

THE HUMANE SOCIETY INTERNATIONAL (UK)
ANNUAL REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

THE HUMANE SOCIETY INTERNATIONAL (UK)

Reference and Administrative Information

Trustees	Wayne Pacelle Andrew N. Rowan, Ph.D. G. Thomas Waite, III
Company Secretary	Joseph Robinson
Registered Office	5 Underwood Street London N1 7LY
Company Number	04610194 (England and Wales)
Charity Number	1098925
Auditors	Independent Auditors LLP Chartered Accountants and Statutory Auditor Emstrey House North Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
Senior Statutory Auditor	Jonathon Dale BA(Hons) FCA

THE HUMANE SOCIETY INTERNATIONAL (UK)

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**THE HUMANE SOCIETY INTERNATIONAL (UK)
TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2014**

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 December 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005 in preparing the annual report and financial statements of the charity.

THE TRUSTEES

The trustees who served the charity during the period were as follows:

Wayne Pacelle
Andrew N. Rowan, Ph.D
G. Thomas Waite, III

GOVERNANCE, STRUCTURE AND MANAGEMENT

Governance

The Humane Society International (UK) is a company limited by guarantee, registered in England and Wales, company number 04610194 and a registered charity, charity number 1098925. The organisation was incorporated on 5 December 2002 and was registered as a charity on 11 August 2003. The organisation is governed by its Memorandum and Articles of Association as amended on 6 November 2007.

The power of appointing trustees is vested in a majority of the trustees. The trustees periodically review the manner in which trustees are appointed to ensure that the trustee body possess adequate skills to manage the charity's affairs properly. Any prospective new trustee will meet with the existing trustees and will be fully briefed on his or her obligations as a trustee and on all relevant policies and procedures. Any training needs will be identified at that stage and appropriate training will be provided. The trustees are satisfied that the existing trustees possess both substantial professional and other experience necessary to ensure the proper and effective management of the charity.

Management Structure

The trustees meet regularly to review the overall objectives of the charity to ensure its effective performance. The administration of the charity and the keeping of its financial books and records are carried out by the staff of the charity with administration and supervision by the trustees.

Risk Management

The trustees have assessed the major risks to which the charity is exposed, in particular those relating to the specific operational areas of the charity, its investments and its finances. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by the charity, they have established effective systems to mitigate those risks. The trustees regularly review these policies to ensure they are both up to date and effective.

THE HUMANE SOCIETY INTERNATIONAL (UK)
TRUSTEES' REPORT (continued)
YEAR ENDED 31 DECEMBER 2014

TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

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

OBJECTIVES, ACTIVITIES AND RELEVANT POLICIES

Activities and specific objectives

The principal objective of The Humane Society International/UK (HSI UK), is the prevention and alleviation of the suffering of animals. During 2014, HSI UK has continued to strive to achieve its objectives and has successfully raised awareness of animal protection issues in both the UK and Europe-wide including working alongside other members of The Humane Society network.

Public benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities and consider that we have complied with our duty to have due regard to the guidance published by the Charity Commission.

**THE HUMANE SOCIETY INTERNATIONAL (UK)
TRUSTEES' REPORT (continued)
YEAR ENDED 31 DECEMBER 2014**

ACHIEVEMENTS AND PERFORMANCE

Throughout 2014 the UK team provided solid support for HSI's global campaigns to confront cruelty, stop wildlife abuse, end animal testing, support farm animals and protect street animals through our work in the UK and beyond.

In addition, the HSI UK team continued to grow its UK-specific campaigns at home, increasing awareness of its activities among the public, politicians, animal welfare, wildlife and conservation non-governmental organisations and wider stakeholders through media and online engagement activities. The quarterly newsletter, "Animal Allies" continued to expand its reach, spreading the message about our work to our regular donors.

In December 2014 HSI UK appointed Claire Bass, who had previously been Head of Wildlife Campaigns at World Animal Protection, as its new Executive Director. In September 2014 Anna Jack was contracted by HSI UK as a part-time administrator.

In September 2014, all EU lobby activities, which previously fell under the auspices and budget of the HSI UK office, were formally shifted to Brussels following the establishment of HSI Europe as a legal entity in Belgium.

Significant achievements

- HSI UK was delighted to be invited to promote its work on rhino protection at a reception for the London Conference on the Illegal Wildlife Trade, a high-level international political meeting attended by global leaders in February 2014 aimed at combatting the poaching and killing of animals across the globe.
- Following sustained advocacy by HSI UK, we welcomed the news that government funding for the UK's National Wildlife Crime Unit was to be extended until 2016. The NWCU works to detect and prevent wildlife crime, assisting police forces in wildlife crime investigation and identifying local or national threats.
- HSI UK worked throughout 2014 to highlight the considerable welfare concerns raised by the government-led pilot badger culls. This, and the work of other NGOs, undoubtedly influenced the government's decision to abandon plans to roll out culling to a number of additional areas of England in 2014. HSI UK was however greatly saddened at the decision allow culling to continue in the two pilot areas in Autumn 2014 and the subsequent statement, by Defra's Chief Veterinary Officer in December 2014, that culling should continue in 2015
- With the support of HSI UK, tens of thousands of Spanish campaigners joined a march in central Madrid calling on Spanish politicians to end the brutal Toro de la Vega bull fiesta, held annually in Tordesillas. The event, and the issue, attracted much wider public support and led to a number of sympathetic articles in the Spanish press.

**THE HUMANE SOCIETY INTERNATIONAL (UK)
TRUSTEES' REPORT (continued)
YEAR ENDED 31 DECEMBER 2014**

Our Key Campaigns in 2014

Wildlife culling/hunting

Throughout 2014 HSI UK continued its work to protect badgers and to persuade government and the farming and veterinary communities to abandon culling in favour of humane strategies.

A series of reports and briefings on the issue were produced and meetings held with parliamentarians from all the main political parties, and in both the House of Commons and the House of Lords. In May, HSI UK presented on the lack of scientific support for badger culling to a meeting of independent and government scientists at Nottingham Trent University.

Mark Jones, executive director of HSI UK and a veterinarian, worked closely with a number of other veterinarians to produce papers, briefings and letters for publication in leading industry journals. Meetings were organised with professionals in industry and government, including the Chief Veterinary Officer and senior officials of the British Veterinary Association.

In February 2014 HSI UK revealed data from official cull monitoring reports that provided a disturbing insight into the killing of badgers during the 2013 pilot culls. The Independent Expert Panel appointed by Defra to assess the pilot badger culls, released its report in April 2014. The conclusion, that the culls were neither effective nor humane, was welcomed by HSI UK as further proof of the urgent need for government to halt its misguided policy. In light of the humaneness concerns raised in the report, calls were made on the veterinary profession and on the British Veterinary Association (BVA) to withdraw support for culling.

HSI UK also raised concerns about the wider environmental impacts of the badger cull: In addition to the submission of a complaint to the Bern Convention outlining the potential negative impact the badger cull could have on other protected wildlife, HIS UK also initiated a legal challenge against the UK government in order to highlight the potential ecological impacts of culling.

HSI UK called on its supporters to raise their concerns about the culling of badgers with Members of Parliament, Defra Ministers and the Prime Minister. It also encouraged public engagement in the regions through its support of petitions calling on local authorities to oppose culling on council-owned land. During the cull period, HSI UK supported the work of local campaigners and representatives of the organisation took part in a number of Wounded Badger Patrols in Gloucestershire.

HSI UK representatives also attended in a badger vaccination exercise in Gloucestershire and engaged in a series of Defra-organised stakeholder discussions on the implementation of a badger vaccination strategy, funded in part by government.

Dependent on the results of the 2015 UK general election, HSI UK will continue to raise awareness of the serious concerns it has for the welfare of badgers and oppose the continuation of the government's misguided culling policy.

In support of HSI UK's campaign to achieve improved protection for hares, representatives met with Sir John Randall MP to discuss brown hare welfare and conservation concerns in advance of a well-received Ten Minute Rule Bill on the subject, introduced by the Conservative MP in the House of Commons in March 2014.

**THE HUMANE SOCIETY INTERNATIONAL (UK)
TRUSTEES' REPORT (continued)
YEAR ENDED 31 DECEMBER 2014**

HSI UK also spoke out alongside other animal protection organisations to oppose any moves that would weaken the Hunting Act, a very popular and successful piece of legislation introduced in 2004.

Bullfighting

Working alongside a number of national and international NGOs, HSI UK continued to raise awareness of the cruelty inherent in bullfights and bull fiestas. HSI UK also supported and attended a vibrant meeting of international NGOs to discuss campaign work focused on bring these activities to an end.

HSI UK supported the work of the Spanish veterinary organisation, AVATMA, in highlighting the injuries inflicted on bulls in the bullring and representatives of the charity attended the presentation of AVATMA's work at the Universities Federation for Animal Welfare Conference in June. HSI UK continued to progress a detailed paper on pain and distress in bulls with veterinary colleagues at Humane Society Veterinary Medical Association in the United States and representatives of AVATMA in Spain.

The call for Spanish politicians to bring an end to bull fiestas continues to grow louder each year. HSI UK continued its support of the "Break a Spear" campaign, organised by Partido Animalista Contra el Maltrato Animal (PACMA), which works to bring a halt to brutal events involving the tormenting and killing of bulls such as the annual Toro de la Vega fiesta held in Tordesillas, Spain, every September.

Wildlife crime

Recognising the need both nationally and internationally to protect wildlife from killing for profit or for fun, HSI UK worked with other NGOs, enforcement agencies and other stakeholders to enhance support for the enforcement of wildlife legislation. HSI UK contributed to a report on wildlife crime in the UK, focusing on the need for such crimes to be centrally recorded and called for continued support and long term funding for the National Wildlife Crime Unit. HSI UK presented on UK wildlife legislation and the need for reform, at a round table meeting of experts in environmental law and criminology at the University of Middlesex.

Whales

HSI's marine mammal expert Mark Simmonds was invited to sit on the UK delegation to the IWC at the Commission's 65th meeting in September in Slovenia. Mark and the wider HSI team who attended the meeting lobbied the UK and other countries successfully on a number of issues to increase whale protection (including marine debris) and rebut efforts to weaken or lift the whaling ban.

Seals

The fight to uphold Regulation (EC) No 1007/2009 on trade in seal products continued in 2014. HSI's EU Director, Dr. Joanna Swabe, liaised closely with the European Commission legal team and followed the Dispute Settlement Body and Appellate Body hearings at the World Trade Organisation (WTO) in Geneva. Both the WTO panel and Appellate Body reports upheld the EU's decision to ban the trade in commercial seal products on public moral grounds, although determined that the legislation would require minor amendment to achieve full compliance with WTO rules.

Primates as pets

The keeping of marmosets and other primates as pets raises major welfare concerns. A submission by HSI UK to a government enquiry urged politicians to ban the keeping of such animals in domestic situations. The resulting report, published by the Environment, Food and Rural Affairs Committee, stated that a future ban on their keeping in UK homes may be considered if welfare improvements could not be achieved through the current system.

**THE HUMANE SOCIETY INTERNATIONAL (UK)
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HSI UK co-hosted a well-attended scientific seminar to examine the issues around keeping primates as pets. Held in London in May, key speakers included the President of the British Veterinary Association, primatologists, conservationists and legal experts.

Invasive Alien Species

In 2014, the European Parliament and Council adopted new legislation on the control, management and eradication of invasive alien species. HSI successfully lobbied the European Parliament and Council of the European Union to ensure that due regard was paid to animal welfare. Amongst other things, amendments with regard to non-lethal control and management methods and the protection of non-target species were adopted. The legislation could have significant implications for the exotic pet trade because it makes it possible to prohibit the keeping, breeding, transport, sale and deliberate release into the environment of any species deemed to be an invasive alien species of Union concern. HSI succeeded in getting language introduced whereby taxonomic groups of species with similar ecological requirements could be included in the list, which will prevent the exotic pet trade from switching to similar, but unlisted species.

Wildlife trade

As part of its ongoing campaign to raise awareness of the illegal killing of rhinos, HSI UK attended the United for Wildlife Trafficking Symposium at Zoological Society of London and showcased its outreach work in Vietnam. Representatives of the charity also met with heads of the UK and Vietnamese CITES Management Authorities to discuss UK government funding for Vietnam rhino horn demand reduction work.

HSI UK also co-sponsored a high profile conference, "Assessing the Risks of the Rhino Horn Trade", held in April in Pretoria, South Africa. The event brought together wildlife experts and other stakeholders to discuss the large scale killing and trade in these iconic animals.

Representatives attending the Pretoria conference also used the opportunity to meet with veterinarians involved in emergency treatment of rhinos injured through poaching at the Pretoria Vet School and discussed the development of a DNA database designed to assist in detection and prosecution of rhino-related crime. Details of the project were then presented to UK authorities in support of a potential funding proposal.

HSI also made a formal submission to the European Commission's stakeholder consultation on an EU approach to tackling wildlife trafficking, and successfully lobbied the European Parliament to achieve a strong Resolution on wildlife crime.

Street dogs

In June, HSI UK representatives attended the opening of a new veterinary clinic by the Foundation Mondo Animale in Rocca D'Evandro, Italy, which has been part-funded by HSI.

Horsemeat trade

HSI's campaign to stop the import of horsemeat products to the EU from third countries, which do not meet EU food safety standards continued in 2014 culminating in the European Commission's decision in December 2014 to suspend horsemeat imports from Mexico.

**THE HUMANE SOCIETY INTERNATIONAL (UK)
TRUSTEES' REPORT (continued)
YEAR ENDED 31 DECEMBER 2014**

International Trade

In 2014, HSI was active in lobbying the European Commission with respect to the inclusion of animal welfare and wildlife protection measures in the Transatlantic Trade and Investment Partnership (TTIP) agreement, which is under negotiation between the EU and United States. EU Director Dr. Joanna Swabe participated in various stakeholder fora events surrounding the negotiation rounds in Brussels.

Media coverage

During 2014 HSI UK and EU achieved significant media coverage on a number of issues, including national and local newspaper articles, interviews on national and local radio and TV, including a BBC Country file report about horsemeat and badger gassing, plus regular op-ed pieces on Huffington Post's UK site and other outlets.

General

HSI UK contributed to a number of umbrella NGO organisations and public forums during 2014, including Ape Alliance, Association of Lawyers for Animal Welfare, Associate Parliamentary Group for Animal Welfare, Euro group for Animals, the European Parliament's Intergroup on the Welfare and Conservation of Animals, the International Companion Animal Management Coalition, the International Coalition for Animal Welfare, the Joint Liaison Group with the UK CITES Management Authority and Wildlife and Countryside Link.

Communicating with supporters

HSI UK continued to expand its communications with supporters through a regular series of actions and mailings to inform our dedicated supporters of how their actions can help shape a better future for animals.

Throughout 2014, HSI UK continued to develop its supporter and donor programmes, increasing both direct mail and online communications with its supporters using both print and electronic formats. A wider range of options were introduced so that supporters might choose how much mail they accepted, and whether or not they wished to receive free gifts.

HSI's supporters in the UK and Europe advocate for animals on many issues. HSI UK continued to regularly encourage its supporters to take action on a variety of national and international issues, by signing petitions, writing to policy-makers, and pledging to protect animals in a variety of ways. By doing so, HSI's supporters in the UK and EU help achieve important animal protection goals worldwide.

HSI UK continued to distribute its quarterly UK newsletter, Animal Allies, to its regular donors and a range of others throughout 2014. In August 2014, the strategy and format were changed and AA-associated income doubled as a result.

Incoming calls and emails to HSI UK are handled by London based call centre, Confero, and escalated as necessary to UK office staff. Unfortunately, in August 2014, the UK branch of our fulfilment and lock box facility went into insolvency so we moved to a new one, Doc-Data, in order to process our supporters' donations.

In May 2014, HSI UK had a stall manned by employees at the Wildlife Rocks animal welfare fair at Guilford Cathedral, where we successfully sold many of our branded items and held a successful fund-raising raffle.

**THE HUMANE SOCIETY INTERNATIONAL (UK)
TRUSTEES' REPORT (continued)
YEAR ENDED 31 DECEMBER 2014**

HSI UK would not be able to continue its work to protect animals around the world without the support it receives from its many friends and supporters in the UK and across the rest of Europe. Our campaign successes owe so much to them and their continued dedication to protecting the welfare of animals. Thank you.

My colleagues and I look forward to working with you all in the future.

Andrew Rowan
Trustee

FINANCIAL REVIEW

A summary of the year's results is shown on page 11 of the financial statements.

There has been a decrease in incoming resources during the year of 13.0% to £1,092,258. This reflects a lower level of grant income along with a 9.2% reduction in donations which included an amount from The Humane Society US in 2013. Full details of income are detailed in note 2 to the financial statements.

Expenditure has also decreased to £1,208,306 from £1,293,929 largely as a result of lower levels of fundraising and publicity costs and grants payable.

The charity realised a deficit for the year of £116,048 and as at 31 December 2014 the reserves were in deficit by £167,214. The charity continues to receive the full support of its parent undertaking The Humane Society US and aims to return to a position of solvency by 31 December 2015.

PLANS FOR FUTURE PERIODS

The trustees do not anticipate any significant changes to the charity or its activities over the short to medium term. The intention continues to be to build on the existing donor base with a view to supporting an increased number of animal welfare campaigns.

This report has been prepared in accordance with section 418 of the Companies Act 2008 in relation to small companies.

Approved by the trustees on **21 SEPTEMBER 2015** and signed on their behalf by



Andrew N. Rowan, Ph.D
Trustee

THE HUMANE SOCIETY INTERNATIONAL (UK)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HUMANE SOCIETY
INTERNATIONAL (UK)
YEAR ENDED 31 DECEMBER 2014

We have audited the financial statements of The Humane Society International (UK) for the year ended 31 December 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of trustees and auditor

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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2014, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**THE HUMANE SOCIETY INTERNATIONAL (UK)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HUMANE SOCIETY
INTERNATIONAL (UK) (continued)
YEAR ENDED 31 DECEMBER 2014**

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the director's report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Jonathon Dale BA(Hons) FCA (Senior Statutory Auditor)
For and on behalf of
Independent Auditors LLP
Chartered Accountants
& Statutory Auditor

Emstrey House North
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

25 SEPTEMBER 2015

THE HUMANE SOCIETY INTERNATIONAL (UK)
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Unrestricted Funds £	Restricted Funds £	2014 £	2013 £
INCOME AND EXPENDITURE					
INCOMING RESOURCES					
Incoming resources for generating funds					
Voluntary income	2	1,067,565	24,693	1,092,258	1,254,893
Total incoming resources		<u>1,067,565</u>	<u>24,693</u>	<u>1,092,258</u>	<u>1,254,893</u>
RESOURCES EXPENDED					
Cost of generating funds					
Fundraising and publicity	3	350,728	-	350,728	401,672
Charitable activity					
Promoting animal welfare	4	809,270	25,642	834,912	868,156
Governance	7	22,666	-	22,666	24,101
Total resources expended		<u>1,182,664</u>	<u>25,642</u>	<u>1,208,306</u>	<u>1,293,929</u>
Net incoming/ (outgoing) resources before other recognised gains					
Net movement in funds		(115,099)	(949)	(116,048)	(39,036)
Fund balance brought forward at 1 January 2014		(51,166)	-	(51,166)	(12,130)
Fund balance carried forward at 31 December 2014		<u>(166,265)</u>	<u>(949)</u>	<u>(167,214)</u>	<u>(51,166)</u>

The Humane Society International (UK) has no recognised surpluses or deficits other than those disclosed above. All transactions relate to continuing activities.

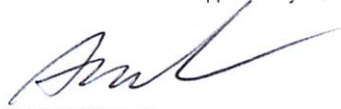
The note on pages 13 to 15 form an integral part of these financial statements

THE HUMANE SOCIETY INTERNATIONAL (UK)
BALANCE SHEET AT 31 DECEMBER 2014

	Notes	2014		2013	
		£	£	£	£
CURRENT ASSETS					
Debtors	10	135,384		75,072	
Cash at bank and in hand		<u>269,744</u>		<u>182,683</u>	
		405,128		257,755	
CURRENT LIABILITIES					
Creditors: amounts falling due within one year	11	<u>572,342</u>		<u>308,921</u>	
NET CURRENT LIABILITIES			(167,214)		(51,166)
NET LIABILITIES			<u>(167,214)</u>		<u>(51,166)</u>
THE FUNDS OF THE CHARITY					
Restricted funds	12		(949)		-
Unrestricted funds	12		(166,265)		(51,166)
			<u>(167,214)</u>		<u>(51,166)</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These financial statements were approved by the Board of Directors on 21 SEPTEMBER 2015



 Andrew N. Rowan, Ph.D
 Director

Registration number 4610194 (England and Wales)

The notes on pages 13 to 15 form an integral part of these financial statements

THE HUMANE SOCIETY INTERNATIONAL (UK)
Notes to the Financial Statements
for the year ended 31 December 2014

1 Accounting Policies

1.1. Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in 2005 and the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 Going Concern

At the balance sheet date, the reporting entity had net liabilities of £167,214. The reporting entity owed £145,719 to The Humane Society US.

The Humane Society US have indicated their willingness to continue to support the reporting entity for a period of at least 12 months from the date of approval of these financial statements. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis. The financial statements do not include any adjustments that would arise as a result of a withdrawal of support by The Humane Society US.

1.3 Income

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Incoming resources from grants, where relating to performance and specific delivery requirements is recognised when the charity earns the right to consideration by its performance.

1.4 Funds

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objects of the Charity and which have not been designated for other purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

1.5 Allocation of Expenditure

Expenses have been allocated to fundraising and publicity, charitable activities, and governance costs on the basis of expenditure incurred, pro-rated where appropriate using the proportions of the staff time engaged in these functions. Expenditure includes irrecoverable VAT where applicable.

Expenditure has been credited on an accruals basis. Grants payable, which do not have any conditions attached are accounted for in full as liabilities of the Charity when approved by the trustees.

1.6 Cash Flow Statement

The financial statements do not include a cash flow statement because the Charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 "Cash flow statements".

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss Account.

1.8 Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1.9 Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

2 Voluntary Income

	Unrestricted Funds	Restricted Funds	2014	2013
	£	£	£	£
Donations	1,067,565	25,642	1,093,207	1,203,446
EU Grant Income	-	-	-	-
WSPA Grant Income	-	(949)	(949)	51,447
Other income	-	-	-	-
	<u>1,067,565</u>	<u>24,693</u>	<u>1,092,258</u>	<u>1,254,893</u>

3 Fundraising and publicity

	Unrestricted Funds	Restricted Funds	2014	2013
	£	£	£	£
Campaign costs	350,728	-	350,728	401,672
	<u>350,728</u>	<u>-</u>	<u>350,728</u>	<u>401,672</u>

THE HUMANE SOCIETY INTERNATIONAL (UK)
Notes to the Financial Statements
for the year ended 31 December 2014

4	Promoting animal welfare	Unrestricted Funds £	Restricted Funds £	2014 £	2013 £
	Campaign costs	257,001	-	257,001	255,363
	Grants payable (see note 5)	28,221	-	28,221	51,899
	UK office costs (see note 6)	524,048	25,642	549,690	560,894
		<u>809,270</u>	<u>25,642</u>	<u>834,912</u>	<u>868,156</u>
5	Grants payable	Unrestricted Funds £	Restricted Funds £	2014 £	2013 £
	University of Oxford - Wildlife Conservation Research Unit	7,280	-	7,280	40,268
	Others	20,941	-	20,941	11,631
		<u>28,221</u>	<u>-</u>	<u>28,221</u>	<u>51,899</u>
6	UK office costs	Unrestricted Funds £	Restricted Funds £	2014 £	2013 £
	Legal and professional fees	285,036	-	285,036	298,135
	Staff costs	103,347	23,536	126,883	124,769
	Travelling	22,592	-	22,592	33,982
	Bank charges	21,433	-	21,433	23,520
	Subscriptions	21,076	-	21,076	15,477
	Management overhead	15,791	2,106	17,897	17,210
	Printing, postage and stationery	16,913	-	16,913	15,157
	Rent (operating leases)	12,456	-	12,456	14,040
	Accountancy	9,360	-	9,360	20,460
	Foreign exchange differences	9,061	-	9,061	(15,200)
	Telephone	3,532	-	3,532	5,722
	Sundry Expenditure	3,451	-	3,451	2,931
	Computer Costs	-	-	-	1,636
	Insurance	-	-	-	3,055
		<u>524,048</u>	<u>25,642</u>	<u>549,690</u>	<u>560,894</u>
7	Governance costs	Unrestricted Funds £	Restricted Funds £	2014 £	2013 £
	Audit fees:				
	Current period	-	-	-	-
	Prior period	3,870	-	3,870	3,780
	Campaign costs	18,796	-	18,796	20,321
		<u>22,666</u>	<u>-</u>	<u>22,666</u>	<u>24,101</u>
8	Wages and salaries	Unrestricted Funds £	Restricted Funds £	2014 £	2013 £
	Wages and salaries	114,182	-	114,182	112,577
	Social security costs	12,701	-	12,701	12,192
		<u>126,883</u>	<u>-</u>	<u>126,883</u>	<u>124,769</u>

The average number of employees during the year was 3 (2013 - 3).

No employees earned in excess of £60,000 during the year ended 31 December 2014 (2013: none).

During the year ended 31 December 2014, trustees' remuneration was £nil (2013: £nil), and trustee expenses £nil (2013: £nil).

9 Taxation

The Humane Society International (UK) is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

THE HUMANE SOCIETY INTERNATIONAL (UK)
Notes to the Financial Statements (continued)
for the year ended 31 December 2014

10 Debtors		2014	2013
		£	£
Other debtors:			
Gift Aid		34,015	71,596
Sundry debtors		-	3,476
Prepayments and accrued income		<u>101,369</u>	<u>-</u>
		<u><u>135,384</u></u>	<u><u>75,072</u></u>

		2014	2013
		£	£
11 Creditors: amounts falling due within one year			
Trade creditors		360,627	34,862
Other taxes and social security costs		7,784	4,881
Loan from parent undertaking		145,719	248,588
Accruals		<u>58,212</u>	<u>20,590</u>
		<u><u>572,342</u></u>	<u><u>308,921</u></u>

The loan from the parent undertaking is a secured liability.

12 Funds					
Analysis of net assets between funds		Unrestricted	Restricted	2014	2013
Current assets	406,077	(949)		405,128	257,755
Current liabilities	<u>(572,342)</u>	-		<u>(572,342)</u>	<u>(308,921)</u>
At 31 December 2014		<u><u>(166,265)</u></u>	<u><u>(949)</u></u>	<u><u>(167,214)</u></u>	<u><u>(51,166)</u></u>

13 Financial commitments

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014	2013
	£	£
Expiry date:		
Between one and five years	<u>1,080</u>	<u>1,080</u>

14 Related Parties

Expenses totalling £34,389 (2013: £791,982) were paid on behalf of the reporting entity by its parent company, The Humane Society US.

During the year the organisation received a donation of £Nil (2013: £152,310) from The Humane Society US and incurred expenditure of £17,897 (2013: £17,210) with The Humane Society US.

Included within other creditors falling due within one year is an amount due to The Humane Society US totalling £145,719 (2013: £248,588).

Expenses totalling £137,258 (2013: £337,200) were paid on behalf of the Humane Society International, an associated company.

The parent company has a charge over the assets of the company

15 Ultimate Controlling Party

The charitable company's ultimate controlling party is The Humane Society US, which is incorporated in the United States.