

COMPASSION IN WORLD FARMING INTERNATIONAL TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS 2021-2022



OUR ESSENCE AND CORE BELIEF

Farm animals should not, and need not, suffer.

OUR VISION

Our vision is a world where farm animals are treated with compassion and respect.

THE PROBLEM

Factory farming is the single biggest cause of animal cruelty on the planet.

OUR MISSION

Our mission is to end factory farming.

Welcome to your review of the past year and the fantastic contribution you have made to making life better for billions of animals worldwide.

As you will see, it has been a year when our dream of a more compassionate world for farmed animals has come a huge step closer. Despite the challenges the pandemic continued to present, we have made historic headway in our mission to end factory farming.

Thank you for everything you have done and continue to do to protect farmed animals from cruelty and suffering. The most important message for you is this: we could never have come this far without you.

TRUSTEES' ANNUAL REPORT

The Trustees, who are also the directors of the company, present their report for the year ending 31 March 2022. The Trustees' Report includes information which forms part of the Strategic Report, which is required in accordance with the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements. They comply with the charity's articles of association, applicable law and the requirements of the Charities Statement of Recommended Practice (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

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THE YEAR OUR DREAM CAME A BIG STEP CLOSER

Thanks to your unwavering support, this will be remembered as a year of momentous breakthroughs for farmed animals and the future of us all.

We have a shared dream. It is of a world where every farmed animal is treated with compassion and respect. Where the food we eat supports the planet we live on, and cruel factory farming is a dark chapter from our past.

In 2021-2022, we took massive strides forward in making that dream a reality; and that astonishing progress is thanks to people like you, who support our work every step of the way. I also want to acknowledge and thank our incredible staff and trustees, whose unwavering drive and commitment are making the seemingly impossible happen, right before our eyes.

ENDING THE CAGE AGE

This year, after an amazing campaign led by Compassion and supported by 170 organisations who gathered a record 1.4 million signatures, the European Commission took a crucial step towards ending the Cage Age in Europe. The Commission announced its decision to bring forward legislation to ban all cages for animals farmed for food – a far-reaching pledge that is set to free **300 million animals from cages** and give them better lives.

For decades, this prospect of a ban is something we could only dream of. Taking a massive step toward realisation is a testimony to everyone involved, from our supporters, staff and coalition partners to the celebrity supporters, politicians and companies who rallied to the cause and achieved this game-changing announcement.

In the coming year, we will continue to work hard to help get this historic legislation across the line. And we will build on the precedent it sets until the cruelty of cages for farmed animals are confined to history across every corner of the world.

PROTECTING OUR PLANET, TOO

As well as being the greatest cause of animal suffering worldwide, factory farming is a major driver of the climate, nature and health emergencies currently faced by humankind.

Over the past year, Compassion has played a pivotal role in a series of momentous UN conversations about the future of our food and climate, and the role that animal welfare plays.

The United Nations Food Systems Summit in September called for an end to the 'war on nature', inviting the world to look at what is going wrong with food and how we can transform our food systems. It felt like a new era of thinking was dawning; at Compassion, we energetically made the case for the urgent end to factory farming if we are to achieve sustainable food systems for the future.

At the **COP26 United Nations Climate Change Summit** in November, we continued to press world leaders to recognise that ending industrial animal agriculture and cutting back on the over-consumption of meat are clear, ready-made solutions to the climate emergency.

These important events helped pave the way for an exciting and historic resolution that was passed in March, at the fifth **United Nations Environment Assembly (UNEA5)**. The resolution means that for the first time ever, the link between animal welfare and the environmental and health crises has been recognised at a global level.

I am proud of the pivotal role our campaigners played in raising support for the resolution, a vital step towards improving animal welfare and achieving a more sustainable future for all of us.

TACKLING ANIMAL WELFARE AT SOURCE

While campaigning for political reform is a key part of our strategy to make life better for farmed animals, we are also hard at work making change happen from within the food industry itself.

Over the past year, we have continued to push companies to change and to hold them accountable for the commitments they make. **The Business Benchmark on Farm Animal Welfare (BBFAW)** was published for its tenth year, reporting on the animal welfare management and outcomes of 150 of the world's largest food companies. Our corporate engagement team worked closely with 62 of those companies during 2021, across the EU, Asia, China and the US to help them improve the lives of vulnerable farm animals.

Meanwhile, it was encouraging to see in our second-ever **Global EggTrack** report that 71% of the companies with commitments to sell only cage-free eggs by 2025 had made progress across the year. And that major food producers, such as Burger King in the UK, Domino's in Australia and Fileni in Italy, have now signed up to **Better Chicken Commitment**,

committing to improve lives for chickens raised for their meat.

I cannot stress enough how important and impactful this work is. Since we started our corporate engagement programme in 2010, we have achieved company commitments to better welfare that are set to **benefit more than 2.23 billion animals annually**.

NOT FORGETTING FISH

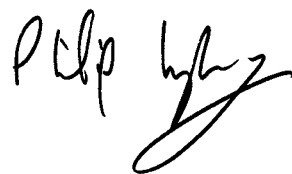
It is not just farmed animals on land who urgently need our help: during the year, we also called out the terrible cruelties committed in the forgotten factory farms under the water.

We exposed endemic cruelty in the Scottish salmon farming industry and were delighted when the EU Commission published guidelines for fish, spotlighting the welfare of farmed fish. We also launched a new report calling for a halt to developments toward the factory farming of octopuses. To confine these naturally solitary, inquisitive and sentient creatures in factory farms would be unspeakably cruel. Our report and subsequent campaigning whipped up an international media storm that reached 2.5 billion people worldwide, triggering a huge outcry.

LOOKING AHEAD

The successes I have shared with you here, along with others you will find in the pages of this report, are a clear demonstration of how powerful we all are when we stand together in defence of the world's farmed animals.

Looking to the year ahead, I am filled with confidence, knowing that we have our supporters, partners, staff team and Trustees, all pulling together to realise our shared dream: an end to factory farming. Because of everything we have achieved in 2021/22, we are closer than ever to realising that dream and I cannot wait to see how many more farmed animals will be living kinder, better lives in the years ahead, **thanks to you**.



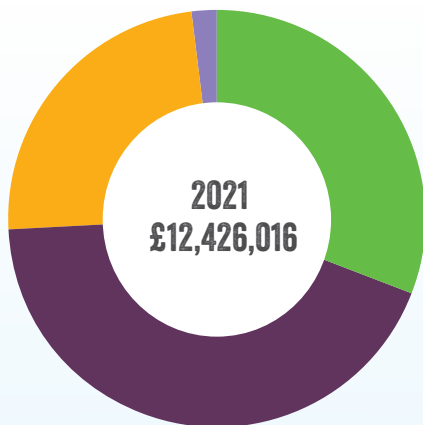
Philip Lymbery,
Global Chief Executive

RAISING SUPPORT

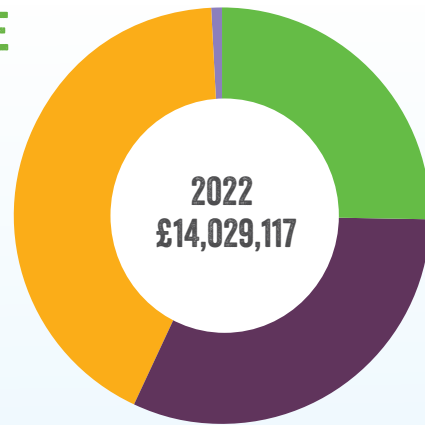
We continually strive to grow our income sources to achieve our ambitious campaigns and strategic goals. We are grateful to everyone who has donated to Compassion in World Farming International or taken action to help end factory farming.

Here we share a summary of our income and expenditure for 2021/2022, along with equivalents for the previous year. Please see our full Financial Report on page 37 for further information.

GLOBAL INCOME

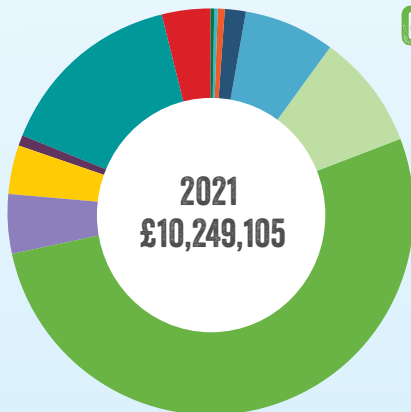


£4,199,027	Legacies
£4,433,135	Global Individual Giving
£3,708,119	Grants & Major Gifts
£85,735	Investment Income

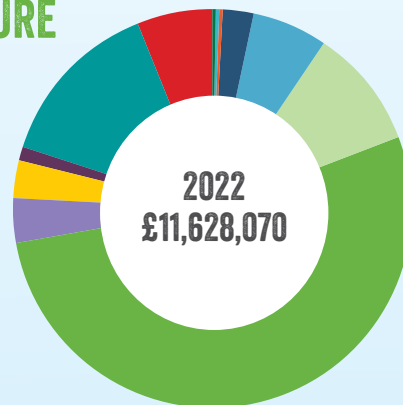


£3,568,617	Legacies
£4,435,923	Global Individual Giving
£5,942,139	Grants & Major Gifts
£82,438	Investment Income

GLOBAL EXPENDITURE



£42,718	Czechia
£29,655	Spain
£42,975	Germany
£192,065	Brussels
£743,963	France
£925,290	USA
£5,380,423	HQ
£483,994	Italy
£390,172	Netherlands
£90,788	Poland
£1,534,395	United Kingdom
£392,667	Asia



£35,229	Czechia
£30,274	Spain
£43,454	Germany
£295,810	Brussels
£716,078	France
£1,139,264	USA
£6,142,707	HQ
£428,735	Italy
£351,165	Netherlands
£133,819	Poland
£1,602,307	United Kingdom
£709,228	Asia

COMPASSION AROUND THE WORLD

Thanks to our supporters, the global Compassion team continues the fight to end factory farming worldwide, giving farmed animals, and people and the planet, a future worth having.

USA



In the birthplace of factory farming, Compassion's US team has helped deliver several State-level bans on caged hens, stopped factory farmed meat being labelled as "humane", and driven dramatic progress for chickens by engaging with consumers and food companies.

Compassion's US team has led the international response to a global effort to further entrench factory farming through public subsidies, helped expand access to cage-free eggs for families on low incomes, and helped companies roadmap their way to higher welfare for broiler chickens.

Nearly every major US food company – including the top 25 food retailers – has committed to go cage free on eggs!

CIWF.COM

UK



Compassion was founded in the UK in 1967. Since then, we have achieved extraordinary milestones – both in the UK and across Europe – from winning bans on barren battery cages and veal crates, to making sure all animals are regarded as sentient beings by law in the EU.

Key policy issues this year for the UK team include the new Animal Sentience Committee, the Kept Animals Bill that will end live exports for slaughter and fattening, and impending consultations on phasing out cages and on labelling of meat products.

CIWF.ORG.UK

FRANCE



France is Europe's biggest agricultural nation, but that hasn't fazed our team of activists, fundraisers and food business. From taking the French Government to court for failing to deliver on its pledge to ban new caged farms for hens, to encouraging some of the biggest retailers and producers to improve animal welfare standards, CIWF France is a force to be reckoned with.

CIWF France is also a founding member of a ground-breaking method of production labelling scheme, which is now seen on chicken in most French supermarkets.

CIWF.FR

SPAIN



Spain is home to almost a quarter of all caged pigs in the EU and is a major importer and exporter of live farm animals.

As part of our work in Spain we are part of a coalition, promoting a national online moratorium petition to stop additional industrial farming licences being granted, in an effort to stop the spread of factory farming.

Last year, our team in Spain started the fight against plans to build the world's first commercial octopus farm - in Spain. The campaign to defend these incredible creatures is based on our scientific report, which has become a fundamental tool for the international movement, and is gaining global relevance.

CIWF.ES

SOUTH AFRICA

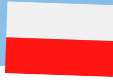


Compassion works in South Africa through our affiliate organisation, The Humane Education Trust, which provides educational resources to schools and the public, raising awareness of factory farming and empowering consumers to make a difference.

Compassion also engages with South African retailers, farmers' organisations and politicians to identify and promote more humane farming systems.



POLAND



CIWF Polska spoke in the Polish Senate at the unprecedented National Congress of Animal Rights and took part in consultations of the plan of the CAP (Common Agricultural Policy) for 2023-2027. The team also convinced retailers Leclerc Polska and Carrefour Polska to commit to ending the sale of live carp!

Last year, Head of CIWF Polska, Małgorzata Szadkowska, was recognised for her contribution to the historic End the Cage Age campaign in Poland by *Forbes Woman Poland* as one of the 100 most influential Polish women in 2021. And the prestigious magazine, *Wysokie Obcasy*, also named Małgorzata as one of 50 courageous Polish women who "gave us hope" in 2021.

CIWF.PL

EU



In the heart of Europe's political landscape, Compassion's small but mighty EU team engages closely with EU institutions and policy makers – from civil servants to the highest-ranking politicians – and plays a vital role in delivering change for animals across Europe.

The well-respected team of animal advocates recently convinced the European Commission to commit to ban cages for farmed animals (page 12). It also ensured that an overwhelming majority of Members of the European Parliament voted in favour of a resolution, that calls for an EU-wide ban on cages. The EU team is now putting pressure on the European Commission to put an end to live exports, update EU laws on animal welfare, dismantle factory farming and overhaul EU policies to promote plant-rich diets.

CIWF.EU

THE NETHERLANDS



With high levels of factory farming, the Netherlands has more animals per acre of land than any other EU country.

Since 1998 the Dutch team has worked tirelessly to end factory farming.

We were instrumental in securing huge campaign victories, from banning barren battery cages for hens in 1999, to securing over 150,000 signatures for the 'End the Cage Age' Citizens' Initiative, gaining the Government's official support for the ECI and getting fish welfare on the national political agenda.

CIWF.NL

CZECHIA



Compassion has been working in the Czech Republic for 14 years, strategically positioned on one of the busiest long distance live transport routes.

Our small team of three works alongside a fantastic network of supporters and partner organisations, and we are the 'go to' experts for the Czech press whenever animal welfare issues come to light.

Last year, we handed in a petition calling on the Czech Minister of Agriculture to stop the sale of live fish as a part of our Rethink Fish campaign. The Ministry is now ready to discuss this issue.

CIWF.CZ

ITALY



Italian 'delicacies', like Parma ham, and Parmesan and Grana Padano cheeses, mostly come from intensive systems, with animals permanently confined indoors. CIWF Italia campaigns on multiple levels to get pasture access and better conditions for all Italian farm animals.

We continue to mobilise the main Italian animal protection NGOs who supported our ECI petition, and recently launched a joint petition urging the Government to support the EU Commission's proposal to ban cages - and to start the transition at national level.

The coalition campaign, #LiesIntheLabel, launched by CIWF Italia, has delayed the misleading animal welfare bill proposed by the Government, which aimed to certify products as 'animal welfare friendly', even though they come from factory farm systems such as cages and overcrowded sheds.

CIWFONLUS.IT

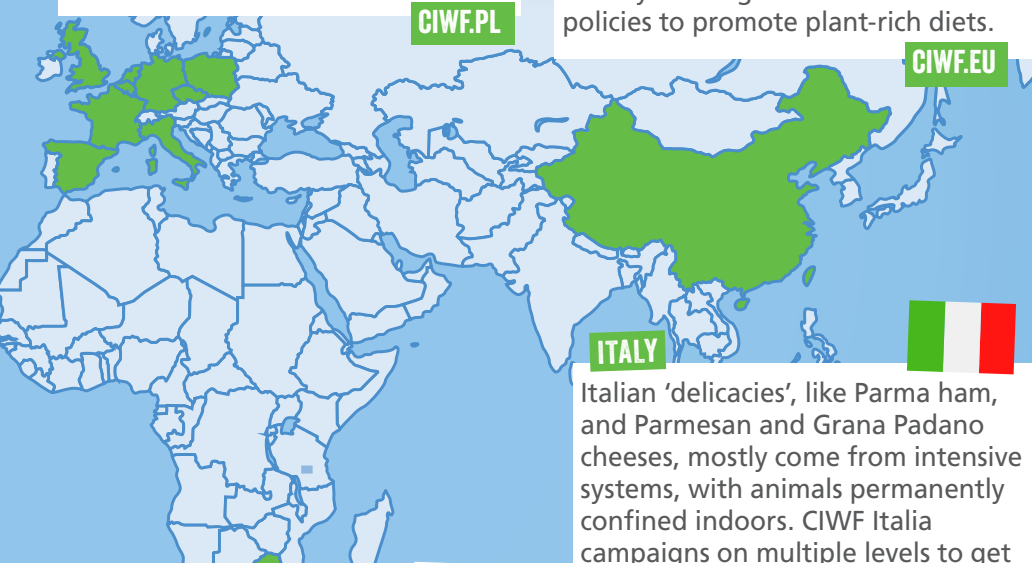
CHINA



Having 'imported' many factory farming practices from Europe and the US, China is rapidly taking intensive farming to the next level. Literally... with pig 'units' up to twelve, or even more, storeys high.

Our work in China focuses on educating the food industry on animal welfare and working directly with food producers to help them adopt higher welfare practices. So far, over 287 million animals a year are set to benefit from this work.

CIWF.CN



STRATEGY, OBJECTIVES AND PROGRESS

This reporting year is the last in our five-year Strategic Plan 2018 – 2022, an essential springboard for achieving our mission to end factory farming for the benefit of animal welfare, people and the planet. The Strategic Plan can be read in detail on our website at ciwf.org.uk/about-us/strategic-plan

OUR PLAN IS BUILT ON THREE CHANGE GOALS:

CHANGE GOAL 1:

To achieve recognition that global action is needed to end factory farming and reduce overall meat consumption in favour of regenerative agriculture.

CHANGE GOAL 2:

To drive legislation to achieve better standards of animal welfare through campaigning and advocacy.

CHANGE GOAL 3:

To drive better animal welfare standards in the global food supply chain by working with food companies.

Taking these change goals, we looked at what we want to achieve for our beneficiaries over the period of the Strategic Plan.



CHANGE GOAL 1: AVERTING FARMAGEDDON

PROGRESS TOWARDS OUR STRATEGIC CHANGE GOALS

To achieve recognition that global action is needed to end factory farming and reduce overall meat consumption in favour of regenerative agriculture.

In pursuit of Change Goal 1 we have been pursuing a number of objectives and sub-objectives outlined below.

GLOBAL AGREEMENT

OBJECTIVE: *To drive our strategy for achieving a Global Agreement to replace industrial agriculture with a regenerative food system with much-reduced meat and dairy production, by:*

SUB-OBJECTIVE: *Continuing to develop our relationships with key UN bodies, including the United Nations Environment Programme (UNEP).*

PROGRESS: Vital links between animal welfare and environmental crises are set to be formally recognised at a global level, after the adoption of an historic resolution at the fifth United Nations Environment Assembly (UNEA) in Nairobi, Kenya. We played a key role in the NGO coalition that campaigned for the resolution, including working on-the-ground at the Assembly to secure member nations' support.

A UN report exploring these links and potential sustainable solutions is now in the pipeline to help stop biodiversity loss, restore ecosystems, and reduce climate change, pollution and the risk of future pandemics.

In another success at UNEA, we contributed to the passing of the Sustainable Nitrogen Management resolution.

Our co-chairing of the NGO Major Group Animal Issues Thematic (AITC) Cluster increased our visibility in the UN Economic and Social Council (ECOSOC).



SUB-OBJECTIVE: *Deepening working relationships on food systems issues with major NGO partners.*

PROGRESS: Our Global CEO was appointed as a co-lead of the UN Sustainable Livestock Solutions Cluster of the UN Food Systems Summit. This was a working group comprising experts from sectors including civil society, food and farming industries, and academia. As a result of this initiative, we registered, in partnership with the 50by40 alliance, a commitment to establish a civil society coalition aimed at engaging with governments on the need to transform food systems toward regenerative production.

In the EU we coordinated major environmental NGOs in support of a joint letter urging the European Commission to rethink the positioning of factory farming as sustainable in the EU Taxonomy Regulation.

In the US, our office coordinated a response from 20 organisations to the initiative launched by the USA and the United Arab Emirates 'AIM for Climate Initiative', condemning it as factory farming in disguise.

We also commenced planning and securing partners for a high-profile hybrid international conference to be held in May 2023 to focus on the need for food system transformation for human, animal and planetary health.



CHANGE GOAL 1:

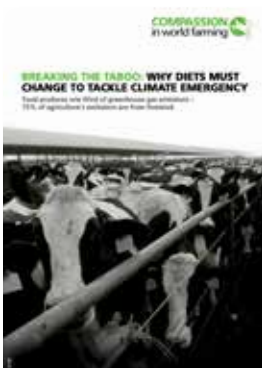
AVERTING FARMAGEDDON

SUB-OBJECTIVE: Influencing and securing participation in key global events, including the UN Food Systems Summit, the UN Climate Change Conference (COP26) and the Convention on Biological Diversity.

PROGRESS: The UN Food Systems Summit was a key focus of our work for the year. We advanced compelling arguments in support of food systems transformation at key meetings and in papers submitted to the Summit's Action Tracks. Our inputs to the Summit, including outcomes from the two independent dialogues we organised on 'One Health, One Welfare' and 'Scaling Regenerative Agriculture' are captured as part of the Summit's compendium. The dialogue events and a parallel session that we organised for the pre-Summit event enabled us to develop and advance relationships with key stakeholders.

In May we took over the UN Food Systems Summit official Twitter account for a day, enabling us to draw attention to the links between human, animal and planetary health and welfare.

We followed the official proceedings of the Climate on Biological Diversity, but the Conference of the Parties was postponed until August 2022.



At COP26 in Glasgow, we were the only NGO focussed on farming and animal welfare, with a stand inside the prestigious area for registered delegates. We held a press conference to launch a report, *Breaking the Taboo: Why Diets Must Change to Tackle Climate Emergency*.



In support of our international advocacy for food system change we continued to approach leading influencers from different sectors to support our Vision for Fair Food and Farming. Fifty of these Visionaries signed our call to COP26 calling for dietary shifts that ran in national newspapers.

SUB-OBJECTIVE: Progressing governmental and institutional initiatives aiming at reducing the overconsumption of meat (including fish), eggs and dairy, and specifically of factory farmed products through the EU 'Farm to Fork' and UK new subsidy regime, among others.

PROGRESS: Following strong advocacy from our EU team, the European Parliament paved the way for higher farm animal welfare standards across Europe with its October 2021 vote for the 'Farm to Fork Strategy'.

In the Netherlands, we launched an awareness campaign aimed at the government highlighting the links between factory farming and disease risks for animals and humans.

At the COP Summit we launched a petition calling on prime ministers and presidents of the 12 countries with the highest meat consumption to act to change their nations' diets.

The UK Government is in the process of introducing a new subsidy scheme, based on 'public money for public good', which includes the intention to target subsidies at improving farm animal welfare in the UK. While the new subsidy scheme does not aim to reduce meat consumption, the Government-commissioned Dimbleby Report recommends a 30% cut in meat consumption over 10 years.

SUB-OBJECTIVE: Engaging with the EU to leverage the positive positions of the Commission's 'Farm to Fork Strategy' to achieve our goals. These include reviewing animal welfare, reducing the use of antibiotics and pesticides, and increasing the farmland area under organic production.

PROGRESS: Our provision of scientific evidence to MEPs was successful in influencing adoption of a European Parliament report calling for a reduction in the use of pesticides, protection of pollinators and increasing organic land by 2030.

In January 2022, new EU legislation banned the routine use of antibiotics in farm animals. Through a targeted media campaign, backed by a report published by the European Health Alliance (EHA), we focussed attention on the need for implementation.

Alongside other NGOs, we achieved a victory for animals when we persuaded the European Investment Bank (EIB) – the lending arm of the European Union – to only fund projects that meet EU animal welfare standards.

CHANGE GOAL 1:

AVERTING FARMAGEDDON



SUB-OBJECTIVE: To prepare the ground for a global campaign by developing national campaigning work, highlighting the need for food system change for the sake of animals, people and the planet.

PROGRESS: Stopping the world's financial institutions from investing in factory farming is key to food system change. In South Africa we engaged with investment banks and asset management companies to convince them to invest only in sustainable projects. These approaches led to high levels of engagement that are already bearing fruit. For example, we supported one investment company in developing new standards for agricultural investments that led to a refusal to invest in a feedlot. We also teamed up with World Animal Protection Africa to press African financial institutions to stop funding factory farming.

In the Netherlands, we launched billboard and postcard-from-supporter campaigns targeting politicians and agriculture ministers.

During the debates around the French 2021 Climate law, CIWF France raised awareness of the need to end to factory farming with the new "Elevage oui, Intensif non" slogan. This work raised the profile of the issue resulting in it being debated by the Presidential election candidates as an important political issue.



As part of our strategic engagement focussing on the need for systemic change, we produced an Islamic Policy brochure on animal welfare. This was translated into Arabic by the Princess Alia Foundation and has been shared with CVOs and other contacts in the Arabic-speaking world.

SUB-OBJECTIVE: To develop and launch a movement-building digital signature collection platform and coalition campaign for food systems change.

PROGRESS: We developed our plans for an online platform that will enable individual supporters, groups, and organisations worldwide to sign a petition targeting the United Nations General Assembly. The launch was postponed until 2022-2023.



CHANGE GOAL 2: LEGISLATION

In pursuit of Change Goal 1 we have been pursuing a number of objectives and sub-objectives outlined below:

OBJECTIVE: *To drive legislation to achieve better standards of animal welfare through campaigning and advocacy.*

SUB-OBJECTIVE:

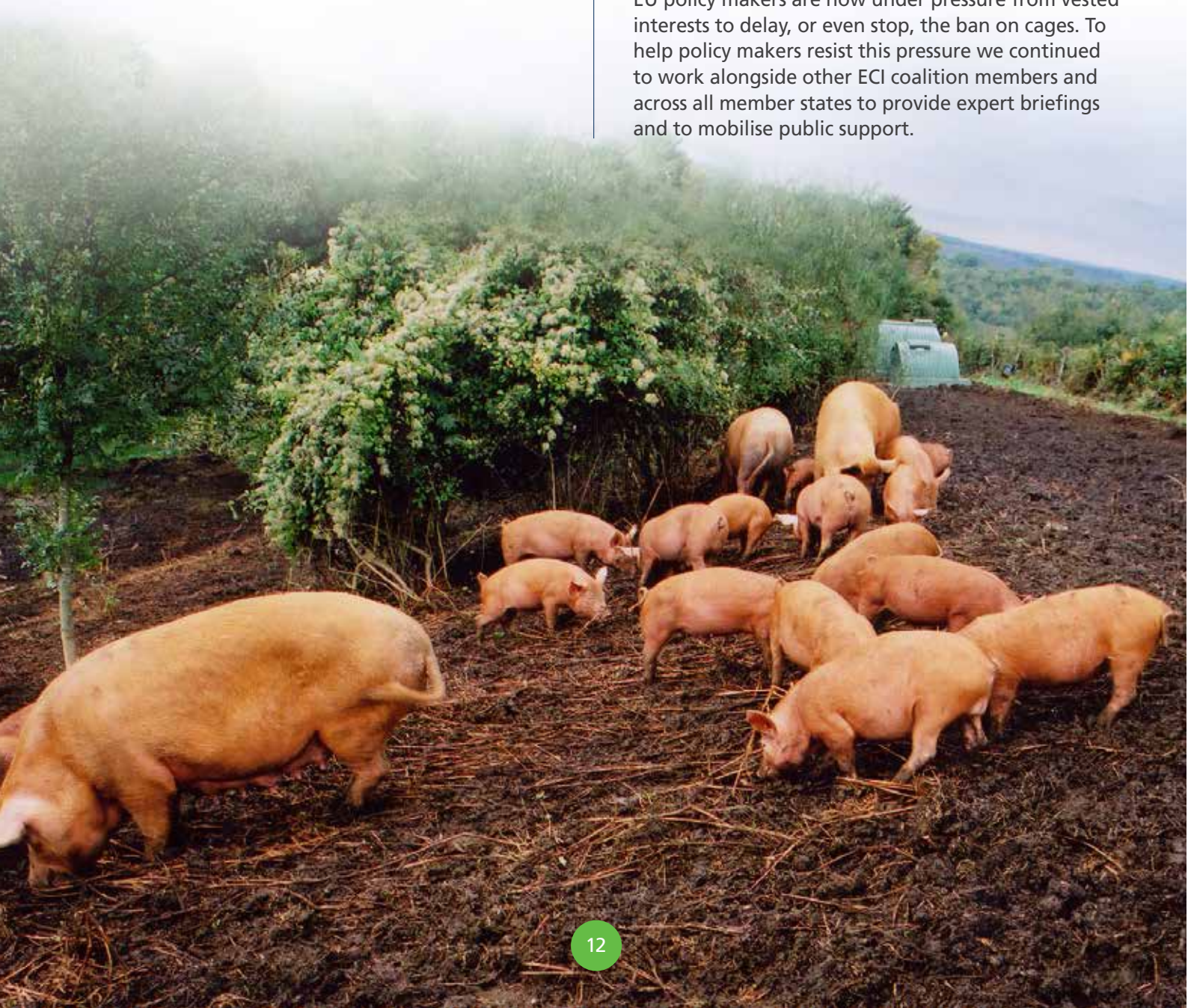
Conducting an intensive lobbying campaign in the EU, and mobilising our coalition of 170 organisations, to secure a response from the European Commission regarding our European Citizens' Initiative, that lays the groundwork for a ban on caged farming and ensuring that this is approved in legislation by 2024.



PROGRESS: Our advocacy led to incredible results for EU farmed animals when the European Commission committed in June 2021 to introducing legislation to ban caged farming. The Commission's historic decision was the outcome

of our 1.4 million signature-strong European Citizens' Initiative (ECI) achieved with the support of our biggest ever alliance of 170 organisations across the EU.

EU policy makers are now under pressure from vested interests to delay, or even stop, the ban on cages. To help policy makers resist this pressure we continued to work alongside other ECI coalition members and across all member states to provide expert briefings and to mobilise public support.



CHANGE GOAL 2: LEGISLATION

SUB-OBJECTIVE: Securing national support in key markets for a move away from cages, including a consultation on caged farming by the UK Government.

PROGRESS: We achieved widespread national support for a ban on cages for farmed animals through our work which included:

FRANCE: We mobilised more than 100,000 supporters in France to sign a petition pressing President Emmanuel Macron to honour his promises to end cages for hens. We successfully challenged the French Government in court on failing to implement a law to end new and refurbished farms with hens in cages.

POLAND: We launched a petition in Poland signed by more than 82,000 people calling for a ban on the use of farrowing crates in the country.

UK: When the Government's promised review of the use of cages was not forthcoming, we gathered signatures on a Parliamentary petition, led by our patron, Deborah Meaden, calling for a ban on caged farming to secure a debate by MPs. The petition exceeded the 100,000 signatures required to trigger a debate at Westminster.

ITALY: We formed a coalition of the largest animal protection and environmental NGOs in Italy to persuade the national Government to back an EU cage ban.

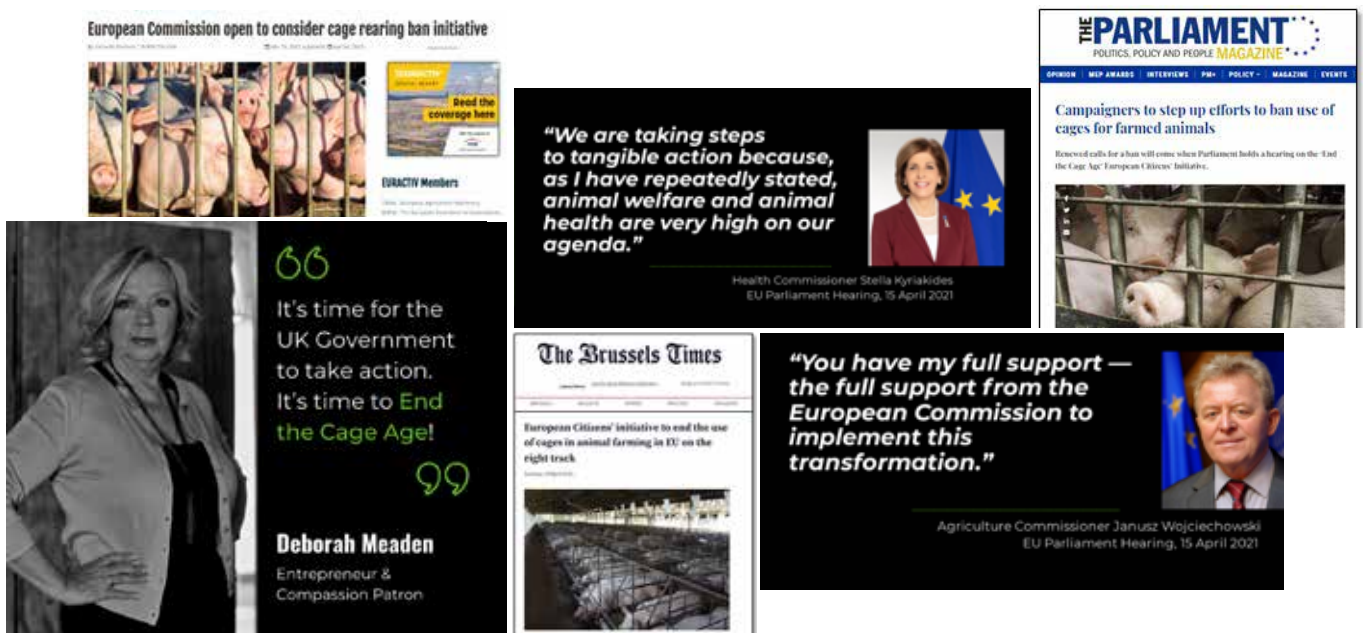
SPAIN: We kept the issue in the public eye to rally support for a ban on cages.

NETHERLANDS: We worked hard to persuade politicians to support a ban on cages in the run up to the Commission's promise to ban cages. We presented a copy of the official Dutch signature certificate for the ECI to the agricultural minister and successfully lobbied the Government to express support for the ECI.

CZECH REPUBLIC: We campaigned alongside other NGOs to put animal protection firmly on the election agenda, aiming to secure government support for a cage ban for all species when the Czech Republic holds the EU Presidency from July to December 2022.

SOUTH AFRICA: We were invited to join a Working Group of the South African Bureau of Standards (SABS) on the development of new minimum standards for chickens and pigs.

USA: We became an interested party in the multiple lawsuits from industry attempting to overturn California's Proposition 12 that prevents the sale and production of products from hens, breeding pigs and calves kept in extreme confinement.



Our campaign to End the Cage Age resonated with policymakers, the press and public figures, worldwide

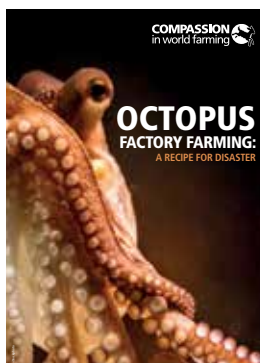
CHANGE GOAL 2: LEGISLATION

RETHINK FISH

OBJECTIVE: *To achieve national and EU-wide progress towards legislative protection of fish welfare.*

PROGRESS: We launched a new EU-wide petition in March 2022 aimed at persuading the European Commission to include robust fish welfare standards in its revision of animal welfare legislation. In December we held a webinar on the need for fish welfare legislation that brought together expert speakers, MEPs, and the European Commission.

Our work with the EU's Aquaculture Advisory Council also resulted in recommendations to improve fish welfare in transport and the need to set up an EU Reference Centre of Animal Welfare for farmed fish to improve the enforcement of legislation.



On World Octopus Day, 8 October, we called for the EU and governments around the world to protect these complex, solitary, sentient animals, who are increasingly in demand for food. Our powerful report, *Octopus Factory Farming – A Recipe for Disaster*, featured in more than 400 media stories worldwide and potentially

reached nearly 4 billion people. In Spain, our representative joined the strong NGO opposition to the proposed octopus farm in the Canary Islands.



UK: We sent a submission, with the AAA (Aquatic Animals Alliance), specifically on fish for Defra's feedback on animal welfare labelling in December 2021 and took part in the Animal Welfare Council (AWC) consultation on fish slaughter in August 2021.

NETHERLANDS: We organised a fish welfare awareness tour of six large cities, collecting more than 20,000 petition signatures to be submitted to the agriculture minister.



CZECH REPUBLIC: We continued our campaign against the sale of live carp by issuing a new report called '*Carp welfare in aquaculture*'. Our public

opinion polls have consistently shown that more and more Czech people are turning against the tradition of live carp sales at Christmas time.

In March, the teams in all our EU offices launched a major new petition, which has already attracted almost 50,000 signatures, aimed at persuading the EU to improve the welfare of farmed fish.

OBJECTIVE: *To make measurable progress on fish welfare through our programme to encourage assurance schemes to commit to key welfare improvements.*

PROGRESS: We took part in public consultations on fish certification schemes, including those from the Aquaculture Stewardship Council (ASC) and the Marine Stewardship Council (MSC). We also participated in meetings with fish stunning manufacturers, Optimar and Ace Aquatec, to instigate cooperation and gather technical data to push for stunning requirements by certification schemes. We also collaborated with GlobalGAP on the revision of their aquaculture standards.

HONEST LABELLING

OBJECTIVE: *To make progress towards transparent and informative labelling by production method in France, Italy and UK.*

PROGRESS: ITALY: When an Italian Government animal welfare certification bill proposal threatened to label factory farmed products 'welfare friendly', we formed a campaign coalition of 14 animal welfare and environmental NGOs. We succeeded in stopping approval of the bill following a high-profile campaign. Our campaign to amend the bill continues.

CHANGE GOAL 2: LEGISLATION



FRANCE: The success of the 'Etiquette bien-être animal' welfare label for chicken that we launched in 2018 with French supermarket Casino continues. By the end of the year, it was being used by seven major retail chains and five main French poultry producers, with 3,000 farmers having been audited.

The label is now under development for products from pigs and laying hens.

UK: Following pressure from Compassion, the UK Government asked for stakeholders' views on animal welfare labelling. In response we submitted our petition of more than 84,000 signatures supporting mandatory animal welfare food labelling. We also conducted a poll highlighting that two-thirds of the public want clear labelling on meat and dairy products. The Government showed interest in the 'Etiquette bien-etre animal' example and is considering a consultation.

GLOBAL MEDIA COVERAGE

Our campaigning over the last year resulted in a significant increase in our global media coverage. We generated 8,013 stories with a potential audience reach of more than 18 billion people. This was a 58% increase in the number of stories and a 43% increase in reach compared to 2020–2021, when we generated 5,067 stories with a potential reach of 12.6 billion.

Total global media reach: 18.06 billion

- Online only – 17.9 billion
- Broadcast – 128.4 million
- Print (UK only) – 33.4 million

Total number of stories: 8,013

- Online – 7,275 pieces
- Broadcast – 361 pieces
- Print (UK only) – 377 pieces

STOP LONG DISTANCE LIVE TRANSPORT

UK OBJECTIVE: *To run a major campaign to persuade the UK Government to keep its promises to recognise animal sentience in legislation and to ban live exports for further fattening and slaughter, and to ensure effective implementation.*



PROGRESS: Through our persistence and mobilisation of supporters and in partnership with the Better Deal for Animals Coalition, the Animal Welfare (Sentience) Bill was finally published in May 2021. This was

the result of a 5-year campaign to ensure animal sentience still had UK legal recognition post-Brexit. The law covers all policy areas and includes the establishment of an Animal Sentience Committee to monitor whether Ministers are paying due regard to animal welfare. In another success our campaigning led to publication of the Animal Welfare (Kept Animals) Bill that is set to ban live exports from England, Wales and Scotland. We will keep up the pressure until the Bill is passed.



EU OBJECTIVE: *To influence the European Committee of Inquiry on Animal Transport and the European Commission, in order to progress towards an 8-hour limit on journeys within the EU and a ban on exports from EU to third countries (non-EU).*

PROGRESS: We campaigned hard for an EU ban on live exports and collected more than 900,000 signatures on our petition with our partners Four Paws, We Move and Animals International. Despite such widespread public opposition, the European Parliament did not vote for a ban during the plenary session in January 2022. However, there were some positive results for our campaign, including support for some species-specific rules.

CHANGE GOAL 3: CORPORATE ENGAGEMENT

To drive better animal welfare standards in the global food supply chain by working with food companies.

In pursuit of Change Goal 1 we have been pursuing a number of objectives and sub-objectives outlined below.

OBJECTIVE: *To benefit the lives of more than 200 million animals as a result of our corporate partners' policies and practice commitments.*

PROGRESS: In the past year, we helped secure corporate commitments to higher welfare production that are set to benefit more than **235 MILLION ANIMALS** each year.

Animals set to benefit from our Food Business work (2021/2022)

Programme	Awards	Pledges	Total
EU	101,086,793	123,602,797	224,689,590
China	2,333,300	-	2,333,300
Asia	-	8,567,520	8,567,520
US	-	-	-
TOTAL	103,420,093	132,170,317	235,590,410



CHANGE GOAL 3: CORPORATE ENGAGEMENT

SUB-OBJECTIVE: To secure 12 cage-free commitments for laying hens.

PROGRESS: We were successful in achieving 12 cage-free commitments, including our very first **Good Egg Award** in China for Happy Eggs and another for Italian producer Galbusera. In addition, leading European egg producer and number one producer in Italy, Eurovo, published its cage-free commitment to cover both shell and ingredient eggs and to phase out the use of combination systems. Other companies extended their commitments to include egg ingredients and/or no use of combinations systems: Asda, Greencore, Carrefour Spain, CONAD (largest retailer in Italy), Gruppo Selex (second largest retailer in Italy), Eroski (fourth largest retailer in Spain), Carrefour Italy, and Spanish producer Gruppo Avicola Rujimar. Italian retailer Iper made a new cage-free commitment to cover all its shell and own-label ingredient eggs.

We secured support from 10 major food companies to co-sign a letter to the European Union in support of our End the Cage Age European Citizens' Initiative. Signatories included ALDI Nord, Barilla Group, Fattoria Roberti (egg producer), Ferrero, IKEA, Jamie Oliver Group, Le Groupement Les Mousquetaires (French retailer), Mondelēz International, Nestlé and Unilever.

SUB-OBJECTIVE: To secure 20 company sign-ups to the Better Chicken Commitment aimed at improving broiler welfare.

PROGRESS: During the year we secured 11 company sign-ups and two partial producer sign-ups, including ten in Europe – Subway (EU); UK (Burger King, Friday's); France (KFC, Galliance, Best Western, La Boucherie); Italy (Eataly and Fileni - third largest chicken producer in Italy); Carrefour Poland; two in the US (Sprouts Farmers Market and Natural Grocers), and one in Asia Pacific (Domino's Pizza in Australia and New Zealand).

SUB-OBJECTIVE: Seven companies to publicly commit to an effective fish slaughter policy and two companies to implement humane rearing policies.

PROGRESS: This year, we were pleased to secure four improved humane rearing policies from Tesco, Morrisons, MOWI and Carrefour France for different

fish species. In addition, two improved slaughter policies (not all species) for Morrisons and Tesco and two new policies for MOWI (at the global level) and Auchan.

Our ongoing engagement with MOWI (largest global salmon supplier) led to the publication of a much-improved holistic fish welfare policy covering slaughter, stocking density and other essential management aspects of fish welfare. Tesco continues to improve its fish welfare standards, adding the welfare of cleaner fish and crustaceans to its policy following our engagement.

SUB-OBJECTIVE: 11 China Good Production Award winners (hens, chicken, pigs).

PROGRESS: This year we presented four Good Egg Production Awards and three Good Chicken Production Awards in China, including to key companies CP Foods and New Hope Group, set to benefit more than 2.3 million animals each year.

SUB-OBJECTIVE: To launch the second Global EggTrack with detailed EU and US regional analysis.



PROGRESS: EggTrack continues to be viewed by industry and NGOs as a key tool to hold companies to account

on their cage-free commitments. We launched our second Global EggTrack report in November which showed that 156 of 219 (71%) tracked companies are reporting progress against their cage-free egg commitments – up from 63% in 2020. Of the 47 companies with global commitments, 26 (55%) reported progress, and since last year, an additional 12 companies have expanded their commitments to cover their entire global egg supply.

The global transition towards cage-free egg production stands at 55%, up from 45% in 2020. In the US, the transition stands at 71%, compared to 85% in Europe. Two companies – Danone and Hormel Foods – reported meeting their global cage-free commitments in 2021. In Europe, two companies reported meeting European-level commitments and 13 reported meeting national commitments.

SUB-OBJECTIVE: To publish the inaugural ChickenTrack report in EU.



PROGRESS: We launched our first European ChickenTrack report in November to measure company progress on implementing the higher welfare requirements of the 2026 European Chicken Commitment (ECC).

The report highlighted the latest company sign-ups to the ECC and best practice reporting from companies leading the way such as KFC, M&S and Casino in France. It promoted new research on the welfare benefits of slower growing breeds and provided a reporting framework for companies to adopt ahead of the 2022 ChickenTrack.

The US launched its third ChickenTrack report at the end of March 2022, incorporating the progress of 12 companies.

SUB-OBJECTIVE: To launch the 2022 online Supermarket Survey and secure at least 20 entries.

PROGRESS: The 2022 Supermarket Survey launched in January and resulted in over 29 participants across 10 countries. We reviewed and updated the Survey to provide more robust data for benchmarking and to enable us to provide more detailed recommendations for animal welfare improvements throughout each retailers' supply chains.

SUB-OBJECTIVE: To deliver the 2021 Business Benchmark on Farm Animal Welfare (BBFAW) on 150 companies and to work with at least 15 companies to drive improvements in their disclosure, policies, practices and therefore tier ranking in the benchmark.



PROGRESS: The tenth iteration of the Benchmark (2021 report) was launched in March. In line

with BBFAW's ambition to driver further improvements in the welfare of farm animals, the 2021 methodology was developed to include an increased weighting for Performance Reporting and Impact.

Compassion worked closely with three of the six companies that improved their tier ranking this year, including Premier Foods, which has progressed an impressive four tiers in recent years, moving into Tier 1 in 2021. Overall, we worked with 62 of the 150 companies benchmarked in 2021, including all five companies that achieved a 'B' Impact Rating.

SUB-OBJECTIVE: To facilitate transition to higher welfare production through industry species-specific forums and working groups for broiler chickens and fish, and one forum for laying hens.

PROGRESS: In the EU, our broiler working groups continued to map out the critical path for success, identifying key barriers and potential solutions to successfully implement the ECC criteria. Four meetings were held this year including with key brands, such as KFC, Subway, Burger King UK and Greggs.

Our US team officially launched the US Working Group for Broiler Welfare with seven major food businesses (Nestlé USA, Aramark, Compass Group, Panera Bread, Shake Shack, Sodexo and Target) gaining media coverage in financial and industry press.

SUB-OBJECTIVE: To deliver our annual Good Farm Animal Welfare Awards virtually in June 2021, focusing on our popular panel awards for Sustainable Food and Farming, and Best Marketing and Innovation Awards.

PROGRESS: We recognised 18 leading food businesses for their inspiring and innovative work in the field of farm animal welfare and sustainable food production this year.



Hilton Seafood and Danone both received **Special Recognition** in the **Best Innovation Award** category – Danone, for its global assessment tool for dairy cow welfare, and Hilton Seafood for developing a humane slaughter system for king prawns that will benefit more than 100 million animals in its first year.

Les Fermiers de Loue received the **Best Marketing Award** for its clever street marketing campaign, promoting its higher welfare chicken during the French municipal elections.

Small producers, Lynbreck Croft and Hollis Mead Organic Dairy, were awarded in the **Sustainable Food and Farming** category for producing their higher welfare meat, dairy and eggs in ways that protect, improve and restore wildlife and the environment; and McDonald's (UK & Ireland) picked up the **Corporate Award** for its Regenerative Beef Project.

Italian manufacturer Barilla was awarded **Special Recognition** in the **Planet Friendly Award** category for decreasing its use of egg as an ingredient, removing

CHANGE GOAL 3: CORPORATE ENGAGEMENT

350,000 hens from its supply and significantly reducing its GHG emissions.

M&S received **Special Recognition** for the rollout of its new higher welfare Oakham Gold chicken, which meets all the higher welfare criteria of the Better Chicken Commitment.

Other awards included: **Good Egg Awards** for Happy Eggs (China) and Galbusera (Italy); **Good Rabbit Commendation** for Nature d'Eleveurs, owned by leading French manufacturer LDC group; four **Good Egg Production Awards** and three **Good Chicken Production Award** winners in China (including CP Foods and New Hope Group).

RETHINKING FOOD

OBJECTIVE: *To secure food business integration of measurable targets for the reduction of meat and other livestock products in corporate sustainability plans.*

SUB-OBJECTIVE: *To secure public commitments from at least three companies for the reduction in production/consumption of meat, fish, dairy or eggs.*

PROGRESS: Many companies are making substantial headway in increasing their alternative protein offerings, promoting more sustainable diets, price matching meat alternatives and setting targets to increase plant-based products. However, they have fallen short of publicly committing to an overall reduction of animal-sourced foods.

Italian producer Barilla has started coupling the advancement of animal welfare with a rebalancing of its protein offer to consumers and was a recipient of our 2021 **Special Recognition (Planet Friendly Award)**. It has reformulated some of its products, which has led to a decrease in the use of eggs as an ingredient, and resulted in a reduction of greenhouse gas emissions.

SUB-OBJECTIVE: *To engage with 37 companies (20 EU; 17 US) on Rethinking Food and the need for 'less and better' meat, fish, dairy and eggs.*

PROGRESS: The Food Business team has engaged with ~40 companies on Rethinking Food; 27 in the EU, 10 in the US, one in Asia.

We developed a 'user friendly' **Impact Calculator** to model the benefits of a reduction in animal-sourced foods based on five key environmental metrics and animal footprint. We will use the calculator to inspire companies to adopt meat reduction strategies by demonstrating the tangible benefits a reduction can have on its Sustainable Food Strategy. We have also drafted an **'Eat Less and Better Scorecard'** to start measuring company performance on protein diversification, meat reduction and animal welfare.



In the US, we launched the **'Evaluate Your Plate'** calculator (EvaluateYourPlate.com), a public-facing tool designed to inspire individuals, companies and policymakers to pursue food choices that are good for animals, people, and the planet. 'Evaluate Your Plate' was recognised with a silver medal at the Anthem Awards, a spinoff of

the 'Webby Awards' that recognise companies and organisations that have exemplified outstanding mission-driven achievements that spark global change.

PUBLIC AWARENESS

We achieved a total estimated consumer reach through media and partnership marketing activity of more than 2.5 billion (including BBFAW media) this year:

Food Business media:	884 million
Awards media:	87 million
China media:	964 million
Partnership marketing:	7.6 million
BBFAW media:	560 million
TOTAL	2.5 billion

Some highlights include: PR with M&S around the launch of its Oakham Gold higher welfare chicken achieved a total media reach of 160 million, including the *Daily Mail* (UK) (87 million) and *Express* (UK) (46 million), and its UK TV advert aired on ITV/Sky, with a reach of more than 2 million; publicised Better Chicken Commitments for Natural Grocers and Sprouts Farmers Market in the US achieved a combined media reach of 169 million; Carrefour Taiwan's Good Egg Award achieved 48 million; and Domino's Better Chicken Commitment in ANZ achieved more than 23 million.

GLOBAL FUNDRAISING

1. Growth strategy: investment, stewardship and prospect pipeline

OBJECTIVE: Annual income and net targets: To raise £9.64m gross income at £3.74m cost to achieve £5.9m net.

a. Global Major Gifts (GMG) to achieve a 55% increase in income compared to 2020/21 budget. In addition to the core budget target, there is a c. £2 million expansion target.

b. Global Individual Giving (GIG) to achieve 9% gross income growth and 11% net income growth (compared to 2020/21 Q3 forecast).

PROGRESS: This year we achieved £14 million gross income and £10.6 million net income (after fundraising costs, including digital, database and print production costs) for the global organisation.

Global Major Gifts income achieved £5.9 million against an original budget target of £2.8 million. This significant uplift reflects two large multi-year grants for planned and expansion programmes in Europe.

Global Individual Giving income achieved £4.4 million against an original target of £4.7 million (97% of our target for the year). This is a 2% increase on the previous record-breaking year.

Over the past 24 months, annual income from Global Individual Giving has grown by 19% (+£730k). Whilst

the UK remained our largest market for individual giving, in 2021/22 we saw a 10% combined growth in our newer markets (including France, Netherlands, Italy, US and Poland).

Legacy income achieved £3.6 million against an estimated income of £2.2 million. This increase was because of an easing of the impacts of COVID-19 on legacy estates processing.

We continue to be hugely grateful to all our committed and wonderful donors, volunteers and fundraisers who go the extra mile around the world. THANK YOU!

OBJECTIVE: Growth strategy and stretch targets: to continue investment in fundraising growth and progress toward a sustainable organisation with £15 million annual expenditure.

PROGRESS:

Investment in fundraising¹ has continued to grow in 2021/22, with a total expenditure of £2.6 million which is a 12% increase year-on-year. This has, in part, enabled us to achieve significant income growth of £1.8 million or 14% compared to 2020/21. Therefore, we are now in a position for the Board of Trustees to have approved a £15.8 million expenditure budget for 2022/23.

¹ Excludes non-fundraising direct spend, e.g. CRM, Digital.

OBJECTIVE: Increase donor numbers and average gift values: Global Individual Giving and Major Gifts through investment in donor stewardship, retention, and acquisition.

PROGRESS: To provide a more secure, reliable, and cost-effective income mix, our strategy across all markets for Global Individual Giving is to grow the proportion of our income from regular monthly giving. In 2021/22, our programme generated a 5% net growth in monthly donors worldwide – over 26,000 amazing donors now choose to fund our work in this way.

This, combined with improved donor retention, yielded a 7% increase in income received from regular giving. In 2021/22, regular giving income accounted for 52% of all Global Individual Giving income – up from 49% in the previous year.

In total, over 86,000 individual donors have generously funded our work in the past two years.

OBJECTIVE: Grow the US fundraising programme to achieve the ambitious Global Individual Giving and Global Major Gifts targets, develop an integrated communications strategy and grow funding for global programmes.

PROGRESS: Total income from US based donors is £1.4 million (\$1.9 million) compared to £1.3 million (\$1.7 million) in 2020/21 which is a 13% year-on-year increase.

Despite a challenging year in the US market, individual giving income grew by 15% on the previous year. Compassion has now almost doubled income from US-based individual donors over the past 48 months.

OBJECTIVE: Integrate and grow our global legacy marketing programme, including stewardship activities and skills in our European and US markets, to build the pipeline of enquirers and pledgers.

PROGRESS: Over the past year, we have renewed our focus to develop our legacy marketing programme beyond the established UK programme. We have invested in bespoke training and support to enable the promotion of legacy giving our newer markets of Italy, Poland, US and the Netherlands.

OBJECTIVE: Prospective donors: To work closely with our CEO, senior staff and Trustees, to open new connections to major donors and influencers, and steward our top donors to continue their transformative support.

PROGRESS: Face-to-face events and meetings offer an effective way to connect with new, like-minded people who may be able to help Compassion achieve our mission. Given the context of the ongoing pandemic, these opportunities have been limited in the past two years. However, working with our Trustees and our CEO, we have received a new six-figure donation this year. We are also recruiting a new role, Prospect Research Manager, to help build our potential major donor base internationally.

2. Brand & communications

OBJECTIVE: Build on the Case for Support and Integrated Plans to create motivating narratives and proposals for funding, to deliver effective supporter and donor communications in all markets.

PROGRESS: We developed a clear fundraising Case for Support, as well as succinct website summaries, alongside a suite of programmatic narratives. These have helped to both align our communications across the organisation, as well as drive our global fundraising in support of our top priorities.

OBJECTIVE: Brand and communications: To be part of developing a clear and strategic approach to our organisational communications, through the Communications and Brand Steering Group.

PROGRESS: The Communications and Brand Steering Group has continued to build collaboration and coordination across the organisation to the benefit of clarity of communications and brand strategies and protocols, both internally and externally.

OBJECTIVE: Digital: To oversee the development and launch of the new international website – ciwf.org – and support the Campaigns team to deliver the End Factory Farming petition platform.

PROGRESS:

We launched our new international website in December 2021. It brings to life our priority areas of public campaigning, policy work and corporate engagement. There has also been strong progress towards a 2022/23 launch of a new campaign platform.

3. People, policies and systems:

OBJECTIVE: Develop, and embed across Fundraising, a Donation Acceptance Policy and Corporate Engagement Framework.

PROGRESS:

These policies were developed, reviewed and approved by our Board of Trustees in September 2021. They are now being implemented by the Fundraising team, overseen by the Global Leadership Team and Board of Trustees.



OBJECTIVE: Team development: Continue to strengthen the capacity, skills and management of the Global Fundraising team, improving and embedding processes and policies, engagement, creativity and innovation.

PROGRESS: Although in-person training and development has been less available over the past two years, team members have participated in online sessions, where available. The team has also continued to develop clear processes to deliver the policies and ensure we remain compliant with the General Data Protection Regulation (GDPR) and fundraising guidelines in each market in which we operate.

OBJECTIVE: Fundraising digital systems review to benefit the whole organisation, and primarily support Global Individual Giving objectives through system improvements and upgrades.

PROGRESS: The Digital Systems Steering Group has now been formally established and reports to the Global Leadership Team on a quarterly basis. As a group, it has helped secure funding for a new email marketing tool, new payment system and resolved and coordinated a variety of digital issues and opportunities.

We are truly grateful to the individuals, trusts and foundations, and businesses who have supported our work during the year. We acknowledge here those who wish to be recognised as having made donations of £10,000 or more during the year:

Amir & Kirsty Nathoo • Andrea LaMesa • Animal Charity Evaluators • Ann Pipkin • Brooke Schooley Centre for Effective Altruism • Dr. Bronner's • Esmée Fairbairn Foundation • Fondation Lemarchand • Fondation Salvia • Fred Foundation • Honey's Real Dog Food • Ian Taylor • John M. & Timi Sobrato • John Mackey • Mary and Laurie Horgan, Intersteels Ltd • Open Philanthropy • Paul Davis • Peter Brown • Sciabica Family Foundation • Sue Rolstone • Mrs Susan Dorman • The Cecil Pilkington Charitable Trust • The Constance Travis Charitable Trust • The Jeff & Jacqueline Miller Fund • The Norris Family Charitable Fund • The Peter and Olive Ward Charitable Trust • The Rose Animal Welfare Trust • The Scott (Eredine) Charitable Trust • The Sir Peter O'Sullivan Charitable Trust

We gratefully acknowledge:

Donors who give as part of the Circle of Compassion • Donors who prefer to remain anonymous
All Legacy and In Memoriam gifts received this year

All our donors and funders internationally who supported Compassion in World Farming International during 2021/2022.

RISKS AND KEY CHALLENGES

The Trustees are responsible for ensuring that Compassion in World Farming International has a sound system of internal controls to safeguard its assets and funds, and for ensuring that its assets and funds are used only in furtherance of the objects of the charity.

The system of internal controls is intended to provide reasonable assurance that policies, processes, tasks, behaviours and other aspects of the organisation, taken together, facilitate its effective and efficient operation, help to ensure the quality of internal and external reporting, and help to ensure compliance with applicable laws and regulations.

Trustees have established a risk management framework for the assessment of major risks to which the charity is exposed.

The assessment and documentation of risk is carried out by the Global Leadership Team (GLT), led by the Chief Operating Officer. Risk factors are identified and assessed for scale, and each risk is assigned to a member of the GLT to take responsibility for identifying the steps needed to manage or mitigate the risk. These risk assessments are documented in a risk register. This is reviewed on a regular basis to ensure that new risks are identified and that actions proposed to mitigate or manage risks are being undertaken.

The risks to the charity are also reviewed by the Trustees annually, who receive quarterly updates on where material changes have been made. A specific Trustee, Edward Bourne, has been nominated by the Board to be the lead Trustee for risk management. However, all Trustees retain responsibility for the risk management of the organisation.



The top risks reported to the Trustees and Global Leadership Team are:

RISKS	RISK MANAGEMENT COMMENTS
Recruitment and retention of key staff	The nature of our work means that we are heavily reliant on the passion, commitment and often unique skills and experience of our people to deliver our mission. These niche areas can be challenging to recruit. To mitigate this, we have developed our recruitment strategy to be more focused, and appropriate to the area of expertise. We continue to place significant importance on the motivation and morale of our immensely dedicated teams and engage with staff accordingly.
Impact of war in Ukraine and cost of living crisis	Physical and mental wellbeing of staff impacted as a consequence of the war in Ukraine coupled with the cost of living increase triggering a global economic crisis. Impact on food company supply chains and concern that it will prevent food companies from reaching or making commitments on animal welfare. Concern that global economic crisis will impact our ability to deliver income targets.
Cybersecurity and cyber fraud	The issues of cybersecurity and cyber fraud appear as a constant threat to organisations and the third sector is seen as a potential softer target than public or private corporations. We are very mindful of the potential financial loss, disruption to the organisation or damage to our reputation because of a cyberattack, failure of our IT systems and controls or a loss of data. Over the last few years, we have implemented a de-risking strategy with IT. Measures include the selection of well-regarded systems and expert technology, the implementation of single sign on and multifactor authentication, password management tools, penetration testing and best practice followed.

PLANS FOR 2022-2023

As outlined in the opening summary of our Strategic Plan, between 2018 and 2022 we aim to achieve progress towards our three Change Goals.

The 2022/23 objectives include:

- To drive animal impact to achieve a further 200 million animals a year set to benefit through new corporate commitments by end March 2023.
- To build momentum for a Global Agreement to replace factory farming with regenerative, agroecological agriculture and a consequent reduction in overall consumption of animal-sourced foods.
- To achieve legislative and subsidy reforms that deliver systemic change for animal welfare, food and farming.
- To accelerate our priority programme encouraging corporates and governments to set measurable and meaningful reduction targets for meat and other animal-sourced foods.
- To invest in fundraising growth to achieve an annual income target of £12.2 million (or as agreed at the March Board meeting) in 2022/2023 and progress toward a sustainable organisation with £15 million annual expenditure.
- To deliver a new Strategic Plan that sets out our vision for maximum impact to 2030, with clear goals, objectives, delivery mechanisms and resource requirements for consideration by the Board in September 2022.
- To provide cutting edge thought-leadership and advocacy that furthers our mission and creates new inspiration.



STRUCTURE, GOVERNANCE AND ACCOUNTABILITY

GOVERNING DOCUMENT

Compassion in World Farming International is a registered charity in England and Wales (Charity Number 1095050) and a company limited by guarantee (Company Registered Number 04590804), governed by its articles of association. It was founded in 1967 and was formerly known as Compassion in World Farming Trust.

ORGANISATION

The governing body of the charity is the Board of Trustees. The Board comprises no fewer than four nor more than twelve members, of whom up to one third by rotation are required to stand down and seek re-election at the Annual General Meeting.

The Trustees meet at least four times per year to approve the organisation's strategy, to receive reports of progress against plans and the current financial position, and to approve the following year's budget and five-year financial plan. The Board has ultimate responsibility for the conduct and financial stability of the charity.

Trustees delegate day-to-day financial responsibilities and managerial control of the charity to the Global Chief Executive. The Global Chief Executive and the Global Leadership Team meet frequently to discuss the operational and financial status of the organisation. A comprehensive governance document defines the interdependent roles and responsibilities of Trustees and management, and includes a Trustees' Code of Conduct.

The Chair and Vice-Chair meet monthly with the Global Chief Executive. This provides an opportunity for exchange of information to and from the Board outside the formal meeting process, and assists in ensuring that Trustee meetings are focussed and effective.

The charity’s head office is in Godalming in the UK.

Compassion in World Farming International also operates in the following countries through separate legal entities:

France:	Compassion in World Farming France
Italy:	Compassion in World Farming Italia Onlus
USA:	Compassion in World Farming, Inc.
The Netherlands:	Stichting Compassion in World Farming Nederland
Poland:	Fundacja Compassion in World Farming Polska
Belgium:	CIWF Brussels

All legal entities are accounted for as branches.

Compassion in World Farming International also has an office by affiliation in Cape Town, South Africa.

The charity has an Equal Opportunities Policy that guides our approach to employing staff and volunteers. Compassion is compliant with the Equality Act requirements..

TRUSTEE RECRUITMENT, INDUCTION & TRAINING

Trustees are appointed by the Board of Trustees based on their skills and experience in public life and services relevant to Compassion’s aims and objectives, including fundraising, marketing, finance, and management.

Procedures are in place to gather information on the skills, knowledge, and experience of Trustees. This informs an assessment of the Board’s strengths and areas for development and individual training needs. By identifying skill gaps, this process also facilitates recruitment of new or replacement Trustees with complementary attributes.

Candidates for Trusteeship are interviewed by the Chair and at least one other Trustee to assess suitability. A trial period is served, after which, if satisfactory, the appointment to the Board is confirmed.

An induction process operates which includes meeting the Global Chief Executive and Global Leadership Team; familiarisation with the charity’s strategy, goals and objectives, the major animal welfare issues of strategic importance; obligations regarding attendance at meetings, governance arrangements and statutory and regulatory responsibilities of Trustees. Trustees are provided with copies of the governance documents, previous minutes, and any other relevant documents, including the Charity Commission guidance on The Essential Trustee, and the most recent annual report and financial statements.

The charity has taken out professional indemnity insurance cover on behalf of its Trustees.

STAFF AND KEY MANAGEMENT PERSONNEL REMUNERATION

Our approach to remuneration of staff is designed to ensure we can attract and retain people with the passion, commitment, and the skills we need to achieve our mission and deliver our strategic goals. It is applied consistently across the organisation.

We aim to pay competitively in the not-for-profit sector within the context of affordability. We therefore use external salary surveys and other tools to enable us to benchmark our salaries against other charities and aim to pay each role at the median level within a minimum and maximum salary range established for each function.

Annual increases are normally awarded in April each year, considering pay inflation, organisational affordability, and any mandatory statutory increases. All country offices have the same increase as the UK staff unless their local factors mean a different award is appropriate. Annual increases are subject to approval by the Board of Trustees.

Compassion’s key management personnel consist of the Global Chief Executive and the Global Leadership Team. This staff remuneration approach is also applied to the recruitment and retention of the Global Leadership Team. The Board of Trustees specifically determines the salary of the Global Chief Executive.

PUBLIC BENEFIT

All charities in England and Wales must have charitable aims that are based on providing public benefit and comply with S.4 of the Charities Act, 2011. The Trustees of Compassion have regard to the Charity Commission guidance on 'Charities and Public Benefit'.

Compassion has identified its commitment to the relief of suffering amongst farm and other animals with the aim of seeking to improve the moral wellbeing of humankind. Preventing and alleviating suffering for animals promotes humane sentiment in humans towards animals and therefore advances and promotes a moral benefit to the human community.

The Trustees consider that the care and proper treatment of animals forms part of any civilised society.

Within that context, the Trustees are confident that Compassion's charitable activities and Strategic Change Goals demonstrate this link between improving animal and human welfare and thereby ensure that the charity meets its public benefit requirements.

RELATED PARTIES

In addition to the international entities, Compassion in World Farming International is the sole member of its four inactive subsidiary companies:

- Compassion in World Farming (Trading Company) Ltd (a company limited by shares, Company Number 02998256)
- Compassion in World Farming Supporters (a company limited by guarantee, company number 02715994)
- National Society Against Factory Farming (a company limited by guarantee, company number 01335233)
- Farm Livestock Trust (a charity, registered number 281934 and a company limited by guarantee, registered number 01521645).

The registered address of all four entities is River Court, Mill Lane, Godalming, Surrey, GU7 1EZ, UK.

The Chair and Treasurer of Compassion in World Farming International hold the same posts across all four entities. The Chief Executive is also a Director of Compassion in World Farming (Trading) Ltd.

REVIEW OF FINANCIAL OUTCOME 2021-2022

INCOME

Total income was £14 million in 2021/22, an increase of £1.6 million compared with 2020/21. The principal contributor to the increase was grants and major gifts income.

To accomplish our ambitious programmes and ensure we can successfully achieve our strategic goals, we continually strive to grow our income sources and maximise our supporter relationships.

Compassion focuses its income performance on three key areas of income generation: legacy income; grants and major gifts income; and global individual giving.

Legacy income was £3.6 million, a decrease of £0.6 million or 15% on last year. Grants and major income increased by £2.2 million or 61% over last year to £5.9 million for 2021/22. This increase was driven by three-year grant funding recognised in full in 2021/22 but which will be spent out over a three-year period. Global individual giving income was £4.4 million flat on prior year.

Total restricted income was £5 million in the year, 35% of total incoming resources; this is an increase to last year, which was £2.6 million or 21% of total incoming resources. Total unrestricted income earned in the year was £9.1 million, a decrease of £0.7 million or 7%.

EXPENDITURE

Total expenditure was £11.6 million in 2021/22, an increase of £1.4 million compared with 2020/21. Costs of generating funds increased by £0.4 million year on year to £3.1 million.

Total expenditure on charitable activities was £8.4 million in 2021/22 against £7.5 million in 2020/21, an increase of £1 million (13%). This increase in spend was seen most notably in Averting Farmageddon which includes our End Factory Farming platform, along with Food Business which includes our Asia grant program.

BALANCE SHEET AND RESERVES

RESERVES POLICY

At its meeting in March to approve the five-year financial plan, the Board agreed that Compassion should maintain reserves of around four months' planned operating expenditure, but within an absolute range limit of three to six months.

At the end of the reporting period, the charity held £12.7 million in reserves. Of these reserves, £3.8 million are restricted and not available for general purposes. A further £0.5 million are designated to be spent by the end of the financial year 2022-2023.

The amount of 'free' unrestricted reserves available for general purposes, excluding restricted and designated funds, was £8.4 million, equivalent to six and one third months' unrestricted operational expenditure. In light of the cost of living crisis, the Board of Trustees is comfortable with the charity carrying reserves that exceed the absolute range of three to six months.

In terms of looking forwards, we are closely monitoring the fundraising landscape in our key markets, as well as from comparable animal welfare charities. We continue to carry out quarterly reforecasts which will provide valuable insight into future financial performance as well as ensuring we are financially well positioned to capitalise on opportunities to deliver our strategic objectives.

Based on the above the Trustees do not believe there are any material uncertainties in relation to the ability of the organisation to continue as a going concern.

INVESTMENT POLICY

The charity has an ethical investment policy, which seeks to avoid investing in companies with a direct relationship with factory farming or other activities which may harm animals.

The essence of our investment policy is to preserve the capital value of our investments whilst securing a reasonable return to maximise the contribution of our reserves to our strategic goals.

Over the year, the portfolio provided income of £0.1 million and an unrealised loss of £0.03 million.

Trustees will continue to monitor the performance of the portfolio and our investment managers.

GRANT-MAKING POLICY

The charity's grant-making policy is available on request. The essence of our policy is to invest money only in those groups who share our aims, and whose work supports our five-year Strategic Plan. A full list of this year's beneficiaries is provided in Note 6. We are grateful to all our partner organisations for their efforts.

THE CHARITY CODE OF GOVERNANCE

We review our governance arrangements and underlying procedures on a regular basis and the current version was adopted in 2019. Compassion in World Farming International has chosen to be broadly in line with the Charity Code of Governance, except for one area where Trustees have taken a decision to adopt a different approach:

We have nine Trustees, less than the twelve recommended in the Code. We still feel that this provides a broad range of skills and experience in areas vital to our work. We have taken the decision that every Trustee is appointed for a term of three years, which is renewable. We recognise the value of a diverse board, and consider this within the Trustee recruitment process, however we do not consider it necessary to set specific diversity objectives.

FUNDRAISING STANDARDS (CC20)

Compassion prides itself on a high standard of ethical fundraising, guided by our Ethical Policy, the Fundraising Regulator and current data regulations, and we continually review how we contact the public, donors, trusts and organisations to ask for support.

Compassion benefits from strong Trustee oversight and a fundraising strategy that has long held dear the principles of donor-centric, relationship-based fundraising.

In the 2021-2022 financial year, our approach to fundraising comprised the following:

Global Individual Giving – this work encompasses:

- **Direct marketing:** Working with members of the public and supporters who make one-off or regular donations.
- **Community and events:** Working with people who make donations as a result of participating in events, such as marathons and other sponsored activities, or who organise local community fundraising events for us, such as coffee mornings.
- **In Memoriam giving:** Working with people who choose to donate in memory of a loved one who has died.

Global Legacy Programme – this work encompasses:

- Working with people who are choosing us as a beneficiary when they are planning their Will.

Global Major Giving – this work encompasses:

- Working with major donors, trusts and foundations who choose to contribute a significant amount of money to Compassion.

Our Global Fundraising team oversees each of the above areas, ensuring a high-quality service is offered to all donors and supporters.

Fundraising contractors

The large majority of our fundraising work is undertaken by our directly employed fundraising team. However, because of the specialist nature of some of the work, there are a number of areas where we contract with external agencies. We routinely monitor the quality of our own fundraising work and that of our contractors.

During 2021-22, there were no incidents in which a contractor did not operate to the required standard. We operate a programme of systematic scrutiny of all our contractors in regular contact with our donors and prospect donors.

Protecting the vulnerable

We are committed to offering the very best standards of supporter care and protecting our supporters' privacy, dignity, and well-being. If we believe that a supporter may be in vulnerable circumstances that could affect their capacity to decide about supporting us financially, or in other ways, we will do all we can to protect that supporter. Our guidelines for managing these situations are based on the Code of Fundraising Practice maintained by the Fundraising Regulator as detailed in our Donor Charter

www.ciwf.org.uk/donate/our-donor-charter

Compliance with recognised standards

Compassion in World Farming International is registered with the Fundraising Regulator (UK) and adheres to the code of fundraising when carrying out our activities. We continue to monitor amendments to the Institute of Fundraising's Code of Fundraising Practice (UK) to ensure our fundraising practices are compliant, and these are reflected and regularly updated in our operational policies. We are satisfied that we meet all current standards. Compassion complies with the Data Protection Act 2018 and the EU's General Data Protection Regulation (GDPR). The principles apply across all of our markets, including the USA. We adhere to all country-specific fundraising guidelines and regulation where relevant.

Complaints and negative feedback

We closely monitor the quality of our fundraising work and, as part of this review, fundraising complaints from donors and members of the public. During 2021/22, we received 20 complaints (2020/21 29 complaints) about our fundraising work. Compassion works hard to ensure that anyone supporting the charity understands how their money will be used to end factory farming. We have a strict and structured complaints procedure. This is reflected in the low levels of negative feedback and complaints received.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Compassion in World Farming International for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company/group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company, and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. 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.

DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as each of the directors of the charity at the date of approval of this report is aware, there is no relevant audit information (information needed by the charity's auditor in connection with preparing the audit report) of which the charity's auditor is unaware. Each of the directors has taken all of the steps that they should have taken as a director in order to make themselves aware of any relevant audit information, and to establish that the charity's auditor is aware of that information.

Auditors

Crowe U.K. LLP were reappointed as auditors during the year and have indicated their willingness to continue in office.

A resolution proposing that Crowe U.K. LLP be reappointed as auditors of the company will be put to the Annual General Meeting.

In approving the Trustees' Annual Report, the Trustees are also approving the Strategic Report included within.

On behalf of the Board of Trustees



Valerie James,
Chair of the Board of Trustees
Date: 9 September 2022

KEY PEOPLE AND SUPPLIERS

Trustees/Directors

The Trustees are directors and also the members of the company. The following Trustees held office during the year:

Valerie James
Chair

Sir David Madden
Vice-chair

Sarah Petrini
Treasurer

Edward Bourne

Professor Joy Carter

Joyce D'Silva

A. Jeremy Hayward

Josphat Ngonyo Kisui

Mahi Klosterhalfen

Global Chief Executive and Leadership Team

The Global Leadership Team of the charity at the end of the financial year 2022:

Philip Lymbery
Global Chief Executive

Kathryn Flanagan
Chief Operating Officer

Aoife Junor
Global Director of Finance and Company Secretary

Richard Brooks
Global Individual Giving Director

Sean Gifford
Global Director of Campaigns

Nicole Gillham
Global Director of Fundraising

Dr Tracey Jones
Global Director of Food Business

Ben Williamson
US Director

Jeff Zhou
Chief Representative, China

Professional Advisers

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

Bankers
National Westminster Bank PLC
Guildford Commercial Office,
2 Cathedral Hill,
Guildford, GU1 3ZR

Investment Managers
Rathbone Greenbank Investments
10 Queen Square,
Bristol, BS1 4NT

Ethical Investment Adviser
Ethical Screening
60 St. George's Place,
Cheltenham, GL50 3PN

The address of the principal office and the registered office of the charity is:
River Court, Mill Lane,
Godalming,
Surrey, GU7 1EZ, UK.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMPASSION IN WORLD FARMING

Opinion

We have audited the financial statements of Compassion in World Farming International ('the charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Balance sheet, Statement of cashflows 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 charitable company's affairs as at 31 March 2022 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' 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.

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 strategic report or 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:

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

Responsibilities of Trustees

As explained more fully in the 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

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 operates, focussing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and the Charities Act 2011 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 ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were Employment laws, Taxation laws and the 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.

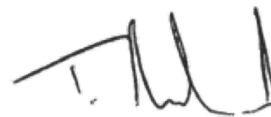
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of legacy, grant and major gift income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing of income in the year and post year end, 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.

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.



Tim Redwood
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 17 September 2022

STATEMENT OF FINANCIAL ACTIVITIES

For year ended 31 March 2022

	Note	Unrestricted Funds	Restricted Funds	2022 Total	2021 Total
		£	£	£	£
Income and endowments from:					
Donations and legacies	2	8,814,603	4,968,653	13,783,256	12,175,026
Charitable activities		1,718	-	1,718	5,354
Other trading activities	3	154,249	-	154,249	152,445
Investments income	4	82,438	-	82,438	85,735
Other		7,456	-	7,456	7,456
Total income		<u>9,060,464</u>	<u>4,968,653</u>	<u>14,029,117</u>	<u>12,426,016</u>
Expenditure on:					
Raising funds	5	3,146,568	-	3,146,568	2,735,975
Investment management costs		34,628	-	34,628	39,545
Charitable activities:					
CG1 Averting Farmageddon		2,492,492	516,539	3,009,031	2,494,811
CG2 European Legislation		1,312,816	1,230,480	2,543,296	2,475,297
CG3 Food Business		1,380,886	1,513,661	2,894,547	2,503,477
Total expenditure		<u>8,367,390</u>	<u>3,260,680</u>	<u>11,628,070</u>	<u>10,249,105</u>
Net (losses)/gains on expenditure	10	(33,427)	-	(33,427)	401,848
Net income		<u>659,647</u>	<u>1,707,973</u>	<u>2,367,620</u>	<u>2,578,759</u>
Exchange movement on opening funds		4,302	-	4,302	(211,119)
Net movement in funds		<u>663,949</u>	<u>1,707,973</u>	<u>2,371,922</u>	<u>2,367,640</u>
Fund balances at 1 April	15	8,211,150	2,120,221	10,331,371	7,963,731
Fund balances at 31 March		<u>8,875,099</u>	<u>3,828,194</u>	<u>12,703,293</u>	<u>10,331,371</u>

The Statement of Financial Activities has been prepared on the basis that all activities are continuing.

There are no recognised gains and losses other than those passing through the Statement of Financial Activities.

The Statement of Financial Activities incorporates an income and expenditure account for the purposes of the Companies Act 2006.

BALANCE SHEET

As at 31 March 2022

	Note	2022 Total £	2022 Total £	2021 Total £	2021 Total £
Fixed assets					
Tangible assets	9		-		-
Investments	10		5,904,536		3,889,500
Cash investments			884,842		884,438
			<u>6,789,378</u>		<u>4,773,938</u>
Current assets					
Debtors	11	1,084,198		446,892	
Short term deposits		3,929,455		4,129,738	
Cash at bank and in hand		2,121,868		1,871,249	
		<u>7,135,521</u>		<u>6,447,879</u>	
Creditors: amounts falling due within one year	12	(1,211,664)		(873,048)	
Net current assets			<u>5,923,857</u>		<u>5,574,831</u>
Total assets less current liabilities			<u>12,713,235</u>		<u>10,348,769</u>
Creditors: amounts falling due after more than one year	13		(9,942)		(17,398)
Net assets			<u><u>12,703,293</u></u>		<u><u>10,331,371</u></u>
Income funds					
Restricted funds	15		3,828,194		2,120,221
Unrestricted funds	15				
General income funds		8,388,294		7,853,150	
Designated funds		486,805		358,000	
			<u>8,875,099</u>		<u>8,211,150</u>
Total funds			<u><u>12,703,293</u></u>		<u><u>10,331,371</u></u>

The financial statements were approved by the Board and authorised for issue on 9th September 2022 and signed on behalf of the Board of Trustees by



Valerie James

Chair of the Board of Trustees

Compassion in World Farming International,
Company Registration Number 04590804

STATEMENT OF CASH FLOW

For year ended 31 March 2022

	Note	2022		2021	
		£	£	£	£
Cash flows from operating activities					
Net cash provided by operating activities	a		2,016,765		2,423,933
Cash flows from investing activities:					
Dividends and interest from investments		82,438		85,735	
Proceeds from sale of investments		480,278		553,201	
Purchase of investments and movement of cash within investment portfolio		(2,528,741)		859,290	
Net cash (used in)/provided by investing activities			(1,966,025)		1,498,226
Change in cash and cash equivalents in the reporting period			50,740		3,922,159
Cash and cash equivalents at the beginning of the reporting period			6,885,425		2,963,266
Cash and cash equivalents at the end of the reporting period	b		6,936,165		6,885,425

	Note	2022		2021	
		£	£	£	£
a) Reconciliation of net income/(expenditure) to net cash flow from operating activities					
Net income for the reporting period (as per the statement of financial activities)			2,367,620		2,578,759
Adjustments for:					
Depreciation charges	9		-		5,480
Exchange movement on opening funds			4,302		(211,119)
Losses/(Gains) on investments			33,427		(401,848)
Dividends and interest from investments	4		(82,438)		(85,735)
(Increase)/Decrease in debtors			(637,306)		265,743
Increase in creditors current			338,616		280,109
Decrease in creditors non-current			(7,456)		(7,456)
Net cash provided by operating activities			2,016,765		2,423,933
b) Analysis of cash and cash equivalents					
Cash in hand			2,121,868		1,871,249
Notice deposits (less than 3 months)			4,814,297		5,014,176
Total cash and cash equivalents			6,936,165		6,885,425

NOTES TO THE ACCOUNTS

For year ended 31 March 2022

CHARITY INFORMATION

Compassion in World Farming International is a registered charity in England and Wales (Charity Number 1095050) and a company limited by guarantee (Company Registered Number 04590804) and domiciled in the UK, and is a public benefit entity.

The address of the registered office is: River Court, Mill Lane, Godalming, Surrey, GU7 1EZ.

ACCOUNTING POLICIES

1.1 Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with FRS102 the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006 and Generally Accepted Practice as it applies from 1 January 2015.

Compassion in World Farming International meets the definition of a public benefit entity under FRS102.

Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy note.

1.2 Key judgements and assumptions

In the application of the charity's accounting policies, which are described in note 1, 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.

The items in the accounts where these

judgements and estimates have been made include:

- revenue recognition is deemed to be an area that requires judgement to appropriately apply the income accounting policies explained in accounting policy 1.3
- the cost allocation methodology requires a judgement as to what is the most appropriate basis to use to apportion staff costs and support costs. These are reviewed annually for reasonableness
- estimates in respect of accrued expenditure.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies.

1.3 Income

Income from donations, grants and other sources is recognised on an accruals basis and included in the Statement of financial activities (SOFA) when the Group is entitled to the income, when receipt is probable, and when it can be measured reliably. Grants which are subject to performance-related conditions or subject to funder conditions related to the timing of expenditure are deferred until those conditions are met.

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.

1.4 Expenditure

Expenditure is accounted for on an accruals basis and allocated between the expenditure categories on the SOFA to reflect the use of resources. Where support costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources as shown in Note 7.

Costs of raising funds represent direct and apportioned costs relating to fundraising activities and events.

Investment costs represent the costs of management of the investment portfolio and raising investment income.

Charitable activity expenditure represents direct and apportioned costs relating to carrying out our three Strategic Change Goals of Averting Farmageddon, European Legislation and Food Business. It also includes a proportion of the costs of communicating to the general public (such as via the internet, through our *Farm Animal Voice* magazine, through mass communications such as the media, web advertising, mailings etc.).

Grants payable are included in the Statement of Financial Activities when approved by the Trustees and agreed with the beneficiary.

Support costs include governance, staff, office, and general management costs including human resources, IT and the finance function incurred to support income generation and the delivery of the charitable activities.

Governance costs represent direct and indirect costs incurred relating to strategic management and compliance with constitutional and statutory requirements.

1.5 Investments

Fixed asset investments are stated at market value.

Realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities. Investment income plus associated tax recoverable is credited to income on an accruals basis. Realised gains and losses, arising on the disposal of investments, are calculated as the difference between the sale proceeds and opening market value. Unrealised gains and losses represent the movement in market values in the year.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Fixed assets costing less than £5,000 are not capitalised and are therefore included in resources expended under the appropriate heading. Depreciation is provided at rates calculated to write off the cost less

estimated residual value of each asset over its expected useful life, as follows:

Educational equipment	33% straight line per annum
Computer equipment	25% straight line per annum
Fixtures and fittings	20% straight line per annum
Motor vehicles	25% reducing balance per annum

1.7 Accumulated funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Designated funds are amounts of unrestricted funds which have been earmarked at the discretion of the Trustees for particular future purposes.

Unrestricted funds are available for the use at the discretion of the Trustees in furtherance of the objectives of the charity.

1.8 Leasing and hire purchase commitments

Rentals incurred under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease. Incentives such as reverse lease premiums are treated as income and are credited to the Statement of Financial Activities on a straight line basis over the period of the lease.

1.9 Pensions

The charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

1.10 Foreign currency translation

Opening reserves are retranslated into the presentational currency using the closing exchange rate at the balance sheet date. Monetary assets and liabilities denominated in foreign currencies are translated into sterling

at the rates of exchange prevailing at the balance sheet date. Transactions in foreign currencies are recorded at the rate prevailing at the date of the transaction. All differences are taken through the Statement of Financial Activities.

1.11 Taxation

The company is exempt from corporation tax on the grounds that it is a charity and all of its income is applied for charitable purposes.

1.12 Going concern

Based on the level of reserves held at the year end and the latest five year financial plans, the Trustees are confident that Compassion in World Farming International is financially secure in its immediate future for the next 12 months and that on this basis the charity is a going concern.

The planning process for the next five years, including financial and cashflow projections, takes into consideration the current economic climate and the cost of living crisis and their potential impact on the various sources of income and planned expenditure. The plans and financial projections are re-forecast on a quarterly basis, taking into account latest trends, revised assumptions and events. Where such forecasts indicate a potential problem, corrective action is taken to protect the future viability of the organisation.

Based on the latest forecast, which was completed in August 2022, Compassion in World Farming International has sufficient cash, cash investments and reserves to continue to operate. The Trustees have reviewed the latest forecast and are comfortable with the expectations for the next five years. Accordingly, the Trustees are of the opinion that it is appropriate for the financial statements to be prepared on a going concern basis.

1.13 International entities

To comply with overseas local legislation, Compassion in World Farming International has established 100%-owned subsidiaries and other overseas legal entities in a number of countries.

These are fully controlled by Compassion in World Farming International and their accounts are included within the accounts of Compassion in World Farming International.

NOTES TO THE ACCOUNTS (continued)

For year ended 31 March 2022

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Legacies receivable	3,563,064	5,553	3,568,617	4,199,027
Regular giving	2,292,394	6,972	2,299,366	2,179,797
Grants & major gifts	1,020,647	4,912,318	5,932,965	3,695,309
Appeals	766,181	43,680	809,861	751,506
Donations (including CAF & GAYE)	601,630	130	601,760	711,334
Gift Aid (tax reclaimed)	490,585	-	490,585	550,498
Farm Animal Voice donations	63,159	-	63,159	71,749
Community fundraising	15,954	-	15,954	14,624
Street collections and collecting tins	989	-	989	1,182
	<u>8,814,603</u>	<u>4,968,653</u>	<u>13,783,256</u>	<u>12,175,026</u>

3 Other trading activities

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Raffle ticket sales	108,507	-	108,507	116,088
Other sales of goods	45,742	-	45,742	36,357
	-	-	-	-
	<u>154,249</u>	<u>-</u>	<u>154,249</u>	<u>152,445</u>

4 Investment income

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Interest receivable	1,313	-	1,313	3,424
Income from listed investments	61,452	-	61,452	55,129
Interest on portfolio investments	19,673	-	19,673	27,182
	<u>82,438</u>	<u>-</u>	<u>82,438</u>	<u>85,735</u>

5 Total expenditure

	Direct staff costs	Direct costs	Grant funding	Support costs	Total 2022	Total 2021
	£	£	£	£	£	£
Raising funds	1,674,103	925,491	-	546,974	3,146,568	2,735,975
Investment costs	-	34,628	-	-	34,628	39,545
Charitable activities:						
CG1 Averting Farmageddon	1,276,007	1,060,430	149,527	523,067	3,009,031	2,494,811
CG2 European Legislation	1,292,579	801,257	7,353	442,107	2,543,296	2,475,297
CG3 Food Business	1,388,201	959,936	43,244	503,166	2,894,547	2,503,477
Total Charitable Activities	3,956,787	2,821,623	200,124	1,468,340	8,446,874	7,473,585
Total Expenditure	5,630,890	3,781,742	200,124	2,015,314	11,628,070	10,249,105

Support costs include an allocation of support staff costs.

6 Grants payable

	Total 2022	Total 2021
	£	£
Africa Network for Animal Welfare	30,615	40,000
Beijing Guochuang Convention and Exhibition Co Ltd	22,436	-
China Association for the Promotion of International Agriculture Cooperation	20,808	20,000
CBCGDF	10,000	-
Korea Animal Rights Advocates (KARA)	6,629	-
Life Environment Rights Action Jeju Vegan (Jeju Vegan)	6,486	-
Animal Rights Center Japan	6,177	-
George Ikeshima	6,138	-
Eurogroup for Animals ASBL	5,520	4,442
Indra Firmansyah	5,502	-
Korean Youth Climate Change Network, BigWave	5,329	-
Action for Animals	5,142	-
Javlec	5,033	-
Humane Education Trust	5,000	5,000
University of Winchester	5,000	-
Luonto-Liiton Susiryhma The Wolf Action Group	4,174	-
Fiolita Berandhini	4,127	-
Japan Youth Ecology League	3,624	-
Meat Free Monday Korea	3,425	-
VegeProject Japan	3,421	-
Animal Alliance Asia Ltd	3,416	-
Seoul Korean Federation for Environmental Movement (KFEM)	3,273	-
Bali Animal Defender Assoc/Bali Animal Defender Perkumpulan	3,065	-
LSM Lakamali	3,034	-
SOL KIM	2,938	-
Feiyan Lu	2,938	-
Dierencoalitie	2,761	2,310

6 Grants payable (continued)

	Total 2022	Total 2021
	£	£
Mari Momii	2,649	-
Slamet Setya Budi	2,600	-
Climate Youth Japan	2,574	-
Pasture-Fed Livestock Association CIC	2,500	5,000
Usman	2,009	-
Takano Miyabi	988	-
DNR Umwelt und Entwicklung	418	451
Miho Soga	375	-
RSPCA	-	20,562
Eating Better	-	20,000
IQC (Shanghai) Co Ltd	-	11,564
University of Bristol	-	9,176
SOS Animal Portugal	-	8,140
Sustain	-	8,000
Eva Katarina Lingehag-Ekholm	-	1,861
Slow Food Italia APS	-	1,806
	200,124	158,312

Grants are given to approved “like-minded” bodies who have agreed to work with the charity to promote the advancement of farm animal welfare either through educational and research work or by campaigning and lobbying. The total number of grants to institutions totalled 35 (2021:15).

7 Support costs

	Governance	Staff costs and personnel	Premises	Office admin and ICT	Finance	Total 2022	Total 2021
	£	£	£	£	£	£	£
Raising funds	45,953	254,286	119,147	100,756	26,832	546,974	483,133
Charitable activities:							
CG1 Averting Farmageddon	43,944	243,172	113,939	96,352	25,660	523,067	440,547
CG2 European Legislation	37,143	205,534	96,304	81,439	21,687	442,107	437,101
CG3 Food Business	42,272	233,920	109,604	92,686	24,684	503,166	442,078
Total 2022	169,312	936,912	438,994	371,233	98,863	2,015,314	1,802,859
Total 2021	110,766	779,302	441,448	335,065	136,278	1,802,859	

Governance costs includes statutory audit fees paid to UK statutory auditor of £20,000 and other auditors of £14,074 (2021: £19,900 and £18,762). Non audit fees of £15,000 were paid to the charity’s auditor (2021: £1,422).

8 Staff costs

	Total 2022	Total 2021
Wages and salaries	5,363,977	4,979,955
Social security costs	771,702	707,678
Pension costs	289,654	287,714
Agency staff costs	28,192	5,400
Other staff benefits	71,272	16,499
	<u>6,524,797</u>	<u>5,997,246</u>

The table below gives average staff headcount employed across the charity's work areas:

	2022 Average headcount	2021 Average headcount
Work area		
Global Chief Executive's Dept	2.6	2.1
Campaigns and Investigations incl. EU staff	43.8	42.3
Web and Online	7.3	7.1
Food Business incl. USA & China staff	31.1	28.3
Fundraising and Marketing	34.5	33.1
Governance	1.5	1.5
Resources, HR, ICT and office support	11.3	10.6
Finance	9.6	7.9
Total	<u>141.7</u>	<u>132.9</u>

The number of staff whose emoluments exceeds £60,000 in the year was:

	2022	2021
£60,000-£70,000	4	5
£70,000-£80,000	4	2
£80,000-£90,000	1	1
£90,000-£100,000	1	1
£100,000-£110,000	-	1
£110,000-£120,000	1	-

TRUSTEES AND KEY MANAGEMENT PERSONNEL

One of the Trustees, Joyce D'Silva, Ambassador Emeritus, received remuneration for Ambassadorial consultancy services provided outside her role as Trustee during the year of £30,600 (2021: £23,840). This is allowed under the governing document of the charity. One of the Trustees was reimbursed a total of £224 for travelling, subsistence and accommodation expenses (2021: Two reimbursed totalling £841).

The total remuneration and benefits received by senior management personnel in the year was £790,502 (2021: £762,819) including Employer's NIC. Pension contributions paid by the charity in respect of these employees during the year was £54,806 (2021: £50,126).

9 Tangible fixed assets

	Educational equipment	Computer equipment	Total
Cost			
At 1 April 2021	5,288	170,662	175,950
At 31 March 2022	5,288	170,662	175,950
Depreciation			
At 1 April 2021	5,288	170,662	175,950
Charge for the year	-	-	-
At 31 March 2022	5,288	170,662	175,950
Net book value			
At 31 March 2022	-	-	-
At 31 March 2021	-	-	-

10 Fixed assets investments

	Total 2022 £	Total 2021 £
Market Value:		
At start of the period	3,529,644	3,229,378
Additions	2,776,986	451,619
Disposals	(480,278)	(553,201)
Net (losses) / gains	(33,427)	401,848
Market Value at 31 March 2022	5,792,925	3,529,644
Cash Balance	996,453	1,244,294
Total Market Value at 31 March 2022	6,789,378	4,773,938
Historical cost:		
At 31 March 2022	5,320,021	3,176,185
UK Fixed Interest	2,871,884	1,657,994
UK Equities	1,721,170	1,096,947
Non UK Equities	1,199,869	774,701
Cash held by third party investment manager	111,611	359,856
Cash held on deposit	884,842	884,438
Investment in subsidiaries	2	2
Market Value of investments at end of the period	6,789,378	4,773,938

Holdings of more than 10%

The company holds investments in the following subsidiary companies. All four companies are incorporated in England and Wales, and all were dormant throughout the financial year.

Company subsidiary undertakings	Shares held	Capital and reserves
	Class	%
Compassion in World Farming Supporters	Limited by guarantee	100
Compassion in World Farming (Trading) Limited	Ordinary	100
Farm Livestock Trust Limited	Limited by guarantee	100
National Society Against Factory Farming Limited	Limited by guarantee	100

11 Debtors

	Total 2022 £	Total 2021 £
Other debtors	56,466	50,854
Prepayments	358,466	257,348
Accrued income	669,266	138,690
	<u>1,084,198</u>	<u>446,892</u>

At 31 March 2022, legacies which had been notified but not recognised as incoming resources in the Statement of Financial Activities had an estimated value of £2.2 million (2021: £2.2 million) which had not been accrued as conditions for recognition in accordance with the accounting policy, had not been met in respect of these amounts.

	Total 2022 £	Total 2021 £
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Amounts falling due after more than one year and included in the debtors above are:

Prepayments and accrued income	<u>47,726</u>	<u>48,910</u>
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Prepayments falling due after one year relates to the rent deposit paid in respect of the charity's premises at River Court, Mill Lane, Godalming, Surrey and CIWF International offices.

12 Creditors: amounts falling due within one year

	Total 2022 £	Total 2021 £
Trade creditors	367,121	151,994
Taxes and social security costs	134,404	115,236
Other creditors, accruals and deferred income	710,139	605,818
	<u>1,211,664</u>	<u>873,048</u>

13 Creditors: amounts falling due after more than one year

	Total 2022 £	Total 2021 £
Other creditors, accruals and deferred income	9,942	17,398
	<u>9,942</u>	<u>17,398</u>

Movements on deferred income

	Total 2022 £	Total 2021 £
Balance as at 31 March 2021	24,854	32,310
Received in year	-	-
Released in year	(7,456)	(7,456)
Balance as at 31 March 2022	<u>17,398</u>	<u>24,854</u>

The deferred unrestricted income relates to the unwinding of the reverse lease premium in respect of the charity's premises over the life of the lease.

14 Pension costs

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund. Contributions payable by the charity for the year amounted to £289,654 (2021: £287,714); as referred to in Note 8.

15 Funds

	Balance at 1 April 2021	Movement in funds		Gains/ (losses)	Cumulative Translation adjustment	Balance as at 31 March 2022
		Income	Expenditure			
	£	£	£	£	£	£
Restricted Funds						
Labelling	5,966	-	(5,966)	-	-	-
Farm Animal Welfare Forum	99,495	-	(12,414)	-	-	87,081
Fish Programme	303,629	1,512,675	(482,280)	-	-	1,334,024
China Programme	493,836	-	(427,031)	-	-	66,805
BBFAW	6,896	105,832	(101,191)	-	-	11,537
End the Cage Age	-	2,148,010	(690,243)	-	-	1,457,767
The Alliance to Save Our Antibiotics	81,886	138,275	(109,646)	-	-	110,515
Antibiotics: Antimicrobial Resistance	-	13,636	(13,636)	-	-	-
Beyond Factory Farming	78,904	32,987	(102,800)	-	-	9,091
Brussels office	-	22,727	(22,727)	-	-	-
US Programme	-	705,462	(705,462)	-	-	-
UK Food Business	186,825	40,143	(71,989)	-	-	154,979
Stop Live Transport	-	6,140	(6,140)	-	-	-
Protein Diversification 25*25	-	86,538	(86,538)	-	-	-
Farm Animals Asia: Funding the Future	422,360	126,030	(270,969)	-	-	277,421
Asia Food Business	440,424	-	(121,450)	-	-	318,974
UK Programme	-	23,124	(23,124)	-	-	-
Other Restricted funds	-	7,074	(7,074)	-	-	-
Total Restricted funds	2,120,221	4,968,653	(3,260,680)	-	-	3,828,194
Unrestricted Funds						
Designated funds:						
Completion of agreed projects and activities	358,000	466,805	(338,000)	-	-	486,805
General funds	7,853,150	8,593,659	(8,029,390)	(33,427)	4,302	8,388,294
Total Unrestricted funds	8,211,150	9,060,464	(8,367,390)	(33,427)	4,302	8,875,099
Total funds	10,331,371	14,029,117	(11,628,070)	(33,427)	4,302	12,703,293

15 Funds (continued)

RESTRICTED FUNDS

Labelling is a programme to achieve compulsory labelling in the European Union, as to method of production for all animal produce and ingredients.

The Farm Animal Welfare Forum (FAWF) is a programme to facilitate the collaboration of non-governmental organisations to bring about significant improvement in farm animal welfare.

The Fish Programme aims to improve fish welfare in Europe through corporate engagement, research, campaigning and legislative advocacy.

The China Programme will enable us to cultivate strategic partnerships to drive welfare improvements in China's food industry.

The Business Benchmark on Farm Animal Welfare (BBFAW) is the first global measure of company performance on animal welfare and, since its inception in 2012, has established itself as a catalyst for influencing change in corporate practices on animal welfare management and reporting.

The End the Cage Age campaign is an ambitious programme which operates at policy, industry and public levels to make the use of cages within farming a wholly unacceptable practice across the EU.

The Alliance to Save Our Antibiotics is a campaign working with two other influential organisations, the Soil Association and Sustain, to end the routine use of antibiotics and related drugs in intensively farmed animals.

Antibiotics: Antimicrobial Resistance aims to articulate pathways about the need to transition from industrial farms towards farming practices which take animal health and welfare as the basis of operation.

The Beyond Factory Farming campaign looks at the detrimental effects that factory farming has on our health and on the planet.

The Bussels office relates to funding restricted specifically to our charitable entity in Belgium.

The US Programme focuses on driving changes to corporate policy, through direct corporate engagement and market sensitisation, thereby ultimately influencing legislation and public policy.

The UK Food Business funding relates to grants and gifts received towards our corporate engagement Food Business Programme, which offers advice and consultancy to leading food companies, creating positive dialogue with decision makers, pushing farm animal welfare up the corporate social responsibility agenda, thereby securing real changes in company policy.

The Stop Live Transport Programme comprises combined activities including media work, investigations and campaigning to fight against long distance live animal transportation, including our Global Day of Action.

Protein Diversification is our bespoke, bold and innovative program to reduce the number of farm animal in the global supply chain.

Farm Animals Asia: Funding the Future is a new programme where we want to build networks and new relationships in Asia. Our initial focus is to support organisations that work or wish to work to improve the lives of all species of farm animals.

Asia Food Business is a new programme to support corporate poultry outreach in Asia.

The UK Programme focuses on driving changes to public policy, through campaigning and legislative advocacy.

Other Restricted funds represented funding towards activities carried out in the year where the individual restricted funds totalled under £10,000 and their associated expenditure.

DESIGNATED FUNDS

The designated funds represent allocations of unrestricted funds made in respect of projects and activities started in 2021/22 to be completed in 2022/23. This includes our International Conference, Cages investigation, our End Factory Farming platform and other consultancy projects in respect of Fundraising and Beyond Factory Farming.

16 Analysis of net assets between funds

	Unrestricted funds		Restricted funds £	Total
	General funds £	Designated funds £		
Fund balances at 31 March 2022 are represented by:				
Tangible fixed assets	-	-	-	-
Investments	3,817,455	-	2,087,081	5,904,536
Cash investments	-	-	884,842	884,842
Current assets	5,792,445	486,805	856,271	7,135,521
Creditors: amounts falling due within one year	(1,211,664)	-	-	(1,211,664)
Creditors: amounts falling due after more than one year	(9,942)	-	-	(9,942)
	<u>8,388,294</u>	<u>486,805</u>	<u>3,828,194</u>	<u>12,703,293</u>

17 Commitments under operating leases

At 31 March 2022 the charity had lease payment commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2022 £	2021 £	2022 £	2021 £
Payments due:				
Within one year	239,529	239,529	10,374	11,302
Between two and five years	319,372	558,901	2,594	12,968
Over five years	-	-	-	-
	<u>558,901</u>	<u>798,430</u>	<u>12,968</u>	<u>24,270</u>

The annual lease costs are £249,903.

18 Related parties

The following related party transactions took place during the year:

Eurogroup for Animals – Philip Lymbery, Global CEO of Compassion in World Farming International, is also President of Eurogroup for Animals. Compassion in World Farming International made payments during the year totalling £98,636 to Eurogroup for Animals. These payments were in respect of membership fees £93,116 and a grant of £5,520 towards an EU-wide survey on slaughter without stunning.

Africa Network for Animal Welfare – Josphat Ngonyo Kisui, Trustee of Compassion in World Farming International, is also the Founder and Executive Director of Africa Network for Animal Welfare. Compassion in World Farming International made payments during the year totalling £35,615 to Africa Network for Animal Welfare. These payments were in respect of a grant towards the Animal Welfare-Environment-Sustainable Development Nexus Draft Resolution, the Animal Welfare Resolution at UNEA5, COP26 and sponsorship of Africa Animal Welfare Conference.

World Federation for Animals – Philip Lymbery, Global CEO of Compassion in World Farming International, is also Trustee of World Federation for Animals. Compassion in World Farming International made membership payments during the year totalling £27,135 to World Federation for Animals.

Transactions with branches

International Entity	Net Grant/Funding		As at 31 March	
	2022 £	2021 £	2022 £	2021 £
Stichting Compassion in World Farming Nederland	-	54,282	-	-
Compassion in World Farming France	152,294	127,628	-	-
Compassion in World Farming Italia Onlus	212,881	87,277	-	-
Fundacja Compassion in World Farming Polska	86,400	74,347	-	-
Compassion in World Farming, Inc.	-	-	-	-
Compassion in World Farming Brussels	217,015	94,715	-	-

Four UK subsidiaries are non-trading but continue to receive donations from supporters; all rights to this income were transferred to Compassion in World Farming International. The net transfers and outstanding balances of these subsidiaries are shown in the table below.

Subsidiary	Company Registered Number	Net income transferred		Balances as at 31 March	
		2022 £	2021 £	2022 £	2021 £
Compassion in World Farming Supporters	02715994	32,178	34,055	-	-
Compassion in World Farming (Trading Company) Limited	02998256	17,998	18,976	-	-
National Society Against Factory Farming Limited	01335233	-	-	-	-
Farm Livestock Trust Limited	01521645	-	-	-	-

Trustees made donations to Compassion in World Farming International during the year totalling £5,624 (2021: £12,870).

19 Comparative 2020-21 statement of financial activities by class of funds

	Note	Unrestricted Funds	Restricted Funds	2021 Total
		£	£	£
Income and endowments from:				
Donations and legacies	2	9,527,059	2,647,967	12,175,026
Charitable activities		5,354	-	5,354
Other trading activities	3	152,445	-	152,445
Investment income	4	85,735	-	85,735
Other		7,456	-	7,456
Total income		9,778,049	2,647,967	12,426,016
Expenditure on:				
	5			
Raising funds		2,735,975	-	2,735,975
Investment management costs		39,545	-	39,545
Charitable activities:				
CG1 Averting Farmageddon		2,111,178	383,633	2,494,811
CG2 European Legislation		1,555,907	919,390	2,475,297
CG3 Food Business		1,072,593	1,430,884	2,503,477
Total expenditure		7,515,198	2,733,907	10,249,105
Net gains/(losses) on investments	10	401,848	-	401,848
Net income/(expenditure)		2,664,699	(85,940)	2,578,759
Fund balances at 1 April	15	5,757,570	2,206,161	7,963,731
Exchange movement on opening funds		(211,119)	-	(211,119)
Fund balances at 31 March	15	8,211,150	2,120,221	10,331,371

20 Comparative 2020-21 funds

	Balance at 1 April 2020	Movement in funds		Gains/ (losses)	Exchange movements on opening funds	Balance as at 31 March 2021
		Income	Expenditure			
	£	£	£	£	£	£
Restricted Funds						
Labelling	-	100,000	(94,034)	-	-	5,966
Farm Animal Welfare Forum	139,913	-	(40,418)	-	-	99,495
Fish Programme	841,314	-	(537,685)	-	-	303,629
China Programme	924,227	5	(430,396)	-	-	493,836
BBFAW	5,707	109,960	(108,771)	-	-	6,896
End the Cage Age	-	10,626	(10,626)	-	-	-
The Alliance to Save Our Antibiotics	100,266	162,988	(181,368)	-	-	81,886
Beyond Factory Farming	61,997	105,074	(88,167)	-	-	78,904
Brussels office	-	20,963	(20,963)	-	-	-
US Programme	-	701,728	(701,728)	-	-	-
UK Food Business	111,698	80,677	(5,550)	-	-	186,825
UK Programme	-	241,163	(241,164)	-	-	-
Sweden Humane Slaughter and Live Transport	1,808	-	(1,808)	-	-	-
Stop Live Transport	-	13,110	(13,110)	-	-	-
Protein Diversification 25*25	19,231	96,154	(115,385)	-	-	-
Farm Animals Asia: Funding the Future	-	488,362	(66,002)	-	-	422,360
Asia Food Business	-	448,901	(8,477)	-	-	440,424
Global Eggtrack	-	60,577	(60,577)	-	-	-
Other Restricted funds	-	7,678	(7,678)	-	-	-
Total Restricted funds	2,206,161	2,647,967	(2,733,907)	-	-	2,120,221
Unrestricted Funds						
Designated funds:						
Completion of agreed projects and activities	298,996	261,000	(201,996)	-	-	358,000
General funds	5,458,574	9,517,049	(7,313,202)	401,848	(211,119)	7,853,150
Total Unrestricted funds	5,757,570	9,778,049	(7,515,198)	401,848	(211,119)	8,211,150
Total funds	7,963,731	12,426,016	(10,249,105)	401,848	(211,119)	10,331,371

21 Comparative 2020-21 analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	General funds			
	£	£	£	£
Fund balances at 31 March 2021 are represented by:				
Tangible fixed assets	-	-	-	-
Investments	3,790,005	-	99,495	3,889,500
Cash investments	-	-	884,438	884,438
Current assets	4,953,591	358,000	1,136,288	6,447,879
Creditors: amounts falling due within one year	(873,048)	-	-	(873,048)
Creditors: amounts falling due after more than one year	(17,398)	-	-	(17,398)
	<u>7,853,150</u>	<u>358,000</u>	<u>2,120,221</u>	<u>10,331,371</u>

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