportion of the capital balance outstanding and is charged to the SOFA over the period of the lease. All other leases are regarded as operating leases and the payments made under them are charged to the SOFA on a straight-line basis over the lease term.

### **FUNDS ACCOUNTING**

Funds held by the charity are:

Unrestricted funds - these are funds which can be used in accordance with the charitable objects and at the discretion of the trustees.

# WORLD SOCIETY FOR THE PROTECTION OF ANIMALS

## PRINCIPAL ACCOUNTING POLICIES

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

*Eberle expendable endowment funds* this fund represents assets received from a legacy in 1991 which should, where possible be held permanently by the charity, principally as investments. Income arising on the endowment fund must be used for small animals which falls within the objects of the charity.

*Ruth Whist permanent endowment* this fund arises from a donation for animals in need. The capital of the fund cannot be spent and interest should be withdrawn annually for use at the discretion of the WSPA's Director of Operations.

### INCOMING RESOURCES

#### Appeals, donations, and member society subscriptions

Income from appeals, grants and member society subscriptions are included in incoming resources when they are receivable, except as follows:

- When donors specify that donations and grants given to the WSPA must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the WSPA becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants are for particular restricted purposes which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

#### Legacies

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

#### Grants

Revenue grants are credited as incoming resources when they are receivable provided that the conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

#### Interest receivable

Interest is included when receivable by the charity.

#### Commercial trading activities

Income from commercial activities is included in the period in which the group is entitled to receipt.

# **WORLD SOCIETY FOR THE PROTECTION OF ANIMALS**

## **PRINCIPAL ACCOUNTING POLICIES**

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### **RESOURCES EXPENDED AND BASIS OF COST ALLOCATION**

Resources expended are included in the SOFA on an accruals basis, inclusive of any irrecoverable VAT which is included as part of the expenditure to which it relates.

The costs of generating funds comprise the costs associated with generating voluntary income, the costs of trading for fundraising purposes and the costs directly attributable to managing the investments as well as costs relating to educating and informing the public on animal welfare issues.

Charitable expenditure comprises those costs directly related to the objects of the WSPA. It includes both the costs which can be directly allocated to such activities and costs of an indirect nature necessary to support them. These costs are apportioned on an appropriate basis as set out in note 8.

Governance costs include those associated with meeting the constitutional and statutory requirements of the WSPA and include audit and legal fees linked to the strategic management of the WSPA.

### **FOREIGN CURRENCIES**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Exchange differences are credited or charged to the SOFA.

### **GRANT MAKING POLICY**

Grants payable are accounted for as expenditure in the year in which an irreversible binding commitment to make payment is entered into.

### **PENSIONS**

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

**WORLD SOCIETY FOR THE PROTECTION OF ANIMALS**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

For the year ended 31 DECEMBER 2007

	Note	Unrestricted income funds £'000	Restricted funds £'000	Endowment funds £'000	Total 2007 £'000	Total 2006 £'000
<b>Incoming resources</b>						
<b>Incoming resources from generated funds</b>						
Voluntary income	1	10,876	3,175	-	14,051	14,348
Activities for generating funds	2	27	-	-	27	9
Investment income	3	171	45	-	216	189
Other income	4	61	-	-	61	-
<b>Total incoming resources</b>		<b>11,135</b>	<b>3,220</b>	<b>-</b>	<b>14,355</b>	<b>14,546</b>
<b>Resources expended</b>						
<b>Costs of generating funds</b>						
Costs of generating voluntary income	5	1,414	-	-	1,414	1,042
Fundraising trading	2	9	-	-	9	2
Investment managers fees		6	-	-	6	6
<b>Net incoming resources available for charitable application</b>		<b>9,706</b>	<b>3,220</b>	<b>-</b>	<b>12,926</b>	<b>13,496</b>
<b>Charitable activities</b>						
Companion animals	6	1,954	589	-	2,543	1,980
Commercial exploitation of wildlife		2,220	2,304	-	4,524	3,126
Farm animal welfare		2,794	242	-	3,036	2,002
Disaster management		1,788	88	-	1,876	1,264
Member society development		2,669	29	-	2,698	2,162
<b>Total charitable expenditure</b>		<b>11,425</b>	<b>3,252</b>	<b>-</b>	<b>14,677</b>	<b>10,534</b>
<b>Governance costs</b>	9	<b>265</b>	<b>-</b>	<b>-</b>	<b>265</b>	<b>234</b>
<b>Total resources expended</b>		<b>11,690</b>	<b>3,252</b>	<b>-</b>	<b>14,942</b>	<b>10,768</b>
<b>Net (outgoing)/incoming resources before gains and losses</b>						
Realised and unrealised (losses)/gains on investment assets	10	(1,984)	(32)	-	(2,016)	2,728
		(7)	-	(24)	(31)	67
<b>Net movement in funds</b>		<b>(1,991)</b>	<b>(32)</b>	<b>(24)</b>	<b>(2,047)</b>	<b>2,795</b>
Fund balances brought forward		5,359	1,100	954	7,413	4,618
<b>Fund balance carried forward</b>		<b>3,368</b>	<b>1,068</b>	<b>930</b>	<b>5,366</b>	<b>7,413</b>

The statement of financial activities includes all gains and losses recognised in the year.

All the incoming resources and resources expended derive from continuing activities.

The accompanying accounting policies and notes form an integral part of these financial statements.

**WORLD SOCIETY FOR THE PROTECTION OF ANIMALS**

**CONSOLIDATED AND CHARITY BALANCE SHEETS AT 31 DECEMBER 2007**

	Note	Consolidated 2007 £'000	Charity 2007 £'000	Consolidated 2006 £'000	Charity 2006 £'000
<b>Fixed assets</b>					
Tangible assets	12	482	482	383	383
Investments	13	1,420	1,420	1,421	1,421
		<u>1,902</u>	<u>1,902</u>	<u>1,804</u>	<u>1,804</u>
<b>Current assets</b>					
Debtors	14	792	822	1,924	1,983
Cash at bank and in hand		4,325	4,273	4,838	4,756
		<u>5,117</u>	<u>5,095</u>	<u>6,762</u>	<u>6,739</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>(1,604)</u>	<u>(1,591)</u>	<u>(1,143)</u>	<u>(1,130)</u>
<b>Net current assets</b>		<u>3,513</u>	<u>3,504</u>	<u>5,619</u>	<u>5,609</u>
<b>Creditors: amounts falling after more than one year</b>	16	(49)	(49)	(10)	(10)
<b>Net assets</b>		<u>5,366</u>	<u>5,357</u>	<u>7,413</u>	<u>7,403</u>
<b>Unrestricted funds</b>					
Revaluation funds	18	(43)	(43)	141	141
General funds		3,411	3,402	5,218	5,208
		<u>3,368</u>	<u>3,359</u>	<u>5,359</u>	<u>5,349</u>
<b>Restricted funds</b>	19	1,068	1,068	1,100	1,100
<b>Capital funds</b>					
Endowments	20	930	930	954	954
		<u>5,366</u>	<u>5,357</u>	<u>7,413</u>	<u>7,403</u>

The financial statements were approved by the Board of Trustees on 3 June 2008.

**A Rowan  
Trustee**



The accompanying accounting policies and notes form an integral part of these financial statements.

**WORLD SOCIETY FOR THE PROTECTION OF ANIMALS**

**CONSOLIDATED CASH FLOW STATEMENT**

For the year ended 31 DECEMBER 2007

	Note	2007 £'000	2007 £'000	2006 £'000	2006 £'000
<b>Net cash (outflow)/inflow from operating activities</b>	26		<b>(371)</b>		1,094
<b>Returns on investments and servicing of finance</b>					
Interest received		152		140	
Interest paid on finance lease		(1)		(2)	
Investment income		58		49	
<b>Net cash inflow from returns on investments and servicing of finance</b>			<b>209</b>		187
<b>Capital expenditure and financial investment</b>					
Purchase of tangible fixed assets		(305)		(106)	
Purchase of investments		(321)		(131)	
Sale of fixed asset investments		398		481	
			<b>(228)</b>		244
<b>Net cash (outflow)/inflow before management of liquid resources and financing</b>			<b>(390)</b>		1,525
<b>Decrease in endowment funds</b>		-		(334)	
<b>Financing</b>					
Repayment of finance lease		(16)		(6)	
<b>(Decrease)/increase in cash</b>	27		<b>(406)</b>		<b>1,185</b>

The accompanying accounting policies and notes form an integral part of these financial statements.

# WORLD SOCIETY FOR THE PROTECTION OF ANIMALS

## SUMMARY INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 DECEMBER 2007

### THE WSPA GROUP

	2007 £	2006 £
<b>Income</b>		
Voluntary income	14,051	14,014
Activities for generating funds	27	9
Investment income	216	189
Other income	61	-
	<u>14,355</u>	<u>14,212</u>
<b>Expenditure</b>		
Costs of generating voluntary income	1,414	1,042
Fundraising trading	9	2
Investment managers fees	6	6
Charitable activities	14,677	10,534
Governance costs	265	234
	<u>16,371</u>	<u>11,818</u>
Surplus of income over expenditure before realised gains	<u>(2,016)</u>	<u>2,394</u>

An income and expenditure account is an alternative summary of the information contained in the Statement of Financial Activities. As recommended in the Charity SORP, this statement excludes gifts of capital that are not currently available for revenue expenditure (see Note 20). The income and expenditure account is included in the accounts in order to comply with the Companies Act 1985.

The accompanying accounting policies and notes form an integral part of these financial statements.

# WORLD SOCIETY FOR THE PROTECTION OF ANIMALS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2007

### 1 VOLUNTARY INCOME

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	2007 £'000	2006 £'000
Appeals and gifts	5,757	1,903	-	7,660	6,008
Legacies	1,645	232	-	1,877	2,861
Corporate donations, trusts, foundations and society grants	144	155	-	299	1,152
Donations from WSPA organisations (Note 24)	3,314	885	-	4,199	4,293
Member Society subscriptions	16	-	-	16	23
Other donations	-	-	-	-	11
	<b>10,876</b>	<b>3,175</b>	<b>-</b>	<b>14,051</b>	<b>14,348</b>

### 2 ACTIVITIES FOR GENERATING FUNDS

The charity has a wholly owned subsidiary, WSPA Trading Company Limited, incorporated in the United Kingdom, which receives taxable donations from companies operating mail order catalogues, affinity cards, promotional merchandise and other ancillary activities. A summary of its trading results is shown below:

	2007 £'000	2006 £'000
<b>Turnover</b>	27	9
Cost of sales	-	-
<b>Gross profit</b>	27	9
Administration expenses	(9)	(2)
Gift aid donation	(21)	(5)
<b>Net (loss)/ income from trading before interest</b>	(3)	2
Interest receivable	5	-
Interest payable	(2)	(2)
Corporation tax payable	-	-
<b>Profit for the financial year</b>	-	-

### 3 INVESTMENT INCOME AND INTEREST

	Unrestricted funds £'000	Restricted funds £'000	2007 £'000	2006 £'000
Interest payable on finance lease	1	-	1	2
Interest receivable on bank deposits	158	-	158	140
Investment income - UK equities	13	45	58	49
	<b>171</b>	<b>45</b>	<b>216</b>	<b>189</b>

**WORLD SOCIETY FOR THE PROTECTION OF ANIMALS**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 31 DECEMBER 2007

**4 OTHER INCOME**

	Unrestricted funds £'000	Restricted funds £'000	2007 £'000	2006 £'000
Premium on lease of old premises	50	-	50	-
Other	11	-	11	-
	<u>61</u>	<u>-</u>	<u>61</u>	<u>-</u>

**5 COSTS OF GENERATING VOLUNTARY INCOME**

	Unrestricted funds £'000	Restricted funds £'000	2007 £'000	2006 £'000
Appeals and gifts	1,013	-	1,013	848
Legacies	75	-	75	18
Corporate donations, trusts, foundations and society grants	48	-	48	12
Regional and volunteer	181	-	181	90
Major donors	97	-	97	74
	<u>1,414</u>	<u>-</u>	<u>1,414</u>	<u>1,042</u>

**6 CHARITABLE ACTIVITIES**

	Grants £'000	Direct expenditure £'000	Support costs £'000	Total 2007 £'000	Total 2006 £'000
Companion animals	934	875	734	2,543	1,980
Commercial exploitation of wildlife	1,796	1,819	909	4,524	3,126
Farm animals	671	1,573	792	3,036	2,002
Disaster relief	634	697	545	1,876	1,264
Member society development	953	895	850	2,698	2,162
	<u>4,988</u>	<u>5,859</u>	<u>3,830</u>	<u>14,677</u>	<u>10,534</u>

# WORLD SOCIETY FOR THE PROTECTION OF ANIMALS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2007

### 7 GRANTS

Grants were made to the following institutions as detailed below:

	<b>2007</b>
	<b>£'000</b>
WSPA USA	948
WSPA Brazil	696
WSPA Asia	669
Borneo Orangutan Survival Foundation	587
WSPA Africa	550
Wildlife Trust of India	201
Green Korea United	109
Fauna and Floral International	107
Oxford University	106
Blue Paw Trust	78
CRAA	69
Korea Animal Welfare	53
Brooke Hospital	50
Yudisthira	38
EAST	30
Lampang Pony Welfare Organisation	26
Marwar Trust	25
IBBR	25
PhaNgan Animal Care	25
Alliance for Rabies Control	18
Kathmandu Animal Treatment	16
National Council SPCA	15
Gambia Horse and Donkey Trust	14
Eurogoup for Animal Welfare	14
Humane Society of the US	13
Fethiye Friends of Animal Association	13
The McKee Project	13
Wildlife Information Network	13
EIA	12
LAGA	12
Profauna Indonesia	12
Blue Cross India	11
BETA	9
Stichting Soi Dog	8
Instituto Tecnico de Educacao	8
WSPA Columbia	8
Helena Telkranta	7
FAADA	5
The Egyptian Society of Animal Friends	5
IFAW	5
Society for Animals	5
	<hr/>
	4,628
Other grants to institutions (all under £5,000)	268
Grant support costs	92
	<hr/>
	4,988

**WORLD SOCIETY FOR THE PROTECTION OF ANIMALS**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 31 DECEMBER 2007

**8 SUPPORT COSTS**

Support costs are apportioned on the basis of headcount across all areas of charitable activities.

	Companion animals	Wildlife	Farm animals	Disaster relief	Member society development	Governance costs	Total 2007	Total 2006
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
IT	59	73	64	44	69	-	309	257
Office	188	233	203	139	218	-	981	839
Staff costs	227	281	245	168	264	63	1,248	1,102
Donor support	55	68	59	41	63	-	286	269
Fundraising support	205	254	221	153	236	-	1,069	561
	<u>734</u>	<u>909</u>	<u>792</u>	<u>545</u>	<u>850</u>	<u>63</u>	<u>3,893</u>	<u>3,028</u>

**9 GOVERNANCE COSTS**

	Unrestricted £'000	Restricted £'000	2007 Total £'000	2006 Total £'000
Audit fees	29	-	29	62
Legal fees	78	-	78	61
International management	95	-	95	40
Support	63	-	63	71
	<u>265</u>	<u>-</u>	<u>265</u>	<u>234</u>

**10 NET INCOMING RESOURCES**

This is stated after charging:

	2007 £'000	2006 £'000
Operating lease - premises	198	177
Depreciation:		
Tangible fixed assets owned	235	212
Tangible fixed assets held under finance lease	6	6
Auditors remuneration		
- 2007	29	-
- 2006	-	30
- 2005	-	18
- other services	1	14
Investment manager fees	6	7

# WORLD SOCIETY FOR THE PROTECTION OF ANIMALS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2007

### 11 EMPLOYEES AND STAFF COSTS

The payroll costs of these were as follows:

	2007 £'000	2006 £'000
Wages and salaries	3,144	2,422
Social security costs	321	244
Other pension costs	93	61
	<u>3,558</u>	<u>2,727</u>

In addition, a great amount of time, the value of which is impossible to reflect in these financial statements is donated by approximately 200 volunteers.

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

	2007 Number	2006 Number
Charitable activities	35	23
Fundraising	21	20
Campaigns and publicity	13	12
Managing and administration	17	17
Governance	4	3
	<u>90</u>	<u>75</u>
Staff based overseas on local contracts	2	2
	<u>92</u>	<u>77</u>

The emoluments of members of staff, including benefits in kind within the range £60,000 to £99,999 are:

	2007 Number	2006 Number
£60,000 - £69,999	2	-
£70,000 - £79,999	3	3
£80,000 - £89,999	-	1
£90,000 - £99,999	3	1

The pension costs paid in respect of these employees amounted to £22,638 (2006: £8,280).

**WORLD SOCIETY FOR THE PROTECTION OF ANIMALS**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 31 DECEMBER 2007

**12 TANGIBLE FIXED ASSETS (CONSOLIDATED AND CHARITY)**

	<b>Improvements to leasehold property £'000</b>	<b>Office equipment £'000</b>	<b>Office move £'000</b>	<b>Computer equipment £'000</b>	<b>Total £'000</b>
Cost					
At 1 January 2007	467	215	-	507	1,189
Additions	-	4	38	307	349
Disposals	-	(69)	-	(311)	(380)
At 31 December 2007	<b>467</b>	<b>150</b>	<b>38</b>	<b>503</b>	<b>1,158</b>
Depreciation					
At 1 January 2007	329	98	-	379	806
Disposals	-	(69)	-	(302)	(371)
Charge	138	31	6	66	241
At 31 December 2007	<b>467</b>	<b>60</b>	<b>6</b>	<b>143</b>	<b>676</b>
Net book amount at 31 December 2007	<b>-</b>	<b>90</b>	<b>32</b>	<b>360</b>	<b>482</b>
Net book amount at 31 December 2006	138	117	-	128	383

Included within the net book value of £482,000 is £28,000 (2006: £15,000) relating to assets held under finance leases and hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £6,000 (2006: £6,000).

**13 FIXED ASSETS INVESTMENTS (CONSOLIDATED AND CHARITY)**

	<b>2007 £'000</b>	<b>2006 £'000</b>
Market value as at 1 January 2007	902	851
Less: disposals at opening book value	(398)	(147)
Add: acquisitions at cost	321	131
Realised gain/(loss) on revaluation	(31)	19
Unrealised gain on revaluation	-	48
Market value at 31 December 2007	<b>794</b>	902
Cash	<b>626</b>	519
	<b>1,420</b>	1,421
Historical cost at 31 December 2007	<b>837</b>	761

**WORLD SOCIETY FOR THE PROTECTION OF ANIMALS**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 31 DECEMBER 2007

An analysis of the market value of investments at 31 December 2007 is as follows:

	<b>2007</b> <b>£'000</b>	2006 £'000
UK equities	<b>515</b>	596
Overseas equities	<b>137</b>	159
UK fixed interest stock	<b>142</b>	147
	<u><b>794</b></u>	<u>902</u>
Cash	<b>626</b>	519
	<u><b>1,420</b></u>	<u>1,421</u>

At 31 December 2007 the charity owned the entire issued share capital of WSPA Trading Company Limited (£2 cost) a company which supports the charity by carrying out ancillary trading activities. The trading results are set out in note 2. At 31 December 2007, the amount of this company's assets, liabilities, share capital and reserves was:

	<b>2007</b> <b>£'000</b>	2006 £'000
Current assets	<b>54</b>	94
Creditors: amounts falling due within one year	<b>(35)</b>	(53)
Creditors: amounts falling due in more than one year	<b>(10)</b>	(32)
	<u><b>9</b></u>	<u>9</u>
Called up share capital	-	-
Profit and loss account	<b>9</b>	9
	<u><b>9</b></u>	<u>9</u>

**14 DEBTORS**

	<b>Consolidated</b> <b>2007</b> <b>£'000</b>	<b>Charity</b> <b>2007</b> <b>£'000</b>	<b>Consolidated</b> <b>2006</b> <b>£'000</b>	<b>Charity</b> <b>2006</b> <b>£'000</b>
Owed by WSPA Trading Company Limited	-	<b>32</b>	-	68
Accounts receivable	<b>10</b>	<b>9</b>	10	6
Accrued income	<b>577</b>	<b>576</b>	1,596	1,591
Prepayments	<b>187</b>	<b>187</b>	306	306
Other debtors	<b>18</b>	<b>18</b>	12	12
	<u><b>792</b></u>	<u><b>822</b></u>	<u>1,924</u>	<u>1,983</u>

A loan of £9,903 (2006: £31,503) to WSPA Trading Company is secured and earns interest at 2.5% above base rate. The facility (original loan balance £203,500) must be repaid in equal instalments on December 31 each year over a period of ten years. Of this loan, £9,903 (2006: £31,503) falls due after more than one year.

**WORLD SOCIETY FOR THE PROTECTION OF ANIMALS**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 31 DECEMBER 2007

**15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (CONSOLIDATED AND CHARITY)**

	<b>Consolidated 2007 £'000</b>	<b>Charity 2007 £'000</b>	<b>Consolidated 2006 £'000</b>	<b>Charity 2006 £'000</b>
Trade creditors	402	402	121	121
Other creditors	16	16	8	8
Amount owing under finance lease	13	13	6	6
Tax and social security	94	93	80	78
Accruals	1,079	1,067	928	917
	<b>1,604</b>	<b>1,591</b>	<b>1,143</b>	<b>1,130</b>

**16 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (CONSOLIDATED AND CHARITY)**

	<b>2007 £</b>	<b>2006 £</b>
Grant commitments	34	-
Amounts due under finance leases and hire purchase contracts	15	10
	<b>49</b>	<b>10</b>

Amounts due under finance leases and hire purchase contracts are secured on the assets to which they relate.

**17 BORROWINGS**

Borrowings are repayable as follows:

	<b>Consolidated 2007 £'000</b>	<b>Charity 2007 £'000</b>	<b>Consolidated 2006 £'000</b>	<b>Charity 2006 £'000</b>
Finance lease:				
Within one year	9	9	6	6
After one and within two years	18	18	10	10
	<b>27</b>	<b>27</b>	<b>16</b>	<b>16</b>

**18 UNRESTRICTED FUNDS**

	<b>Balance at 1 January 2007 £'000</b>	<b>Income £'000</b>	<b>Expenditure £'000</b>	<b>Investment losses £'000</b>	<b>Transfers £'000</b>	<b>Balance at 31 December 2007 £'000</b>
General fund	5,359	11,135	(13,119)	(7)	-	<b>3,368</b>

# WORLD SOCIETY FOR THE PROTECTION OF ANIMALS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2007

### 19 RESTRICTED FUNDS

	Balance at 1 January 2007 £'000	Income £'000	Expenditure £'000	Balance at 31 December 2007 £'000
Companion animals	86	478	463	101
Libearty	756	1,402	1,435	723
Farmwatch	92	165	239	18
Working equines	84	40	123	1
Disaster relief – Tsunami	72	-	43	29
Disaster relief – Other	-	42	42	-
Borneo Orangutan Survival Foundation (BOS)	-	805	702	103
Other Wildlife	-	219	132	87
Other	10	69	73	6
	<u>1,100</u>	<u>3,220</u>	<u>3,252</u>	<u>1,068</u>

These funds are allocated for specific projects as follows:

Fund	Purpose
<b>Companion animals</b>	The WSPA aims to help companion animals around the world by supporting the work of animal shelters, persuading local authorities to stop the brutal slaughter of pet animals, to set up neutering programmes and to educate people in the care of companion animals. Income arising from the Eberle Revenue Fund is used to fund projects related to small animals.
<b>Libearty</b>	Funds are used for a variety of bear protection projects including bear sanctuaries and ongoing campaigns on the Chinese bear farm and bear trade issue, dancing bears in Asia and bear baiting in Pakistan.
<b>Farmwatch</b>	The aim of the Farmwatch campaign is to oppose the development of factory farming and achieve measurable improvements in farm animal welfare in strategically key areas of the world. This will be achieved by persuading international agencies (e.g. Food & Agriculture Organisation, World Health Organisation) to take account of farm animal welfare concerns and multinational food businesses (retailers, fast food outlets, etc.) to incorporate high farm animal welfare standards in their products.
<b>Working Equines</b>	The WSPA aims to improve the welfare of working equines and to raise the standard of care and husbandry. The Society supports mobile clinics and education programmes in a number of countries including Mongolia, Afghanistan, Thailand, Colombia and Uruguay.
<b>Disaster relief – Tsunami</b>	The WSPA has committed to supporting the recovery of the animal populations in the tsunami affected regions over a two year period.
<b>Disaster relief – Other</b>	The WSPA received funds for general disaster relief work to used in emergencies such as the earthquake in Pakistan.
<b>BOS</b>	The WSPA committed to supporting the Nyaru Menteng sanctuary, run by the Borneo Orangutan Survival Foundation (BOS) which rehabilitates rescued orphaned orangutans for release back into the wild.
<b>Other</b>	Funds were received to support our work on small grants, animal welfare education, the Universal Declaration on Animal Welfare and anti-snaring in Africa.

# WORLD SOCIETY FOR THE PROTECTION OF ANIMALS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2007

### 20 ENDOWMENT FUNDS

	<b>Eberle capital £'000</b>	<b>Ruth Whist capital £'000</b>	<b>Total £'000</b>
Balance at 1 January 2007	620	334	954
Additions	-	-	-
Net realised and unrealised losses	(24)	-	(24)
Balance at 31 December 2007	<b>596</b>	<b>334</b>	<b>930</b>

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

The Ruth Whist Capital Fund arises from a donation for the use in work for animals in need. The capital of the fund cannot be spent and interest should be withdrawn annually for use at the discretion of WSPA's Director of Operations.

### 21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<b>General funds £'000</b>	<b>Restricted funds £'000</b>	<b>Endowment funds £'000</b>	<b>Total funds £'000</b>
Tangible fixed assets	482	-	-	482
Investments	490	-	930	1,420
Net current assets	2,445	1,068	-	3,513
Creditors: amounts falling due after more than one year	(49)	-	-	(49)
	<b>3,368</b>	<b>1,068</b>	<b>930</b>	<b>5,366</b>

### 22 COMMITMENTS

#### Capital Commitments

There were no capital commitments by the charity or group, contracted or authorised at 31 December 2007 or 31 December 2006.

#### Future Charitable Commitments

The Charity has authorised certain grants subject to certain criteria being satisfied. At the end of the year the total grants committed for the period 2007 to 2008 is £25,830. This is all due for payment in 2008.

# WORLD SOCIETY FOR THE PROTECTION OF ANIMALS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2007

### 23 OPERATING LEASE

Operating lease payments relates to the rent of the premises of the Charity. The lease expires in 2010.

	<b>Consolidated</b>	<b>Charity</b>	<b>Consolidated</b>	<b>Charity</b>
	<b>2007</b>	<b>2007</b>	<b>2006</b>	<b>2006</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Operating lease:				
After two and within five years	<u>233</u>	<u>233</u>	<u>177</u>	<u>177</u>

### 24 TRUSTEES, DIRECTORS AND RELATED PARTIES

None of the trustees receive any remuneration for their services as trustees of the charity. One trustee received remuneration of £603 for consultancy services.

Six trustees received payments totalling £1,615 (2006: one trustee; £3,097) as reimbursement of travel costs.

The charity enters into transactions with other charities connected with the World Society for the Protection of Animals. The nature of the transactions is principally the transfer of funds to or from those organisations to fund specific charitable projects and within the Society's objectives and which by their nature need to be funded on a local level.

	<b>Paid by</b>	<b>Received by</b>
	<b>WSPA UK</b>	<b>WSPA UK</b>
	<b>£'000</b>	<b>£'000</b>
WSPA Africa	550	-
WSPA Asia	669	-
WSPA Australia	-	1,510
WSPA Brazil	696	-
WSPA Canada	-	97
WSPA Colombia	8	-
WSPA Costa Rica	-	-
WSPA Denmark	-	576
WSPA Netherlands	-	1,663
WSPA New Zealand	-	261
WSPA USA	948	92
	<u>2,871</u>	<u>4,199</u>

### 25 GUARANTEE

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

# WORLD SOCIETY FOR THE PROTECTION OF ANIMALS

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 DECEMBER 2007

### 26 RECONCILIATION OF SURPLUS OF INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2007 £'000	2006 £'000
Net movement in funds for the year before investment gains	(2,016)	2,728
Investment income	(210)	(189)
Interest paid on finance lease	1	2
Depreciation	241	217
(Increase)/decrease in debtors	1,132	(1,520)
Increase/(decrease) in creditors	481	(144)
	<u>(371)</u>	<u>1,094</u>

### 27 ANALYSIS OF NET CASH RESOURCES

	At 31 December 2006 £'000	Cashflow £'000	At 31 December 2007 £'000
Cash in hand	4,838	(513)	4,325
Cash held on short term deposit by investment managers	519	107	626
	<u>5,357</u>	<u>(406)</u>	<u>4,951</u>

### 28 PENSIONS

The charity contributed towards a defined contribution scheme for the benefit of the employees. The assets of the scheme are administered by trustees independent of the charity.

### 29 MEMBERS

The members of the Society are animal welfare organisations, known as Member Societies. Currently there are approximately 900 Member Societies in 145 countries, most of which pay a modest annual membership fee and are non-voting members. Those Member Societies that pay an enhanced membership fee are voting members.

### 30 LEGACIES

The value of legacies notified to the Society but which do not meet the recognition criteria (and so are not accounted for within the financial statements) is approximately £2.6 million (2006: £1.56 million).