

COMPASSION IN WORLD FARMING INTERNATIONAL
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
2020-2021



OUR VISION

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

OUR MISSION

is to end factory farming.

OUR ESSENCE

is that farm animals should not, and need not, suffer.

05	Global Chief Executive's overview
07	Highlights
09	Financial Review
10	Map of Compassion in World Farming International
12	Strategy, objectives and activities
14	Progress towards our Strategic Change Goals and other objectives
44	Risks and key challenges
46	Plans for 2021-2022
50	Structure, governance and accountability
53	Review of financial outcome 2020-2021
57	Key people and suppliers
58	Independent Auditor's Report to the Members of Compassion in World Farming
61	Consolidated Statement of Financial Activities
62	Consolidated Charity Balance Sheet
63	Statement of Cash Flow
64	Notes to the financial statements

Welcome. As you are about to read, this has been an extraordinary year for Compassion and the billions of farm animals around the world, who you help us fight to protect.

Together we have navigated our way through a world pandemic, while never taking our eyes off our ultimate goal: ending factory farming and building a sustainable future for all.

We hope you enjoy reading about the many successes you have helped to achieve for farm animals and our planet during this historic time.

Thank you for making it all possible.

TRUSTEES' ANNUAL REPORT

The Trustees, who are also the directors of the company, present their report for the year ending 31 March 2021. 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.



AN EXTRAORDINARY YEAR OF CHANGE, CHALLENGE AND HOPE



With you beside us, we've not only weathered a difficult year, we've accomplished important progress for farm animals and the future of humanity.

Without doubt, 2020-2021 will go down in the history books as the time a global pandemic threatened to bring modern society to its knees. It's been hard on us all, but it's also brought an enormous opportunity: the chance for the world to finally wake up to the deadly costs of factory farming and to spark a whole new era in compassionate and sustainable agriculture.

Before I say more about these historic developments and successes, I want to thank the people who have made it all possible: our dedicated and inspirational Staff and Trustees who have worked tirelessly to keep our vital work for farm animals on track, and to our amazing supporters who have given power to our campaigns through participation, as well as being so generous in enabling our work.

Thank you all for helping ensure our relentless focus on ending factory farming could continue, despite the difficult times of shared adversity worldwide.

SHAPING A KINDER, HEALTHIER FUTURE, TOGETHER

In the space of a single year, the COVID-19 pandemic has exposed the fragility of our societies and shown how cruelty to animals in farms, wet markets and slaughterhouses can cause serious repercussions that affect our very survival. At this pivotal time, we have used Compassion's global voice to highlight the crucial connection between animal welfare and the well-being of humanity and the planet – and to turn up the volume on our call to end factory farming worldwide.

We have built on greater awareness of emerging pandemic, climate and biodiversity threats to the future of society, and intensified our efforts towards achieving a UN Global Agreement, in order to spark a new, regenerative era in food and farming. In February, we launched an important report, *Food system impacts on biodiversity loss*, in partnership with Chatham House and the United Nations Environment Programme (UNEP).

The report highlights the vital steps we must all take to save biodiversity – including the urgent need to move to less and better meat consumption – and a greater focus on plant-based diets. I am pleased to report that it achieved excellent media coverage across the globe. A further report, *Is the next pandemic on our plate?*, also captured media attention, with its pressing message about the need to end factory farming and switch to a healthier food system.

This work, along with our long history of expertise on farm animal welfare, has resulted in Compassion being invited to play a critical role in several hugely significant global meetings during 2021, where there will be opportunities to direct the world along a better path for people, animals and the planet. Among them is the United Nations Food Systems Summit, which aims to reset our food system so that we are working with nature, not against her. I am deeply honoured to have been appointed a 'Champion' of the Food Systems Champions Network and to have the opportunity to represent animal welfare organisations at the 2021 UN Food Systems Summit. It is a fantastic opportunity to trigger far-reaching change for farm animals and humanity and we have our supporters to thank for helping us come this far.

HERALDING THE END OF THE CAGE AGE

One of the high points of last year was submitting our landmark European Citizens' Initiative (ECI) to the European Commission, calling for an end to the use of cages in animal farming. The ECI is a legally-based petition initiative that compels the EU Commission to give consideration to the demands of its citizens within a petition receiving a million or more validated signatures, within a 12-month period. With almost 1.4 million validated signatures, it marks the largest ever ECI on behalf of animals and heralds the End of the Cage Age across Europe. The hand-in event generated extensive media coverage and prompted 101 Members of the European Parliament to formally

urge the Commission to introduce new laws banning cages in Europe.

We continue to work closely with our biggest ever coalition of 170 NGOs across 27 European Union Member States and eagerly look forward to the Commission's legally required response to the demands of the ECI, and to seeing the measures it will propose to help end cages for farm animals. Meanwhile, several Member States took individual action in response to our campaign, including: the Czech Republic, which will ban caged farming of laying hens from 2027. This initiative alone will improve the lives of more than 4.5 million hens.

AWARDING COMPASSION

For me, one of the most rewarding events each year is our Good Farm Animal Welfare Awards, where we recognise companies for making corporate commitments to improve the lives of farm animals in their supply chains. While COVID-19 prevented us from hosting the event 'in person' this year, I am delighted to report that, with our encouragement, businesses continued to push ahead on improving animal welfare standards. During a virtual ceremony, we presented 34 awards to companies in 20 countries, including the UK, China and the US. The combined commitments made by the companies awarded are set to benefit the lives of more than 28 million animals every year. Inspiring businesses to act on animal welfare continues to be a major facet of our work at Compassion.

RETHINKING FISH

Fish farming is the fastest growing area of industrial animal production, causing immeasurable suffering to fish, both farmed and wild, as well as having a huge environmental impact. The vast amount of feed required for farmed fish is linked to deforestation for soya and the capture of around 450 billion wild fish each year.

In July 2020, we launched phase two of our Rethink Fish campaign to persuade the five major global fish certification schemes to improve fish welfare standards. Our supporters sent 380,000 emails to the schemes urging them to make the changes needed. As a result, four out of five of the schemes promised to revise their standards

and billions of fish stand to benefit from these changes.

THE ROAD AHEAD

While this has been a tough and challenging year, I look back on it with pride and excitement. I'm immensely proud of everyone who has contributed so much to our campaigns, helping to achieve the second most successful ECI ever, which has helped build enormous pressure for an end to cruel cages across Europe. I am excited about the important steps we've taken with corporations and organisations around the world, laying the groundwork for major benefits for billions more animals globally in the coming years.

The prospect of the forthcoming UN Food Systems Summit also fills me with hope, providing an unprecedented opportunity to talk about a transformation of the food system, towards one that is truly humane, healthy and sustainable. I look forward to doing everything we can to seize this opportunity for far-reaching progress for animals, people and the planet.

Most of all, I am grateful to our supporters, volunteers, activists donors, who have continued to provide the support so vital in bringing about a more humane world free from the cruelty of factory farming.



Philip Lyberty, Global Chief Executive
Compassion in World Farming International

HIGHLIGHTS

MAKING CHICKEN WELFARE BETTER

Our Better Chicken Commitment programme is driving the food industry towards higher welfare practices. It is going from strength to strength with many new food companies coming on board or extending their commitments. During the year we worked with companies to secure an outstanding number of Better Chicken Commitments. In all, 14 leading companies made commitments including: Nando's, Greggs, Pizza Express, HelloFresh (across their nine European markets: UK, Belgium, the Netherlands, Luxembourg, France, Germany, Austria, Switzerland, and Sweden) and Gousto in the UK. Across the Channel, French retailers Aldi, Lidl, E.Leclerc and Schiever also signed up: cause for real celebration, as 99% of the French retail market is now pledged to improving the lives of millions of chickens.

STOPPING LONG DISTANCE ANIMAL TRANSPORT

As part of our long-running campaign to end live animal exports, our UK office launched a Judicial Review against the Scottish Government to stop the export of unweaned calves to Europe. The upshot was a major U-turn by the Scottish Government who finally conceded the trade was illegal and has now put a stop to it.

Another major highlight last year was our Ban Live Exports: International Awareness Day in June 2020 – a day of digital action across 37 countries which triggered more than 31 million tweets with the hashtag #BANLIVEEXPORTS. As a result, the European Parliament agreed to launch a Committee of Inquiry into the transport of live animals.

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HOLDING COMPANIES TO THEIR PROMISES

We were delighted to launch our first global EggTrack report in October 2020 to show how 210 companies around the world are 'on track' with their commitments to ending the use of cages for laying hens. It was encouraging to see that 63% of the companies had made progress towards their goals despite the impacts of COVID-19. Overall, our findings showed a growing preference for cage-free eggs globally, and some definite retail winners. Nineteen companies met their European commitments last year, including Unilever and Caffè Nero, while UK supermarket, Morrisons, met its target a year early.

IMPROVING ANIMAL WELFARE IN BIG BUSINESS

Our annual Business Benchmark on Farm Animal Welfare (BBFAW) showcases how 150 global food companies manage farm animal welfare in their operations and in their supply chains. It allows investors to compare companies, to identify leaders, improvers and laggards, and to assess wider trends in farm animal welfare in the global food industry. Last year, for the first time ever, food producers and manufacturers delivered better animal welfare results than retailers and wholesalers or restaurants and bars. Overall, 23 companies moved up at least one tier – an extraordinary accomplishment in the face of a pandemic. Our Food Business team is proud to have worked in depth on the animal welfare policies, practices and performance of 10 of the 23 companies that improved their tier ranking in 2020.

ENDING INVESTMENT IN FACTORY FARMING

A key part of our strategy to end factory farming is to redirect the finance that funds it. During the year, we successfully invited 94 leading environmentalists and renowned academics from around the world to sign an open letter calling on major financial institutions to stop funding factory farms. We also wrote to over 100 commercial banks, urging them to stop funding industrial farming and invest in sustainable agriculture instead. As a result, we've started discussions with a number of major global players, including HSBC, ING and Bank of America and we are planning a media campaign for the coming year.

WINNING LEGAL BATTLES FOR FARM ANIMALS

We've had a lot to celebrate over the past 12 months thanks to some hard-won legal victories. As well as stopping the Scottish Government from permitting the export of unweaned calves to Europe, as mentioned on page 7, we made major progress in other countries. Working in partnership, we won a ban on cages for laying hens in the Czech Republic. Germany banned the use of sow stalls and restricted the use of farrowing crates. The Parliaments of Denmark and the Netherlands voted in favour of banning cages for laying hens.

PERSUADING BUSINESSES TO RETHINK FOOD

Key players in the creation of a new food system are the world's powerful food giants. In November, we launched our Rethinking Food programme to encourage businesses to set measurable targets for reducing the amount of meat and other animal-sourced foods whilst increasing their offering of plant-based proteins.

As part of the Rethinking Food programme, we help companies benchmark their policies, rebalance their protein portfolio, create a more resilient and sustainable supply chain, and calculate their impact on key environmental measures and the number of animals in their supply.

In this way, companies can help to deliver affordable, healthy and nutritious food and generate a more humane and sustainable food system.

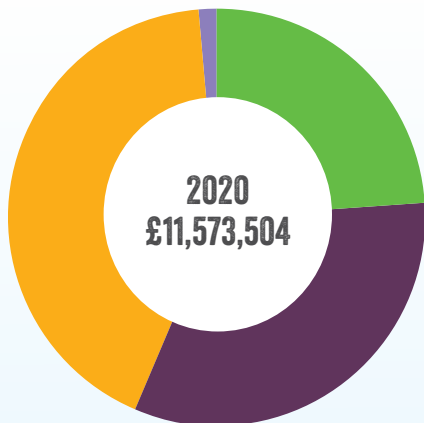


RAISING SUPPORT

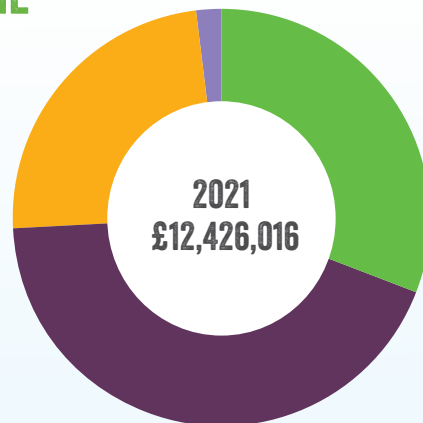
We continually strive to grow our income sources to achieve our ambitious campaigns and strategic goals. We are grateful to everyone who has donated to Compassion in World Farming International or taken action to help end factory farming.

Here we share a summary of our income and expenditure for 2020/2021, along with equivalents for the previous year. Please see our full Financial Report on page 61 for further information.

GLOBAL INCOME

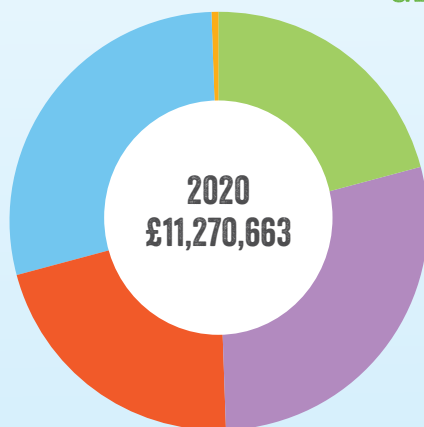


■ £2,775,673	Legacies
■ £3,766,277	Global Individual Giving
■ £4,894,133	Grants & Major Gifts
■ £137,421	Investment Income

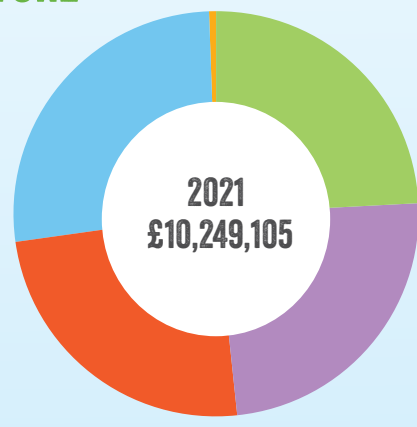


■ £4,199,027	Legacies
■ £4,433,135	Global Individual Giving
■ £3,708,119	Grants & Major Gifts
■ £85,735	Investment Income

GLOBAL EXPENDITURE



■ £2,350,832	Averting Farmageddon
■ £3,245,750	European Legislation
■ £2,399,168	Food Business
■ £3,231,568	Raising Funds
■ £43,345	Investment Management Costs



■ £2,494,811	Averting Farmageddon
■ £2,475,297	European Legislation
■ £2,503,477	Food Business
■ £2,735,975	Raising Funds
■ £39,545	Investment Management Costs

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.



The global Compassion team, photographed before COVID-19 restrictions



USA



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

Since being set up in 2011, the US team has won huge victories against the odds: nearly every major US food company – including the top 25 food retailers – has committed to go cage free on eggs! Read more about the amazing EggTrack programme on page 35.

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. Our Godalming HQ now holds our international Campaigns and Food Business teams, and our UK country team.

Our Food Business programme was established in 2006. To find out more about the Food Business teams work, which is set to benefit over 2 billion farm animals each year, turn to page 32.

CIWF.ORG.UK

FRANCE



France is Europe's biggest agricultural nation, but that hasn't fazed our team of activists, fundraisers and food business team: from regularly attending agricultural fayres (sometimes with security guards!) to taking the Government to court for failing to deliver on a pledge to ban new caged farms for hens, 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, now available on chicken in most French supermarkets (page 28).

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.

Compassion's Spanish representative worked closely with other Spanish NGOs to secure over 85,000 verified signatures for our ECI – and will keep the movement building going to tackle the cruel trade of live exports.

CIWF Spain is also 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.

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



Poland has more caged hens than any other EU country – over 40 million. CIWF Poland threw tremendous weight behind the ECI to End the Cage Age, helping to secure over 54,000 verified Polish signatures. They also gathered an additional 82,000 signatures in support of banning farrowing crates and are waiting for the Agriculture Minister's response.

The team is intent on ending the cruel Christmas tradition of supermarkets selling live carp. As well as securing a massive victory by convincing the Polish State Veterinary Authority to issue new guidelines on the sale of live carp (page 27), the team also convinced three out of eight Polish retailers to commit to ending the trade.

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 22). 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, and was 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; and now exposing the Dutch Government's failings to protect the welfare of the 15 million fish farmed in the Netherlands (page 27).

CIWF.NL

GERMANY



Recruited for the ECI project, Compassion's ECI co-ordinator in Germany secured a vital coalition of German NGOs to garner over one third of the total verified signatures on our End the Cage Age ECI!

In addition, we have been lobbying hard with a coalition of NGOs to secure a German phase-out of sow stalls (page 23) and campaigning for a suspension of live exports of all or some species beyond the EU.

ITALY



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

Recently, we joined forces with other animal and environmental groups to campaign for a national, voluntary labelling scheme to show the method of production on meat and dairy products (page 28).

Meanwhile, all five of Italy's top retailers have now committed to go cage free on whole eggs, and as of December 2020, 60% of Italian hens and pullets were raised in cage-free systems.

CIWFONLUS.IT

CZECHIA



Compassion has been working in the Czech Republic for 13 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. In 2020/2021, thanks to our successful ECI campaign, we helped to achieve a ban on cages for Czech hens from 2027 (page 23).

CIWF.CZ

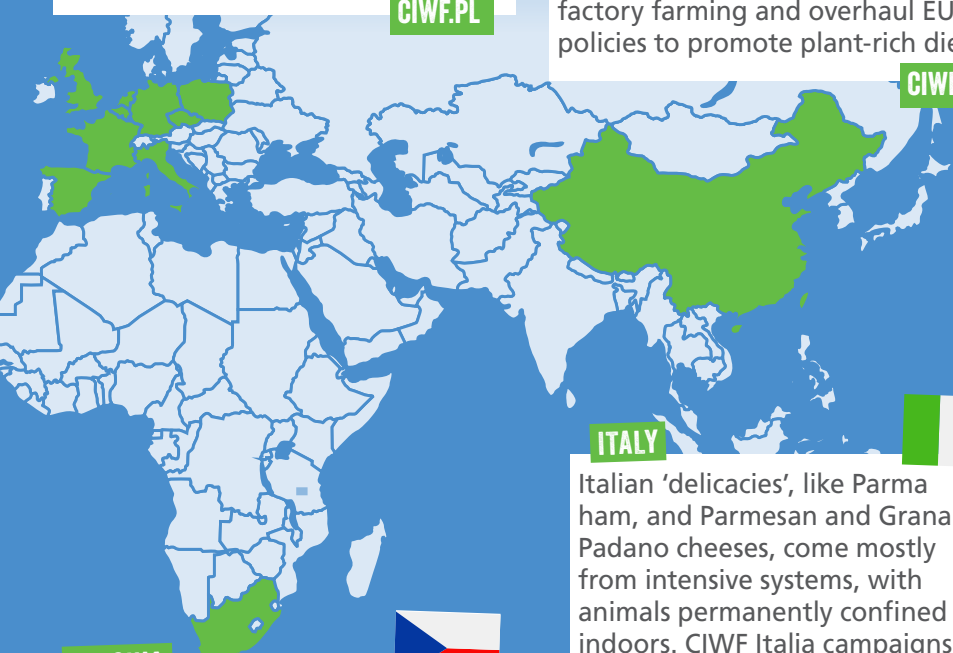
CHINA



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 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 284 million animals a year are set to benefit from this work.

CIWF.CN



STRATEGY, OBJECTIVES AND ACTIVITIES

This reporting year is the third 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 is available in full on our website at [ciwf.org.uk/about-us/strategic-plan](https://www.ciwf.org.uk/about-us/strategic-plan)

OUR PLAN IS BUILT ON THREE CHANGE GOALS:



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

This resulted in the creation of our big 'Five in Five' objectives to achieve by the end of 2022:

- A further 1.5 billion farm animals set to benefit from better welfare due to corporate and government policy commitments;
- Measurable progress towards a Global Agreement on regenerative agriculture by establishing lobbying capacity, infrastructure and influence with the United Nations and other key stakeholders;
- Policy measures by key governments, major food companies and influential bodies (such as the UN) to encourage the consumption of less and better meat (including fish), dairy and eggs;
- To grow our movement to 10 million 'voices' for change;
- To increase our capacity to influence greater change by increasing our global income to £15 million annually.



PROGRESS TOWARDS OUR STRATEGIC CHANGE GOALS

CHANGE GOAL 1: AVERTING FARMAGEDDON

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, in particular by:

POLICY

AIM:
Continuing to develop our relationships with key UN bodies, including launching a report with UNEP on the need for food system transformation.



PROGRESS:
In February, in partnership with the internationally-renowned scientific policy institute, Chatham House, and the United Nations Environment Programme (UNEP), we launched the report, *Food System Impacts on Biodiversity Loss*, during a live

webinar. The event featured several high-profile speakers, including Susan Gardner, Director of the Ecosystems Division within UNEP; Professor Tim Benton, Research Director – Emerging Risks, Chatham House; our Global CEO, Philip Lymbery; and Jane Goodall PhD DBE, Founder – the Jane Goodall Institute & UN Messenger of Peace.

The report supported Compassion’s call for food system transformation, including for a shift to more plant-based diets and the need to farm in more welfare-orientated, nature-friendly ways. The report gained widespread media coverage across the globe and was downloaded more than 25,000 times in 160 countries.

Additionally, we launched the report in China in another webinar at the invitation of a major Chinese NGO – the China Biodiversity Conservation and Green Development Foundation (CBCGDF).

In December, we partnered with UNEP on a webinar event called ‘How to Love Food and Save Nature’, as part of an online event organised by the EAT Food Forum in their position as chair of one of the Action Tracks of the UN Food Systems Summit.



CHANGE GOAL 1: AVERTING FARMAGEDDON

AIM:
Developing working relationships on food systems issues with major NGO partners.

PROGRESS:

As part of building a coalition calling for systemic change of the food system, a successful two-day meeting was held at London's Kew Gardens, where we hosted several of the major international NGOs. A follow-up meeting was postponed because of COVID-19 restrictions but work is underway for further discussions in 2021/2022.

In China we worked with the China Biodiversity Conservation and Green Development Foundation (CBCGDF) to launch the Chatham House report mentioned previously. We also continued to build our relationship with the Good Food Fund in China, participating in its Food System Forum in Beijing.

We developed relationships with the EAT Food Forum, which has a lead role in the UN Food

Systems Summit. This resulted in our Global CEO appearing in a Special EAT Broadcast in December on the issue of Equitable Livelihoods, one of the workstreams of the UN Food Systems Summit.

We became a founding Board member in the establishment of the World Federation for Animals (WFA), launched in February. The Federation's work will include a focus on intergovernmental process towards humane transformation of food systems. During the year, our Global CEO was also appointed President of Eurogroup for Animals, the leading coalition of animal welfare organisations across the EU-27 and beyond.

In Brussels we lobbied for sustainable food and farming policies, including in partnership with others as members of NGO alliances and coalitions such as Climate Action Network Europe CAN-E, European Environmental Bureau, Food Policy Coalition, Sustainable Food and Farming Platform, European Alliance for Plant-based Foods (EAPF) and the CAP-NGO group.



CHANGE GOAL 1: AVERTING FARMAGEDDON

AIM:
Highlighting the need to reform our food system and move away from factory farming as part of our campaign response to the COVID-19 pandemic.



PROGRESS:
We acted quickly to highlight the role of factory farming in the emergence of deadly new diseases and the need for food system transformation. We published a report called *Is the next pandemic on our plate?* which focussed on the dangers of the current

industrial animal agricultural industry and the need to move to regenerative agriculture.

In June, Compassion Patron, Dr Jane Goodall, spoke at our high-profile webinar, 'Pandemics, wildlife and intensive farming'. The event, organised by our Brussels office and seven Members of the European Parliament, included introductory remarks from EU Health Commissioner, Stella Kyriakides, and EU Agriculture Commissioner, Janusz Wojciechowski. It achieved coverage around the globe.

In July, we welcomed the statement of the Council of the EU setting out priorities for the coming year at the United Nations that: *"Industrial agriculture increases the risk of future pandemics and needs to be tackled"*.

We coordinated the launch of an open letter – signed by nearly one hundred of our visionaries, leading environmentalists and renowned academics from around the world – calling on major financial institutions to stop funding factory farms. We also wrote to over 100

commercial banks urging them to stop funding industrial animal production and instead to support regenerative agriculture.

Our international petition, calling on key organisations – including the United Nations, the World Health Organization (OIE) and the World Bank – to opt for a healthy future and an end to the intensive livestock farming industry, was signed 155,986 times.

Our country offices undertook key activities, including:

NETHERLANDS: Our crowdfunded poster campaign in the centre of The Hague called on politicians to support livestock farming that is healthy for animals, people and the earth: involving far fewer animals and ensuring that they all have outdoor access.

SPAIN: In coalition with environmental and sustainability NGOs, we launched a national campaign for a moratorium on new factory farms.

FRANCE: We launched a new supporter action on pandemics, secured a total of 32,000 signatures, and developed new video content to engage with our audiences.

ITALY: We launched the Italian campaign called InSOSTensible, arguing that animal health, human health and environmental health are all connected.



CHANGE GOAL 1: AVERTING FARMAGEDDON

AIM:
Securing participation in key global events, including the next United Nations Environment Assembly meeting.

PROGRESS:
Progress in this area is headlined by Philip Lymbery, our Global CEO, being invited to become a UN Food Systems Champion for the Food Systems Summit to be held in September 2021. This means that Compassion will have a role at the heart of a global event convened by the UN Secretary General.

During the year, our Global CEO was invited to speak at several key UN events on building back better in a post-COVID world, including a high-profile preparatory meeting for the UNEA-5 meeting and the NGO Major Group Side Event at the UN High Level Political Forum (HLPF). A key highlight was an invitation to Philip from the United Nations to participate in an online event to mark World Environment Day (5 June) that featured him being interviewed by Inger Andersen, Under-Secretary-General of the UN and Executive Director of the United Nations Environment Programme (UNEP).

In Kenya, we supported our new Board member, Josphat Ngonyo, director of the African Network for Animal Welfare (ANAW), in bringing together international animal welfare organisations to work towards achievement of a UN Resolution on Animal Welfare through UNEP's UNEA-5 meeting process.



PHILIP LYMBERY
COMPASSION IN WORLD
FARMING
FOOD SYSTEMS CHAMPION

CHANGE GOAL 1: AVERTING FARMAGEDDON

AIM:
Progressing governmental and institutional initiatives aiming at reducing the over consumption of meat (including fish), eggs and dairy, and in particular factory farmed products – specifically working on the EU ‘Farm to Fork’ and the UK new subsidy regime, amongst others.

PROGRESS:

In the EU, we held regular meetings with senior Commission officials and presented at many events. We contributed to key consultations including the European Climate Pact, the Rural Development public consultation, and the insect farming consultation.

We welcomed the release of the European Commission’s new food policy vision, the ‘Farm to Fork’ strategy, on which our Brussels office had conducted extensive lobbying. The policy included a review of animal welfare law, targets to reduce antibiotics and pesticides in farming, and encouragement for more organic farming and non-meat alternative proteins.

Unfortunately, our lobbying ahead of a vote on the EU’s farm subsidy regime, the Common Agricultural Policy (CAP), was unsuccessful, with most MEPs voting to continue the status quo. However, we did manage to avert some key issues. For example, MEPs voted to retain the terms ‘burger’ and ‘sausage’ for plant-based meat alternatives, the use of which had been under threat.

We were also successful in stopping the EU from defining factory farming as ‘sustainable’ in a new piece of legislation called the Taxonomy Regulation. During the consultation period in December, our supporters sent more than 46,000 submissions to the Commission platform. We organised ten days of non-stop pressure on Twitter, sending more than 8,000 tweets to three Commissioners – Agri, Environment and Financial services. And finally, together with 130 other organisations, we sent a clear message to the Commission, with the Civil Society Statement: Ten Priorities for the Climate Taxonomy. In January and February this year, our activity continued, including with a social media campaign directed at Financial Services Commissioner McGuinness.

In the UK we continued to lobby for an Agriculture Bill in which subsidies would not be based on land-area (as per the CAP) and that would include animal welfare as a public good. We were successful in these aims and continue to input on the standards that should be met for farmers to qualify for payments. The new payment scheme will not come into full effect until 2027.



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CHANGE GOAL 1: AVERTING FARMAGEDDON

PUBLIC

AIM:

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:

In addition to the activities outlined above by our Dutch, Spanish and Italian offices utilising the theme of the pandemic, other national activities included:

FRANCE: We delivered a stand-alone campaign called 'Change the system, not pigs' which focussed on tail docking, linking animal welfare to a much-needed systemic change.

GERMANY: We joined the 'Wir haben es satt!' Alliance (We've had enough!), which is a broad coalition of 60 organisations, and took part in their annual protest outside the Bundestag calling for sustainable farming.

NETHERLANDS: We became members of the True Animal Protein Pricing (TAPP) Coalition.

ITALY: We joined the Cambiamo Agricoltura Coalition – a coalition of over 60 Italian NGOs and organisations – aimed at an agroecological change to Italian agriculture.

SPAIN: We joined forces with two other NGOs, Ugualdad Animal (Animal Equality) and Eurogroup for Animals, and submitted a letter to the Spanish Government calling for systemic change. We received a positive answer from the Ministry for Ecological Transition, explaining that it is keen to work to protect biodiversity as one of its main goals.

US: As a founding member of the Regenerative Organic Alliance, we launched the Regenerative Organic Certified™ (ROC™) certification standard for food, fibre, and personal care products. Beyond organic certification, ROC™ adds more advanced criteria to ensure soil health, animal welfare, and social fairness, making it the highest standard for organic agriculture in the world. We also contributed to the passing of State legislation in Colorado outlawing battery cages. Specifically, we leveraged our relationships with major Colorado retailers to encourage retailer trade groups to support the legislation.



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CHANGE GOAL 1: AVERTING FARMAGEDDON

AIM:
To build the public narrative to leverage towards our aim of achieving 10 million voices for food system transformation.

PROGRESS:

We worked hard during the year to obtain greater coverage and higher profile for our work. The table below summarises the overall potential reach of our media coverage, which was over 12.4 billion, an increase of 55% from 2019-2020.

Additionally, because this figure only includes print coverage from the UK, and because some broadcast outlets do not provide figures for potential reach, the actual overall potential reach was even greater.

	2020-2021
UK	5,664,689,510
EU	3,145,558,714
INTL	3,609,581,127
TOTAL	12,419,829,351

As outlined previously, our national offices launched several campaigns and initiatives aimed at raising public awareness on the need for system change. The launch of the Chatham House report achieved a potential reach of 1,010,069,774 and included 240 press hits. The audience reach was higher as these figures only include UK print outlets and coverage was achieved around the world.

During the year, we developed plans for the launch of a digital public signature collection platform that will call for food systems transformation. We developed a trial brand for the platform on which we consulted a broad range of potential NGO partners, including international animal welfare, environment, development and conservation organisations.

Work on the platform development is continuing with the aim of a high-profile launch in 2022.

In South Africa, Compassion in World Farming International comes under the umbrella of the Humane Education Trust. Unexpectedly, the year of hard lockdown offered opportunities to our South African office. With learners having to attend school online, our online Caring Classrooms platform came into its own. By March 2021, our free, downloadable lesson plans – which are based on the Five Freedoms for Animals and the OIE’s One Health concept – suddenly became very popular. With COVID-19 possibly being linked to our invasion of wild places, One Health suddenly made a lot of sense to educators. At year’s end, our lesson plans were being used in more than 700 schools, reaching an estimated 50,000 learners.

CIWF (SA) also contributed a module to the first post-graduate course in South Africa, launched by the Department of Sociology at the University of the Western Cape. Entitled *Animals, Society and the Environment*, the course resulted in the capping of its first-ever graduates in Human Animal Studies and is now embedded in the Sociology curriculum.



Louise Rutgers, a teacher with The Humane Education Trust for 20 years.



CHANGE GOAL 1: AVERTING FARMAGEDDON

AIM:
To build capacity for Compassion's campaigning on a more global footing by developing our presence and building relationships in key countries.



PROGRESS:
We developed a grant-making programme called *Farm Animals in Asia: Funding the Future*, with the aim of encouraging the development of campaigns in Asia in support of our campaigns for a global agreement and an end to caged farming. Research during the year led us

to identify the key countries to be targeted: Japan, Indonesia and South Korea.

In February we launched the programme by way of a dedicated website, which will see three types of grants being offered in 2021/2022 to successful applicants: training grants, organisational development grants and campaigning grants. Our initial focus will be on supporting organisations that work or wish to work to improve the lives of all species of farmed animals.

We recruited staff on the ground to identify key opportunities in Japan and Indonesia and hope to recruit in South Korea.



CHANGE GOAL 2:

EUROPEAN LEGISLATION

To achieve concrete progress towards ending the use of cages, including by:



END THE CAGE AGE

AIM:
Submitting more than one million validated signatures to the European Commission.

PROCESS & PROGRESS:

On World Day for Farmed Animals in October, Compassion and our NGO network partners formally submitted the European Citizens' Initiative (ECI) to End the Cage Age to the European Commission, with almost 1.4 million validated signatures – the largest ever ECI for animals.

This handover, which generated blanket pan-European media coverage, formally triggered a six-month review process, legally obligating the Commission to respond to our ECI, as well as holding a hearing and potential vote in the European Parliament. In support of the ECI, 101 Members of the European Parliament sent a letter to the Commission, urging it to introduce new legislation to ban cages.

Later in October, our ECI was 'warmly welcomed' by European Commissioner for Health and Food Safety, Stella Kyriakides MEP, at a formal meeting attended by our Citizens' Committee.

Our Brussels office commissioned a report by the Institute for European Environmental Policy called Transitioning toward cage-free farming in the EU. Launched at a webinar hosted by the MEP cage-free working group, the report outlines how the EU can transition to a cage-free future.

Media coverage achieved for our ECI and our UK End the Cage Age campaign was extraordinary:

ECI (1 April 2020 – 31 March 2021)
Potential reach: 995,931,574
Press hits: 654

[UK] End the Cage Age (1 April 2020–31 March 2021)
Potential reach: 272,247,796
Press hits: 41



CHANGE GOAL 2:

EUROPEAN LEGISLATION

AIM:

Securing national support in key markets for a move away from cages, including a positive debate in the UK Parliament.

PROCESS & PROGRESS:

We continued to work in partnership with a broad alliance of NGOs across the EU-27 in support of a ban on cages. A key campaign tool was developed: a 'league table' ranking Member States on the % of cage-free animals in each country. This online tool provides a Europe-wide picture of the use of cages, tracks progress towards a cage-free Europe and encourages supporters to target country representatives.

National legislative developments and campaign activities included:

BELGIUM: The Flanders region banned the keeping of rabbits commercially in cages by 2025. A ban on enriched cages for hens is also being considered.

CZECH REPUBLIC: In September, MPs voted to ban the cage farming of laying hens from 2027.

CYPRUS: After a meeting with Compassion, the Cypriot Agriculture Minister directed his ministry officials to identify measures in the rural development programme to incentivise the banning of cages for hens, rabbits and sows.

DENMARK: Our ECI NGO partners persuaded the Danish Parliament to vote in favour of a Bill that would ban cages for laying hens, with an estimated transition period of 3-5 years.

FRANCE: We joined some of France's most prominent business leaders in July to launch the Shared Initiative Referendum for Animals – the first in its country's history.

GERMANY: In July, following months of public protest and joint advocacy work by NGOs, including Compassion's country representative,

Germany banned the use of sow stalls after an eight-year transition period (ten years in cases of hardship), and restricted the use of farrowing crates after 15 years (17 respectively) to five days.

ITALY: Compassion's Italian team met with the Minister of Health who stated his willingness to start a positive dialogue towards a transition to phase out cages for pigs.

NETHERLANDS: In December, the Dutch Parliament accepted a motion calling on the Government to ban all cages for laying hens following various outdoor advertising campaigns by Compassion and a supporter action alert, which saw thousands of emails sent to political parties, and two parties mentioning the strength of the ECI.

PORTUGAL: We awarded a grant to the NGO, SOS Portugal, to enable it to influence the Agriculture Minister in anticipation of the country taking up the EU Presidency in January 2021.

UK: Our UK supporters persuaded the Government to change its consultation on the phasing out of farrowing crates into an official objective. In March, Sir David Amess MP presented a Ten-Minute Rule Bill to the UK Parliament to ban the use of farrowing crates. If successful, the Pig Husbandry (Farrowing) Bill will phase out their use across England by 2027.

Also in the UK, we were delighted to see our campaign film, Dear Humans, beat tough competition from 125 other charities to win the celebrated People's Choice Award at the Charity Film Awards in April 2020 – a category voted for by members of the public.

SOUTH AFRICA: In South Africa, we worked to prepare for the 2021 review by the South African Bureau of Standards of existing standards for laying hens. We aim to reverse the current draft standard which will see hens in conventional battery cages until 2039. We hope to bring about a ban on cages at least by 2027.



“
**The EU needs to take action
on behalf of the millions
of hens and other animals
treated in this cruel manner.**
”
Jane Goodall, PhD, DBE,
Founder – the Jane Goodall Institute
& UN Messenger of Peace



CHANGE GOAL 2:

EUROPEAN LEGISLATION

AIM:

Securing a plenary debate and vote by the European Parliament on ending cages, and a formal hearing and response from the European Commission to our ECI.

In advance of the hearing, EU citizens and NGOs rallied behind the End the Cage Age Citizens' Initiative on Twitter, encouraging MEPs to support the ECI during the public hearing. A total of 35,000 tweets were sent, reaching a potential number of more than 3.7 million views, making public support for the ECI undeniable.

PROCESS & PROGRESS:

Following the submission of the ECI, and a meeting with the EC Commissioner for Health and Food Safety, Stella Kyriakides MEP, a public hearing took place in the European Parliament on 15 April 2021.

This was further boosted by an intense campaign to encourage MEPs to speak in favour of a ban at the hearing – work that was supported by 23 sympathetic media stories across Europe with a combined reach of more than 90 million people.



RETHINK FISH



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



PROCESS & PROGRESS:

In July, we launched phase two of our Rethink Fish campaign urging the five major global fish certification schemes – the Marine Stewardship Council (MSC), Aquaculture Stewardship Council (ASC), GlobalG.A.P., Friend of the Sea (FoS) and Best Aquaculture Practices (BAP) – to radically transform the lives of fish by compelling the schemes to improve fish welfare standards.

In advance of the launch, we commissioned a

YouGov poll in the UK. The results demonstrated clear support for action to improve fish welfare. We developed a comparison table of the schemes, available to supporters online, to determine where action was most needed as well as a range of hard-hitting digital assets depicting the intense suffering of farmed and wild-caught fish.

Supporters were urged to email the CEOs of these schemes and encourage them to introduce or strengthen their fish welfare standards. This resulted in individuals around the world emailing the five schemes, with a total of 380,000 individual actions being taken.

As a result of the campaign, four of the five assurance schemes have announced that they are in the process of updating and expanding their fish welfare standards. If permanently adopted, billions of fish are set to benefit. The campaign has now moved to the next phase focusing on active and cooperative engagement with each of the schemes to monitor progress and influence them to improve.

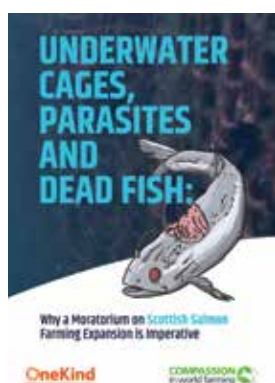
We played a leading role in the global network Aquatic Animal Alliance (AAA) – recently formed by the Aquatic Life Institute – to respond jointly to the assurance scheme public consultations, along with six other animal welfare organisations.



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CHANGE GOAL 2: EUROPEAN LEGISLATION

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



PROCESS & PROGRESS:

In March, Compassion launched a new report and investigative film revealing the damaging impacts of Scottish salmon farming on fish welfare and the environment.

We engaged with other European NGOs to provide governments with a clear roadmap to healthy seas and better welfare for fish. This included support for the Stop Funding Overfishing campaign by the International Institute for Sustainable Development, which has been signed by 144 NGOs. We also joined The Blue Manifesto – a group of European NGOs working on the conservation of the marine environment – calling for policy actions that the EU and other countries should take to safeguard and restore the ocean.

In March, we were delighted when the European Parliament's Fisheries Committee decided to conduct a Parliamentary Policy Department study on fish welfare. This presents a key opportunity for our campaigning programme in 2021/2022 which aims to highlight the need for the European Union (EU) to adopt legislation, setting out minimum standards for the protection of farmed fish.

National activities on fish included:

CZECH REPUBLIC: We launched the second wave of the campaign to end the sale of live carp at Christmas. This resulted in the Fishing Association of the Czech Republic and the State Veterinary Authority releasing a statement in support of the campaign.

NETHERLANDS: We published an alarming new report into the welfare of the nearly 15 million fish farmed in the country and the failings of the Dutch Government to safeguard good welfare. The report was used by MPs to demand an explanation from the Agriculture Minister and was widely reported by the Dutch media. Following media coverage generated by our team, highlighting that four out of eleven companies that were checked by the Food Safety Authority did not perform stunning before slaughter – a practice that is illegal – the industry was forced to examine stunning legislation enforcement.

POLAND: We secured a massive victory by convincing the Polish State Veterinary Authority to issue new guidelines on the sale of live carp. These new rules (many of which are taken directly from Compassion's recommendations) will prevent the public from legally buying and transporting live carp. In addition, following a joint public campaign, supermarket chain Carrefour announced it would stop selling live carp.



CHANGE GOAL 2:

EUROPEAN LEGISLATION

HONEST LABELLING

AIM:

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

PROCESS & PROGRESS:



Our campaigning on labelling continued with some successes:

FRANCE: More than 60% of French retailers have now joined the Animal Welfare Label initiative encouraging companies to be more

transparent and ultimately to commit to better practices. This follows the generation of significant media coverage by our team, including 30 major media hits, and coverage on two national radio stations, national magazines and specialist press.

ITALY: Together with our partner, Legambiente (Italy's largest environmental organisation), we launched a bill proposal for voluntary method of production (MoP) labelling at our first ever Facebook live press conference. The bill proposal has been filed by a sympathetic MP who took part in the event.

UK: We worked on amendments to the Agriculture Bill, seeking method of production labelling. Whilst the amendments were not pushed to a vote, the Government made a commitment to consult on this.

Our petition calling on the Government to introduce mandatory method of production labelling for all meat and dairy products has almost reached the target of 130,000 signatures.



CHANGE GOAL 2:

EUROPEAN LEGISLATION

STOP LIVE EXPORT AND LONG DISTANCE LIVE TRANSPORT

AIM:

To run a major campaign to persuade the UK Government to keep its promises on ending live exports and committing animal sentience to national law.

The UK team secured a major victory against live transport as part of its Judicial Review proceedings against the Scottish Government, forcing it to stop the export of unweaned calves to Europe. Having spent six months defending the inhumane export – wasting taxpayers' money – the Scottish Government finally conceded that this trade was being conducted illegally. In a major U-turn, the Scottish Government instructed the Animal and Plant Health Agency (APHA), which is responsible for approving export journeys, not to approve any further applications for unweaned calves.

Also on calves, we welcomed the UK industry launch of a voluntary scheme to stop shooting male dairy calves at birth; an issue championed by Compassion for many years.

Floating feedlots: animals spending weeks at sea on ships not fit for purpose

Animal welfare put at risk on old and inferior converted car carriers and cargo ships that are not built to transport livestock

Cattle gridlock: EU border delays add to coronavirus strain on meat trade

Possible slaughterhouse shutdowns and staffing issues put pressure on 'vulnerable' supply chains, as campaigners call for restriction of live exports

Compassion - Animal Welfare

See all our campaigns coverage

JUDICIAL REVIEW

Take action: email the Scottish Government.

URGENT

We focussed on pressing the UK Government for an effective ban on all live exports following its announcement of a consultation on a ban on exports for fattening and slaughter.

Our UK and Spanish offices worked with Animals International and the Animal Welfare Foundation to publicise their new investigation, which exposes the cruelty shown towards UK and Spanish animals exported to be slaughtered in the Middle East. High-profile media coverage on multiple BBC channels ensured the issue remained high on the agenda.

ANIMAL SENTIENCE

We continued to call for legal recognition of animals as sentient beings by the UK Government following Brexit and we were relentless in our lobbying and public campaigning work. We took part in key events, organised for our supporters, to lobby their MP and kept the issue in the media. We expect our efforts to bear fruit in 2021/2022.

We also campaigned to prevent the weakening of British animal welfare standards due to Brexit, and joined a broad alliance that includes the National Farmers' Union and social justice NGOs trying to build conditions into legislation on future trade bills.



CHANGE GOAL 2:

EUROPEAN LEGISLATION



BAN LIVE EXPORTS

AIM:
To make progress towards an 8-hour limit

on journeys within the EU. To achieve progress towards a ban on exports from the EU to third countries.

A major highlight of the campaign was the annual Ban Live Exports: International Awareness Day on 14th June, which saw 112 NGOs in 37 countries take part in a day of digital actions, which included a Twitterstorm and support from high profile supporters and Compassion Patrons. More than 31 million tweets with the hashtag #BANLIVEEXPORTS were viewed in 21 different languages.

We provided an action plan and content, including a video, selfie filters, banners, social media profile frames and covers to be shared with the NGOs' supporter bases.

Also in 2020, the European Parliament voted by an overwhelming majority to create a Committee of Inquiry into the transport of live animals. This will make it possible to officially take note of the regular and unacceptable violations of the regulations. The European Commission is preparing to revise the rules relating to live transport and Compassion is working hard to ensure that they include our long held aims of an 8-hour journey limit and a ban on exports to third countries.



We called on the Spanish, Italian and Cypriot ministries, as well as the European Commission, for urgent action when thousands of cattle were stranded at sea for nearly three months. The two ships involved – the Karim Allah and the Elbeik – were both denied entry to any port due to concerns over bluetongue disease. Tragically, all the cattle were euthanised after a veterinary examination.

Thousands of live animals from the EU were stranded in 16 ships behind the broken-down freighter, Ever Given, in the Suez Canal between 23 and 29 March. At the time, media stories focussed on the delays of goods, but we raised awareness of the animals' plight across 114 media outlets. This horrific situation in the Suez helped raise global awareness of the suffering caused to animals through live exports.

NETHERLANDS: The Agriculture Minister paused live exports from the country if 24 hours rest outside the EU is needed as a result of growing public pressure against this trade.

POLAND: Our team contributed to a huge win for animal welfare when lawmakers introduced a law banning fur farming, slaughter without stunning for exports and the use of wild animals in circuses.

Our country offices also supported Eurogroup for Animals in a media campaign against slaughter without stunning, which timed perfectly with the Polish focus on ending exports of animals that were slaughtered without stunning.

SOUTH AFRICA: Sadly our efforts to bring about awareness of the sea trade in live animals to slaughter did not meet with success. On the contrary, a new route has opened up, this time to Kuwait. The journey from the South African port of East London to Kuwait takes three weeks and more.



CHANGE GOAL 2:

EUROPEAN LEGISLATION

ALLIANCE TO
SAVE OUR
ANTIBIOTICS



SAVE OUR
ANTIBIOTICS

AIMS:

- To ensure that the EU 2022 ban of routine antibiotic use in farming remains on schedule and is not weakened.
- To secure commitment from the UK Government to taking the same step.

PROGRESS:

In the EU we worked to establish systems and processes by which we can monitor the EU-wide success of the implementation of the regulations coming into force in 2022.

In the UK we have pressed for the Government to commit to implementing the same regulations as the EU. We received conflicting and unsatisfactory responses but have been advised that the Government intends to run a consultation to which we will coordinate a strong response.

Over the past year we also focussed on the threat to the UK's food standards post-Brexit, given the likelihood of new trade deals. The precariousness of this situation was explored in detail in two of the four reports that we published during the year.

- May 2020: Farm Antibiotic use in the United States
- September 2020: Briefing – 2022 changes to European law – farm antibiotics
- December 2020: Farm antibiotics and trade deals – a threat to UK standards?
- March 2021: Antibiotic use in organic farming – lowering use through good husbandry.



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CHANGE GOAL 3: FOOD BUSINESS

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

AIM:
To benefit the lives of 300 million animals through our corporate partners' policies, practices and commitments.

PROGRESS:
 We achieved commitments and pledges that are set to benefit more than 99 million animals each year.

Despite serious disruption to the food industry as a result of the COVID-19 pandemic, particularly the food service and hospitality sector, our corporate engagement programme has continued to make progress with new commitments, albeit at a lower rate than we had planned.

This takes the overall impact of Compassion's Food Business programme to date, through awards, partnership projects and corporate pledges, to more than 2.1 billion animals set to benefit annually.

Animals set to benefit from our Food Business work (2020/2021)

Programme	Awards	Pledges	Total
EU	27,129,374	71,313,126	98,442,499
CHINA	411,835	-	411,835
US	480,000	-	480,000
Total	28,021,209	71,313,126	99,334,334



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CHANGE GOAL 3: FOOD BUSINESS

COMMITMENTS

AIM:

To deliver our annual Good Farm Animal Welfare Awards in London in June with 8 high calibre award winners from the EU, US and China.

PROGRESS:



The 2020 Good Farm Animal Welfare Awards ceremony was due to take place at the Tower of London in June but was cancelled due to COVID-19. Despite challenging times, the team was pleased to present 34 awards to companies set to benefit the lives of more than 28 million animals each year.

There were 12 Good Egg Awards, three Good Chicken Awards, one Good Turkey Award, four Good Calf

Awards, five Good Dairy Awards, one Good Sow Commendation, one Good Rabbit Commendation, six Good Pig Production Awards in China and one Cage Free Award.

The key highlights:

- **Coop UK** received this year's prestigious **Cage Free Award** for its commitment to eliminate ALL caged farming from its supply chain.
- **Noble Foods**, the UK's biggest egg producer, was awarded a **Good Egg Award** for its commitment to be 100% cage free by 2025.
- **Morrisons** received a **Good Calf Award** in recognition of its joint venture partnership with Arla Foods and Buitelaar to set up a new higher welfare dairy beef scheme.
- **Mondelēz International** received a **Good Dairy Commendation** for its iconic **Philadelphia** brand, expanding its higher welfare policy for dairy cows across a further 15 European countries.

- Both **Aldi UK & Ireland** and **Lidl UK** received a **Good Egg Award** for their cage-free commitments on both shell and ingredients eggs.
- Norwegian discount retailer, **REMA 1000 Norge AS**, and poultry producer, **Norsk Kylling**, received a **Good Chicken Award** for successfully implementing the higher welfare requirements of the Better Chicken Commitment.
- Leading Italian food service company, **MARR**, received a **Good Egg Award** for its commitment to eliminate both cages and combination systems from its supply chain.
- The first ever Italian **Good Dairy Commendation** has been recognised for an Italian cheese-making company producing Parmesan cheese, **Casearia Sant'Anna**.
- **Waitrose & Partners** also picked up the **Best Retailer Marketing Award** for its consistent and high-level consumer-facing communications on farm animal welfare.



CHANGE GOAL 3: FOOD BUSINESS

AIM:
4 cage-free commitments for laying hens.

PROGRESS:

We secured cage-free egg commitments from the following companies in 2020: **Lidl (UK), Aldi (UK & Ireland)** and **Bennet (Italy)**.

Aldi (UK & Ireland) and Lidl (UK) have made a cage-free commitment on both shell and ingredients eggs, going a step further than those retailers that have limited their commitments to just whole eggs.

Italian retailer Bennet committed to phase out cages and combination systems from its shell and own-brand ingredient egg supply by 2022.



AIM:
6 company sign-ups to the Better Chicken Commitment

PROGRESS:

During the year we secured an outstanding number of Better Chicken Commitments from 14 leading companies across Europe including: **Nando's, Greggs, Pizza Express, HelloFresh** (across their nine European markets: UK, Belgium, the Netherlands, Luxembourg, France, Germany, Austria, Switzerland, and Sweden), **Gousto** in the UK; French retailers **Aldi, Lidl, E.Leclerc, Schiever** – which means that over 99% of the French retail market has now signed up to the Better Chicken Commitment – as well as leading manufacturer and distributor of pork and poultry delicatessen products in France, **Fleury Michon**, food service company and owner of the brands PAUL and Ladurée, **Groupe Holder, Domino's Pizza** (in France, Germany, the Netherlands, Denmark, Belgium and Luxembourg), Norwegian companies **REMA 1000** (retailer) and **Norsk Kylling** (producer).

More than 71 million chickens reared for meat are set to benefit from nine of the 14 sign-ups. In addition, Compassion in the US helped secure a commitment from GAP5Step to move to Controlled Atmospheric Stunning which completes its sign up to the Better Chicken Commitment criteria.

We worked with KFC on the launch of its first **Annual Progress Report on chicken performance**, in July 2020, which gained huge media coverage. Compassion was invited to write the foreword for the report which shows areas of achievement and those in need of improvement. It provides a shining example to others about how to report transparently on their progress to implementing the Better Chicken criteria.

CHANGE GOAL 3: FOOD BUSINESS

COMPLIANCE



AIM:
To deliver the first global EggTrack with detailed EU and US regional analysis.

PROGRESS:

We launched the first global EggTrack report in October, showing that despite the impacts of COVID-19, companies are continuing to make progress towards meeting their 2025 cage-free egg commitments (2026 for some businesses in the US).

According to the report – the first to expand beyond the US and Europe to include global company commitments – 63% of the 210 companies tracked had made progress towards their commitments.

The findings revealed that the increase in demand for cage-free eggs is growing globally and is no longer limited to European and North American markets. Yet at the same time, a significant number of multinational companies are yet to extend their regional commitments across their entire global supply chains.

The report highlights:

- Of the 101 companies with European commitments (as part of a global or regional commitment), over 80% reported progress.
- 19 companies reported meeting European commitments this past year, including Unilever, Caffè Nero and Groupe Holder.
- 15 companies reported European progress for the first time in 2020, including leading French egg producer Groupe d'Avril.
- Aramark, Sodexo and Compass Group reported global progress across all egg types: shell, liquid and processed.
- McDonald's is reporting 100% cage-free shell eggs in Europe, and although it has achieved cage-free status on both shell eggs and egg product/ingredients in four European countries (UK, Germany, France, Netherlands), it does not yet have a global cage-free commitment.
- Barilla is the ONLY company to have met a global cage-free commitment, which it did in 2019.
- Greggs, Starbucks and Aldi Nord are nearing completion of their European cage-free commitments.
- Morrisons (UK) met its shell egg commitment this year ahead of its 2022 deadline.
- Tesco and Aldi UK added a 2025 cage-free commitment for egg products/ingredients this year.

Since 2016, the number of companies with GLOBAL cage-free commitments has grown from five to at least 37, including global giants such as Unilever, Nestlé and Compass Group.

CHANGE GOAL 3: FOOD BUSINESS

AIM:

To deliver the 2020 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.

The Business Benchmark on Farm Animal Welfare Report 2020

Nicky Ames, Dr Rory Sullivan & Dr Nathan Ryan Williams MRCVS



PROGRESS:

March saw the launch of the ninth annual Business Benchmark on Farm Animal Welfare (BBFAW), an annual review of how the world's leading food companies are managing and reporting their farm animal welfare policies, practices and performance.

In 2020, 150 global food companies were assessed and, for the first time in the Benchmark's history, food producers and manufacturers were the highest scoring sub-sector on farm animal welfare, with an overall average score of 38%, compared to scores of 36% for retailers and wholesalers, and 31% for restaurants and bars.

Cranswick, M&S, Noble Foods and Waitrose were confirmed as global leaders on farm animal welfare, appearing in Tier 1 of the Benchmark.

In total, 23 companies moved up at least one tier, which is remarkable against the backdrop of the pandemic – a year which has been particularly challenging for the food service sector. Compassion is proud to have worked in depth on the animal welfare policies, practices and performance of 10 of the 23 companies that have improved their BBFAW tier ranking in 2020.

Fifteen companies moved down at least one tier but, given the COVID pandemic, the fact that this year's methodology was updated to place a greater emphasis on 'welfare impacts' for farm animals, the overall results are still promising. Around two-thirds of companies actively managed the business risks and opportunities associated with farm animal welfare and 79% of companies have committed to improvement objectives and targets linked to farm animal welfare.

Momentum is building in Latin America and Asia Pacific regions that include some of the biggest names in global meat production. Analysis here shows noteworthy changes in the overall average score for producer companies in Latin America, whose overall average score rose from 29% in 2019 to 40% in 2020.

In Asia Pacific, producers in the region saw year-on-year scores improve from 21% to 27% in the Management Commitment section and from 14% to 18% in the Governance and Management section. However, it is worth noting that this rise is from a very low base, and the average overall score for these companies increased from 12% to 16% in 2020.

UK domiciled companies, with an average score of 64%, continue to outperform companies in other geographies. The second highest-scoring region remains Europe (excluding the UK), which achieved an average score of 40%.

World Animal Protection concluded their partnership with us on the BBFAW at the end of March. Our new partners, Four Paws, are currently working with us and the Secretariat on the annual evolution of the methodology and the increased weighting of the performance impact section.

CHANGE GOAL 3: FOOD BUSINESS

IMPLEMENTATION:

AIM:

To facilitate transition to cage-free and higher welfare production through industry species-specific forums for at least laying hens, broiler chickens and fish.

PROGRESS:

We published a video case study with leading UK egg producer, Noble Foods, highlighting how they have converted one of their 'enriched cage' barns into a brand new, higher welfare aviary barn system with an identical pullet rearing unit. It provides an excellent example to others that are planning their cage-free transitions.



In Italy, our Food Business team has been working hard to eliminate the use of 'combi systems' (combination cages), and working with Italian egg producer, Fattoria Roberti, we have produced a case study on how to convert from a 'combi' to a higher welfare aviary barn system, paving the way for other producers follow their lead.

Implementation of the European Chicken Commitment is a major focus for our Food Business programme, with companies looking to us to facilitate the change to higher welfare production.

In lieu of our annual broiler forum, in December 2020, we held our first chicken webinar focussing on 'Why a Better Breed is Better for Welfare' where we presented the latest research highlighting the benefits of breed change to the health and welfare of broiler chickens.

We worked with the UK Red Tractor Assurance Scheme to introduce a new 'Enhanced Welfare' module and marque for indoor-reared chickens that meets requirements of the Better Chicken Commitment. Signatories are able to request compliant chicken from their suppliers via an established third party audited standard. The marque also provides a visual identity for compliant chicken.

Meetings have been held with all nine major UK retailers and eight European retailers on their fish welfare policies. They were provided with a detailed gap-analysis of their current policies and practices using BBFAW, the supermarket survey and retailer public information, with a view to progressing the asks of the Rethink Fish #2 campaign.

As a result of these meetings, four major retailers have published and/or improved their fish rearing policies, and two have published humane slaughter policies. In addition, following engagement with seven major fish producers, two companies have made improvements to their fish rearing policies.

CHANGE GOAL 3: FOOD BUSINESS

The Food Business Programme went virtual with many of its events this year and delivered a series of fish webinars on the following subjects:

1. Guidance on Writing a Fish Welfare Policy: 2 December 2020

Companies were introduced to the topic of fish sentience, the welfare issues of our five key species, and were expertly guided through the steps needed to produce a comprehensive fish welfare policy.

2. Environmental Enrichment and Predator Control for Farmed Fish: 27 January 2021

External speakers, Dr Pablo Arechavala-Lopez (FishEthoGroup Association) and Prof Sunil Kardi's (Institute of Aquaculture, University of Stirling, and consultant to the aquaculture industry), led with presentations on the need for an enriched environment for fish and gave an industry perspective on providing enrichments, respectively.

3. Humane Slaughter for Aquaculture Fish: 11 February 2021

External speaker, Ruth Hoban (New England Seafood), talked about the company's journey to implementing humane slaughter for Sea bass and Sea



bream; Ben Weis (Tesco) gave an overview of current practice for pangasius slaughter and Tesco's commitment to 100% humanely-slaughtered finfish across all own brand products; Jade Spence (Humane Slaughter Association) discussed improving the slaughter of fish in practice; and Compassion gave an overview of our recommendations for species-specific humane slaughter.

We published a range of useful infographics which included:

- The 'Who am I?' infographic series was extended across the six key fish species (Atlantic salmon, Rainbow trout, Sea bass, Sea bream, Pangasius and Carp)
- Recirculating Aquaculture Systems (RAS) for Salmon
- Sea Lice Management and Treatments
- Enrichment for fish during rearing – along with a literature review on environmental enrichment for fish in aquaculture
- Cleaner Fish Welfare
- Best Practice Guidance Document: Predator Control
- Trade – UK v US welfare comparisons.

We also published an in-depth comparison of fish welfare standards (legislation, certification and Compassion's recommendations) and a GAP analysis for our major accounts. The latter is currently being used in our company engagement outreach on fish. The Pangasius resource pack completes the key species set of packs (Atlantic salmon, Rainbow trout, Sea bass, Sea bream).

Compassion took part in a three-day online conference on Danone's regenerative agriculture project (Farming 4 Generations) to ensure the integration of animal welfare, and we continue to be involved in the working group for the French animal welfare labelling scheme, developing an audit grid for pigs.

CHANGE GOAL 3: FOOD BUSINESS

AIM:
To reach a further 850 million consumers through our marketing and communication channels.

In 2020/2021, the consumer reach achieved through media and partnership marketing activity was estimated at more than 2.9 billion, including some key outputs as follows:

- KFC Broiler Welfare Report launch: >225m
- Nando's European Chicken Commitment announcement: >114m
- First 'Global' EggTrack launch (Oct): >161m

Food Business media:	887.7 million
Awards media:	146.2 million
China media:	1.3 billion
Partnership marketing:	193.2 million
BBFAW media:	445.3 million
TOTAL	2.9 billion

AIM:
To push for policy measures by major food companies to encourage a reduction in meat production and a move towards provision of better meat (including fish), milk and eggs developing best practice case studies.

PROGRESS:

In November, we launched our corporate-facing Rethinking Food website outlining the case for change. This included starting conversations on introducing measurable targets for the reduction of meat and other animal-sourced foods in their corporate sustainability plans. Examples of corporate and public initiatives are also communicated on the site to encourage competition and raise awareness.

Company engagement now continues in earnest with a list of 37 target companies having been identified for the new financial year.

Retailer workshops have commenced and work continues to drive further engagement with food businesses.

The team has carried out desk research to establish those companies most active in the sustainability field. This enabled the Food Business team to identify the most effective inroads on meat reduction targets and animal welfare improvements.

As part of the programme, our US office developed, for launch in 2021/2022, a calculator that enables corporates and consumers to work out the environmental impact of their meat and dairy consumption with a view to encouraging reductions.

GLOBAL FUNDRAISING

TRANSFORMATIONAL INCOME

AIM:
To raise £9m gross income.

PROGRESS:
Global Fundraising full-year income and net contribution targets, both original budget (income £8.7m, net £4.9m) and increased Q3 forecast (income £11.6m, net £8.3m), were over-achieved by all income streams. The delivery of £12.3m fundraised income is £714k ahead of our Q3 forecast and £3.7m ahead of the original budget. The net contribution achieved was £9.1m, which is over and above to the gross income target in the original budget.

AIM:
To increase donor numbers.

PROGRESS:
We now have over 85,000 donors globally.

AIM:
To develop our USA major donor fundraising programme.

PROGRESS:
A new fundraising team is now in place in the US with a focus on donor stewardship and engagement. This has yielded significant repeat and increased donations from major donors during this financial year.

AIM:
To engage and develop existing support with a clear narrative, case for support and integrated campaigns and communications.

PROGRESS:
A new Case for Support was developed and approved in autumn 2020 and now forms the basis for our supporter and donor communications and fundraising. The Communications and Brand Steering Group was also established in autumn 2020 and is reviewing strategy and guidelines, and improving coordination of communications and brand globally.

GLOBAL INDIVIDUAL GIVING

AIM:

To raise £4.3m gross income from global individual giving by March 2021.

PROGRESS:

Individual Giving achieved £4.4m gross income against an original budget of £4.3m. Net income achieved was £2.4m which is +£890k or 56% on 2019/20.

AIM:

To balance and adjust investment by market and approach throughout the year.

PROGRESS:

Performance and KPIs were closely monitored across each market and adjustments made on a monthly and quarterly basis in order to exceed net income and ensure the most effective use of our fundraising investment.

AIM:

To maximise sustainable net income growth and ongoing market diversity.

PROGRESS:

All our major markets grew net income over the course of the year. As a result, we continued to grow the share of income outside our most established market, the UK. A key focus throughout the year was on improving our systems and communications to better convert, retain and reactivate monthly regular donors across all our markets. One essential KPI has been to grow the proportion of monthly donors giving by direct debit.

AIM:

To recruit or convert 9,000 new monthly gifts and recruit a total of 20,000 new donors worldwide.

PROGRESS:

The social and economic uncertainty of the COVID-19 environment almost certainly reduced the propensity for donors to choose a monthly gift over a single donation. We recruited and converted 7,700 new monthly gifts worldwide and over 23,000 new donors made their first gift to Compassion in 2020/2021.

AIM:

To overhaul and improve the content and visibility of Compassion's impact to donors and supporters.

PROGRESS:

In addition to local donor stewardship and progress reporting, our latest global impact report was developed and circulated to audiences in the UK, Italy, Spain, France, Poland and the US.

AIM:

To test new approaches for donor engagement and conversion in key markets worldwide.

PROGRESS:

Building on our "digital first" strategy for individual fundraising, we undertook a new approach across a number of markets in order to test deepening engagement and response with donors. Examples include: our first direct mail test in Italy; telephone fundraising to inspire new supporters to become monthly donors in France, Netherlands and Italy; a test of online raffles in the UK; expansion of our virtual "cook with compassion" supporter engagement scheme in the UK and SMS giving, also in the UK.

SHOW US YOUR COMPASSIONATE COOKING!



UNDETERRED BY COVID-19, OUR AMAZING SUPPORTERS, PATRONS AND TRUSTEES FOUND WAYS TO CARRY ON FUNDRAISING TO FIGHT FACTORY FARMING



LEGACIES

AIM:

To raise £2.6m.

PROGRESS:

Legacies achieved £4.2m income against an original budget of £2.6m. This significant over achievement of target against original budget is due to receiving a delayed legacy payment in April 2020.

AIM:

To manage the pipeline of legacies through to income.

PROGRESS:

Due to the pandemic, there have been significant delays over the year, with many probate services, executors and solicitors having taken longer to respond to communications and process estates. In addition, the team has had to manage a number of more complex cases, which is an increasing trend across the sector, and tend to require increased resources and legal advice.

AIM:

To continue to grow the profile of leaving a legacy to Compassion through marketing.

PROGRESS:

Despite the challenges caused by key legacy marketing staff on maternity leave, the promotion of legacy giving was woven through much of our donor marketing (e.g. in newsletters and online) over the year. As result, **550 supporters newly engaged with our legacy programme during the year. Worldwide, over 8,600 individuals have now engaged and expressed interest in legacy giving.**

MAJOR GIFTS

AIMS:

To raise £1.8m gross income from individuals, trusts & foundations.

PROGRESS:

Major Gifts achieved £3.7m income against an original budget of £1.8m. This included significant additional-to-budget restricted income and some multi-year grants from Open Philanthropy.

VOICES

AIM:

To develop, communicate and implement a clear strategy to achieve 10 million voices globally by the end of 2022.

PROGRESS:

We continued to invest in promoting our campaigns online. This led to **over half a million citizens joining our global movement against factory farming.**

DONOR RECOGNITION

We would like to warmly thank our individual, trust and foundation and company donors for their generous support over this financial year:

Zechariah Adams • Paul Davis • Dr. Bronner's • Esmée Fairbairn Foundation • Fondation Salvia • Honey's Real Dog Food • Valerie James • John Mackey • John Meers • Mobius • Open Philanthropy • Brooke Schooley • Taurus Foundation • The Bebb Charitable Trust • The Rose Animal Welfare Trust • The Constance Travis Charitable Trust

And 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 during 2020/2021.

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	<p>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 focussed, 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.</p>
Impact of COVID-19, global remote working and national societal restrictions	<p>Physical and mental wellbeing of staff has suffered because of having to work from home, isolation from colleagues, excessive time spent in front of a screen, and restrictive measures placed upon countries because of political measures to reduce the spread of the virus.</p> <p>To mitigate this, we have carried out workstation assessments for home working; provided clear guidelines on internal and external meetings; ensured there was strong communications within teams paying particular attention to wellbeing; access to correct equipment for home working for all staff; global communications to ensure team remain connected.</p>
Cybersecurity and cyber fraud	<p>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.</p>



PLANS FOR 2021-2022

Progress towards our strategic change goals for 2021/2022

CHANGE GOAL 1: BEYOND FACTORY FARMING

GLOBAL AGREEMENT: POLICY

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:

- Continuing to develop our relationships with key UN bodies, including the United Nations Environment Programme (UNEP)
- Deepening working relationships on Food Systems issues with major NGO partners
- Influencing and securing participation in key global events, including the UN Food Systems Summit 2021, the UN Climate Change Conference (COP 26) and the Convention on Biological Diversity
- Progressing governmental and institutional initiatives aiming at reducing the over consumption of meat (including fish), eggs and dairy, and specifically of factory farmed products through the EU 'Farm to Fork' and UK new subsidy regime, amongst others
- 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.

GLOBAL AGREEMENT: PUBLIC

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:

- Preparing 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
- Developing and launching a movement-building digital signature collection platform and coalition campaign for food systems change.

CHANGE GOAL 2: EUROPEAN LEGISLATION

END THE CAGE AGE

To achieve concrete progress towards ending the use of cages, including by:

- Conducting an intensive lobbying campaign in the EU, and mobilising our coalition of 170 organisations, to achieve the best outcome possible from the 1.4 million signatures calling for an end to caged farming
- Securing a response to our European Citizens' Initiative from the European Commission that lays the groundwork for a ban on caged farming, and ensuring that this is approved in legislation by 2024
- Securing national support in key markets for a move away from cages, including a consultation on caged farming by the UK Government.

RETHINK FISH

- To achieve national and EU-wide progress towards legislative protection of fish welfare
- To make measurable progress on fish welfare through our programme to encourage assurance schemes to commit to key welfare improvements.

HONEST LABELLING

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

STOP LONG DISTANCE LIVE TRANSPORT

- 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
- 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.



CHANGE GOAL 3: FOOD BUSINESS

COMMITMENT

To benefit the lives of more than 200 million animals as a result of our corporate partners' policies and practice commitments, including at least:

- 12 cage-free commitments for laying hens
- 20 company sign-ups to the Better Chicken Commitment
- 7 companies to publicly commit to an effective fish slaughter policy for five main species (2020-2022 objective)
- 15 China Good Production Award winners (hens, chicken, pigs)
- To secure public commitments from at least three companies for the reduction in production/consumption of meat, fish, dairy or eggs.

COMPLIANCE

- To launch the second global EggTrack with detailed EU and US regional analysis
- To publish the inaugural ChickenTrack report in EU
- 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
- To launch the 2022 online Supermarket Survey and secure at least 20 entries.

IMPLEMENTATION

- 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
- To deliver our annual Good Food Animal Welfare Awards virtually in June, focussing on our popular panel awards for Sustainable Food and Farming, and Best Marketing and Innovation Awards
- To reach a further 1.2 billion consumers through our marketing and communication channels
- To engage with at least 60 companies on Rethinking Food and the need for 'less and better' meat, fish, dairy and eggs, via two regional forums and individual company engagement.



GLOBAL FUNDRAISING

1 GROWTH STRATEGY: INVESTMENT, STEWARDSHIP AND PROSPECT PIPELINE:

Annual income and net targets:

- i. To raise £9.64m gross income at £3.74m cost to achieve £5.9m net.
 - 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. £2m additional to budget target.
 - Global Individual Giving (GIG) to achieve 9% gross income growth and 11% net income growth (compared to 2020/21 Q3 forecast).
- ii. Growth strategy and stretch targets: to continue investment in fundraising growth and progress toward a sustainable organisation with £15 million annual expenditure.
- iii. Increase donor numbers and average gift values: GIG and Major Gift through investment in donor stewardship, retention, and acquisition.
- iv. Grow the US fundraising programme to achieve the ambitious GIG and MG targets, develop an integrated communications strategy and grow funding for global programmes.
- v. 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.
- vi. Prospects: To work closely with the CEO, senior staff and trustees, to open up new connections with major donors and influencers and steward our top donors.

2 BRAND & COMMUNICATIONS:

- i. 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.
- ii. Brand & communications: To be part of developing a clear and strategic approach to our organisational communications, through the Communications & Brand Steering Group.
- iii. Digital: To oversee the development and delivery of the new CIWF.org international website and support the Campaigns team to deliver the End Factory Farming petition platform.

3 PEOPLE, POLICIES & SYSTEMS:

- i. Develop, and embed across Fundraising, a Donation Acceptance Policy and Corporate Engagement Framework, alongside the wider roll-out of the Ethical Policy.
- ii. Team development: Continue to strengthen the capacity, skills and management of the global team, improving and embedding processes and policies, engagement, creativity and innovation.
- iii. Fundraising digital systems review to benefit the whole organisation, and primarily support GIG objectives through system improvements and upgrades.

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 Disability Discrimination 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 skills 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 2020-2021

INCOME

Total income was £12.4 million in 2020-21, an increase of £0.8 million compared with 2019-20. The principal contributor to the increase was legacy and individual giving 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 focusses its income performance on three key areas of income generation: legacy income; grants and major gifts income; and global individual giving.

Legacy income was £4.2 million, an increase of £1.4 million or 50% on last year. Grants and major income declined by £1.2 million or 24% over last year to £3.7 million for 2020-21. This decrease was driven by two-year grant funding recognised in full in 2019-20 but spent out over a two-year period. Global individual giving income was £4.4 million, an increase of £0.6 million or 16% on last year.

Total restricted income was £2.6 million in the year, 21% of total incoming resources; this compares to last year, which was £4 million or 34% of total incoming resources. Total unrestricted income earned in the year was £9.8 million, an increase of £2.2 million or 31%. This was due to strong performance in both legacies and regular giving.

EXPENDITURE

Total expenditure was £10.2 million in 2020-21, a decrease of £1.1 million compared with 2019-20. Costs of generating funds reduced by £0.5 million year on year to £2.7 million.

Total expenditure on charitable activities was £7.5 million in 2020-21 against £8 million in 2019-20, a decrease of £0.5 million (6%). This decrease in spend was driven by the impact of the pandemic. During 2020-21, we took early steps in the period to reduce our costs base where possible to ensure we were on the best footing. We also saw many physical events move online, as well as saw a significant reduction in travel spend as lockdown took effect. All of these together had the impact of reducing our overall cost base in 2020-21.

BALANCE SHEET AND RESERVES

RESERVES POLICY

The Board of Trustees reviews the reserves policy at the same time as approving the Annual Budget and five-year financial plan, on an annual basis.

The policy takes a risk identification approach to calculate an appropriate level of unrestricted reserves to cover our legal commitments and manage possible fluctuations in future levels of income. One of the key objectives for the organisation's five-year financial planning is to achieve a target level of reserves to cover all our identified risks, to protect programmatic expenditure in the short term from any sudden drop in income and ensure long-term financial stability.



At their 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 £10.3 million in reserves. Of these reserves, £2.1 million are restricted and not available for general purposes. A further £0.4 million are designated to be spent by the end of the financial year 2021-22.

The amount of 'free' unrestricted reserves available for general purposes, excluding restricted and designated funds, was £7.8 million, equivalent to seven and a third months' unrestricted operational expenditure. In light of the ongoing impact of COVID-19, the Board of Trustees are comfortable with the charity carrying reserves that exceed the absolute range of six months.

Given the impacts of COVID-19 on society, the charity has had to deal with high levels of uncertainty in our fundraising planning, particularly Individual Giving and Legacies, which while performing well in the short term, will likely be hit negatively in the mid-term. We are fortunate as an organisation, not to rely on income from physical activities as this has increasingly hit other charities' income hard in recent months. During the period we took early steps to reduce our costs base where possible to ensure we were on the best footing.

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.

We are of the opinion that the organisation will continue as a going concern and that the current level of general reserves is appropriate in the context of future income uncertainties.

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 gain of £0.4 million. This was a good performance in the current financial climate.

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 2020/2021 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:

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

Global Major Giving – this work encompasses:

- **Major giving:** 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 2020/2021, 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 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 2020/2021, we received 29 complaints (2019/2020 34 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: 5th November 2021

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
Appointed 12 March 2021

Joyce D'Silva

A. Jeremy Hayward

Josphat Ngonyo Kisui
Appointed 11 September 2020

Mahi Klosterhalfen

Global Chief Executive and Leadership Team

The Global Leadership Team of the charity at the end of the financial year 2021:

Philip Lymbery
Global Chief Executive

Kathryn Flanagan
Chief Operating Officer

Aoife Junor
Global Director of Finance and Company Secretary

Nicole Gillham
Global Director of Fundraising

Richard Brooks
Global Individual Giving Director

Sean Gifford
Global Director of Campaigns

Dr Tracey Jones
Global Director of Food Business

Jeff Zhou
Chief Representative, China

Professional Advisers

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

Solicitors
Stevens & Bolton LLP
Wey House,
Farnham Road,
Guildford,
Surrey, GU1 4YD

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 2021 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 2021 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.

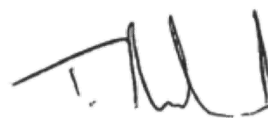
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of legacy, grant and major gift income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries 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: 15 November 2021

STATEMENT OF FINANCIAL ACTIVITIES

For year ended 31 March 2021

	Note	Unrestricted Funds	Restricted Funds	2021 Total	2020 Total
		£	£	£	£
Income from:					
Donations and legacies	2	9,527,059	2,647,967	12,175,026	11,286,599
Charitable activities		5,354	-	5,354	8,205
Other trading activities	3	152,445	-	152,445	133,823
Investments income	4	85,735	-	85,735	137,421
Other		7,456	-	7,456	7,456
Total income		<u>9,778,049</u>	<u>2,647,967</u>	<u>12,426,016</u>	<u>11,573,504</u>
Expenditure on:	5				
Raising funds		2,735,975		2,735,975	3,231,568
Investment management costs		39,545		39,545	43,345
Charitable activities:					
CG1 Averting Farmageddon		2,111,178	383,633	2,494,811	2,350,832
CG2 European Legislation		1,555,907	919,390	2,475,297	3,245,750
CG3 Food Business		1,072,593	1,430,884	2,503,477	2,399,168
Total expenditure		<u>7,515,198</u>	<u>2,733,907</u>	<u>10,249,105</u>	<u>11,270,663</u>
Net gains/(losses) on investments	10	401,848	-	401,848	(35,607)
Net income/(expenditure)		<u>2,664,699</u>	<u>(85,940)</u>	<u>2,578,759</u>	<u>267,234</u>
Fund balances at 1 April	15	5,757,570	2,206,161	7,963,731	7,650,559
Exchange movement on opening funds		(211,119)	-	(211,119)	45,938
Fund balances at 31 March	15	<u>8,211,150</u>	<u>2,120,221</u>	<u>10,331,371</u>	<u>7,963,731</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 2021

		2021 Total	2021 Total	2020 Total	2020 Total
		£	£	£	£
Fixed assets					
Tangible assets	9		-		5,480
Investments	10		3,889,500		4,900,143
Cash investments			884,438		883,925
			<u>4,773,938</u>		<u>5,789,548</u>
Current assets					
Debtors	11	446,892		712,635	
Short term deposits		4,129,738		1,232,578	
Cash at bank and in hand		1,871,249		846,763	
		<u>6,447,879</u>		<u>2,791,976</u>	
Creditors: amounts falling due within one year	13	(873,048)		(592,939)	
Net current assets			<u>5,574,831</u>		<u>2,199,037</u>
Total assets less current liabilities			<u>10,348,769</u>		<u>7,988,585</u>
Creditors: amounts falling due after more than one year	14		(17,398)		(24,854)
Net assets			<u><u>10,331,371</u></u>		<u><u>7,963,731</u></u>
Income funds					
Restricted funds	15		2,120,221		2,206,161
Unrestricted funds	15				
General income funds		7,853,150		5,458,574	
Designated funds		358,000		298,996	
			<u>8,211,150</u>		<u>5,757,570</u>
Total funds			<u><u>10,331,371</u></u>		<u><u>7,963,731</u></u>

The financial statements were approved by the Board and authorised for issue on 5th November 2021 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 4590804

Date: 5th November 2021

STATEMENT OF CASH FLOWS

For year ended 31 March 2021

	Note	2021		2020	
		£	£	£	£
Cash flows from operating activities					
Net cash provided by (used in) operating activities	a		2,423,933		(482,502)
Cash flows from investing activities:					
Dividends and interest from investments		85,735		137,421	
Purchase of tangible fixed assets		-		-	
Proceeds from sale of investments		553,201		1,600,250	
Purchase of investments		(451,619)		(187,367)	
Cash investment		1,310,909		(1,518,363)	
Net cash provided by (used in) investing activities			1,498,226		31,941
Change in cash and cash equivalents in the reporting period			3,922,159		(450,561)
Cash and cash equivalents at the beginning of the reporting period			2,963,266		3,413,827
Cash and cash equivalents at the end of the reporting period	b		6,885,425		2,963,266

	Note	2021		2020	
		£	£	£	£
a) Reconciliation of net income/(expenditure) to net cash flow from operating activities					
Net income/(expenditure) for the reporting period (as per the statement of financial activities)			2,578,759		267,234
Adjustments for:					
Depreciation charges	9		5,480		12,883
Cumulative translation adjustment			(211,119)		45,938
(Gains)/losses on investments			(401,848)		35,607
Dividends and interest from investments	4		(85,735)		(137,421)
(Increase)/Decrease in debtors			265,743		896,622
(Decrease)/Increase in creditors current			280,109		(1,595,908)
(Decrease)/Increase in creditors non-current			(7,456)		(7,457)
Net cash provided by (used in) operating activities			2,423,933		(482,502)
b) Analysis of cash and cash equivalents					
Cash in hand			1,871,249		846,763
Notice deposits (less than 3 months)			5,014,176		2,116,503
Total cash and cash equivalents			6,885,425		2,963,266

NOTES TO THE FINANCIAL STATEMENTS

For year ended 31 March 2021

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 as historical cost of transaction value 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 bases to use to apportion staff costs and support costs. These are reviewed annually for reasonableness
- estimating the useful economic life of tangible fixed assets
- estimates in respect of accrued expenditure.

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 of the SOFA on a basis to reflect the use of the 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 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 COVID-19 pandemic 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 2021, Compassion in World Farming International has sufficient cash and 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 as branches within the accounts of Compassion in World Farming International.

NOTES TO THE FINANCIAL STATEMENTS (continued)

For year ended 31 March 2021

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Legacies receivable	4,199,027	-	4,199,027	2,775,673
Regular giving	2,172,114	7,683	2,179,797	2,022,402
Grants & major gifts	1,275,464	2,419,845	3,695,309	4,878,472
Appeals	582,226	169,280	751,506	476,027
Donations (including CAF & GAYE)	661,256	50,078	711,334	572,615
Gift Aid (tax reclaimed)	550,498	-	550,498	441,423
Farm Animal Voice donations	70,668	1,081	71,749	62,816
Community fundraising	14,624	-	14,624	49,437
Street collections and collecting tins	1,182	-	1,182	7,734
	<u>9,527,059</u>	<u>2,647,967</u>	<u>12,175,026</u>	<u>11,286,599</u>

Included within grants and major gifts is a Paycheck Protection Program loan amount of £106,196 received by our US legal entity Compassion in World Farming, Inc. Under the Coronavirus Aid, Relief, and Economic Security (CARES) Act the loan was fully forgiven in March 2021.

3 Other trading activities

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Raffle ticket sales	116,088	-	116,088	100,028
Other sales of goods	36,357	-	36,357	33,795
	<u>152,445</u>	<u>-</u>	<u>152,445</u>	<u>133,823</u>

4 Investment income

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Interest receivable	3,424	-	3,424	13,869
Income from listed investments	55,129	-	55,129	88,250
Interest on portfolio investments	27,182	-	27,182	35,302
	<u>85,735</u>	<u>-</u>	<u>85,735</u>	<u>137,421</u>

5 Total expenditure

	Direct staff costs	Direct costs	Grant funding	Support costs	Total 2021	Total 2020
	£	£	£	£	£	£
Raising funds	1,477,952	774,890	-	483,133	2,735,975	3,231,568
Investment costs	12,849	26,696	-	-	39,545	43,345
Charitable activities:						
CG1 Averting Farmageddon	1,216,553	723,726	113,985	440,547	2,494,811	2,350,832
CG2 European Legislation	1,280,515	744,917	12,763	437,102	2,475,297	3,245,750
CG3 Food Business	1,251,481	778,355	31,564	442,077	2,503,477	2,399,168
Total Charitable Activities	3,748,549	2,246,998	158,312	1,319,726	7,473,585	7,995,750
Total Expenditure	5,239,350	3,048,584	158,312	1,802,859	10,249,105	11,270,663

Support costs include an allocation of support staff costs.

6 Grants payable

	Total 2021	Total 2020
	£	£
Africa Network for Animal Welfare	40,000	-
RSPCA	20,562	-
China Association for the Promotion of International Agriculture Cooperation	20,000	44,162
Eating Better	20,000	5,000
IQC (Shanghai) Co Ltd	11,564	-
University of Bristol	9,176	10,000
SOS Animal Portugal	8,140	-
Sustain	8,000	-
Pasture-Fed Livestock Association CIC	5,000	-
Humane Education Trust	5,000	-
Eurogroup for Animals ASBL	4,442	-
Dierencoalitie	2,310	-
Eva Katarina Lingehag-Ekholm	1,861	1,668
Slow Food Italia APS	1,806	-
DNR Umwelt und Entwicklung	451	-
Thinking Animals Inc	-	25,000
University of Oxford	-	20,000
Brighter Green	-	2,347
Conservative Animal Welfare Foundation	-	1,536
West Africa Centre for the Protection of Animal Welfare	-	1,283
The Real Farming Trust	-	1,000
Labour Animal Welfare Society	-	900
Asocia ia Freedom and Respect for Every Earthling (F.R.E.E.)	-	786
Federation of Animal Welfare Nepal	-	774
West Africa Centre for the Protection of Animal Welfare	-	550
Global alliance Against Industrial Aquaculture (Donald Staniford)	-	500
Vshine Animal Association	-	500
	158,312	116,006

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 15 (2020 : 16).

7 Support costs

	Governance	Staff costs and personnel	Premises	Office admin and ICT	Finance	Total 2021	Total 2020
	£	£	£	£	£	£	£
Raising funds	29,683	208,839	118,300	89,791	36,520	483,133	566,470
Investment costs	-	-	-	-	-	-	7,308
Charitable activities:							
CG1 Averting Farmageddon	27,067	190,430	107,872	81,877	33,301	440,547	400,253
CG2 European Legislation	26,855	188,941	107,029	81,236	33,040	437,101	568,193
CG3 Food Business	27,161	191,092	108,247	82,161	33,417	442,078	412,815
Total 2021	110,766	779,302	441,448	335,065	136,278	1,802,859	1,955,039
Total 2020	70,865	906,618	440,909	379,016	157,631	1,955,039	-

Governance costs includes statutory audit fees paid to UK statutory auditor of £19,900 and other auditors of £18,762 (2020: £19,400 and £12,284). Non audit fees of £1,422 were paid to the charity's auditor (2020: £1,482)

8 Staff costs

	Total 2021	Total 2020
Wages and salaries	4,979,955	4,914,048
Social security costs	707,678	751,306
Pension costs	287,714	279,555
Agency staff costs	5,400	66,713
Other staff benefits	16,499	31,281
	5,997,246	6,042,903

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

	2021 Average headcount	2020 Average headcount
Work area		
Global Chief Executive's Dept	2.1	2.1
Campaigns and Investigations incl. EU staff	42.3	44.0
Web and Online	7.1	7.9
Food Business incl. USA & China staff	28.3	29.3
Fundraising and Marketing	33.1	31.3
Governance	1.5	1.5
Resources, HR, ICT and office support	10.6	11.0
Finance	7.9	6.2
Total	132.9	133.3

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

	2021	2020
£60,000-£70,000	5	4
£70,000-£80,000	2	3
£80,000-£90,000	1	1
£90,000-£100,000	1	-
£100,000-£110,000	1	1

TRUSTEES AND KEY MANAGEMENT PERSONNEL

One of the Trustees, Joyce D'Silva Ambassador Emeritus, received remuneration for services provided outside her role as Trustee during the year of £23,840 (2020: £22,880). This is allowed under the governing document of the charity. Two of the Trustees were reimbursed a total of £841 travelling, subsistence and accommodation expenses (2020: Three reimbursed totalling £1,554).

The total remuneration and benefits received by senior management personnel in the year was £792,021 (2020: £689,576) including Employer's NIC and pension contributions paid by the charity in respect of these employees during the year was £57,092 (2020: £49,696).

9 Tangible fixed assets

	Educational equipment	Computer equipment	Total
Cost			
At 1 April 2020	5,288	170,662	175,950
At 31 March 2021	5,288	170,662	175,950
Depreciation			
At 1 April 2020	5,288	165,182	170,470
Charge for the year	-	5,480	5,480
At 31 March 2021	5,288	170,662	175,950
Net book value			
At 31 March 2021	-	-	-
At 31 March 2020	-	5,480	5,480

10 Fixed assets investments

	Total 2021 £	Total 2020 £
Market Value:		
At start of the period	3,229,378	4,677,868
Additions	451,619	187,367
Disposals	(553,201)	(1,600,250)
Net gains / (losses)	401,848	(35,607)
Market Value at 31 March 2021	<u>3,529,644</u>	<u>3,229,378</u>
Cash Balance	1,244,294	2,554,690
Total Market Value at 31 March 2021	<u>4,773,938</u>	<u>5,784,068</u>
Historical cost:		
At 31 March 2021	<u>3,176,185</u>	<u>4,631,308</u>
Portfolio distribution		
UK Fixed Interest	1,657,994	1,721,432
UK Equities	1,096,947	992,562
Non UK Equities	774,701	515,382
Cash held by third party investment manager	359,856	1,670,765
Cash held on deposit	884,438	883,925
Investment in subsidiaries	2	2
	<u>4,773,938</u>	<u>5,784,068</u>

Holdings of more than 10%

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

Company Subsidiary undertakings	Shares held	
	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 2021 £	Total 2020 £
Other debtors	50,854	55,990
Prepayments	257,348	322,644
Accrued income	138,690	334,001
	<u>446,892</u>	<u>712,635</u>

At 31 March 2021, legacies which had been notified but not recognised as incoming resources in the Statement of Financial Activities had an estimated value of £2.2m (2020: £3.4m) 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 2021 £	Total 2020 £

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

Prepayments and accrued income	<u>48,910</u>	<u>60,333</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 the CIWF International offices.

12 Creditors: amounts falling due within one year

	Total 2021 £	Total 2020 £
Trade creditors	151,994	60,848
Taxes and social security costs	115,236	131,572
Other creditors & accruals	598,362	393,063
Deferred income:		
Reverse lease premium	7,456	7,456
	<u>873,048</u>	<u>592,939</u>

13 Creditors: amounts falling due after more than one year

	Total 2021 £	Total 2020 £
Deferred income:		
Reverse lease premium	17,398	24,854
	<u>17,398</u>	<u>24,854</u>

Movements on deferred income

	Total 2021 £	Total 2020 £
Balance as at 31 March 2020	32,310	1,470,764
Received in year		
Released in year	(7,456)	(1,438,454)
Balance as at 31 March 2021	<u>24,854</u>	<u>32,310</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 £287,714 (2020: £279,555); as referred to in Note 8.

15 Funds

	Balance at 1 April 2020	Movement in funds		Gains/ (losses)	Exchange movement 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	-	241,164	(241,164)	-	-	-
Sweden Humane Slaughter and Live Transport	1,808	-	(1,808)	-	-	-
Live Transport	-	13,110	(13,110)	-	-	-
Protein Diversification 25*25	19,231	96,154	(115,385)	-	-	-
Farm Animal 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 & 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

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.

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

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

The US programme focusses 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 UK programme focusses on driving changes to public policy, through campaigning and legislative advocacy.

Sweden Humane Slaughter work relates to campaigning on higher welfare mobile slaughterhouses in Sweden.

The Live Transport programme comprises combined activities including media work, investigations and campaigning to fight against 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 Animal 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.

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. These activities were: Chicken Out, RAW.

DESIGNATED FUNDS

The designated funds represent allocations of unrestricted funds made in respect of projects and activities started in 2020/2021 to be completed in 2021/22. This includes our End Factory Farming platform, commissioned reports on cage-free farming transition and the St. George's House consultation.

16 Analysis of net assets between funds

	Unrestricted funds		Restricted funds £	Total
	General funds £	Designated 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>

17 Commitments under operating leases

At 31 March 2021 the company had lease payment commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2021 £	2020 £	2021 £	2020 £
Payments due:				
Within one year	239,529	239,529	11,302	14,830
Between two and five years	558,901	798,430	12,968	24,270
Over five years				
	<u>798,430</u>	<u>1,037,959</u>	<u>24,270</u>	<u>39,100</u>

The annual lease costs are £239,529

18 Related parties

The following related party transactions took place during the year:

Eurogroup for Animals - Philip Lymbery, 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 £99,862 to Eurogroup for Animals. These payments were in respect of: membership fees £88,749, grant of £9,830 towards ECI Project, £930 towards World Federation for Animals and £353 for other sundry items.

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 £41,000 to Africa Network for Animal Welfare. These payments were in respect of: grant of £40,000 towards Animal Welfare Resolution at UNEA and £1,000 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 payments during the year totalling £11,459 to World Federation for Animals. This payment was in respect of the first year installment as a founding member.

In order to operate in some countries, Compassion in World Farming International is required by local legislation to establish 100% controlled, locally registered organisations. These organisations, which are listed below, are treated as branches of Compassion in World Farming International and receive grant funding from Compassion in World Farming International to finance their operations, accordingly their accounts are included within the accounts of Compassion in World Farming International. All of these entities share the same aims and objectives as Compassion in World Farming International.

International Entity	Net Grant/ Funding		Balance as at 31 March	
	2021 £	2020 £	2021 £	2020 £
Stichting Compassion in World Farming Nederland	54,282	110,747	-	-
Compassion in World Farming France	127,628	229,777	-	-
Compassion in World Farming Italia Onlus	87,277	282,628	-	-
Fundacja Compassion in World Farming Polska	74,347	124,303	-	-
Compassion in World Farming, Inc.	-	-	-	-
CIWF Brussels	94,715	263,330	-	-

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	
		2021 £	2020 £	2021 £	2020 £
Compassion in World Farming Supporters	02715994	34,055	34,847	-	-
Compassion in World Farming (Trading Company) Limited	02998256	18,976	19,551	-	-
National Society Against Factory Farming Limited	01335233	-	0	-	-
Farm Livestock Trust Limited	01521645	-	0	-	-

Trustees made donations to Compassion in World Farming International during the year totalling £12,870 (2020:£17,984).

19 Comparative 2019-2020 statement of financial activities by class of funds

	Note	Unrestricted Funds	Restricted Funds	2020 Total
		£	£	£
Income and endowments from:				
Donations and legacies	2	7,303,508	3,983,091	11,286,599
Charitable activities		8,205	-	8,205
Other trading activities	3	133,823	-	133,823
Investment income	4	137,421	0	137,421
Other		7,456	-	7,456
Total income		<u>7,590,413</u>	<u>3,983,091</u>	<u>11,573,504</u>
Expenditure on:				
Raising funds		3,231,568		3,231,568
Investment management costs		43,345		43,345
Charitable activities:				
CG1 Averting Farmageddon		2,157,483	193,349	2,350,832
CG2 European Legislation		1,694,187	1,551,563	3,245,750
CG3 Food Business		1,539,099	860,069	2,399,168
Total expenditure		<u>8,665,682</u>	<u>2,604,981</u>	<u>11,270,663</u>
Net Gains/(losses) on investments	10	(35,607)	-	(35,607)
Net income/(expenditure)		<u>(1,110,876)</u>	<u>1,378,110</u>	<u>267,234</u>
Fund balances at 1 April	15	6,822,508	828,051	7,650,559
Exchange movement on opening funds		45,938		45,938
Fund balances at 31 March	15	<u><u>5,757,570</u></u>	<u><u>2,206,161</u></u>	<u><u>7,963,731</u></u>

20 Comparative 2019-2020 funds

	Balance at 1 April 2019	Movement in funds		Gains/ (losses)	Exchange movement on opening funds	Balance as at 31 March 2020
		Income	Expenditure			
	£	£	£	£	£	£
Restricted Funds						
Labelling Matters	63,391		(63,391)			-
Farm Animal Welfare Forum	180,306		(40,393)			139,913
Fish Programme	296,950	1,029,624	(485,260)			841,314
China Programme	-	1,430,200	(505,973)			924,227
BBFAW	-	109,960	(104,253)			5,707
End the Cage Age	-	803,919	(803,919)			-
European Programme	-	17,308	(17,308)			-
The Alliance to Save Our Antibiotics	99,193	155,934	(154,861)			100,266
Stop the Machine	-	115,909	(53,912)			61,997
Brussels office		20,667	(20,667)			-
US Programme	-	17,308	(17,308)			-
UK Food Business	160,343	111,698	(160,343)			111,698
UK Programme	-	39,599	(39,599)			-
Sweden Humane Slaughter and Live Transport	4,467		(2,659)			1,808
Live Transport	5,401	39,197	(44,598)			-
Protein Diversification 25*25	10,000	81,423	(72,192)			19,231
Other Restricted funds	8,000	10,345	(18,345)			-
Total Restricted funds	828,051	3,983,091	(2,604,981)	-	-	2,206,161
Unrestricted Funds						
Designated funds:						
Completion of agreed projects & activities	369,220	298,996	(369,220)			298,996
General funds	6,453,288	7,291,417	(8,296,462)	(35,607)	45,938	5,458,574
Total Unrestricted funds	6,822,508	7,590,413	(8,665,682)	(35,607)	45,938	5,757,570
Total funds	7,650,559	11,573,504	(11,270,663)	(35,607)	45,938	7,963,731

21 Comparative 2019-2020 analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	General funds			
	£	£	£	£

Fund balances at 31 March 2020 are represented by:

Tangible fixed assets	5,480	-	-	5,480
Investments	4,760,230		139,913	4,900,143
Cash investments	-		883,925	883,925
Current assets	1,310,656	298,996	1,182,324	2,791,976
Creditors: amounts falling due within one year	(592,939)			(592,939)
Creditors: amounts falling due after more than one year	(24,854)			(24,854)
	<u>5,458,573</u>	<u>298,996</u>	<u>2,206,162</u>	<u>7,963,731</u>

“...the time is ripe for ordinary people to make decisions – decisions which will affect the future of farm animals, and which will also affect us.

...It is within our power now to create for the future an environment in which we can peacefully co-exist, or to inherit a hostile environment, finding ourselves threatened on all sides by disease, hunger and pests.”

Peter Roberts, Compassion in World Farming's founder speaking in 1977.



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