

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Company number: 558085

Charity number: 209015

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

(A company limited by guarantee)

Financial statements
31 December 2022

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

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Report by the Board of Trustees (incorporating the Report of the Directors)
For the year ended 31 December 2022

INTRODUCTION

Foreword from our Chair of Trustees

Following two exceptionally difficult years dominated by the global coronavirus (Covid-19) pandemic, the challenges faced by working animals and their owners only continued to grow in 2022. The unique difficulties of the pandemic made way for new hardships, including the impact of increased global inequality and the cost-of-living crisis, local civil unrest, and environmental disasters such as drought in East Africa and flooding in West Africa.

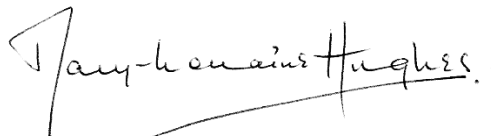
All of these issues have made life for working animals harder than ever – and meant the need for SPANA's help has never been greater.

Fortunately, due to the ongoing kindness of our supporters, our charity was able to improve the lives of more than 300,000 working animals across 23 countries in 2022. Operating through our global network of centres, mobile clinics and local projects, we continued to ensure working animals received the veterinary treatment and care they needed, and further supported working animal welfare through the training of owners, local communities and veterinary professionals in good animal care, and the teaching of children about animal welfare.

We were also able to be there for working animals in times of extreme need. Our emergency projects provided lifesaving feed, veterinary treatment and support to working animals at most risk in Indonesia, India and Uganda – delivering much-needed relief to working animals and their owners.

Despite the challenges of the year – especially at a time when SPANA is facing increased competition for funds – I am pleased with the progress the charity made in 2022 and its continued commitment to improving the welfare of working animals around the world.

On behalf of the Board of Trustees, I would like to express my gratitude to, and appreciation of, SPANA's teams in the various and varied countries in which we operate: they work so diligently and often in extremely difficult circumstances. Their vital work is aided by our dedicated support team in the UK, led by our Chief Executive and Senior Leadership Team. They have all worked effectively together, not only to record a strong financial year, but also to achieve so much during a year of great need.



Dr Mary-Lorraine Hughes
Chair of Trustees

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Introduction from our Chief Executive

2022 was my first full year as Chief Executive of SPANA, and I am proud of everything the charity was able to achieve for working animals.

Despite the new and ongoing challenges brought by the year, SPANA continued to support the welfare of working animals in need throughout 2022. We also advanced our work with several new initiatives, including our involvement in major new animal welfare education projects being run by the governments of Mauritania and Zimbabwe. These will ensure children – the next generation of animal owners and community leaders – learn about animal welfare and will help create a brighter future for working animals.

The impact of our work was publicly acknowledged in 2022 by the naming of a street in Mauritania as Rue SPANA – SPANA Road. I was honoured to attend the Road's official opening ceremony in Nouakchott, alongside local officials, community leaders and some of the owners we have supported. It was a truly historic moment for the charity.

In addition to continuing our key work in 2022, we also began developing plans for the charity's future. This resulted in our new organisational strategy – Transforming the Lives of Working Animals: SPANA Strategy 2023-27. Launched during our 100th year, our new strategy explains how SPANA will build on its work with new partnerships and innovative projects and activities. Through this, SPANA will reach more animals, owners, professionals and children than ever before, and will make a lasting and sustainable change in working animal welfare.

I would like to thank SPANA's supporters for their continued kindness. Everything we achieved in 2022 was only possible due to their generosity and commitment to working animal welfare.



Linda Edwards
Chief Executive

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STRATEGIC REPORT

Highlights from 2022

In 2022, the charity continued to successfully deliver the SPANA work programme. Our key achievements included:

- **306,412** working animals were successfully reached (2021: 291,527), which involved the delivery of **485,523** veterinary treatments (2021: 417,391).
- Community trainers improved the skills and knowledge of **89,924** animal owners (2021: 87,614).
- **10,430** pieces of humane equipment were distributed to animal owners. (2021: 9,099).
- **3,451** professionals, including veterinary students attending the Clinical Skills Centres, were trained (2021: 4,070).
- **1,988** university students were taught in Clinical Skills Centres. (2021: 1,803).
- Animal welfare education was delivered to **87,241** children (2021: 71,204) in a variety of settings, including SPANA centres and animal clubs, schools, mobile classrooms and exhibitions.
- We raised **£8,207,928** in funds for our vital work, thanks to the kindness of our supporters.
- SPANA was represented on the technical organising committee for the Pan-African Donkey Conference held in Dar es Salaam on the 1-2 December 2022 to discuss the future of donkeys on the African continent and a 15-year ban on donkey slaughter. The conference resolutions were universally adopted.

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About SPANA

Around the world, a huge but largely overlooked workforce of more than 200 million donkeys, mules, horses, elephants, camels and oxen loyally support more than 600 million people. Working animals are the tractors, trucks and taxis of their communities – by supporting agriculture and transporting people, goods, food, water and firewood, these animals enable people to make a living and they ensure the survival of communities.

But despite the critical role they hold within their communities, welfare standards for working animals are often poor. Many working animals lack access to even the most basic veterinary care. If they are sick or in pain, they work on. And owners often lack the knowledge they need to care for their animals.

These are the problems SPANA – The Society for the Protection of Animals Abroad is striving to address. Founded in 1923, we are focused on building a better future for working animals across the world.

Throughout 2022, SPANA's work was driven by a vision of a world where every working animal lives free from suffering and is treated with compassion. Our day-to-day mission was focused on improving the welfare of working animals in low-income countries.

To improve the welfare of working animals, SPANA operates in areas of greatest need. As part of our global programmes of working animal welfare work, we treat, train and teach:

- **Treat:** SPANA works to improve the health and welfare of the world's working animals, by ensuring the veterinary treatment of animals with injuries and illnesses, preventing diseases and providing support during crisis situations. SPANA's network of busy veterinary centres is at the heart of our work, while a fleet of mobile clinics also takes our lifesaving care to the most remote and inaccessible communities.
- **Train:** Through giving animal owners a better understanding of the needs of working animals, and through training them in improved husbandry and the use of humane harnessing and equipment, SPANA works to deliver sustainable changes in local behaviour that will benefit working animals for generations to come. To maximise our impact, SPANA also trains vets and technicians about veterinary care and husbandry. We perform training in universities and colleges, through regular lectures and by establishing Clinical Skills Centres.
- **Teach:** SPANA's education programme aims to teach children, the next generation of animal owners and community leaders, about animal welfare and the complex welfare needs of animals. By educating children in this way, we're investing in a better future for working animals.

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Where we work

During 2022, SPANA pursued the fifth and final year of its 2018-2022 organisational strategy by delivering a variety of activities to support the welfare of working animals. These activities spanned 23 countries and were focused around three key areas:

Treat – Providing veterinary care

Train – Improving owners’ knowledge and skills, and building the capacity of vets and teachers

Teach – Educating children about animal welfare.

Country	Treat	Train	Teach
Botswana	✓	✓	
Cameroon	✓	✓	✓
Ethiopia	✓	✓	✓
Ghana			✓
Guatemala			✓
Guinea	✓	✓	✓
India	✓	✓	✓
Indonesia	✓		
Iraq	✓	✓	
Jordan	✓	✓	
Liberia			✓
Mali	✓	✓	✓
Mauritania	✓	✓	✓
Morocco	✓	✓	✓
Mozambique		✓	
Namibia	✓	✓	
Sierra Leone			✓
South Africa	✓	✓	✓
Tanzania	✓	✓	✓
Tunisia	✓	✓	✓
Uganda	✓	✓	✓
Zambia	✓		✓
Zimbabwe	✓	✓	✓

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Five-year strategy 2018–2022

Between 2018 and 2022, SPANA pursued a five-year strategy.

During the first two years of the 2018-2022 strategic period, SPANA was focused on expanding our work into new territories and strengthening our professional networks. We worked hard to develop and build awareness and income for the charity, and our organisational infrastructure, in support of our goal.

In 2020 and 2021, the coronavirus (Covid-19) pandemic forced us to realign our plans. Faced with a variety of health restrictions across the globe, our teams worked tirelessly to ensure the continued running of our vital operations, while ensuring all our activities became Covid-secure. Globally, we also responded to the potential implications of the pandemic by holding a strategic review of our organisation. Through this process, we aimed to protect both SPANA’s ability to deliver on its mission and its long-term future, while ensuring the charity would be well placed to pursue future growth opportunities when external conditions improved.

In 2022, SPANA’s first annual Business Plan set a series of goals and objectives underpinning our organisational strategy. By following this Business Plan, we began the process of strengthening and enhancing all aspects of our global work and infrastructure, while continuing to deliver all business-as-usual activities. Our work to build SPANA’s global impact and effectiveness included the development of an ambitious new strategy for 2023-27, which has an increased emphasis on innovative new projects and activities, increased partnership work, and sustainable solutions to improving working animal welfare.

Objectives and achievements for 2022

In addition to the ongoing work we undertook in our core countries (Botswana, Ethiopia, Mali, Mauritania, Morocco, Tunisia and Zimbabwe), SPANA achieved the following outcomes against the objectives planned for 2022.

Our charity

Objective	Achievements
Develop a new organisational strategy	This was successfully completed following an extensive engagement process with internal and external stakeholders.
Development a global workforce development and culture plan	As part of the strategy development, an extensive survey was completed by all SPANA staff. This, alongside a review of SPANA’s, safeguarding and duty of care, forms the framework for the work to be delivered across the organisation’s new five-year strategy.
Develop our global infrastructure	SPANAs invested in a full review of its global governance, launched its new financial management system (Dynamics) and strengthened its global IT infrastructure successfully.

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Global Animal Welfare Programming

Objective	Achievements
Develop our work within a One Health framework	This was successfully achieved. New policies and position statements were launched focused on zoonotic diseases, biosecurity and the responsible use of antimicrobials and anthelmintics.
Develop a minimum standards framework and begin the roll-out of the standards	2022 saw the first phase of this work undertaken. This will now feed into the 2023-27 strategy work, which will establish global standards of best practice.
Develop and introduce a MEAL (Monitoring, Evaluation, Accountability and Learning) framework	This was initiated in 2022 with training provided to all relevant staff. The broader framework will sit alongside the new strategy to be launched in 2023.
Develop a pilot project focused on a sustainable impact	Two new revolving funds were established in Ethiopia. One focused on veterinary drugs; the other on feed for working animals.

Fundraising, Marketing and Communications

Objective	Achievements
Generate voluntary income of £8,141,331 for SPANA's vital work worldwide, through a fully-integrated fundraising, marketing and communications programme	The charity received £8,207,928 in voluntary income during 2022, thanks to the kindness of our supporters.
Maintain public awareness of the SPANA brand above 8 per cent	Promoted brand awareness for SPANA was at an annual average level of 8.25 per cent across 2022, with awareness driven by our brand, PR, communications, social media and wider fundraising and marketing activities and organisational stakeholder engagement.
Ensure donors receive the best possible supporter experience	A 2022 survey showed that 98 per cent of UK supporters were satisfied or very satisfied with their overall experience of SPANA, while our work to increase supporter satisfaction by developing aspects of our programme, such as our to work to improve donation functionality on the SPANA website, led to complaints falling by 34 per cent year-on-year.
Develop a strategy and plan for a year-long centenary celebration in 2023	A strategy and year-long plan for our centenary celebration were developed in 2022, which enabled the initial elements (including the SPANA centenary logo, brand key messaging, first wave of centenary merchandise, centenary brochure, centenary film and a centenary launch event) to be delivered from January 2023.

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Finance, Human Resources and Information Technology

Objective	Achievements
Develop our global finance management system to provide full support and oversight of our overseas programme operations	An internal review was completed to assess the current practices, resources and capacity needs of our offices. A financial transition plan will be implemented over a two-year period. During 2022, a more robust annual planning and budgeting process was developed and implemented across all offices.
Develop a new framework for global risk management	A risk register was incorporated into the annual planning and budgeting process for all offices which enables the offices to track, monitor and report on their local risks.
Complete a review of our safeguarding policy and procedures, and introduce enhanced processes, along with training to staff both in the UK and overseas	The safeguarding review was completed in early 2023, with an implementation plan in place to strengthen our policies and procedures and to provide training to staff across the globe.
Develop an organisational sustainability strategy.	This forms part of the organisation’s new five-year strategy.

SPANA Strategy 2023-27 and Business Plan 2023

2023 marks the first year of our new five-year organisational strategy – Transforming the lives of working animals: SPANA Strategy 2023-27. Our new strategy outlines the approach the charity will take in the next five years, as working animal welfare faces increasing pressure from climate change, food insecurity, global inequality, zoonotic diseases and rising local political instability. It explains how we will achieve more for working animal welfare without an equivalent increase in resources. While SPANA will continue to treat, train and teach, we will also work to transform working animal welfare – through new projects and partnerships that will deliver sustainable change for working animal welfare. Find out more and read our strategy at www.spana.org/strategy

Throughout the lifespan of this strategy, our work will be underpinned by annual Business Plans which will set objectives, priority activities and measures of success for each year. They key objectives set by the 2023 Business Plan include:

Our charity

- Build our commitment to Environment and Global Sustainability, adopting ESG principles by integrating within our strategies, operations and decision-making processes to promote best practices
- Develop and invest in our staff, to attract and retain talent, foster a culture of continuous learning and development, and provide staff with the necessary training and support to enhance their skills, knowledge and capabilities. This will enhance organisational performance, increase staff engagement and job satisfaction, and ultimately drive innovation and growth
- Strengthen the charity’s UK and global infrastructure and systems, to support the delivery of our new organisational strategy

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Global Animal Welfare Programmes

- Develop our work within SPANA's One Health framework
- Develop a quality assurance and minimum standards framework and roll out a pilot for delivery
- Deliver the 2023-27 MEAL (Monitoring, Evaluation, Accountability and Learning) framework
- Develop a pilot project focused on a sustainable impact
- Establish an international partnership strategy
- Develop a global emergency, risk and resilience programme
- Evaluate the education programme and review delivery across all sectors based on an objective for human behaviour change

Global Fundraising, Marketing and Communications

- Generate voluntary income of £8,615,516 for SPANA's vital work worldwide, through a fully-integrated fundraising, marketing and communications programme
- Maintain public awareness of the SPANA brand at 8% or above
- Deliver a year-long centenary celebration in 2023 that raises active and informed support for SPANA and our work today
- Develop a new fundraising, marketing and communications strategy to support and enable the delivery of our new organisational strategy for 2023-27

Global Resources

- Strengthen the global finance management environment to ensure financial sustainability, value for money, transparency, and accountability
- Develop security and risk management frameworks and implement security measures and risk management strategies to mitigate risks, building a culture of security awareness and best practices
- Develop and strengthen our organisational safeguarding framework to ensure the safety and wellbeing of all individuals who have contact with SPANA, including staff, beneficiaries, communities, volunteers and other stakeholders

Risk management

SPANA operates in complex environments, and as a result, we are subject to a variety of risks and uncertainties that may have an impact on our operations, financial performance and reputation. Risks are identified and reviewed by the charity's Senior Leadership Team every two weeks as part of its regular meeting, and appropriate actions to mitigate or manage risks are agreed upon. To ensure effective oversight of the organisation's risk management practices, the Trustees assess and review risks at the Finance and Audit Committee and quarterly Board meetings. Any urgent risks would be immediately referred to the Chair of Trustees and the wider Board, as appropriate.

Principal risks and uncertainties

The main organisational level risks as identified in our risk register are as follow:

Governance Risk:

Effective governance is crucial to the success of the organisation. Management recognises the importance of good governance and the potential risks associated with poor governance practices ensuring compliance with the Charity Commission and other regulatory bodies. To mitigate this risk, a comprehensive international and UK governance review was started in 2022 and will be finalised in 2023 with a view to strengthening our governance framework, policies and procedures to ensure they remain relevant and fit for purpose.

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Financial Management Risk:

Effective financial management is essential to the organisation's long-term sustainability. Management recognises the importance of financial management and the potential risks associated with poor financial management practices, such as fraud, misstatement or mistake, especially in the current external economic environment. To mitigate this risk, the financial management framework, policies, systems and procedures are constantly under review to ensure controls are strengthened and systems and processes operate efficiently, ensuring transparency and accountability.

Safeguarding and Security Risk:

SPANAs operates in countries and an environment where safeguarding and security risks are a concern. Management recognises the importance of safeguarding and security and the potential risks associated with poor safeguarding practices. To mitigate this risk, a robust safeguarding and security framework, policies and procedures will be put in place and regularly reviewed and updated to ensure they remain fit for purpose.

Fraud and bribery

An incident involving fraud or bribery remains an inherent risk of our global activity. Actions taken and controls that exist to mitigate these risks included:

- A zero-tolerance approach to fraud and bribery, supported by our finance policies and procedures.
- The introduction of revised financial reporting requirements, which will provide greater oversight of our programmes' and partners' financials.
- During 2023, plans are in place to roll out fraud awareness training globally to ensure we and our staff remain in a strong position to combat any potential fraud.

Volatility of the External Environment:

The impact of specific challenges, including drought, floods and instability caused by national conflicts, on our global programmes

During 2022, local issues including droughts, floods and instability caused by national conflicts, posed a risk to programmes in countries including Botswana, Ethiopia and Mali. Actions taken and controls that exist to mitigate these risks included:

- Regular support calls between the UK leadership team and our global programme staff, to enable timely decision making on programme deliverables while ensuring staff safety and wellbeing
- The temporary limiting of operations and activities where staff safety was a concern (such as during the civil unrest in Ethiopia).

Economic uncertainty:

We continue to operate in an extremely volatile global economic environment. Following the height of the coronavirus (Covid-19) pandemic, the world is facing continuing economic pressures including increased inflation and a cost of living crisis that is affecting the UK and all of our country and partner offices. Within this context, our reliance on the UK charity giving market – the source of the vast majority of SPANA's income – and the global voluntary giving market pose a risk to the charity. Actions taken and controls that exist to mitigate this risk include:

- Monthly monitoring of income and expenditure against budget by the Senior Leadership Team, with additional reviews conducted by the Board of Trustees and Finance & Audit Committee.
- The development of our fundraising programme to encompass multiple voluntary income streams, thereby avoiding over-reliance on a specific aspect of charity giving.

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- Revisions and adherence to SPANA's Reserves Policy, which ensures we would have sufficient funds to continue operations if there was to be a significant shortfall in income.

TRUSTEES REPORT

Financial review

SPANA relies on the generosity of our donors and supporters to fund our mission and make a positive difference for the welfare of working animals. We are committed to ensuring that every donation is used effectively and efficiently to achieve our charitable objectives.

Our total income for the financial year was £10,678,984 which represents a 16% increase from the previous year, however this includes the gain on the property sold for £2,084,420. The operational total income fell by 7%, the main reason for this decrease was due to a decline in both donations and legacies as a result of the external economic environment and cost of living crisis. Voluntary donations, excluding legacies, were £3,374,701 in 2022 (2021: £3,761,165) a 10% decline compared to the prior year. Legacy income was £4,469,159 (2021: £4,978,689) a 10% decline compared to the prior year with a further estimated value of notified legacies standing at £4,567,979 in total, yet to be received. As a proportion of total income (excluding the property sale), legacies contributed 52 per cent (2021: 54 per cent).

The fundraising, marketing and communications objectives for the year were to generate income via a comprehensive fundraising programme; maintain public awareness of the SPANA brand; ensure donors receive the best-possible supporter experience; and develop a strategy and plan for the SPANA centenary in 2023. All these objectives were achieved.

Direct charitable expenditure was £5,716,309 in 2022 (2021: £5,325,340). The veterinary, training and teaching activities increased by 7% compared to the prior year; this increase was due to local health restrictions and lockdowns being lifted after the pandemic.

The operating surplus for the year was £2,476,863 (2021: £1,323,727).

At the end of the financial year, the net assets position was £14,917,165 (2021: £13,151,334) representing an increase from the previous year; this was mainly driven by the sale of the office premises. Net assets include restricted funds of £439,527 and a designated fund of £3,243,215 (see note 11 for details). The general fund of £11,234,423 (2021: £9,984,251) will be available for finance working capital and enable SPANA to invest in new programmes and services that align with our mission and goals.

SPANA's subsidiary, SPANA Trading Limited, made a valuable contribution to the charity's funds through the sale of Christmas cards, merchandise and gifts. Details on the financial performance of SPANA Trading Limited can be found in note 8(d).

The Society for the Protection of Animals Abroad (Australia) Limited, which was established in order to promote the charity's fundraising programmes, made a profit in its fifth year of operation. Details of this subsidiary can be found in note 8(f).

The increase in economic uncertainty and rising inflation across the globe, has caused a fall in the price of equities and had an immediate effect on the value of our investments in 2022, falling by £713,515. However, our investment portfolio performed well during the prior year 2021 with an unrealised gain of £799,362 which has resulted in an overall unrealised gain of £85,847 over the two-year period. With the

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sale of our former Head Office (detailed below) and investing surplus cash held at the bank, we have been able to increase our investment portfolio by £6.5m.

Following the successful sale of SPANA's John Street office premises, sold for £3.3m in January 2022 (details of this transaction can be found in note 16), SPANA has set up a temporary office within the Co-Work building in the London Bridge area. In the longer term, SPANA is seeking a new, home for its global support team. This new base will support and enable the development of our workforce as part of a high-performance, agile, collaborative, innovative and focused working culture. As such, SPANA's new home will be more than a mere office – but a catalyst for lasting, transformative change for our organisation.

Reserves policy

SPANA holds reserves so that it can continue to fund its operations and deliver on its charitable objectives if income was to be impacted by unforeseen events. The reserves are divided into restricted and unrestricted funds.

Total funds in 2022 were £14,917,165 (2021: £13,151,334).

Restricted reserves at 31 December 2022 were £439,527 (2021: £249,268). These funds are set aside for specific purposes and projects as stipulated by the donor. These funds are typically subject to restrictions and can only be used for the purposes specified in the agreements/contracts, full details are shown in Note 12.

Total unrestricted reserves on 31 December were £14,477,638 (2021: £12,902,067) and are those available for use at the Trustees' discretion. Within total unrestricted funds are designated funds totalling £3,243,215 (2021: £2,917,815). Designated funds represent the net book value of the charity's fixed assets, money set aside in the form of a Global Investment Fund and for the purchase of new UK premises, details are shown in Note 11. The remaining free reserves at 31 December 2022 were £11,234,423 (2021: £9,984,251), representing 71 weeks' forward expenditure against a reserves target of 26 weeks (or £4m). It is SPANA's intention to use these excess reserves for future investments, using innovative approaches to align operations and programmes with the new five-year strategic plan. The free reserves fall within the Chief Executive's recommended five-year plan on reserves drawdown to drive a variety of strategic changes, transformations, and new initiatives as part of implementing and delivering the new Strategy. The Trustees will continue to monitor the reserves position, including free reserves, which is one of the key performance indicators reviewed by the trustees.

Going concern

SPANA has sufficient resources to continue its operations for the foreseeable future, and there is no indication that the organisation will not be able to meet its future financial obligations.

The organisation has maintained a strong financial position, which has enabled it to generate a positive net income for the year resulting in reserves being significantly above its reserves policy. The reserves will provide security against unexpected events or costs and management remain confident in the charity's financial position.

The organisation's income for the year was generated from a mix of sources, including donations, legacies, fundraising activities and grants. The organisation's expenditure for the year was mainly associated with delivery of its programmes and services.

Management has assessed the risks associated with the charity's operations and is confident that the charity's financial position will enable it to continue its operations for the future.

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A forecast has been prepared which considers expected financial performance up to December 2024. The forecast includes assumptions around certain risks and scenario planning such as the impact of volatile fundraising income during a time where we are experiencing a global cost-of-living crisis and high inflation, staff costs, and available reserves.

Financial performance and cash flow are regularly monitored, with a particular emphasis on liquidity and available free reserves. As part of this oversight, the fundraising and investment performance, as well as the cash position, are evaluated on an ongoing basis to ensure SPANA has enough funds to cover day-to-day operations.

The proceeds from the sale of the premises at John Street has increased cash reserves. Some of the proceeds will fund the purchase of a new, smaller and more modern office in the long term, while the remainder will provide additional funds to cover interim arrangements of a smaller leased office.

After consideration of the revised forecasts and the current level of available free reserves, the Trustees are satisfied that there are no material uncertainties around SPANA's ability to continue as a going concern and will continue to operate for the foreseeable future.

Investment powers, policy and performance

Monies not immediately required for SPANA's charitable purposes are invested into assets and for a term as the Trustees think fit and suitable in the context of all relevant circumstances of the charity.

The charity's excess funds are currently invested in cash and marketable securities. The Board of Trustees has adopted an investment policy that is medium risk, investing in both fixed interest funds and equities, and to this end has also issued a statement of the charity's investment policy, the terms of reference for the investment managers, and a statement of the charity's ethical policy.

SPANA's investment policy is predicated on the Trustees' obligation to safeguard its assets. Within that requirement, the Investment Managers have authority to invest in order to maximise the return to SPANA. However, in doing this, they are directed by SPANA to screen investments from an ethical standpoint in an effort to ensure that investments are not made with companies whose performance might, for instance, be affected by unethical business practices or negative environmental practices.

The Board considers that the performance of its investment portfolio is in line with its policies and overall global stock market conditions in 2022 and against a suitable benchmark for this policy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

SPANA is a global organisation with clear objectives and a strong global profile. On a day-to-day basis, it is managed by the Senior Leadership Team (SLT), which comprises the charity's Chief Executive and Directors.

The SPANA group consists of the charity, its subsidiary in Australia, and SPANA Trading Limited, a UK trading subsidiary. The subsidiary in Australia, along with the UK trading subsidiary, are wholly owned by the charity.

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The Society for the Protection of Animals Abroad (Australia) Limited was established in February 2017 in order to promote the charity's fundraising programme in that country, while the UK trading subsidiary sells merchandise on behalf of SPANA and gift aids its profits back to the charity.

SPANA restructured its operations in Jordan, which included closing two subsidiaries. One was closed in 2019 and the process of the remaining subsidiary being liquidated commenced in early 2020. This process is ongoing but near completion with no material adjustments required. In future, our work in Jordan will be operated through partner organisations.

Details of related party transactions are shown in note 15 of the accounts.

Governing document

SPANA is a voluntary organisation and a registered charity founded in England in 1923. It is a company limited by guarantee and not having a share capital. It is governed by its Memorandum and Articles of Association, managed by an elected Board and funded by voluntary donations from its members and supporters around the world, including the countries in which SPANA operates.

Charity

SPANA is a charitable company limited by guarantee, registered with the Charity Commission in England and Wales (registered number 209015).

Public benefit

The Trustees have referred to the Charity Commission's published guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, as required by the Charities Act 2011, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Our objectives are to prevent unnecessary suffering to animals and neglect of their bodily needs.

The Board considers that strategies, aims and activities as described above are for the public benefit, which is fundamental in undertaking current activities, assessing future activities and measuring delivered outcomes.

The content of this report, as well as the charity's Annual Review and our website, provides detail of the activities undertaken by the charity for public benefit.

Members

The number of members at 31 December 2022 is 104 (2021: 110) and their liability on a liquidation is limited to £1 each. All members have full voting rights under the charity's Articles of Association.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report by the Board of Trustees (incorporating the Report of the Directors) For the year ended 31 December 2022

The Trustees

SPANA's Board of Trustees comprised 11 members of the charity on 31 December 2022 (see page 19). It may have up to 14 members and not less than five members. The Board, which comprises Trustees who must be members of the company, meet in formal sessions four times per annum and at that time consider and decide upon:

- The activities and the recommendations made by SPANA's four main committees, each of which also meet regularly, namely those addressing:
 - Finance and Audit;
 - Global Animal Welfare (formerly the Services committee);
 - Global Fundraising, Marketing and Communications; and
 - People & Safeguarding (formerly the Remuneration and succession planning committee).
- Progress and development of issues detailed within:
 - The 2018 to 2022 strategy document, which formed the basis of monitoring how the strategic direction of the charity is being maintained.
 - The review of operational plans for 2018 to 2022
 - The risk register (see above).
 - The development of the new five-year strategy for 2023-2027

Contractual and other operational issues that fall outside the routine management scope are dealt with on a day-to-day basis by the Senior Leadership Team.

Appointment of Trustees, induction and training

With regards to the operation of the Board itself, each position on the Board of Trustees is identified according to the specialisation which its incumbent should have to discharge the duties of the particular role. Once appointed, Trustees complete an induction programme to acquire knowledge of SPANA's activities and the personnel involved. They are also invited to participate in such formal training and seminars as are appropriate (e.g. the legal dimension to being a Trustee and the role of the Trustee in the management of the charity's investments).

Appointment of members to the Board is through election by the membership.

The Board reviews regularly the balance of skills and experience required for the successful governance of the charity.

Key management personnel

The key management personnel are defined as the Senior Leadership Team, which comprised the Chief Executive; Director of Global Resources; Director of Global Programmes; Director of Global Animal Welfare; and Director of Global Fundraising, Marketing & Communications. The directors are responsible for managing their respective departments.

The remuneration of the Senior Leadership Team is reviewed by periodic benchmarking against equivalent positions in the charity and commercial sectors. This benchmarking is supervised independently of the Senior Leadership Team by the People & Safeguarding Committee.

The members of the Senior Leadership Team are not directors of the charity under company law.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report by the Board of Trustees (incorporating the Report of the Directors)
For the year ended 31 December 2022

Global operations

With the exception of our activities in Australia, SPANA operates through a network of national NGOs and partner organisations, on a grant basis where SPANA fund their activities to meet our charitable objects. The breakdown of these partners' financial activities are therefore not included in the annual accounts.

Grant-making policy

SPANA operates through other partner organisations internationally. However, this is on an annual grant basis where we fund their activities that meet our charitable objects in line with our five-year strategy.

Before a formal annual grant agreement is signed, all potential grantees are subject to a due diligence process based upon an assessment framework. A signed grant agreement is put in place with all partners, which covers joint ways of working, delivery criteria and reporting requirements. The results of these partners' financial activities are not included in the annual accounts.

Charity Governance Code

SPANA is committed to upholding the principles of the Charity Governance Code and has applied these principles in our operations, including promoting transparency, accountability and good practices to ensure that we fulfil our mission and meet the expectations of our key stakeholders. Our Board of Trustees has a clear understanding of the charity's aims and values and is confident the charity is successfully pursuing them thanks to the information and reports provided by SPANA's Senior Leadership Team, staff, external partners, suppliers and auditors. In line with SPANA's values, the charity is committed to acting with integrity and respect at all times. SPANA's Trustees have been selected to ensure the Board has the broad mix of skills it needs to fulfil the requirements of the Charity Governance Code.

Safeguarding and whistleblowing

SPANA is fully committed to creating a safe and secure environment for all those who engage with our programmes and services, including employees, beneficiaries, communities and other stakeholders. We take our responsibilities in safeguarding and whistleblowing very seriously and are committed to ensuring that our policies and procedures are continuously reviewed and updated to reflect best practice and the evolving needs of the organisation and the communities we serve.

To further strengthen our safeguarding, we plan to expand our training and awareness programs for all staff and partners with regular risk assessments and clear reporting mechanisms for any safeguarding concerns. We also fully support and encourage whistleblowing by staff, communities and partners; this will be supported with further training sessions to raise awareness.

Global Fundraising, Marketing and Communications

The Global Fundraising, Marketing and Communications department's key strategic objective is to maximise awareness, support and net voluntary income for SPANA, while delivering a strong return on investment from our activities. SPANA's fundraising, marketing and communications strategy was delivered in 2022 through a fully integrated, multi-channel, values-based and insight-driven fundraising, marketing and communications programme that aimed to develop brand awareness, supporter satisfaction and donor loyalty in support of our income generation work. Throughout the year, we worked to meet ambitious but achievable targets, with market insight and evidence, donor knowledge and data analysis guiding our activities.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report by the Board of Trustees (incorporating the Report of the Directors) For the year ended 31 December 2022

As part of our strategy, all fundraising, marketing and communications staff are committed to exercising SPANA's values in their work, acting collaboratively and with integrity and respect for our supporters at all times, while always striving for excellence. By acting with integrity and respect, we aim to build supporter satisfaction, trust and loyalty.

In 2022, our fundraising, marketing and communications programme aimed to maximise awareness, support and net income for the charity, while keeping programme costs below pre-2020 levels. Our key strategic priorities for the year included building the loyalty and regular giving of our supporters; developing our use of social media to convert our audience of 'followers' into active donors and supporters; piloting the digital acquisition of legacy pledges from members of the public who are not active SPANA supporters; and building SPANA's position as the 'voice of working animals' in the media.

The focused pursuit of our strategic objectives, coupled with the continued generosity of our supporters, delivered income of £8,295,509 during 2022. Meanwhile, prompted awareness of the SPANA brand, as measured by independent brand tracking organisation nfpResearch (formerly nfpSynergy Research), tracked at 8.25 per cent during the year, slightly above our target.

Key successes of the year included the continued development of our regular giving programme, with the projected value of annual income from supporters who donate on a regular (mostly monthly) basis growing by three per cent. Our Spring, Summer and Winter appeals, themed around helping working animals at risk from parasites, dental disease and ETL disease, also provided compelling drivers for donations. We continued to build on the strong results of our legacy marketing programme with a legacy mailing to supporters, further promotion of legacies across our publications and website, and increased use of digital channels to acquire legacy pledges and enquiries from new supporters. Our UK donor base comprised 34,147 individuals and organisations in 2022 – representing 96 per cent of our long-term 2017-21 average.

2022 was a similarly successful year for our awareness raising activities. The charity maintained a social media audience of more than 400,000 followers during the year (including 371,043 followers on Facebook), even as we developed our use of social media platforms to support fundraising and organisational objectives. Highlights of our PR and communications programme included an International Working Animal Day campaign highlighting the difference working animals make to the lives of people in the UK and around the world, and a World Animal Day campaign showcasing animals working in extreme conditions.

The impact and reach of our work was recognised at the 2022 Charity Film Awards, at which SPANA won a People's Choice Award (in the £5m-£20m turnover category), after gaining the most votes in a public vote.

Fundraising, marketing and communications practices

SPANAs works to ensure all elements of its fundraising, marketing and communications programme (including activities performed on its behalf by third parties) comply with all statutory regulations. The charity is a registered member of the UK's leading fundraising bodies, the Chartered Institute of Fundraising and the Fundraising Regulator, plus the third-sector communications organisation, CharityComms.

As part of its GDPR-compliant data protection policy, SPANA ensures all fundraising, marketing and communications materials have a clear option to opt-out (allowing supporters to choose not to receive further communication from the charity) and any complaints or concerns relating to members of the public our supporter engagement team talk to are logged on our database appropriately.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report by the Board of Trustees (incorporating the Report of the Directors) For the year ended 31 December 2022

In addition to meeting all legal requirements, SPANA's fundraising, marketing and communications programme is enhanced by its commitment to SPANA values, particularly the programme's focus on acting with integrity and delivering the best possible supporter experience. Our fundraising staff also fully adhere to the Code of Fundraising Practice in regards to vulnerable supporters, and will not accept donations from individuals identified to be vulnerable. We also deliberately exclude activities that might be intrusive or problematic for people, such as door-to-door or face-to-face fundraising.

Throughout 2022, the charity continued to primarily operate our fundraising, marketing and communications programme remotely, with staff primarily working from home. During the summer, the charity began using a PO Box address for postal mail, which is securely processed by SPANA staff. Meanwhile, phone calls to our main switchboard number continued to be redirected to our home-based staff.

All complaints about our fundraising, marketing and communications programme are responded to individually and help inform our approach to future activities. In 2022, the charity recorded 129 complaints, down from 198 in 2021, 179 in 2020 and 233 in 2019. The majority of these complaints (46) concerned mailing and fulfilment issues relating to our Happy Hooves retail programme; many of these issues (such as postal delays) were outside the charity's control. The other most frequent sources of complaint concerned "ignored" or delayed do-not-mailing requests (25) and the regularity of our mailings (22). The response level represented less than 0.1 per cent of the volume of our mailings. All complaints and concerns were ultimately resolved by SPANA and none were escalated.

All third-party contractors working on behalf of SPANA are asked to adhere to all statutory regulations, as well as SPANA's own best practice guidelines. The charity also monitors fundraising activities conducted on its behalf through various means. For example, our Direct Mail programme is monitored by SPANA staff who are included in our mailing lists and receive the same appeals as our supporters.

SPANA is unaware of any failure, either by the organisation or any third parties operating on its behalf, to comply with any fundraising, marketing or communications regulations or standards during 2022.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report by the Board of Trustees (incorporating the Report of the Directors)
For the year ended 31 December 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Patron

Mr John Craven OBE FLS

President

The Rt Hon The Lord de Mauley TD

Vice Presidents

Professor D Knottenbelt OBE BVM&S DVM MRCVS, The Lady Slynn of Hadley SRN

Members of the Board of Trustees and Directors

Dr M-L Hughes BSc (Hons) MBA PhD (Chair) (1) (3)

Mr G R H Helmer BSc (Hons) FCA (Deputy Chair) (Honorary Treasurer) (1) (3)

Ms M Blagescu MA – resigned 6 September 2022 (2) (3)

Dr J Boyd BSc (Hons) MSc PhD PGCHE FHEA MRSB (2)

Ms M S Davies BA (Hons) MCIPD (3)

Ms I D P Dos Santos BVetMed FRCVS (4)

Mr A J W Firby BA (Hons) MSc Chartered FCIPD (3) (4)

Ms J Hunter ACMA – appointed 20 March 2023 (1)

Mr R Gethen Smith BEng (Hons) MA (4) – resigned 5 July 2022

Ms M Liszewski BSc MSc (2)

Ms M Lance – appointed 20 March 2023 (4)

Mr G Parker BSc – resigned 5 September 2022 (1)

Miss S Shanks BVSc MPH MFPH MRCVS (2)

Mr S Simmons FCA – appointed 20 March 2023 (1)

The numbers above indicate which trustees are also members of the following committees:

- (1) Finance & Audit
- (2) Global Animal Welfare
- (3) People & Safeguarding
- (4) Global Fundraising, Marketing and Communications

Chief Executive:

Ms Linda Edwards

Director of Global Fundraising, Marketing and Communications:

Mr David Bassom BSc (Hons) MFIA

Director of Global Animal Welfare:

Dr Linda Evans BVetMed MRCVS
– from 23 August 2022

Director of Global Resources:

Ms Gita Patel BSc (Hons) FCCA
– from 3 May 2022

Director of Global Programmes:

Mr Kit Vaughan MSc
– from 3 October 2022

Director of Services:

Dr Ben Sturgeon BSc BVM&S Cert E.P.
Cert E.S.M. BAEDT MRCVS
– resigned 25 February 2022

Director of Finance:

Mr Paul Sylva MBA FCA
– resigned 18 March 2022

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report by the Board of Trustees (incorporating the Report of the Directors)
For the year ended 31 December 2022

Company number:

558085

Charity number:

209015

Registered name:

The Society for the Protection of Animals
Abroad

Also known as

SPANA

Registered Office:

55 Ludgate Hill
London EC4M 7JW

Website:

www.spana.org

Auditor:

Crowe U.K. LLP
55 Ludgate Hill
London EC4M 7JW

Investment Manager:

Evelyn Partners
45 Gresham Street
London EC2V 7BG

Bankers:

CAF Bank Limited
P O Box 289
West Malling
Kent ME19 4TA

Postal address:

SPANA
PO Box 79509
London
EC4P 4ND

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report by the Board of Trustees (incorporating the Report of the Directors)
For the year ended 31 December 2022

OUR GLOBAL PARTNERS

SPANANA would like to thank our global partners for making the work of our programmes possible. They include:

- Action for Protection of Wild Animals (India)
- Addis Ababa University – College of Veterinary Medicine and Agriculture (Ethiopia)
- Amatrac Uluntu (South Africa)
- Animal Welfare and Protection Organisation (Uganda)
- Arusha Society for the Protection of Animals (Tanzania)
- Aware Trust (Zimbabwe)
- Campaign Against Cruelty to Animals in Sierra Leone
- Coastal Horse Care Unit (South Africa)
- Ghana Society for the Protection & Care of Animals
- Gili Eco Trust (Indonesia)
- Help In Suffering (India)
- Highveld Horse Care Unit (South Africa)
- Institute of Social Research and Development (India)
- International Organization for Animal Protection (Cameroon)
- Jordan University of Science & Technology
- Kurdistan Organisation for Animal Rights Protection
- Liberia Animal Welfare and Conservation Society
- Makerere University (Uganda)
- Meru Animal Welfare Organization (Tanzania)
- Namibia Society for the Prevention of Cruelty to Animals
- Nyendwa Mobile Veterinary Clinic (Zambia)
- PASPA Project (led by SPANA)
- Servicios De Apoyo En Bienestar Equino (Guatemala)
- Tanzania Animal Welfare Society
- Universidade Eduardo Mondlane (Mozambique)
- University of Gondar (Ethiopia)
- University of Rabat CSC (Morocco)
- Wadi Rum (Jordan)
- Wolaita Sodo University (Ethiopia)

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report by the Board of Trustees (incorporating the Report of the Directors)
For the year ended 31 December 2022

STATEMENT OF THE BOARD'S RESPONSIBILITIES

The Board is responsible for preparing the Report of the Board and the financial statements in accordance with applicable law and regulations.

Company law requires the Board, as directors and Trustees, to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

Under company law, the Board must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of its result for that period. In preparing these financial statements, the Board is required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements 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 group will continue to operate.

The Board is responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Board is aware:

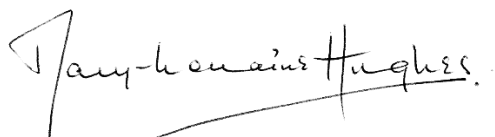
- There is no relevant audit information of which the charity's auditor is unaware.
- Each member of Board has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

A resolution to re-appoint Crowe U.K. LLP will be presented at the Annual General Meeting.

The Trustees' annual report, which includes the strategic report, was approved on 12th June 2023 and signed on their behalf by:



Dr Mary-Lorraine Hughes
Chair of Trustees

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report by the Board of Trustees (incorporating the Report of the Directors)
For the year ended 31 December 2022

Independent Auditor's Report to the Members of The Society for the Protection of Animals Abroad

Opinion

We have audited the financial statements of The Society for the Protection of Animals Abroad (the "charitable company") and its subsidiaries (the "group") for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated and Society Balance Sheets, Consolidated Statement of Cash Flows, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 group's and the charitable company's affairs as at 31 December 2022 and of the group's 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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual 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.

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

We have nothing to report in this regard.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report by the Board of Trustees (incorporating the Report of the Directors)
For the year ended 31 December 2022

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our 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
- the strategic report and the directors' 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 light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- the parent company has not kept adequate accounting records; or
- the parent company 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 trustees' responsibilities statement, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Report by the Board of Trustees (incorporating the Report of the Directors) For the year ended 31 December 2022

determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were compliance with the requirements of the Fundraising Regulator, Veterinary Service Regulations, and General Data Protection Regulation (GDPR). We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of donation, legacy, investment and other income, authorisation and approval of payments to overseas branches, partners and other non-UK entities and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Finance and Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: 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.



Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date: 21 June 2023

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Consolidated statement of financial activities (Incorporating income and expenditure account) For the year ended 31 December 2022

	Notes	Unrestricted Funds £	Restricted Funds	Total 2022 £	Total 2021 £
Income from					
Donations	2(d)	3,292,939	81,762	3,374,701	3,761,165
Legacies	2(d)	4,469,159	-	4,469,159	4,978,689
Trusts	2(d)	123,818	240,250	364,068	173,205
Trading activities	3	62,238	-	62,238	74,010
Investment income	2(d)	299,055	-	299,055	126,733
Other income	2(d)	2,109,763	-	2,109,763	109,002
Total income		10,356,972	322,012	10,678,984	9,222,804
Expenditure on					
Raising funds					
Cost of raising funds	5(a)	2,390,259	-	2,390,259	2,491,001
Fundraising trading: cost of goods sold		25,664	-	25,664	32,723
Investment management costs	8(b)	69,889	-	69,889	50,013
		2,485,812	-	2,485,812	2,573,737
Charitable activities					
Veterinary activities	5(b),(c)	4,149,343	126,383	4,275,726	3,913,225
Educational activities	5(b),(c)	1,435,213	5,370	1,440,583	1,412,115
		5,584,556	131,753	5,716,309	5,325,340
Total expenditure		8,070,368	131,753	8,202,121	7,899,077
Operating (deficit)/surplus for the year.		2,286,604	190,259	2,476,863	1,323,727
Net gains/(losses) on investments		(711,032)	-	(711,032)	801,673
Net income/(expenditure)		1,575,572	190,259	1,765,831	2,125,400
Net movement in funds		1,575,572	190,259	1,765,831	2,125,400
Reconciliation of funds					
Funds brought forward at 1 January 2022		12,902,066	249,268	13,151,334	11,025,934
Funds carried forward at 31 December 2022		14,477,638	439,527	14,917,165	13,151,334

All the above amounts relate to continuing activities. All gains/losses in the year are shown above.

The notes on pages 29 to 44 form part of these financial statements.

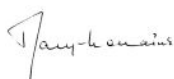
THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Consolidated balance sheet as at 31 December 2022

	Notes	Group		Society	
		2022	2021	2022	2021
		£	£	£	£
Fixed assets					
Tangible assets	7(a)	26,214	1,182,477	26,214	1,182,477
Intangible assets	7(b)	69,001	78,792	69,001	78,792
Investments	8(a)	13,270,510	7,256,940	13,270,511	7,256,941
		<u>13,365,725</u>	<u>8,518,209</u>	<u>13,365,726</u>	<u>8,518,210</u>
Current assets					
Stock		20,037	8,859	-	-
Debtors	9	492,270	748,572	609,065	944,739
Cash at bank and in hand		1,460,662	4,335,335	1,262,076	4,066,676
		<u>1,972,969</u>	<u>5,092,766</u>	<u>1,871,141</u>	<u>5,011,415</u>
Creditors: amounts due within one year	10	<u>(421,529)</u>	<u>(459,641)</u>	<u>(402,584)</u>	<u>(425,119)</u>
Net current assets		<u>1,551,440</u>	<u>4,633,125</u>	<u>1,468,557</u>	<u>4,586,296</u>
Net assets	13	<u>14,917,165</u>	<u>13,151,334</u>	<u>14,834,283</u>	<u>13,104,506</u>
Represented by:					
Unrestricted funds					
General fund		11,234,423	9,984,251	11,151,541	9,937,423
Designated funds	11	<u>3,243,215</u>	<u>2,917,815</u>	<u>3,243,215</u>	<u>2,917,815</u>
Total unrestricted funds		<u>14,477,638</u>	<u>12,902,066</u>	<u>14,394,756</u>	<u>12,855,239</u>
Restricted funds	12	<u>439,527</u>	<u>249,268</u>	<u>439,527</u>	<u>249,268</u>
Total funds		<u>14,917,165</u>	<u>13,151,334</u>	<u>14,834,283</u>	<u>13,104,506</u>

The Society made a surplus of £1,729,778 (2021 surplus of £1,936,241)

Approved by the Council and authorised for issue on 12th June 2023 and signed on its behalf by:



M-L Hughes
Chair



Gavin Helmer
Deputy Chair & Treasurer

The notes on pages 29 to 44 form part of these financial statements.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Consolidated statement of cash flows For the year ended 31 December 2022

	2022	2021
	£	£
Cash flows from operating activities	338,296	1,161,919
Cash flow from investing activities		
Dividends & Interest from Investments	296,974	126,643
Disposal of Tangible Assets	3,257,509	0
Purchase of Tangible Assets	(23,131)	8,858
Purchase of Intangible Assets	(17,236)	(39,688)
Purchase of Investments	(6,727,085)	(76,630)
Net Cash provided by Investing Activities	<u>(3,212,969)</u>	<u>19,183</u>
Change in Cash & Equivalents in the Reporting Period	(2,874,673)	1,181,102
Cash & Equivalents at start of Reporting Period	4,335,335	3,154,233
Cash & Cash equivalents and Net Debt at end of Reporting Period	<u>1,460,662</u>	<u>4,335,335</u>
Reconciliation of net movement in funds to Cash flows from operating activities		
Net Movement of Funds per the SOFA	1,765,831	2,125,400
Depreciation and Amortisation	33,332	58,700
(Gains)/losses on listed investments	713,515	(799,362)
(Gains)/losses on investments	0	(6,130)
Dividends & Interest from Investments	(296,974)	(126,643)
Gain on Sale of Fixed Assets	(2,084,420)	0
Decrease/(increase) in stocks	(11,178)	(2,846)
Decrease/(increase) in debtors	256,302	(144,560)
Increase/(decrease) in creditors	(38,112)	57,360
	<u>338,296</u>	<u>1,161,919</u>

Analysis of changes in net debt

Reconciliation of net debt

The Group has no borrowings and has not entered into any finance leases. The analysis of the changes in net debt are summarised below.

Cash at the start of the year	4,335,335	3,154,233
Cashflows	<u>(2,874,673)</u>	<u>1,181,102</u>
Cash at the end of the year	<u>1,460,662</u>	<u>4,335,335</u>

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2022

1 Company information

The Society is a registered charity and as such is a non-profit making organisation, limited by guarantee and therefore with no share capital. The number of members at 31 December 2022 is 104 (2021: 110) and their liability on a liquidation is limited to £1 each.

The Society is registered in England and Wales under company number 558085 and its registered office is 55 Ludgate Hill, London EC4M 7JW. The Society is a Public Benefit Entity registered with the Charity Commission under number 209015.

2 Accounting policies

(a) Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, which are described in this note 2, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

(b) Basis of accounting

The financial statements have been prepared on a line by line basis after eliminating intergroup transactions and balances. The results of the Society and its subsidiaries; their registered numbers are:

- The Society for the Protection of Animals Abroad (registered number 558085)
- SPANA Trading Limited (registered number 5701201)
- The Society for the Protection of Animals Abroad (Australia) Limited (ACN 617228109)
- The Society for the Protection of Animals Abroad/Jordan (registered in Jordan) is also no longer included in consolidation as the subsidiary is being liquidated and the accounts for 2021 are not available. The trustees are satisfied that the transactions and balances arising in the year are not material to the financial statements and results have been excluded on that basis.

SPANA funds other entities and partners overseas, however these entities are not included in the consolidated results as SPANA doesn't have sufficient financial control.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102 - second edition - October 2019 - effective 1 January 2019).

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2022

2 Accounting policies (continued)

The functional currency of SPANA and its subsidiary entities is considered to be GBP because that is the currency of the primary economic environment in which the group operates. The consolidated financial statements are also presented in GBP.

(c) Going concern

SPANA has sufficient resources to continue its operations for the foreseeable future, and there is no indication that the organisation will not be able to meet its future financial obligations.

The organisation has maintained a strong financial position, which has enabled it to generate a positive net income for the year resulting in the reserves significantly above its reserves policy. The reserves will provide security against unexpected events or costs and management remain confident in the charity's financial position.

The organisation income for the year was generated from a mix of sources, including donations, legacies, fundraising activities and grants. The organisation's expenditure for the year were mainly associated with delivery of its programmes and services.

Management has assessed the risks associated with the charity's operations and is confident that the charity's financial position will enable it to continue its operations for the future.

A forecast has been prepared which considers expected financial performance up to December 2024. The forecast includes assumptions around certain risks and scenario planning such as the impact of volatile fundraising income during a time where we are experiencing a global cost-of-living crisis and high inflation, staff costs, and available reserves.

Financial performance and cash flow are regularly monitored, with a particular emphasis on liquidity and available free reserves. As part of this oversight, the fundraising and investment performance, as well as the cash position, are evaluated on an ongoing basis to ensure SPANA has enough funds to cover day-to-day operations.

The proceeds from the sale of the premises at John Street has increased cash reserves. Some of the proceeds will fund the purchase of a new, smaller and more modern office in the long term, while the remainder will provide additional funds to cover interim arrangements of a smaller leased office.

After consideration of the revised forecasts and the current level of available free reserves, the Trustees are satisfied that there are no material uncertainties around SPANA's ability to continue as a going concern and will continue to operate for the foreseeable future.

(d) Income

Donations and Trust Income are recognised when there is sufficient evidence of entitlement, probable receipt and where the amount is measurable. Accruals are made on a monthly basis for related Gift Aid where applicable.

Legacies subject to a life interest by another party will not be recognised. Pecuniary legacies will be recognised when the legacy is received or where there is sufficient evidence that receipt is probable. Residuary legacies are recognised at the earlier of cash received or notification of an interim distribution or estate accounts having been approved by the executors.

Investment income is accounted for on an accruals basis together with any income tax recoverable.

Other Income includes the gain on the sale of the St John's Street premises, see note 16 for details.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2022

2 Accounting policies (continued)

(e) Expenditure

All UK expenditure is recognised on an accruals basis.

UK expenditure has been allocated to costs of raising funds and charitable activities when clearly identified, or is otherwise apportioned to these categories, on the basis of staff time and utilisation.

Costs of raising funds includes activities to generate donations and legacies, including the costs of keeping donors informed about our work, the administration of gifts, publicity costs, costs of goods sold for fundraising purposes and the direct costs of running fundraising campaigns. They do not include the cost of bidding for grants and contracts.

Expenditure on charitable activities is split between the two main activities of SPANA, veterinary and education. Training and emergency are included within these two activities. It includes funding for overseas operations (recognised when monies are transferred) and grants to outreach and emergency projects (which are recognised when they are approved), as shown in note 6. It also includes support costs, including apportioned head office overheads and governance costs, representing the necessary and prudent overseeing of operations to ensure the effective use of charitable funds in meeting the Society's objectives in overseas countries.

The Society makes small grants for outreach projects, usually less than £10,000, to fund discrete animal welfare or education projects which are either not in a SPANA core-country or in an area served by the core-country project. The grants are usually for one year with the possible extension to a second year depending on progress in the first year. Emergency grants are made for projects where animals' lives are at risk through drought or other disasters.

Governance costs as shown in note 5(c) are those necessary for the proper compliance with statutory and constitutional requirements.

(f) Financial assets and liabilities

Financial assets and financial liabilities are recognised when SPANA becomes a party to the contractual provisions of the instrument. Additionally all financial assets and liabilities are classified according to the substance of the contractual arrangements entered into. Financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently re-measured where applicable at amortised cost except for forward rate currency contracts which are subsequently measured at fair value with gains and losses recognised in the Statement of Financial Activities. Assets and liabilities held in foreign currency are translated to GBP at the balance sheet date at an appropriate year end exchange rate.

The Society enters into forward rate currency contracts to manage its exposure to fluctuations in exchange rates throughout the year. These contracts are recognised at fair value with gains or losses recognised in the Statement of Financial Activities.

The only assets held at fair value are the investments as detailed in note 8.

(g) Depreciation

Tangible and intangible fixed assets are stated at cost less depreciation. Depreciation is calculated to write off the cost of fixed assets, less residual values, over their expected useful lives, on a straight line basis, using the following periods:

	United Kingdom	Overseas
Freehold building	- over 50 years	- over 50 years
Furniture, fittings and equipment	- over 5 years	- over 5 years
Computers	- over 3 years	- over 5 years
Intangibles	- between 3-5 years	- between 3-5 years

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2022

2 Accounting policies (continued)

Depreciation

Land is not depreciated.

Assets supplied to overseas partners are not depreciated, but are shown as expenditure.

Assets, whose cost is more than £1,000, purchased by the Society are capitalised. The assets purchased by the Society's overseas subsidiary and branch are fully depreciated in the year of acquisition in view of uncertainty of conditions overseas.

(h) Investments

Listed investments are valued at the mid-market price ruling at the balance sheet date which gives rise to unrealised gains/losses which are included in the Group Statement of Financial Activities. Realised gains/losses arising on the disposal of investments during the year are separately disclosed in the Group Statement of Financial Activities. Investments in subsidiaries are initially included at cost (see note 9e for further details about the valuation of the subsidiaries in Australia and Jordan).

(i) Stocks

Stocks are stated at the lower of cost and net realisable value.

(j) Funds

General funds are unrestricted funds which include buildings and equipment necessary for the proper functioning of the charity and other funds available for use at the discretion of the Trustees in furtherance of the Society's objectives.

Designated funds are set aside at the discretion of the Trustees for specific purposes. They would otherwise form part of the other general funds.

Restricted funds are the funds which are subject to specific restrictions as imposed by the donor or nature of the appeal.

3 Activities for generating funds

	2022	2021
	£	£
Sale of Merchandise	62,238	74,010

4 Legacies

The estimated value of residuary legacies, notified to SPANA prior to 31 December 2022 and expected to be received in future years, is £4.6 million (2021: £4.2 million). These legacies are not included in the financial statements as the amount cannot be quantified with reasonable certainty. This figure excludes life interest legacies, where the amounts due cannot be quantified with reasonable certainty.

5 Analysis of expenditure

(a) Analysis of cost of raising funds

	2022	2021
	£	£
Staff costs	673,016	697,360
Other direct costs	1,449,279	1,496,621
Governance costs	34,848	24,015
Other support costs	222,449	252,356
Depreciation	10,667	20,649
	2,390,259	2,491,001

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2022

5 Analysis of expenditure (continued)

(b) Charitable activities by country

	Treatment of sick animals	Education	2022 Total	2021 Total
	£	£	£	£
Botswana	85,781	18,463	104,244	28,711
Ethiopia	477,978	454,420	932,398	905,011
Jordan	-	-	-	-
Mali	225,392	55,405	280,797	625,285
Mauritania	937,079	323,223	1,260,302	1,163,274
Morocco	1,317,057	222,767	1,539,824	1,371,510
Myanmar	-	-	-	-
Tunisia	491,866	114,751	606,617	498,012
Zimbabwe	513,902	191,284	705,186	446,617
Outreach and Emergency	226,671	60,270	286,941	286,920
	4,275,726	1,440,583	5,716,309	5,325,340

Details of outreach and emergency programmes are available from the Society's website www.spana.org

(c) Charitable activities by type of expenditure

	Treatment of sick animals	Education	2022 Total	2021 Total
	£	£	£	£
Direct funding for overseas projects	2,754,119	732,299	3,486,418	3,035,542
Grants payable for outreach funding	226,671	60,270	286,941	286,920
Staff costs	925,397	462,699	1,388,096	1,438,305
Governance costs	49,005	25,047	74,052	51,033
Other support costs	320,534	160,267	480,801	513,540
	4,275,726	1,440,582	5,716,308	5,325,340

(d) Net income/(expenditure) for the year is stated after:

	2022	2021
	£	£
Audit fees	30,400	27,000
Auditor's fee for non audit services	10,865	6,820
Audit fees for overseas subsidiaries (Pitcher Partners in Australia \$18,000)	10,077	8,759
Depreciation	33,332	58,700
Trustees' expenses	765	113

6 Expenditure includes:

(a) Staff costs and employees

	United Kingdom	
	2022	2021
	£	£
Wages and salaries	1,751,095	1,817,036
Social Security costs	192,602	176,557
Pension costs (Note 14)	149,955	165,273
Other staff costs	9,524	20,383
	2,103,176	2,179,249
Compensation payments for loss of office	-	115,070

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements For the year ended 31 December 2022

6 Expenditure includes: (continued)

(b) Staff costs and employees

	No.	No.
Employees earning more than £60,000 p.a.		
£60,000 - £70,000	2	2
£70,000 - £80,000	-	1
£80,000 - £90,000	-	-
£90,000 - £100,000	1	1
£100,000 - £110,000	1	1
£110,000 - £120,000	-	-
£120,000 - £130,000	-	-
£130,000 - £140,000	-	-
Pension contributions of £33,012 (2021: £50,940) were made for these employees.	£33,012	£50,940
Total remuneration and employee benefits of senior leadership team	<u>£411,745</u>	<u>£379,573</u>

Included in the wages and salaries costs are terminated payments of £60,067 (2021: £0)

The average monthly number of staff during the year was:

United Kingdom		Overseas	
2022	2021	2022	2021
No.		No.	
<u>36</u>	<u>42</u>	<u>4</u>	<u>.</u>

(c) Trustees' expenses and remuneration

Reimbursements to Trustees, and amounts paid on their behalf, were made to 4 (2021: 1) Trustees during the year for travel and other necessary costs incurred in the UK and overseas in connection with the work of the charity. Amounts paid on behalf of Trustees, including expenses reimbursed, during the year totalled £765 (2021: £113).

The Trustees received no remuneration for their services during the year (2021 : NIL).

The Trustees have not waived any expenses which they could have claimed (2021 : NIL).

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2022

7 Fixed assets

(a) Tangible Fixed Assets

Group and Society

	Freehold land and buildings	Computers	Furniture, fittings and equipment	Total
Cost:	£	£	£	£
1 January 2022	1,559,589	45,324	7,222	1,612,135
Additions	-	23,131	-	23,131
Disposals	Note 16 (1,559,589)	(36,931)	-	(1,596,520)
31 December 2022	-	31,524	7,222	38,746
Depreciation:				
1 January 2022	386,500	38,536	4,622	429,658
Charge for the year	-	4,880	1,425	6,305
Disposals	(386,500)	(36,931)	-	(423,431)
31 December 2022	-	6,485	6,047	12,532
Net book value:				
31 December 2022	-	25,039	1,175	26,214
31 December 2021	1,173,089	6,788	2,600	1,182,477

(b) Intangible Fixed Assets

Group and Society

	Software & Systems	Assets under Construction	Total
Cost:	£	£	£
1 January 2022	95,483	39,688	135,171
Additions	17,236	-	17,236
Transfer	39,688	(39,688)	-
Disposals	(35,000)	-	(35,000)
31 December 2022	117,407	-	117,407
Depreciation:			
1 January 2022	56,379	-	56,379
Charge for the year	27,027	-	27,027
Disposals	(35,000)	-	(35,000)
31 December 2022	48,406	-	48,406
Net book value:			
31 December 2022	69,001	-	69,001
31 December 2021	39,104	39,688	78,792

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements For the year ended 31 December 2022

8 Investments

	Group		Society	
	2022	2021	2022	2021
	£	£	£	£
(a) Listed Investments (note 8b)	13,270,510	7,256,940	13,270,510	7,256,940
Investments in Subsidiary (note 8d, 8e, 8f)	-	-	1	1
	13,270,510	7,256,940	13,270,511	7,256,941

	2022	2021
	£	£
(b) Listed Investments		
Valuation at 1 January 2022	7,256,940	6,380,948
New funds introduced	6,500,000	-
Reinvested income	296,974	126,643
Management fees	(69,889)	(50,013)
Net investment gains/(losses) for the year	(713,515)	799,362
Valuation at 31 December 2022 (see (c) below)	13,270,510	7,256,940

(c) The valuation is made up of:	2022	2021
	£	£
Investments dealt on a recognised stock exchange:		
UK equities	3,558,059	2,671,471
UK fixed interest securities	4,702,599	265,439
Overseas equities	3,026,420	2,210,953
Cash	315,099	137,920
Alternative investments - hedge funds	1,668,333	1,971,157
	13,270,510	7,256,940

(d) The Society holds unlisted investments at a cost of £1 in the following subsidiary undertakings:

United Kingdom

	Incorporated in	Principal activity	Class of shares	Percentage of share capital held
SPANA Trading Limited	England 5701201	no Merchandise sales	Ordinary £1	100%

The results of SPANA Trading Limited, extracted from its audited financial statements, are summarised below:

	2022	2021
	£	£
Turnover	62,238	74,010
Administrative expenses	(47,698)	(54,723)
Profit on ordinary activities before and after taxation	14,540	19,287
Payment under Gift Aid	(14,540)	(19,287)
Retained profit for the year	-	-
Net assets	1	1

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2022

8 Investments (continued)

(e) Jordan

The Society for the Protection of Animals Abroad/Jordan was established in 2015, however liquidation began in 2020 and is ongoing. Going forward, SPANA will deliver services in Jordan through partner organisations. The value of the investment in this subsidiary in Jordan in the consolidated financial statements is nil in line with our accounting policy defined in note 2(b).

The summarised financial statements for this Jordan subsidiary are:

	Incorporated in	Principal activity	Class of shares	Percentage of share capital held
The Society for the Protection of Animals	Jordan	Animal welfare and education	Capital of JOD5,000 (£5,711)	100%

The Society for the Protection of Animals/Jordan is being liquidated and the accounts for 2022 are not available. The trustees are satisfied that the abstractions and balances arising in the year are not material to the financial statements.

	2022 £	2021 £
Turnover	-	-
Charitable and administrative expenses	-	-
Surplus/(deficit) on ordinary activities	-	-
Surplus/(deficit) for the year	-	-
Net assets	-	-
Including cash (unspent funds from the SPANA UK)	-	-

8 Investments (continued)

(f) Australia

SPANAs has a subsidiary in Australia. The subsidiary is a company limited by guarantee and the value of the investment in this subsidiary in Australia in the consolidated financial statements is nil in line with our accounting policy defined in note 2 (b). The summarised financial statements for the Australian subsidiary are:

	Incorporated in	Principal activity	Class of shares	Percentage of share capital held
The Society for the Protection of Animals Abroad (Australia) Limited	Australia	Animal welfare and education	Capital of AUD10 (£6)	100%

The results of The Society for the Protection of Animals Abroad (Australia), extracted from its audited financial statements, are summarised below:

	2022 £	2021 £
Turnover	396,905	588,520
Charitable and administrative expenses	(362,916)	(430,465)
Surplus/(deficit) on ordinary activities	33,989	158,055
Surplus/(deficit) for the year	33,989	158,055
Net assets	82,721	19,810
Including cash	151,213	199,423

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2022

9 Debtors

Group	2022	2021
	£	£
Gift Aid and recoverable taxes	14,151	50,938
Other debtors	16,117	17,386
Prepayments and accrued income	462,002	680,248
	<u>492,270</u>	<u>748,572</u>

Society	2022	2021
	£	£
Gift Aid and recoverable taxes	5,662	45,279
Other debtors	16,117	17,386
Prepayments and accrued income	454,000	679,920
Amount due from subsidiary undertakings	133,286	202,154
	<u>609,065</u>	<u>944,739</u>

10 Creditors: amounts falling due within one year

Group	2022	2021
	£	£
Trade creditors	156,550	162,550
Other taxes and Social Security	56,087	85,037
Other creditors and accruals	208,893	212,054
	<u>421,530</u>	<u>459,641</u>

Creditors: amounts falling due within one year (continued)

Society	2022	2021
	£	£
Trade creditors	156,550	162,550
Other taxes and Social Security	56,087	85,037
Other creditors and accruals	189,947	177,532
	<u>402,584</u>	<u>425,119</u>

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements For the year ended 31 December 2022

11 Reserves

	Balance 1 January 2022 £	Net income or (expenditure) £	Transfers £	Gains / (losses) £	Balance 31 December 2022 £
Restricted funds	249,268	190,259		-	439,527
Unrestricted Funds					
Designated funds					
Fixed assets	9,389	(13,800)	30,625		26,214
Intangible assets	78,792	(17,764)	7,973		69,001
Premises	2,000,000				2,000,000
Global investment	829,634	(181,203)	499,569		1,148,000
	2,917,815	(212,767)	538,167	-	3,243,215
General Funds	9,984,251	2,499,371	(538,167)	(711,032)	11,234,423
Total unrestricted funds	12,902,066	2,286,604	-	(711,032)	14,477,638
Total reserves	13,151,334	2,476,863	-	(711,032)	14,917,165

A description of the reserves held at 31 December 2022 is:

Restricted funds are those where the donor has stipulated they be used for a specific purpose and there may be a time lag between receipt and when they are spent. For further details, see note 12.

The **fixed assets** designated fund represents the net book value of assets held to allow the Society to carry out its work effectively. Because this reserve comprises fixed assets, it is not possible to use them elsewhere within the Society.

The **Premises** designated fund represents funds set aside for investment in new UK premises for the organisation.

The **Global Investment** designated fund represents funds set aside for investment in the organisation, globally, to develop a sustainable strategy and to develop our infrastructure and our people.

The above table reflects the group reserves position, the **Society reserves** are the same with the exception of general reserves which are £82,865 lower due to the net Balance Sheet value of the Australia company

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2022

12 Restricted funds

	Balance 1 January 2022 £	Income £	Expenditure £	Balance 31 December 2022 £
Mali Tetanus Appeal	33,305			33,305
Emergency response unit	33,947		(8,900)	25,047
Zimbabwe		62,000	(54,022)	7,978
Minilabs	20,214		(890)	19,324
Mali Book	11,115			11,115
Treating eye injuries and diseases	38,344			38,344
Online Learning Portal	8,166		(1,555)	6,611
Mali Segou Centre	51,251	49,475		100,726
Ending Donkey Skins Trade	22,748	4	(9,040)	13,712
Mali Mobile Clinic		6,250	(5,000)	1,250
Mali Segou Building Costs		31,991		31,991
Ethiopia Gondar		25,000	(14,087)	10,913
Mauritania Boghe		99,559		99,559
Vet CSC		5,000	(88)	4,912
X ray and ultrasound machines	7,143			7,143
University of Liverpool for AAU Ethiopia CVMA		25,343	(25,343)	-
Treating working animals with parasites		10,100		10,100
Small Funds under £5,000	23,035	7,290	(12,828)	17,497
	249,268	322,012	(131,753)	439,527

The above restricted funds are subject to specific conditions imposed by the donor, the contract or the appeal made by SPANA for projects being undertaken.

The funds with a balance carried forward as at 31 December 2022 are to be used for the following purposes:

Mali Tetanus Appeal	Investigation into and vaccination against tetanus in Mali
Emergency response unit	Funding to establish emergency response unit
Zimbabwe	Zimbabwe programmes
Minilabs	Provide basic laboratory facilities in mobile clinics
Mali Book	Production of educational materials in Mali
Treating eye injuries and diseases	Funding for eye pathology
Online Learning Portal	For online veterinary training
Mali Segou Centre	Setting up and running programmes out of Segou
Ending donkey skins trade	To support work and advocacy on ending the trade in donkey skins
Mali Mobile Clinic	Running mobile clinics in Mali
Mali Segou Building Costs	Build a new SPANA centre in Segou
Ethiopia Gondar	Costs of running activities in Gondar
Mauritania Boghe	Running costs for the centre in Boghe
Vet CSC	To train students in our education centres linked to Vet universities
X ray and ultrasound machines	To purchase veterinary diagnostic equipment
Treating working animals with parasites	Treating working animals with parasites

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2022

13 Analysis of net assets - society

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
Investments	13,270,511	-	13,270,511	7,256,941
Fixed assets	95,215	-	95,215	1,261,269
Current assets	1,431,614	439,527	1,871,141	5,011,415
Current liabilities	(402,584)	-	(402,584)	(425,119)
Total	<u>14,394,756</u>	<u>439,527</u>	<u>14,834,283</u>	<u>13,104,506</u>

Analysis of net assets - group

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Investments	13,270,510	-	13,270,510	7,256,940
Fixed assets	95,215	-	95,215	1,261,269
Current assets	1,533,442	439,527	1,972,969	5,092,766
Current liabilities	(421,529)	-	(421,529)	(459,641)
Total	<u>14,477,638</u>	<u>439,527</u>	<u>14,917,165</u>	<u>13,151,334</u>

14 Pension costs

The Society does not operate a company pension scheme. The pension costs (note 6(a)) represent contributions paid by the Society to employees' personal pension plans in the UK during the year. This complies with Stakeholder pension requirements. There are no pension schemes for overseas staff.

15 Transactions with related parties

	2022	2021
	£	£
Donations received from trustees and senior management	12,959	18,879
SPANA Trading Limited		
Management fee charged by the Society to SPANA Trading Limited	22,000	22,000
Amounts due to Society	67,410	78,094
Profit from activities in SPANA Trading Limited	14,540	19,287
	<u>103,950</u>	<u>119,381</u>
SPANA Australia Limited		
Expenditure paid on behalf of SPANA Australia	-	-
Amounts due to Society	65,876	124,060

16 Sale of John Street premises

Net sale proceeds January 2022	3,257,509
Less Purchase cost	1,173,089
Profit on sale	<u>2,084,420</u>

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2022

17 Consolidated statement of financial activities

(Incorporating income and expenditure account)

For the year ended 31 December 2021

	Notes	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
		£		£	£
Income from					
Donations	2(d)	3,657,085	104,080	3,761,165	3,765,359
Legacies	2(d)	4,978,689	-	4,978,689	5,541,710
Trusts	2(d)	83,756	89,449	173,205	232,099
Trading activities	3	74,010	-	74,010	86,391
Investment income	2(d)	126,733	-	126,733	140,655
Other income		109,002	-	109,002	251,173
Total income		9,029,275	193,529	9,222,804	10,017,387
Expenditure on					
Raising funds					
Cost of raising funds	5(a)	2,491,001	-	2,491,001	2,642,343
Fundraising trading: cost of goods sold		32,723	-	32,723	66,715
Investment management costs	8(b)	50,013	-	50,013	45,247
		2,573,737	-	2,573,737	2,754,305
Charitable activities					
Veterinary activities	5(b),(c)	3,665,317	247,908	3,913,225	3,733,535
Educational activities	5(b),(c)	1,406,745	5,370	1,412,115	1,472,174
		5,072,062	253,278	5,325,340	5,205,709
Total expenditure		7,645,799	253,278	7,899,077	7,960,014
Net gains/(losses) on investments		801,673	-	801,673	(218,164)
Net income/(expenditure)		2,185,149	(59,749)	2,125,400	1,839,209
Net movement in funds		2,185,149	(59,749)	2,125,400	1,839,209
Reconciliation of funds					
Funds brought forward at 1 January 2021		10,716,917	309,017	11,025,934	9,186,725
Funds carried forward at 31 December 2021		12,902,066	249,268	13,151,334	11,025,934

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements For the year ended 31 December 2022

18 Prior Year Analysis of net assets – group

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Investments	7,256,940	-	7,256,940	6,380,948
Fixed assets	1,261,269	-	1,261,269	1,283,009
Current assets	4,843,498	249,268	5,092,766	3,764,258
Current liabilities	(459,641)	-	(459,641)	(402,281)
Total	12,902,066	249,268	13,151,334	11,025,934

Prior Year Analysis of net assets - society

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Investments	7,256,941	-	7,256,941	6,380,949
Fixed assets	1,261,269	-	1,261,269	1,283,009
Current assets	4,762,147	249,268	5,011,415	3,861,059
Current liabilities	(425,119)	-	(425,119)	(356,752)
Total	12,855,237	249,268	13,104,506	11,168,265

19 Prior Year Reserves

	Balance 1 January 2021 £	Net income or (expenditure) £	Transfers £	Gains / (losses) £	Balance 31 December 2021 £
Restricted funds	309,017	(59,749)	-	-	249,268
Unrestricted Funds					
Designated funds					
Fixed assets	1,220,169	(8,857)	(1,201,923)	-	9,389
Intangible assets	62,840	39,688	(23,736)	-	78,792
Premises			2,000,000		2,000,000
Global investment			829,634		829,634
	1,283,009	30,831	1,603,975	-	2,917,815
General Funds	9,433,908	1,352,645	(1,603,975)	801,673	9,984,251
Total unrestricted funds	10,716,917	1,383,476	-	801,673	12,902,066
Total reserves	11,025,934	1,323,727	-	801,673	13,151,334

A description of the reserves held at 31 December 2021 is:

Restricted funds are those where the donor has stipulated they be used for a specific purpose and there may be a time lag between receipt and when they are spent. For further details, see note 12.

The **fixed assets** designated fund represents the net book value of assets held to allow the Society to carry out its work effectively. Because this reserve comprises fixed assets, it is not possible to use them elsewhere within the Society.

The **Premises** designated fund represents funds set aside for investment in new UK premises for the organisation.

The **Global Investment** designated fund represents funds set aside for investment in the organisation, globally, to develop a sustainable strategy and to develop our infrastructure and our people.

THE SOCIETY FOR THE PROTECTION OF ANIMALS ABROAD

Notes to the financial statements

For the year ended 31 December 2022

Prior Year Restricted Funds (continued)

	Balance 1 January 2021 £	Income £	Expenditure £	Balance 31 December 2021 £
Ethiopia - Treat horses with EZL	6,640	-	(6,640)	-
Mali Tetanus Appeal	35,378	-	(2,073)	33,305
Emergency response unit	33,947	-	-	33,947
Zimbabwe	0	50,000	(50,000)	-
Minilabs	20,214	-	-	20,214
Mali Book	16,485	-	(5,370)	11,115
Treating eye injuries and diseases	60,440	200	(22,296)	38,344
Online Learning Portal	11,286	-	(3,120)	8,166
Mali Segou Centre	0	73,979	(22,728)	51,251
Ending Donkey Skins Trade	28,885	563	(6,700)	22,748
Mali Mobile Clinic	0	13,890	(13,890)	-
Ethiopia Gondar	55,072	25,098	(80,170)	-
X ray and ultrasound machines	7,120	23	-	7,143
Small Funds under £5,000	33,550	29,776	(40,291)	23,035
	309,017	193,529	(253,278)	249,268

The above restricted funds are subject to specific conditions imposed by the donor, the contract or the appeal made by SPANA for projects being undertaken.

The funds with a balance carried forward as at 31 December 2021 are to be used for the following purposes:

Ethiopia - Treat horses with EZL	Investigation into and treating epizootic lymphangitis
Mali Tetanus Appeal	Investigation into and vaccination against tetanus in Mali
Emergency response unit	Funding to establish emergency response unit
Zimbabwe	Zimbabwe programmes
Minilabs	Provide basic laboratory facilities in mobile clinics
Mali Book	Production of educational materials in Mali
Treating eye injuries and diseases	Funding for eye pathology
Online Learning Portal	For online veterinary training
Mali Segou Centre	Setting up and running programmes out of Segou
Ending donkey skins trade	To support work and advocacy on ending the trade in donkey skins
Mali Mobile Clinic	Running mobile clinics in Mali
Ethiopia Gondar	Costs of running activities in Gondar
X ray and ultrasound machines	To purchase veterinary diagnostic equipment