

TRUSTEES' REPORT AND ACCOUNTS 2019



**THE DONKEY
SANCTUARY**





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**THE DONKEY
SANCTUARY**



A MESSAGE FROM THE CHIEF EXECUTIVE MIKE BAKER

In the short space of time it has taken to write this report, the world as we know it has changed dramatically. The new coronavirus outbreak has significantly affected the way we live and work, but despite this upheaval, some things remain the same: we believe that donkeys should live in a world where they are free from suffering and their contribution to humanity is fully valued.

In light of current circumstances, 2019 feels like a lifetime ago. But it's worth remembering that 2019 was a golden year for The Donkey Sanctuary.

Our staff came together across multiple locations to celebrate our 50th anniversary and toast some

historic achievements, while also looking ahead to our exciting future aspirations for donkeys.

We had a great year with the release of our *Under the Skin* update report in Nigeria, helping galvanise international press in raising awareness of this terrible crisis which results in millions of donkeys being slaughtered for their skins. On a lighter note, we secured a Royal visit to our Sidmouth HQ and our 'Donkeys Matter' garden won the people's choice award at the prestigious Chelsea Flower Show. This win helped us speak directly to millions of people about the importance of donkeys to some of the world's poorest and most vulnerable communities.



Our specialist donkey hospital at Brookfield Farm received an accreditation from The Royal College of Veterinary Surgeons which is a worthy reward for all the hard work and expertise of our veterinary team, and our global programmes work evolved in 2019 to build some strong international collaborations including finalising a project agreement with Send A Cow in Ethiopia to promote donkey welfare through this project. We hope to see more partnerships like this in the future as we develop our global strategy further.

Collectively all of these initiatives helped drive outstanding media coverage of our work both in the UK and overseas - reaching more people than ever before with our story and our purpose.

Running parallel to this, we experienced another year of record income growth, helped by high visitor numbers over the summer. In 2019 almost 400,000 people came to see our work at Sidmouth.

In the UK we opened our New Arrivals and Rehoming Units and published the influential Clinical Companion of Donkey Dentistry. Our Freedom to Roam trial allowed our donkeys to leave their paddocks and explore large wild areas of our sites and showcased a radically new method of managing land for our donkeys.

The value of our Donkey Assisted Therapy (DAT) work develops as quickly as our client base widens and last year a team of NHS nurses benefitted from hands-on sessions at DAT Manchester.

The unwavering loyalty of our supporters meant we could take in 227 donkeys and mules in need of sanctuary here in the UK, while finding loving Guardian homes for a further 211. The completion of our new Rehoming Unit will allow us to prepare even more donkeys to leave and join the 2,325 others on our Rehoming Scheme.

All of this phenomenal achievement is testament to our supporters and staff who enable us to achieve so much for donkeys, bucking trends against a difficult and uncertain social, political and financial backdrop.

In my position as Chief Executive of this wonderful organisation, it is reassuring to know that we can face major challenges head-on with determination and strong belief in what we do.

I feel immensely privileged to be part of the incredible work of The Donkey Sanctuary, and I am genuinely excited to be helping frame our next chapter for the next 50 years.

We will remain at the forefront of donkey-first thinking in the world - advocating, cajoling and persuading that what's good for donkeys is good for all of us.

We hope this report will provide detailed insight into the last 12 months of our work, and inspire you to join us on the journey ahead to create a world free from suffering for donkeys and mules.

Thank you,



Mike Baker



A MESSAGE FROM THE CHAIR OF TRUSTEES STUART REID

2019 was a truly momentous year for The Donkey Sanctuary. Not only did the charity enjoy another period of growth and success but our 50th birthday has provided a much-needed opportunity for us all to take time to reflect on the extraordinary journey that The Donkey Sanctuary embarked upon all those years ago.

We have come a long way and it has been a real privilege for me to be a small part of that journey alongside my fellow trustees.

What has been most rewarding is being able to witness first-hand the sheer enthusiasm and professionalism of the people who work for The Donkey Sanctuary and who dedicate themselves wholeheartedly to the cause of providing a voice for these stoic and hardworking animals.

Our 50th anniversary was celebrated with passion and sincerity across the length and breadth of The Donkey Sanctuary family and this sense of pride in our history and our achievements was both palpable and humbling.

It is a source of great inspiration and comfort for me to know that we have the very best people

at the forefront of the fight to make the world a better place for donkeys and the people who depend on them.

Over the last year we set ourselves the challenge to look at our best learnings from our five decades of expertise and use these to help rethink how we can best reach donkeys around the world, improving their welfare in a more all-encompassing way.

While 2019 was a year of change, we have now laid the foundations for a more sustainable and holistic approach to donkey welfare for the coming years.

A new chapter lies ahead and the challenges to be faced will be as rewarding as they are daunting, but we are confident that our approach will have a meaningful impact for even more donkeys for decades to come.

Thank you,



Stuart Reid

THANK YOU

The Donkey Sanctuary relies entirely on donations to carry out its objectives. We are indebted to our supporters, donors, staff and volunteers. Without their support and encouragement, we would not be able to work towards our goal of a world where donkeys and mules live free from suffering and their contribution to humanity is fully valued.



VISION, MISSION AND VALUES



OUR MISSION

To transform the quality of life for donkeys, mules and people worldwide through greater understanding, collaboration and support, and by promoting lasting, mutually life-enhancing relationships.

OUR VISION

A world where donkeys and mules live free from suffering, and their contribution to humanity is fully valued.

COLLABORATION

The Donkey Sanctuary is collaborative in all its activities, working through a worldwide network of partner organisations, communities and individuals. We work inclusively with people frequently marginalised within their own countries and communities, whether due to ignorance, poverty, race, gender or disability.

We treat every interaction as a two-way opportunity to learn and teach. We know that it is only together that we can help donkey owners and carers become donkey welfare ambassadors wherever they live and work.

COMPASSION

The Donkey Sanctuary is above all else compassionate. We never turn away from a donkey in need. Donkeys and the people who rely on them for their livelihoods lie at the heart of everything we do, as we help them cope with physical, mental and emotional challenges. We act as a global driving force for caring, for both suffering donkeys and mules, and for all those people whose lives they touch, generating understanding, compassion and support all over the world.

CREATIVITY

The Donkey Sanctuary's goals are ambitious, but its resources are finite, which means we must exercise creativity to meet the ambitious goals we set ourselves. Creative thinking underpins everything we do, whether adapting locally available materials for donkey-friendly harnesses across projects that span four continents, developing human-donkey interaction activities tailored to the unique challenges of children and adults with additional needs, or reaching donkey-owning communities in the midst of man-made or natural disasters.

DONKEY WELFARE

For 50 years, we have fought to ensure that donkeys are able to live in a good state of welfare – free from pain, injury, disease, hunger and thirst. In 2019 we used our recent trailblazing research to give greater focus to donkey wellbeing – an aspiration for donkeys to have not only good physical health, but optimal mental and emotional wellbeing too – to experience autonomy, freedom to enjoy physical exercise and mental stimulation. In essence, not just healthy donkeys –but happy donkeys too.

We provided sanctuary to nearly 7,000 donkeys and mules and, of these, 2,325 enjoyed the direct care and friendship of families through our Rehoming Scheme in the UK and Europe. With our sanctuaries becoming full to capacity, rehoming pairs of donkeys by finding them loving homes in the wider community is an increasingly important goal. We support owners through behaviour and husbandry training, provide expert advice and help people find new homes for their donkeys when they can no longer care for them themselves. We also continue to address the root causes of relinquishments.

For too many donkeys though, life is still a misery. For example, for 14 donkeys living in dreadful conditions in the north of England, our help couldn't come soon enough.

Working closely with the RSPCA and World Horse Welfare (WHW), we were able to carry out several interventions over three months in 2019 with a donkey owner who continually failed to address concerns over the donkeys' living environment, hoof care and diet.

The donkeys lived in a muddy field with very little food, no hardstanding and limited grazing strewn with hazardous plastic, rubbish and old farm machinery.

Thanks to the direct intervention of The Donkey Sanctuary and the support of WHW and the RSPCA, the 11 donkeys and three foals are now enjoying life among other donkeys in a safe environment where they are guaranteed nutritious food, love and care for the rest of their lives.

These donkeys are not alone in being happy beneficiaries of our work. Throughout 2019, we supported animals involved in eight welfare investigation cases, safeguarding the welfare of 33 donkeys.

£24.5m

The total spend on donkeys in our care. Referred to in our accounts as 'Rescue and Rehoming'



VETERINARY CARE

Our veterinary team pushed the boundaries of our donkey care and knowledge even further in 2019, sharing their expertise for the benefit of donkeys in the UK, in Europe and around the world.



Donkeys like Dusuy have been able to benefit from plasma donated by their fellow stablemates

Following a rigorous inspection process, our specialist donkey hospital at Brookfield Farm received 'accredited practice' status from the Royal College of Veterinary Surgeons (RCVS) – a real validation of the professional expert care our veterinary team gives our donkeys in the UK and through our European and international outreach.

In 2019, we developed a new donkey plasma bank, saving the charity thousands of pounds of future spend. Donkeys like Dusuy have been able to benefit from plasma donated by their fellow stablemates, a process that follows new RCVS-accredited ethical guidelines.

In total, 337 donkeys were treated at our hospital during the year, including 176 surgeries – vital interventions made possible by the generosity of our supporters. It took the combined experience of our veterinary team to save the life of one such high-risk patient called Rocky.

Surgical intervention on a serious neck lump was further complicated when Rocky had a rare

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337 donkeys were treated at our hospital during the year, including 176 surgeries – vital interventions made possible by the generosity of our supporters

reaction to the anaesthetic. He was brought back around and a carefully managed second surgery was required.

“The mass was the size of a melon,” said veterinary surgeon Vicky Grove. “It must have been excruciatingly painful for poor Rocky.”

In spite of his life-threatening ordeal, Rocky is chipper, alert and recovering well. Although the repercussions of Rocky's lump were almost devastating, it turns out that the mass itself may have originated from a more humble injury – a thorn.

WORKING WORLDWIDE

There remains a continued reliance on donkeys and mules supporting livelihoods around the world and, at times, even propping up entire communities by carrying out vital work such as fetching water for families, transporting construction materials and ferrying goods to market. Even in tourism, donkeys provide a lifeline for millions of people – yet their welfare is too often overlooked.

On top of the historic issues facing these much-maligned animals is a far more urgent, complex and worsening threat – that of the global trade in donkey skins for the production of the traditional Chinese medicine ejiao.

Donkeys continue to be decimated across Africa and Asia, putting the very population at threat in some countries. They are often transported long distances, without food, water or rest and they can be held for days in yards without shelter, before being slaughtered in often brutal conditions.

It is estimated that the ejiao industry currently requires around 4.8 million donkey skins a year. With China's own donkey population reducing from 11 million to 2.6 million in just under 30 years, pressure is being placed on donkeys further afield.

We are campaigning tirelessly in the face of this cruel trade. The treatment of the donkeys, and the intense suffering they can endure at every stage of the trade, from sourcing to their eventual slaughter, is unethical, unacceptable and quite often illegal.

In 2019 we released an update to our *Under the Skin* report, shining a light on this crisis for donkeys. The research evidenced within the report is being used as a vital tool for advocating to governments, policy-makers, consumers and supporters worldwide to halt the trade.

More broadly, we took the time in 2019 to reimagine our international offering, evolving our work to take a more holistic approach to donkey welfare.

The issues facing donkeys and the communities they serve are wide-ranging and complex. Our experience tells us that the ability to be agile and collaborate with other agencies will be key to securing sustainable change for donkeys.

What we learned in 2019 will mould our work going forward. We will work with international NGOs to develop models that will bring about societal change, demonstrating that what's good for people is also good for donkeys.

We predict that this shift in approach will have even more meaningful impact on the lives of

donkeys and mules, such as those used in the production of artisanal mezcal in Mexico. Central to a new partnership between The Donkey Sanctuary and Heifer International, developed collaboratively in 2019, to help these animals, is the understanding that good animal welfare and human socio-economic stability go hand-in-hand.

While the welfare of donkeys and mules remains central to our work, the human-animal dynamic needs to be taken into account to generate sustainable change in working conditions for equines.

While implementing the social improvement programmes we will document evidence to show how improving the welfare of donkeys and mules always strengthens livelihoods for communities that depend on them.

£4.6m

The total spend on our international programmes. Referred to in our accounts as 'Donkeys in the Community'



Donkeys and mules used in the production of artisanal mezcal in Mexico

DONKEY ASSISTED THERAPY



ENRICHING LIVES

Forty years ago, we began a practice that introduced our donkeys to vulnerable children, using riding therapy to support those with additional need. Since then, this area of our work has evolved into Donkey Assisted Activities, which now includes ground interaction. This means we can now offer this service to a wider audience at our Donkey Assisted Therapy (DAT) centres to help create moments of deep connection that can support life skills and wellbeing.

As we have developed our programmes, our service has expanded to six unique specialist centres across the UK. Today, we help and support many thousands of children and adults through precious moments of connection, changing lives for the better.

Working with schools, local community engagement officers, health organisations and affiliated charities, our Donkey Assisted Activities programmes at The Donkey Sanctuary has grown to welcome more than 15,000 participants through our doors each year.

Our client list continues to diversify; last year a team of NHS nurses from the Looked After Children's Nursing Team in Manchester benefitted from Donkey Facilitated Learning sessions at our Manchester centre. Lisa Webster, specialist nurse, said: "The highlight for us was when one of our nurses stroked a donkey, after she was clearly anxious about doing so. She said the donkey picked up on her anxieties and moved backwards to allow her to stroke him. She was really quite moved and found it amazing that he was so intuitive."

CONNECTING WITH DONKEYS

When you lose a loved one, grief can manifest itself in any number of ways. For animal lover Linda, when she lost her husband in 2010, she locked herself away and lost all confidence.

Linda's doctor referred her to a healthcare professional who suggested the initial trip to The Donkey Sanctuary, but such was her anxiety that the journey filled her with dread.

Our Donkey Assisted Therapy programme is founded on one principle: donkeys are our equals with whom we share a special emotional understanding. For vulnerable people like Linda this shared connection can help to manage emotions, improve communication and build life skills.

The thought of getting the bus to The Donkey Sanctuary though seemed almost impossible for a woman who had barely left her house.

"I couldn't go anywhere," she says. "I couldn't walk to town, I just stayed in, I was so upset. It got to the stage where I thought: I need to go out, I'm fed up of looking at the same four walls."

"I needed an incentive - I actually ended up fundraising for the donkeys! People sponsored me to get on the bus, so I thought if I don't do it, I'm going to make myself look silly, I'm going to let the people down, but more importantly I'm going to let the donkeys down because they won't get the money."

"One of the donkeys came up and put his head round my neck. It was lovely to think that donkeys will actually come up to you and give you a cuddle in the only way a donkey knows how."

£4.1m

The total spend on our Donkey Assisted Therapy. Referred to in our accounts as 'human-donkey interactions'



CONSIDERING THE FUTURE

Our 2020 business plan was originally designed to kick-start a broad and ambitious plan of action over the coming years to transform the lives of many more donkeys across the globe, while at the same time investing in innovative new approaches to improving the welfare of our sanctuary herds.

However, since starting to assemble this document, the global outbreak of Covid-19 has seen the world rapidly transform into a very different place. A place in which the ramifications of the outbreak and The Donkey Sanctuary's position in it are a long way from being fully understood.

This means we now have to be more measured in our ambition. Although our over-arching goals and objectives remain the same, our timeline for delivering to our vision will need to adapt to our new situation.

TURNING CHALLENGE INTO OPPORTUNITY

As a global welfare organisation, the nature of our work means we often have to respond to unexpected events as they present themselves. 2020 will be no different. As challenges continue to present, we will use all of our experience, specialism and commitment to overcome and turn these challenges to our advantage.

As an organisation we will need to be considered, compassionate, pragmatic and realistic in what we prioritise and achieve in 2020.

However, our key priorities remain the same.

THE SKIN TRADE

This continues to be one of the biggest issues facing donkeys and mules across the globe right now. Despite good progress, we know we have more work to do to make sure the *Under the Skin Update* report has a greater impact on the Chinese ejiao industry. The speed at which donkey numbers are being decimated in some countries means we must continue to make the skins campaign one of our key priorities in 2020.





As an organisation we will need to be considered, compassionate, pragmatic and realistic in what we prioritise and achieve in 2020

All of our teams, but specifically Advocacy & Campaigns, Research & Operational Support and Global Programmes, will be working together to progress this further.

We recognise this will not be easy in light of recent developments happening with the outbreak of the new coronavirus. However, we will continue as best we can to disrupt the trade in donkey skins. At least three new initiatives are planned in Africa that aim to make the supply of donkeys for their skin more difficult for traders. These include developing and rolling out Donkey Defend projects that help some of the poorest communities in the world keep their donkeys safe from poachers. We will work with governments at state and regional level to develop bans on the skin trade and work to ensure they are enforced. We will also point out the biosecurity risks of the international trade in donkey skins and develop our understanding of the role cellular agriculture can play in developing a safe alternative for use in the production of ejiao.

DONKEYS IN OUR CARE

With the information gathered from our UK donkey census and welfare assessments, we will take a fresh look at how we care for our donkeys and how we can give them the best and most appropriate care on our farms. This in turn will help inform how we advise others to look after donkeys, both in our Guardian homes and around the world.

BREXIT

Uncertainties remain over what impact Brexit may have on animal welfare legislation or our European operations. We are part of the Brexit Task Force within the Eurogroup for Animals and we will continue to work at a national level, providing veterinary expertise and policy guidance to help ensure there are no reductions in animal welfare standards when Britain leaves the European Union.

OUR ORGANISATION

As a growing and ever-evolving organisation, no plan will be complete without ensuring our land, our infrastructure and our people are equipped for the challenges ahead. With our global reach developing, the regional working vision is that a presence in global hubs will increase our productivity, raise our impact and make it easier to develop global programmes. Our strategies, policies, systems and infrastructure are all key to achieving this.



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Our work is only possible because of the enduring commitment of our supporters, who we consider to be part of our family



LOOKING AFTER OUR SUPPORTERS

It is vital we are transparent in all our activities, and our supporters are at the heart of everything we do.

Our work is only possible because of the enduring commitment of our supporters, who we consider to be part of our family. Their generosity makes it possible for us to reach and transform the lives of donkeys and the communities that depend on them. Our supporters are extremely loyal and trusting of how we use their donations, and we are grateful for that trust.

We raise funds through collection boxes and engaging visitors at our sanctuaries, as well as promoting our work and events online and on television. We run a series of successful, annual supporter appeals as well as our popular raffle programme, and we keep supporters updated with our newsletters so they know what we've been working on and how they have helped. Sometimes, we use external fundraising agencies to help us deliver our fundraising campaigns, where they have specific knowledge, expertise and experience to lend. We regularly monitor and review our fundraising activities and those of agencies that fundraise on our behalf. We deliver regular training to those agencies and listen to call recordings to ensure any partners are meeting the high standards we require of them.

The Donkey Sanctuary is committed to delivering the highest standard of service at all times. However, in the event of any breach in standards, we have a fair, simple and easy-to-access complaints procedure so we can resolve issues satisfactorily. Last year, we received and logged 48 complaints in the fundraising category and we are committed to learning from each one of them. We have policies and procedures to foster mutually respectful and positive supporter relationships, ensure we treat donors fairly and help us protect vulnerable people. With the introduction of the General Data Protection Regulation (GDPR) in May 2018 we further strengthened our procedures around communication preferences, making it easier to define how our supporters would like us to communicate with them. The Donkey Sanctuary voluntarily subscribes to the Fundraising Regulator and we have professional fundraising staff who are members of the Institute of Fundraising. The charity is also a member of the Direct Marketing Association and complies with the regulations of the Gambling Commission.

THE POWER OF VOLUNTEERS

Our volunteers gave us another fantastic year of passion, dedication and support in 2019.



Volunteers support our charity in many ways – caring for donkeys and enriching their lives, assisting with our Donkey Assisted Therapy, welcoming and educating our visitors, serving customers in our shop, working on nature projects, fundraising, events, office work and so much more!

FINANCIAL REVIEW

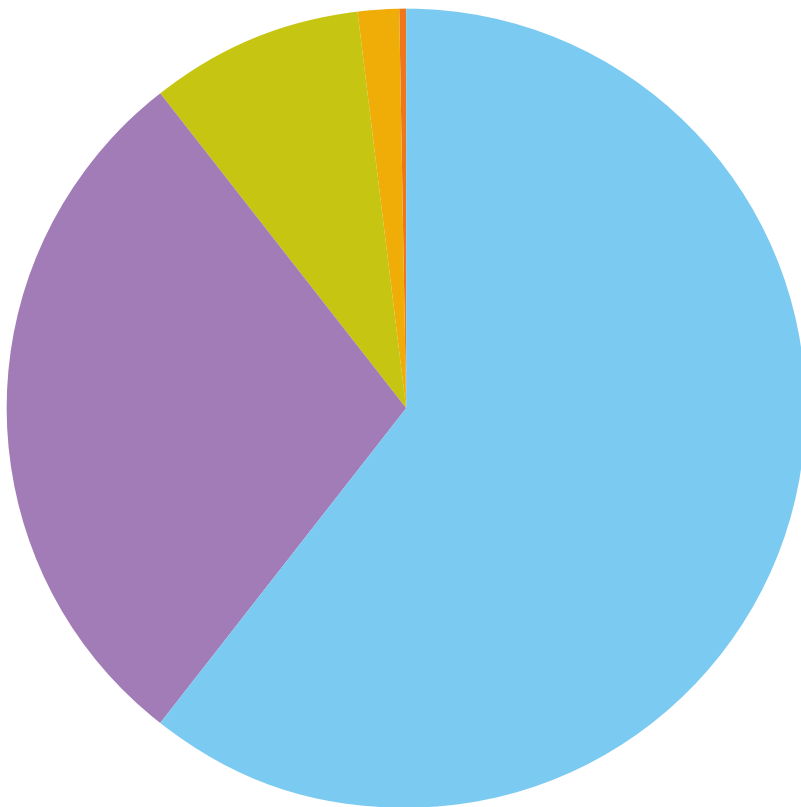
We are delighted to report another year of record income for The Donkey Sanctuary in 2019 as we ended the year with our total consolidated income of £43m (2018: £42.3m), including £38.4m from donation and legacy income.

This growth in income has enabled us to increase our expenditure including capital to £48.2m (2018: £41.8m), an increase of 15%, as we continue to invest in strategic programmes of work both in the UK and abroad such as our donkey wellbeing programme and our ongoing donkey skins campaign to improve the lives of donkeys and the communities they serve.

WHERE OUR INCOME CAME FROM

It would not be possible for us to continue our work without the kind generosity of our supporters. We receive negligible levels of government funding and we work very hard to increase and find new sources of funding. We also recognise how important it is to not only introduce new supporters to the work of our charity, but also to ensure we actively engage with our existing supporters through fundraising and communication activities that increase awareness of the impact of our work across the world. Our income of £43m comes from the following sources:

2019 INCOME



	2019	2018
Legacies	£26m	£26.6m
Donations	£12.4m	£11.6m
Other trading activities	£3.7m	£3.1m
Investment income	£0.7m	£0.7m
Other	£0.2m	£0.3m
TOTAL	£43m	£42.3m

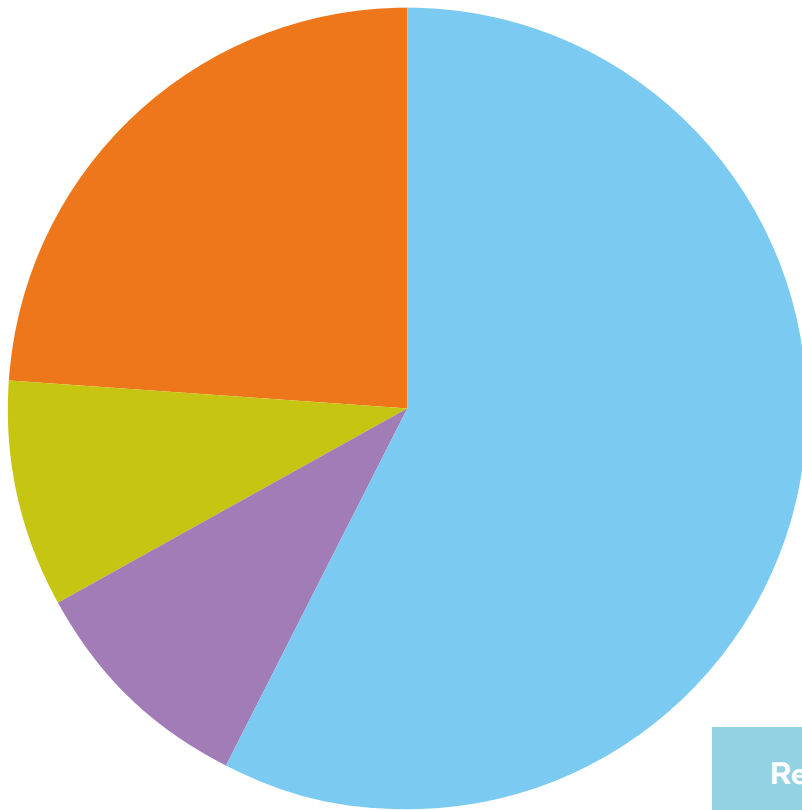
Income generated from legacies remains highly important for us and we are extremely grateful to all who have remembered us in their will. After an exceptional year in 2018 our legacy income was sustained at record levels of £26m in 2019 and reflects how so many of our supporters wished to contribute towards the ongoing success of The Donkey Sanctuary. Donation income included a generous grant of £150,000 towards the cost of our Donkey Welfare Advisers in England from Maecenas - Help the Animals.

In terms of other trading activities, 2019 was a great year. Our new award-winning restaurant and trading facilities are proving to be a success and give us the opportunity to attract new and existing supporters. Our visitors not only experience the breadth of what we do but they are also able to understand how their visit to our Sidmouth site contributes towards our work across the world. All profits from our trading subsidiaries' activities are donated back to the charity to help transform the lives of donkeys in need.

WHERE THE MONEY IS SPENT

Total expenditure for the year, including investment in capital projects, rose to £48.2m (2018: £41.8m), reflecting our ongoing investment in capital infrastructure, operational charitable activities and to enable us to generate income.

2019 EXPENDITURE



	2019	2018
Rescue and rehoming	£27.8m	£24m
Donkeys in the community	£4.6m	£4.1m
Human donkey interaction	£4.3m	£4.3m
Raising funds	£11.5m	£9.4m
TOTAL	£48.2m	£41.8m

RESCUE AND REHOMING

Includes staff, donkey feed and other sanctuary consumables, premises, maintenance, veterinary, vehicle and travelling costs for our welfare team.

DONKEYS IN THE COMMUNITY

Includes all of our expenditure working worldwide including staff costs, grants to collaboration partners, research programmes, education and training materials and resources, campaigning and advocacy.

HUMAN-DONKEY INTERACTION

Includes our Donkey Assisted Therapy activities driven by our six specialist centres across the UK enriching the lives of donkeys and thousands of children and adults with additional needs.

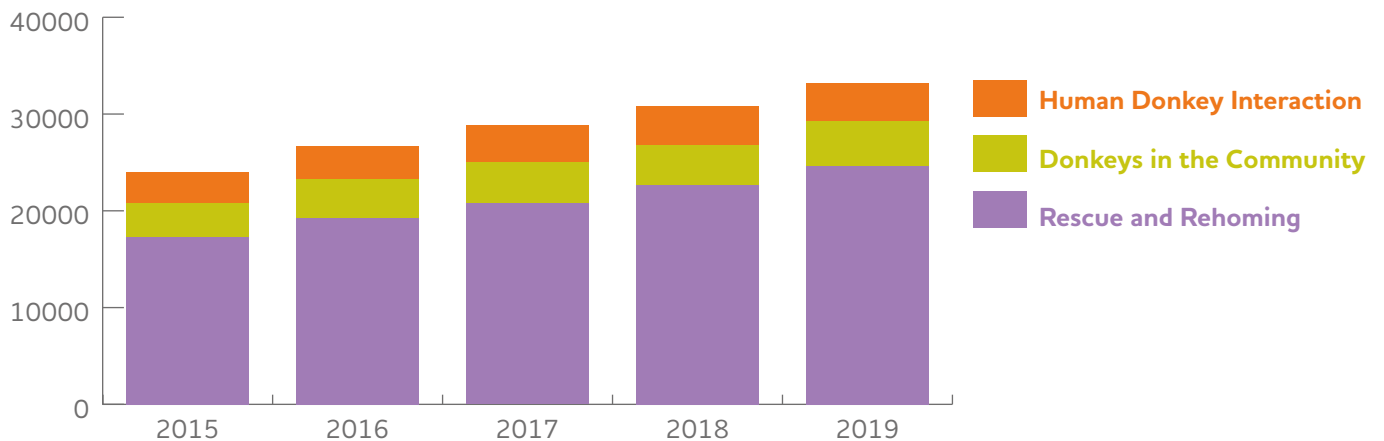
EXPENDITURE ON RAISING FUNDS

Includes the cost of our continued investment in growing our income from donations and legacies. Also includes the cost of running our gift shop, mail order and internet-based trading as well as our restaurant in Sidmouth.



TOTAL SPENT ON CHARITABLE ACTIVITIES

The chart below shows how spending on charitable activities has increased by 39% since 2015.



In 2019 we extended the reach of our Donkey Welfare Advisers across the UK in support of our aim to increase the number of donkeys we can rehome and we achieved ‘accredited practice’ status for our state-of-the-art donkey hospital. We also began our programme to give greater focus on donkey wellbeing in line with one of our strategic aims to ensure that every donkey in the UK can live a happy and healthy life.

In the international context we are evolving our approach to take a more holistic approach to donkey welfare, adapting our models, campaigning

and advocating to elevate the status of donkeys and working with international NGOs to adopt different approaches that will bring about societal change for the benefit of donkeys and mules worldwide.

Activities across our Donkey Assisted Therapy centres have developed during the year to provide even more precious moments through hands-on interaction and providing more opportunity for a connection between donkey and human on an emotional and physical level. We provided our service to more than 15,000 participants in 2019.



FUNDRAISING

In order to support our expanding operations and continue the success of the charity, we continue to invest in fundraising activities to grow our income, whether this is from donations, fundraising events, legacies or trading. We acknowledge there will be increased expenditure to ensure our continued success. It is worthy of note that the proportion of our expenditure attributed to raising donations, legacies and other fundraising income remains low, at 19.5p (2018: 16.8p) for every £1 of total expenditure.

The trustees continue to monitor the risks associated with the changing landscape of fundraising and the potential for reduced levels of income in 2020 and beyond. Through our ongoing maintenance of robust financial controls and other internal measures, we are able to closely monitor the charity's fundraising performance to mitigate this risk and take suitable action as required.

NET ASSETS AND FUNDS

The trustees operate a reserves policy to ensure the continued ability of The Donkey Sanctuary to meet its objectives. The trustees are aware of the potential volatility of income levels and the significant proportion of our total income

from legacies. Our reserves policy recognises the specific reserves needed to fund our core activities, reflecting the financial risks the charity faces, our ongoing committed expenditure and the composition of readily available funds to meet day-to-day activities. The policy is kept under periodic review and reserves levels are adjusted as perceptions of risk and other factors change.

In terms of our total assets, £34.2m (2018: £33.2m) relates to fixed assets and planned capital projects, most of which is land and buildings to care for donkeys across sanctuaries. There were no exceptional capital projects during the year, the capital expenditure represented normal asset replacement cycles and minor property additions.

General funds of £42.8m (2018: £42.8m) comprise:

- Specific reserves of £29.0m to take account of core operating activity including the many risks and uncertainties that the charity may face such as potential reduction of future income.
- General reserves of £13.8m representing those funds available to accommodate medium to long term growth in the charity, and for the trustees to apply to specific transformative strategic projects.



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We will remain at the forefront of donkey-first thinking in the world - advocating, cajoling and persuading that what's good for donkeys is good for all of us





PRINCIPAL RISKS AND UNCERTAINTIES

The trustees have responsibility for the oversight of risk management within The Donkey Sanctuary and take an active part, along with the chief executive, senior managers and the executive team, to review risk on a regular basis. Each review incorporates an assessment of the impact and likelihood of individual risk, the actions that have been taken to mitigate or control risks, the effectiveness of our risk management controls and whether there are new risks for the charity that need to be considered.

Alongside the risk review process the trustees operate an established programme of audit and assurance activity to provide assurance that operational and financial controls are sufficiently robust to mitigate the principal risks and uncertainties the charity faces. Our internal auditors work with operational teams across the charity to test our internal controls and provide recommendations for enhancements where appropriate. It is recognised that our systems and internal controls can only provide reasonable, and not absolute, assurance that major risks have been adequately managed.

PRINCIPAL RISKS AND UNCERTAINTIES FACED BY THE DONKEY SANCTUARY, AND MITIGATING ACTIONS:

RISK	MITIGATING ACTION
Failure to meet our objectives and implement our strategy: one of our biggest risks is that aspects of our plans are not within our control.	We mitigate this risk by revisiting our business planning objectives each quarter to evaluate progress against performance indicators and project milestones, recognising any aspects that are not within our control and adapting our activities and resource allocations accordingly. This year we have developed a dashboard of metrics to help us ensure we are delivering and spending our funds wisely and in line with our plans.
Health and safety incidents: due to the diversity of activity of the charity, both in the UK and overseas, there is a risk of failing to maintain appropriate health, safety and security for staff, volunteers and partners working with us.	Health and Safety policies and procedures are in place to maintain safe and healthy working conditions, equipment and systems of work for all our employees and volunteers. We provide such information on training and supervision, as they need for this purpose. We recognise that our responsibility also extends to others who are not in our employ but who may be affected by our activities.
Failure to meet regulatory requirements	The charity has a suite of approved policies and procedures to drive compliance and awareness of all our regulatory duties and has a scheme of delegation approved by trustees to enable the effective governance required.
Failure to attract and retain talent: we have struggled to recruit in the past (certainly to some key roles) and have had small fields at interview.	In 2019 we have restructured and strengthened our recruitment function and systems and are attracting larger number of applicants than before. For some specialist roles in global programmes and advocacy it is still difficult to recruit.

<p>Covid-19 Risk, business continuity and resilience: the financial effect of the current crisis on the global economy and overall charitable activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the outbreak has been expanding.</p>	<p>The charity's Crisis Management Team was established in early 2020 and is actively taking measures to mitigate the risks and uncertainties associated with Covid-19 including adaptation of plans for 2020 and beyond, reducing expenditure and applying our reserves policy as needed.</p>
<p>Cyber risk: a failure to ensure and maintain appropriate information security protocols to protect the charity from cyber-attack.</p>	<p>In 2018, we commenced the initial activities arising from the 2017 strategic review of IT and this includes enhancement of information security protocols and IT infrastructure. During 2019 we implemented further elements of the strategy and secured an IT partner to enhance our expertise and resilience.</p>
<p>Fraud, corruption or theft: there is an enhanced level of crime targeting all sectors and charities are not immune.</p>	<p>As above, our IT resilience has been enhanced, and we have recently approved a Global Financial Crime Policy and awareness of the risk has been significantly raised.</p>
<p>Risks related to data: such as a failure to maintain up-to-date data protection and information governance arrangements, in line with legislative, regulatory and contractual requirements, may result in a mishandling of data.</p>	<p>Data protection policies are in place and are reviewed to ensure our internal processes are robust and comply with any new legislative, regulatory or contractual requirements. Data protection training is compulsory for all volunteers and staff. The training has been designed to ensure awareness of our duty to protect data and support implementation of our internal policies and procedures on data protection and information governance.</p>
<p>Relinquishments: this is the risk of a high level of abandonment or relinquishment of donkeys from individuals or other private or registered donkey sanctuaries to The Donkey Sanctuary, which creates the risk of a lack of capacity and the potential for compromised quality of donkey care (i.e. we will be unable to cope with high volume relinquishment).</p>	<p>The charity has an extensive network of connections with other like-minded organisations across the UK and overseas with an established protocol in providing advice and guidance to support those organisations and individuals in need. We make recommendations to enhance operating models and hence minimise the risk of relinquishment. We are increasing our work to support donkeys in the community and to ensure where entry to sanctuary facilities is not possible (due to finite capacity) that the right steps are taken to protect donkey welfare. This may involve supporting private rehoming, castration, assisting with veterinary fees or ensuring end of life care is humane.</p>
<p>Safeguarding risks related to vulnerable children and adults (internationally): this is the risk that inadequate organisation-wide safeguarding policy and inconsistent application of related training, awareness and procedures could present a safeguarding risk to beneficiaries, staff and volunteers.</p>	<p>A safeguarding review was completed in 2018 covering a number of operational areas and this helped to identify some enhancements to our approach. Specialist resource has been recruited to coordinate our safeguarding approach. In 2019 we implemented new policies and working practices and appointed key members of staff, Executive Directors and Trustees responsible for safeguarding.</p>
<p>Reputational damage: this is an ever-present risk that can come from a wide range of sources. This could create an increasing trend of negative media coverage which in turn can cause reputational damage and adversely affect donations, and can severely impact the capacity to raise funds, as well as impacting the ability to attract high quality staff and forge vital partnerships.</p>	<p>The charity has comprehensive and stringent risk management policies and processes in place as well as an effective communications strategy providing communications that inspire trust and loyalty to our cause, that is proactive in advance of events, and prepared if, however unlikely, something untoward were to happen.</p>

STRUCTURE, GOVERNANCE AND MANAGEMENT

STRUCTURE

The Donkey Sanctuary was founded in 1969 by Dr Elisabeth Svendsen MBE, became a registered charity in 1973 and now operates under the governance of a sole corporate trustee, The Donkey Sanctuary Trustee Limited. The charity operates around the world through a combination of international branches, subsidiary entities, holding bases and collaborations with other like-minded organisations. We carry out a range of fundraising, donkey care and welfare and Donkey Assisted Therapy activities united under one global Donkey Sanctuary strategy.

As a UK registered charity The Donkey Sanctuary incorporates overseas branches in Ethiopia and Mexico as well as operating a network of six UK Donkey Assisted Therapy centres. The Donkey Sanctuary's charitable subsidiary undertakings operate in Ireland, Spain, Italy, Cyprus, Kenya and the Netherlands while the charity's UK trading subsidiaries Donkey World Limited and The Hayloft (Donkey Sanctuary) Limited provide additional income from the sale of goods and the operation of catering facilities to visitors to our main sanctuary in Sidmouth.

TRUSTEES

The charity has a sole corporate trustee, The Donkey Sanctuary Trustee Limited. The trustees are directors of The Donkey Sanctuary Trustee Limited for Companies Act purposes. Standard board composition allows up to 14 trustees but due to the timing of retirement and appointment this can vary. The trustees all have an interest in the care and welfare of animals but also bring a mix of skills and knowledge necessary for a charity of this size.

Trustees are appointed for a term of three years and can seek re-election up to a maximum of nine years. When a trustee vacancy occurs, either as a result of the departure of an existing member or it is felt necessary to strengthen or enlarge the board, new members are sought that will provide the sphere of experience necessary to replace that of the departing member or where it is felt the charity will benefit from additional expertise. In 2019, the Board updated the Board skills matrix to identify the skills, knowledge, experience and capabilities desired of the board to enable it to meet both the current and future challenges of the organisation. The updated skills matrix was used to inform trustee recruitment to replace trustees due to retire in 2020. A tender for recruitment services for the Board was also completed in 2019, with the

successful appointment of a recruitment agency to ensure fair and transparent recruitment processes for the Board.

The induction process for any newly appointed trustee includes an initial meeting with the chief executive officer together with a series of reviews with the appropriate executive and senior management team members to supplement information provided in their induction pack so as to impart knowledge of the operational and administrative aspects of the charity. Details of trustees' responsibilities are made available to new trustees from Charity Commission publications.

The trustees meet at least four times a year to hold Board meetings together with the executive team at which strategic matters are discussed and considered. A committee structure also operates to enable the trustees and executive team to provide a greater depth of direction and governance on specific parts of the charity. Each trustee will sit on at least one of the committees, although all can attend all meetings if they so wish. Members of the executive team attend the meeting that is most appropriate to their role or specialism.

The trustees regularly review governance best practice and they have recently adopted the guidance contained within the Charity Governance Code. The Charity Governance Code (www.charitygovernancecode.org) outlines the governance principles and practices that all charities should aspire to and is designed to help charities and their trustees develop high standards of governance. The charity already applies many of the Code's recommended practices and principles and the Trustees are committed to a programme ensuring full application of the Code with continuous engagement thereafter.

PEOPLE

The Donkey Sanctuary is one of the largest animal welfare charities registered in the United Kingdom and its achievements over the past 50 years have been made possible only through the efforts and dedication of its staff and volunteers. The trustees acknowledge that meeting the charity's future objectives will depend on our ability to attract, recruit, reward and retain a continuing supply of talented, well-informed and motivated people. Due to the unique diversity of its activities both in the UK and around the world, the charity is extremely complex and requires a workforce that not only shares our values of compassion, collaboration

and creativity but also has the required skills and experience to help fulfil our mission. The salaries we pay recognize the level of complexity and size of the charity.

It is with this in mind that the trustees have well-established systems and internal controls in setting the pay and remuneration of all of the charity's staff including key management personnel. In 2019, a new Remuneration Committee was formed to assist with advising the Board with this process. Those systems and controls include a review of senior management salaries each year to benchmark them against the not-for-profit sector and organisations of a similar size and structure.

In 2019, to enable the executive team to operate effectively, the trustees reviewed the list of matters reserved for the Board. Any approval required for an item of expenditure, contractual term or commitment that is outside the scope of these matters must be put before the board of trustees for their approval. The Board seeks to update the Scheme of Delegation with detailed delegations in 2020.

GRANT MAKING

The Donkey Sanctuary continues to provide grant funding to overseas organisations whose objectives are similar to those of the charity. Longstanding relationships exist with two overseas organisations: The Donkey Sanctuary India was established by the charity for the furtherance of its objects in India and the College of Veterinary Medicine and Agriculture, Addis Ababa University is an organisation with which the charity has operated donkey health and welfare projects for many years. During the year, activities of the Egyptian Society for the Protection and Welfare of Working Animals continued to be restricted with local government-enforced restrictions impacting on its ability to access funds from overseas organisations.

Within all of these projects, well-established processes exist to monitor progress, including periodic detailed financial reporting to the relevant members of the executive team. The charity receives numerous applications for grant funding throughout each year from individuals and organisations, and each application is given careful consideration in the context of the charity's overall strategic objectives and in terms of financial resources available. Grant-funding agreements are subject to approval by the relevant members of the executive team and contain provision for regular reporting of progress against set objectives, as well as providing suitable financial reporting.

INVESTMENT POLICY

The trustees have established an investment policy for the charity that covers:

- an investment portfolio in equities, bonds and other listed investments, long-term in nature and administered by investment managers on a discretionary basis.
- cash held in term deposit accounts administered through a combination of fund managers and the executive team.

The charity's listed investments are managed through a discretionary fund management agreement with Investec Wealth & Investment Limited (Investec). The agreement confirms the stated investment objective to preserve and grow the invested sum through a balanced investment portfolio of income and capital growth while adopting a medium-risk approach for listed investments and a low-risk approach for corporate bonds.

The investment policy includes the trustees' approach to ethical investment. The trustees have due regard for the underlying principle that their power of investment has to be used to further the purposes of the charity, and that those purposes will normally be best served by seeking the maximum return consistent with commercial prudence. The resulting ethical investment policy confirms that the charity should not make any direct investment with an organisation:

- whose activities conflict with the objects of the charity;
- whose main activities relate to tobacco;
- whose activities cause pain, suffering, distress or lasting harm, specifically those within Ethical Screening's "Animal Testing Non-Medical Discovery & Development" and "Animal Testing Non-Medical Ingredients" classifications except:
 - where testing is mandatory by law,
 - where the organisation is only a retailer; or
 - where there exists a fixed date for cessation of testing.

Any companies that are deemed unacceptable under this policy are removed from the portfolios within six months of being notified. Periodic meetings are held between Investec and selected executives of the charity, and on at least one occasion during each financial year Investec meets

with trustees and executives of the charity. Any balance of surplus funds held by the charity and not managed by Investec continues to be invested in interest-bearing deposits and treasury accounts with selected banks and building societies.

OBJECTIVES AND ACTIVITIES

The charitable objects of The Donkey Sanctuary are:

- For the benefit of the public, to relieve the suffering of donkeys, mules and other such animals in need of care and attention anywhere in the world and to provide and maintain rescue homes or other facilities for the reception, care, treatment and security of such animals.
- To promote humane behaviour towards such animals by providing them with appropriate care, protection, treatment and security and to educate the public in their welfare of and the prevention of cruelty and suffering amongst such animals.
- To benefit those persons whose lives are enhanced by working donkeys and mules by improving the health and welfare of such animals.
- To bring enjoyment and pleasure to enrich the lives of children, young people and adults who have additional needs, special educational needs, disabilities or illnesses in order to enhance their education and make their lives better through appropriate provision of facilities for riding, handling or coming into contact with such animals.

In 2019 the new strategic plan covering 2019 – 2023 was launched, which set out the charity's next five year strategic aims.

The charity is currently in the process of reviewing its short term strategic objectives in the context of the recent Covid-19 outbreak. The trustees are conscious that there will be many opportunities to apply new ways of working across the organisation. This review will encompass those aspects of Covid-19 that are outside of our control such as travelling restrictions and the application of those new approaches to our work. The financial impact and resource allocation to align with our refreshed plan is being assessed, which may lead to the deferral of some activity to the latter stages of 2020 and into 2021.

PUBLIC BENEFIT REQUIREMENT

The trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

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

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

The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage is also an admissible charitable purpose within the Charities Act and is taken to include our Donkey Assisted Therapy activities and our work in many parts of the world where donkeys and mules transport goods and people. Improving the care and welfare of the animals directly impacts on the lives of those that depend on them.

The trustees are satisfied that the aims and objectives of the charity and the sections that follow demonstrate how The Donkey Sanctuary met its charitable purposes in 2019, and how its principal achievements under its respective areas of charitable activity meet the public benefit requirements.

LINKED CHARITIES

The Elisabeth Svendsen Trust for Children and Donkeys

Charity objects: Further to the Charity Commission Scheme of 1 January 2012 the charity objects are the same as those of The Donkey Sanctuary.

The International Donkey Protection Trust

Charity objects: Further to the Charity Commission Scheme of 1 January 2012 the charity objects are the same as those of The Donkey Sanctuary.

On 21 December 2010 the Charity Commission granted a Scheme under which The International Donkey Protection Trust (IDPT) would be incorporated within the charity. Under this uniting direction, IDPT shall be treated as forming part of The Donkey Sanctuary for the purposes of Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011.

On 2 December 2011 the Directors of The Donkey Sanctuary Trustee Limited ("The Company") and the Incorporated Trustees of The Elisabeth Svendsen Trust for Children and Donkeys (EST) agreed to proceed with the merging of EST's activities into those of The Donkey Sanctuary, with the intention that The Company would act as Trustee of both The Donkey Sanctuary and EST.

Further to a Charity Commission Scheme granted with effect from 1 January 2012, EST was incorporated within The Donkey Sanctuary. Under this uniting direction EST is treated as forming part of The Donkey Sanctuary for the purposes of Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011.

SUBSIDIARY UNDERTAKINGS

The Donkey Sanctuary has ten subsidiary undertakings. Full details in respect of the subsidiaries' activities and performance can be found in Note 24 of the accounts.

APPROVAL

This report was approved by the trustees on

28 August 2020 and signed on its behalf by:



Stuart Reid, Trustee

The Donkey Sanctuary Trustee Limited.



Thomas Mitchell, Trustee

The Donkey Sanctuary Trustee Limited.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE TRUSTEES' ANNUAL REPORT AND THE FINANCIAL STATEMENTS

Under the trust deed and rules of the charity and charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the trustees to prepare financial statements for each financial year. The trustees have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The group and charity's financial statements are required by law to give a true and fair view of the state of affairs of the group and the charity and of the excess of the group's excess of income over expenditure for that period.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed and rules, subject to any material departures disclosed and explained in the financial statements;
- assess the group and the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- use the going concern basis of accounting unless they either intend to liquidate the group or the charity or to cease operations, or have no realistic alternative but to do so.

The trustees are required to act in accordance with the trust deed and the rules of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG LLP
Regus, 4th Floor
Salt Quay House
6 North East Quay
Plymouth
PL4 0HP

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE DONKEY SANCTUARY

OPINION

We have audited the group and charity financial statements of The Donkey Sanctuary (“the charity”) for the year ended 31 December 2019 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated statement of cash flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the group’s and of the charity’s affairs as at 31 December 2019 and of the group’s incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We have been appointed as auditor under section 144 of the Charities Act 2011 (or its predecessors) and report in accordance with regulations made under section 154 of that Act.

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

GOING CONCERN

The trustees have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the charity or to cease their operations, and as they have concluded that the group and charity's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the trustees' conclusions, we considered the inherent risks to the group's business model and analysed how those risks might affect the group and charity's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group or the charity will continue in operation.

OTHER INFORMATION

The trustees are responsible for the other information, which comprises the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. We are required to report to you if:

- based solely on that work, we have identified material misstatements in the other information; or
- in our opinion, the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements.

We have nothing to report in these respects.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Under the Charities Act 2011 we are required to report to you if, in our opinion:

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

TRUSTEES' RESPONSIBILITIES

As explained more fully in their statement set out on page 28, the trustees are responsible for: the preparation of financial statements which give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and the charity'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 they either intend to liquidate the group or the charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at: www.frc.org.uk/auditorsresponsibilities.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

This report is made solely to the charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 (or its predecessors) and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Ian Brokenshire
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

Regus, 4th Floor
Salt Quay House
6 North East Quay
Plymouth
PL4 0HP

KPMG LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

16 September 2020

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 December 2019

	NOTES	UNRESTRICTED FUNDS £'000	RESTRICTED FUNDS £'000	TOTAL 2019 £'000	TOTAL 2018 £'000
Income and endowments:					
Donations and legacies	2	37,030	1,408	38,438	38,211
Other trading activities	3	3,675	-	3,675	3,122
Income from investments	4	664	-	664	734
		41,369	1,408	42,777	42,067
Other income:					
Gain on disposals of fixed assets		52	-	52	54
Other income		189	-	189	185
TOTAL INCOME		41,610	1,408	43,018	42,306
Expenditure on raising funds	5	11,291	-	11,291	9,231
Expenditure on charitable activity:					
	6				
Rescue and rehoming		23,780	760	24,540	22,665
Donkeys in the community		4,260	349	4,609	4,059
Human-donkey interactions		3,930	206	4,136	4,072
Total expenditure on charitable activity		31,970	1,315	33,285	30,796
TOTAL EXPENDITURE BEFORE NET GAINS & LOSSES ON INVESTMENTS	6	43,261	1,315	44,576	40,027
NET (EXPENDITURE)/ INCOME BEFORE NET GAINS & LOSSES ON INVESTMENTS AND OTHER RECOGNISED GAINS AND LOSSES		(1,651)	93	(1,558)	2,279
Net gains/(losses) on investments		2,994	-	2,994	(1,614)
NET INCOME BEFORE OTHER RECOGNISED GAINS AND LOSSES		1,343	93	1,436	665
Losses on foreign currency translation		(272)	-	(272)	(9)
NET INCOME		1,071	93	1,164	656
Reconciliation of funds:					
Total funds brought forward		75,952	2,845	78,797	78,141
TOTAL FUNDS CARRIED FORWARD	20	77,023	2,938	79,961	78,797

All of the activities relate to continuing operations.
The accompanying notes form an integral part of the financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEETS

As at 31 December 2019

	NOTES	GROUP 2019 £'000	GROUP 2018 £'000	CHARITY 2019 £'000	CHARITY 2018 £'000
Fixed assets:					
Intangible assets	11	1,115	1,236	1,102	1,220
Tangible assets	12	32,406	30,586	28,446	26,443
Investments	13	23,077	21,027	23,227	21,177
Total fixed assets		56,598	52,849	52,775	48,840
Current assets:					
Stocks	14	634	734	182	258
Debtors	15	20,542	19,214	20,384	18,526
Short term deposits		562	2,207	562	2,207
Cash at bank and in hand		5,215	6,903	3,486	5,519
Total current assets		26,953	29,058	24,614	26,510
Current liabilities:					
Creditors: Amounts falling due within one year	16	3,590	3,110	2,769	2,096
Net current assets		23,363	25,948	21,845	24,414
NET ASSETS		79,961	78,797	74,620	73,254
The funds of the charity:					
Restricted income funds	20	2,938	2,845	2,895	2,845
Unrestricted income funds:					
Designated funds	21	34,236	33,196	30,006	28,641
General funds	20	42,787	42,756	41,719	41,768
Total unrestricted income funds		77,023	75,952	71,725	70,409
TOTAL GROUP/ CHARITY FUNDS		79,961	78,797	74,620	73,254

The accompanying notes form an integral part of the financial statements.

Signed for and on behalf of The Donkey Sanctuary Trustee Limited on 28 August 2020



Stuart Reid, Trustee.
The Donkey Sanctuary Trustee Limited



Thomas Mitchell, Trustee.
The Donkey Sanctuary Trustee Limited

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2019

	NOTES	2019 £'000	2018 £'000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	(i)	(1,459)	425
Cash flows from investing activities			
Interest received		14	42
Dividends, interests and rents from investments		650	692
Purchase of investments		(2,706)	(3,389)
Purchase of intangible fixed assets		(68)	(70)
Purchase of property, plant and equipment		(3,411)	(1,816)
Proceeds from the sale of property, plant and equipment		99	186
Proceeds from the sale of investments		3,649	5,711
Net cash (used in)/provided by investing activities		(1,773)	1,356
Change in cash and cash equivalents in the reporting period		(3,232)	1,781
Cash and cash equivalents at the beginning of the period		9,110	7,351
Change in cash and cash equivalents due to exchange rate movements		(101)	(22)
Cash and cash equivalents at the end of the period	(ii)	5,777	9,110

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

i. Reconciliation of net income to net cash flow from operating activities.

	2019 £'000	2018 £'000
Net income for the reporting period (as per the statement of financial activities)	1,436	665
Depreciation charges	1,464	1,393
Amortisation charges	190	161
Unrealised (gain)/loss on fixed asset investments	(3,012)	1,827
Dividends, interest and rent from investments	(664)	(734)
Loss/(gain) on the sale of fixed asset investments	18	(213)
Loss on the sale of intangible fixed assets	1	-
Loss on the sale of tangible fixed assets	54	109
Gain on the sale of tangible fixed assets	(52)	(73)
Decrease/(Increase) in Stock	100	(33)
Increase in Debtors	(1,328)	(3,692)
Increase in Creditors	334	1,015
Net cash (used in)/provided by operating activities	(1,459)	425

ii. A) Analysis of cash and cash equivalents

	2019 £'000	2018 £'000
Short-term deposits	562	2,207
Cash at bank and in hand	5,215	6,903
	5,777	9,110

ii. B) Analysis of changes in net cash

	AT THE START OF YEAR £'000	CASH FLOWS £'000	FOREIGN EXCHANGE MOVEMENTS £'000	AT END OF YEAR £'000
Cash	6,903	(1,587)	(101)	5,215
Short-term deposits	2,207	(1,645)	-	562
	9,110	(3,232)	(101)	5,777

The accompanying notes form an integral part of the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year Ended 31 December 2019

1. ACCOUNTING POLICIES

a. Basis of accounting

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments to market value and are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) ('the SORP'), the Charities Act 2011 and applicable United Kingdom accounting standards.

The financial statements have been prepared on a going concern basis which the trustees consider to be appropriate for the following reasons.

The trustees have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate, taking accounting of severe but plausible downside scenarios which include the impact of Covid-19, the charity will have sufficient funds to meet its liabilities as they fall due for that period.

The trustees are confident that even with a severe but plausible decrease in income of 30% in 2020, expenditures remaining at pre-Covid-19 levels, and a gradual return to pre-Covid-19 income levels by the end of 2021, the available reserves as of 30 June 2020 will allow the charity to continue to meet its liabilities as they fall due. These available reserves include cash and cash equivalents of £3.1m, investments of £19.3m, and legacy debtor of £18.4m as of 30 June 2020.

The trustees continue to monitor the situation through the Crisis Management Team and have developed mitigating action plans which include reductions in capital expenditures and utilising reserves.

The accounting policies adopted by the group are described below:

b. Consolidation

These financial statements include the results of the charity together with the results of all the charity's branches including those overseas, unless the results of those branches are not significant to the group. Consolidated accounts have been prepared for the year ended 31 December 2019 in accordance with business combinations provisions of FRS 102.

The charity has taken advantage of the exemption contained in section 33.1A of FRS 102, where disclosures need not be given of transactions entered into between two or more members of a group.

In line with the SORP the parent charity has not published its own SOFA and the related notes. See note 25 for details of the parent charity results for the year.

c. Income

Income is included in the statement of financial activities when the group is legally entitled to the income and the amount can be quantified with reasonable accuracy.

- i. Donations from supporters represent the amounts receivable by the charity from donors during the period. Gift aid on donations is accounted for on an accruals basis.
- ii. Donated assets and other gifts in kind are included in either donations or other trading activities according to SORP guidelines. They are included at the value of the gift received unless it is not practicable to estimate the value of the donated assets until they have been sold on. Where a value is estimated this is the reasonable estimate of the gross value to the charity.
- iii. Donated facilities and services that are consumed immediately are recognised as income, with an equivalent amount recognised as an expense under the appropriate heading in the statement of financial activities. The contribution of

general volunteers is not included as income as it is impractical to measure it reliably.

- iv. Legacy income is recognised when it is probable that it will be received. Receipt is normally probable when.
 - a. there has been grant of probate;
 - b. the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
 - c. any conditions attached to the legacy are either within the control of the charity or have been met

Residuary legacy income is recognised when the charity is advised by the personal representative of an estate that payment will be made and the amount can be quantified; pecuniary legacy income is recognised on notification; and where a life tenancy exists income is deferred as disclosed in note 23. Payments on account of a legacy, whether received or advised by letter as forthcoming have been treated as incoming resources.

- v. Income from investments represents interest arising in the UK and overseas on building society and bank deposits held by the group during the period, and have been included on an accruals basis, together with income from listed investments and government and corporate bonds.
- vi. Fundraising income represents other fundraising activities carried out by the charity to generate incoming resources which will be used to undertake its charitable activities and includes raffles and fundraising events such as festivals and experience days.
- vii. Trading income includes the sale of merchandise and catering income net of value added tax. Goods donated for resale are included as income in other trading activities when they are sold and the cash received.

d. Expenditure

Expenditure is included on an accruals basis and incorporates provisions for known liabilities where a legal or constructive obligation existed at the balance sheet date that would commit the group to that expenditure. The purchase of goods and services has been treated as expenditure

once the supplier has delivered the goods or performed the service.

- i. Expenditure on raising funds includes all expenditure incurred by the group to raise funds for its charitable purposes. It includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods. Such costs will typically include the costs of seeking donations, grants and legacies, operating membership schemes, staging events and other related costs; contracting with agents to raise funds on behalf of the charity; operating charity shops selling donated and/or bought-in goods; operating our non-charitable trading subsidiaries; advertising, marketing and direct mail materials, including publicity costs not associated with educational material designed wholly or mainly to further the charity's purposes; and investment management costs.
- ii. Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- iii. Support costs represent the cost of certain central or regional support functions that are shared across more than one activity undertaken by the group. Support costs have been allocated between charitable activities and expenditure on raising funds on the basis of headcount, staff time, expenditure levels and the number of supported computer workstations. Details of the costs and basis of the allocations can be found in note 8 to the accounts.
- iv. Governance costs relate to costs associated with the constitutional and statutory requirements of the group and include the costs of external audit, secretariat and other constitutional related costs. Further details of the items included in governance costs are included in note 7 to the accounts.
- v. Grant funding of activities: grants payable are accounted for when paid or charged to the statement of financial activities when a constructive obligation exists, notwithstanding that they may be paid in future accounting periods.

e. Value added tax

Irrecoverable VAT is included in the cost of the items reported in the financial statements.

f. Taxation

The Donkey Sanctuary is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable trust for UK income tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 10 Income Tax Act 2007 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

g. Operating leases

Rentals payable under operating leases are charged to the statement of financial activities as incurred.

h. Foreign currency

Transactions in foreign currencies are recorded using monthly average rates of exchange. Monetary assets and liabilities are translated into sterling at the exchange rates ruling at the balance sheet date. All exchange differences are taken to the statement of financial activities.

The results of overseas subsidiary undertakings are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on the translation of the opening net assets and results of the overseas operations are reported in the statement of financial activities as other recognised gains and losses.

i. Pension costs

A Group Personal Pension Scheme was introduced on 1 October 1997 and contributions to this scheme are charged in the accounting period in which they fall due. The current Aegon GPP scheme was introduced on 1st March 2010.

j. Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost less accumulated amortisation, and are recognised on the following basis:

- i. Individual intangible assets of a value below £1,000 are not generally capitalised unless they form part of a larger asset; and
- ii. Impairment reviews are undertaken when a development occurs that necessitates the replacement, disposal or otherwise of a particular asset or assets.
- iii. Development expenditure is capitalised in accordance with the criteria in section 18 of FRS 102 where work is required to be performed prior to the asset being brought into use.
- iv. Assets under construction are held within intangible fixed assets as appropriate; no amortisation charge is made until the period in which the asset is brought into use.

Amortisation is provided on all intangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life (the useful life is based on our experience of the historic useful life of other intangible assets), as follows: Software –10% – straight line.

k. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Tangible fixed assets are recognised on the following basis:

- i. Individual fixed assets of a value below £1,000 are not capitalised unless they form part of a larger project;
- ii. The group does not have any assets to capitalise of historic, scientific (including environmental) or artistic importance;
- iii. Impairment reviews are undertaken when a development occurs that necessitates the replacement, disposal or otherwise of a particular asset or assets; and
- iv. Assets under construction are held within tangible fixed assets as appropriate; no depreciation charge is made until the period in which the asset is brought into use.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

- Leasehold property – **Straight line over the lease term.**
- Freehold buildings **2%** – **straight line.**
- Equipment, fixtures and fittings **20%** – **reducing balance.**
- Vehicles – cars **33 ⅓%** – **reducing balance.**
- Vehicles – tractors and other vehicles **20%** – **reducing balance.**

I. Investments

Stocks and shares are included in the accounts at market value. Gains and losses arising on the revaluation of investments are shown in the consolidated statement of financial activities with realised gains and losses on the disposal of fixed asset investments as net gains and losses on investments. Investments in subsidiary undertakings are stated at cost in the charity's balance sheet and eliminated on consolidation in accordance with FRS 102.

m. Stocks

Trading stock: Valued at the lower of cost and net realisable value less provision for obsolete and slow moving stock.

Stock of feed, straw and bedding: Major bought-in items are individually identified and valued at the cost of purchase. Other bought-in items are valued at the lower of cost and net realisable value.

Veterinary supplies and equipment, stores and other stock: Valued at the lower of cost and net realisable value.

n. Debtors

Debtors are measured at the best estimate of the amount expected to be recovered at the reporting date.

o. Cash and Short-term deposits

Cash at bank and in hand is defined as highly liquid and immediately available. Short-term deposits are liquid investments held for up to 12 months.

p. Creditors

Creditors are measured at the best estimate of the amount that would be required to settle the obligation at the reporting date.

q. Fund accounting

- i. Unrestricted funds are expendable at the discretion of the trustees in furtherance of the charity's objects. If part of an unrestricted fund is earmarked for a particular project it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the trustees' discretion to apply the fund. Income generated from assets held in unrestricted funds has been treated as unrestricted.
- ii. Restricted funds are funds subject to specific trusts, which may be declared by the donor(s) or with their authority (e.g. in a public appeal) or created through legal process, but still within the wider objects of the charity. Restricted funds may be restricted income funds, which are expendable at the discretion of the trustees in furtherance of some particular aspect(s) of the objects of the charity. Or they may be capital (i.e. endowment) funds, where the assets are required to be invested, or retained for actual use, rather than expended. Income arising from endowments and restricted income funds has been treated as restricted in its own right unless the terms of the trust allow otherwise.
- iii. Transfers between funds – these may arise when there is a release of restricted funds to unrestricted funds or charges are made from the unrestricted to other funds.

r. Judgements in applying accounting policies and key sources of estimation uncertainty

To be able to prepare financial statements in accordance with FRS 102, the trustees are required to make certain estimates and judgements that have an impact on the policies and the amount reported in the annual accounts. The estimates and judgements are based on historical experiences and other factors including expectations of future events that are believed to be reasonable at the time such estimates and judgements are made. The significant estimates mainly relate to accrued legacy income which is accounted for as described in c.

2. DONATIONS AND LEGACIES

	UNRESTRICTED FUNDS £'000	RESTRICTED FUNDS £'000	TOTAL 2019 £'000	TOTAL 2018 £'000
Donations	11,964	409	12,373	11,508
Donated services	15	-	15	73
Legacies	25,051	999	26,050	26,630
	37,030	1,408	38,438	38,211

3. OTHER TRADING ACTIVITIES

	UNRESTRICTED FUNDS £'000	RESTRICTED FUNDS £'000	TOTAL 2019 £'000	TOTAL 2018 £'000
Rental income	24	-	24	33
Sale of donated assets	51	-	51	88
Fundraising income	949	-	949	797
Trading income	2,651	-	2,651	2,204
	3,675	-	3,675	3,122

4. INCOME FROM INVESTMENTS

	UNRESTRICTED FUNDS £'000	RESTRICTED FUNDS £'000	TOTAL 2019 £'000	TOTAL 2018 £'000
Listed and unlisted investments	649	-	649	589
Fixed term bonds	1	-	1	105
Building society and bank interest	14	-	14	40
	664	-	664	734

5. EXPENDITURE ON RAISING FUNDS

	UNRESTRICTED FUNDS £'000	RESTRICTED FUNDS £'000	TOTAL 2019 £'000	TOTAL 2018 £'000
Donations and legacies	8,209	-	8,209	6,238
Fundraising income	470	-	470	482
Trading costs	2,500	-	2,500	2,390
Investment management costs	112	-	112	121
	11,291	-	11,291	9,231

6. EXPENDITURE

	STAFF COSTS £'000 (NOTE 10)	OTHER DIRECT COSTS £'000	GRANT FUNDING OF ACTIVITIES £'000 (NOTE 9)	SUPPORT COSTS £'000 (NOTE 8)	TOTAL 2019 £'000	TOTAL 2018 £'000
Expenditure on raising funds						
Donations and legacies	799	4,377	-	3,033	8,209	6,238
Fundraising income	62	170	-	238	470	482
Trading costs	662	1,559	-	279	2,500	2,390
Investment management costs	-	94	-	18	112	121
Expenditure on charitable activities						
Rescue and rehoming	8,078	7,771	214	8,477	24,540	22,665
Donkeys in the community	1,154	1,433	671	1,351	4,609	4,059
Human-donkey interactions	1,992	625	7	1,512	4,136	4,072
Expenditure in support of activities	8,909	5,925	74	(14,908)	-	-
	21,656	21,954	966	-	44,576	40,027

	UNRESTRICTED FUNDS £'000	RESTRICTED FUNDS £'000	TOTAL 2019 £'000	TOTAL 2018 £'000
Expenditure on raising funds				
Donations and legacies	8,209	-	8,209	6,238
Fundraising income	470	-	470	482
Trading costs	2,500	-	2,500	2,390
Investment management costs	112	-	112	121
Expenditure on charitable activities				
Rescue and rehoming	23,780	760	24,540	22,665
Donkeys in the community	4,260	349	4,609	4,059
Human-donkey interactions	3,930	206	4,136	4,072
	43,261	1,315	44,576	40,027

7. GOVERNANCE COSTS

	UNRESTRICTED FUNDS £'000	RESTRICTED FUNDS £'000	TOTAL 2019 £'000	TOTAL 2018 £'000
Audit and other financial services:				
Audit fees - external audit	36	-	36	39
Audit fees - overseas audit	20	-	20	20
Other services provided by the auditors	33	-	33	46
Trustees' expenses	41	-	41	18
Apportionment of costs supporting governance activities	693	-	693	456
	823	-	823	579

The aggregate amount of reimbursed trustee director expenses was £20k (2018: £8k) in respect of travel accommodation and subsistence for 13 (2018: nine) trustee directors during the year, and direct meeting costs of £21k (2018: £10k). There were no trustee director expenses outstanding for reimbursement at the end of the year.

8. SUPPORT COSTS ALLOCATION

	DIRECTORATE £'000	FINANCE, LEGAL & ADMIN £'000	INFORMATION TECHNOLOGY £'000	HUMAN RESOURCES £'000	SUPPORTER SERVICES & COMMS £'000	DIRECT SUPPORT COSTS £'000	TOTAL 2019 £'000
Expenditure on raising funds							
Donations and legacies	284	632	83	55	1,775	204	3,033
Fundraising income	14	17	6	4	186	11	238
Trading costs	61	21	7	69	45	76	279
Investment management costs	4	7	-	-	6	1	18
Expenditure on charitable activities							
Rescue and rehoming	872	1,645	362	724	1,588	3,286	8,477
Donkeys in the community	184	173	72	137	288	497	1,351
Human-donkey interactions	144	92	86	192	227	771	1,512
	1,563	2,587	616	1,181	4,115	4,846	14,908
BASIS OF ALLOCATION	Estimated time & expenditure	Estimated time & expenditure	Supported workstations	Headcount	Estimated time & expenditure	Headcount & expenditure	

Expenditure in support of activities includes Governance costs of £823k (2018: £579k). This is included primarily within Directorate and Finance Legal & Admin. Governance costs are shown in note 7.

	DIRECTORATE £'000	FINANCE, LEGAL & ADMIN £'000	INFORMATION TECHNOLOGY £'000	HUMAN RESOURCES £'000	SUPPORTER SERVICES & COMMS £'000	DIRECT SUPPORT COSTS £'000	TOTAL 2018 £'000
Expenditure on raising funds							
Donations and legacies	174	280	64	53	1,500	264	2,335
Fundraising income	13	13	4	4	166	17	217
Trading costs	48	15	5	75	49	75	267
Investment management costs	4	5	-	-	8	1	18
Expenditure on charitable activities							
Rescue and rehoming	648	1,658	272	660	1,777	3,124	8,139
Donkeys in the community	135	136	52	139	307	332	1,101
Human-donkey interactions	118	120	78	206	271	603	1,396
	1,140	2,227	475	1,137	4,078	4,416	13,473
BASIS OF ALLOCATION	Estimated time & expenditure	Estimated time & expenditure	Supported workstations	Headcount	Estimated time & expenditure	Headcount & expenditure	

Direct support costs include the costs of research, operational and programme support, health and safety, property maintenance services and central procurement and logistics, all of which provide support to operational and fundraising functions.

9. GRANTS AND DONATIONS

	RESCUE AND REHOMING £'000	DONKEYS IN THE COMMUNITY £'000	HUMAN- DONKEY INTERACTIONS £'000	2019 £'000	2018 £'000
Institutional					
Overseas for the welfare of donkeys					
AEGPA - Portugal	33	-	-	33	28
Africa Network for Animal Welfare - Kenya	-	12	-	12	41
All About Animals - Gambia	-	10	-	10	-
Animal Nepal	-	135	-	135	163
Antigua and Barbuda Humane Society	-	9	-	9	-
ARAF Plateau Dogon - Mali	-	30	-	30	9
Arusha Society for the Protection of Animals (ASPA) - Tanzania	-	8	-	8	26
Bridging Lanka	-	-	-	-	20
Cheshire Homes (Cheshire Services Ethiopia)	-	-	-	-	27
Cretan Animal Welfare Society - Greece	-	-	-	-	4
DONYAEP Association - Ghana	-	-	-	-	21
DHWP - College of Veterinary Medicine and Agriculture, Addis Ababa University	-	64	-	64	117
FAWCAM (Foundation for Animal Welfare, Cameroon)	-	-	-	-	12
Forum Nacional de Protecao e Defesa - Brazil	-	30	-	30	-
Fundacao Medicina Veterinaria - Brazil	-	89	-	89	22
Greek Animal Welfare Fund	49	-	-	49	24
Highveld Horse Care Unit - South Africa	-	-	-	-	14
Lilongwe Society for the Protection and Care of Animals	-	15	-	15	32
Lupane Youth for Development - Zimbabwe	-	-	-	-	4
McGregor (Eseltjesrus) Donkey Sanctuary - S. Africa	-	18	-	18	12
Meru Animal Welfare Org (MAWO) - Tanzania	-	-	-	-	31
Mwamfumba Cooperative - Zambia and Zimbabwe	-	-	-	-	16
NSPCA - South Africa	-	6	-	6	27
Palestine Wildlife Society	-	11	-	11	22
Roots & Shoots (Jane Goodall Institute Tanzania)	-	-	-	-	14
Save the Dogs and Other Animals - Romania	-	-	-	-	14

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	RESCUE AND REHOMING £'000	DONKEYS IN THE COMMUNITY £'000	HUMAN- DONKEY INTERACTIONS £'000	2019 £'000	2018 £'000
Social & Animal Welfare Service - Somaliland	-	11	-	11	22
Tanzania Animal Welfare Charity (TAWEC)	-	-	-	-	9
Tanzania Animal Welfare Society (TAWESO)	-	-	-	-	28
Tanzania Humane Charity	-	2	-	2	9
The Donkey Sanctuary - India	-	52	-	52	245
The Donkey Sanctuary Welfare Association - India	-	120	-	120	16
University of Milan	-	11	-	11	13
Items £5,000 or less	3	9	-	12	11
	85	642	-	727	1,053
Institutional					
UK for the welfare of donkeys					
Progressive Ideas	-	-	-	-	5
Rothamsted Research	60	-	-	60	-
Silage Solutions	8	-	-	8	-
University of Bristol	5	4	-	9	30
University of Exeter	-	-	7	7	30
University of Glasgow	49	-	-	49	72
University of Reading	-	21	-	21	33
Items £5,000 or less	7	4	-	11	9
	129	29	7	165	179
Expenditure in support of activities	-	74	-	74	48
Total	214	745	7	966	1,280

Grants payable to UK and overseas organisations are considered to be part of the costs of activities in the furtherance of the objects of the charity because much of the charity's development programme is carried out through such grants to organisations whose objectives accord with those of the charity. Committed grants are fully provided for as at 31 December 2019. All grants made are to institutions. Expenditure in support of activities comprises salary costs.

As at 31 December 2019 full provision has been made for the following grants for 2020 and beyond. These projects had either started or were fully committed to before the period end:

	£'000
Research grant – Rothamsted Research	20
Research grant – University of Bristol	23
Research grant – University of Exeter	6
Research grant – University of Glasgow	20
Research grant – University of Reading	4
Research grant – University of Milan	18
AEGPA - Portugal	18
Forum Nacional de Protecao e Defesa	14

10. STAFF COSTS AND VOLUNTEERS

	2019 £'000	2018 £'000
Staff costs for the year were as follows:		
Salary	18,074	16,485
Social security costs	1,810	1,638
Pension contributions	1,772	1,181
	21,656	19,304

Staff costs include a total of £353k payments for compensation for loss of office (2018: £74k). These are accounted for in the period to which they relate when the liability to pay arises. There were no amounts outstanding for loss of office as at 31 December 2019.

The average number of staff employed during the year was as follows:

	2019 No.	2018 No.	2019 FTE	2018 FTE
Rescue and rehoming	308	286	278	251
Donkeys in the community	54	55	52	53
Human-donkey interactions	94	101	73	78
Fundraising	25	23	23	21
Trading	42	44	26	28
Support activities	258	248	235	226
	781	757	687	657

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2019 No.	2018 No.
£60,001–£70,000	8	1
£70,001–£80,000	6	4
£80,001–£90,000	1	2
£90,001–£100,000	3	1
£100,001–£110,000	1	1
£110,001–£120,000	-	-
£120,001–£130,000	-	-
£130,001–£140,000	1	1
	20	10

Emoluments include salary and benefits-in-kind but exclude pension scheme contributions. 2019 emoluments include £132k payments for compensation for loss of office (2018: £nil).

On 1 March 2019 the pension scheme changed to a salary exchange scheme. This has the effect of reducing gross salary and increasing pension cost. See note 17 for details of the pension scheme.

The total remuneration (including pension scheme contributions) paid to key management personnel in 2019 was £1,307k (2018: £1,082k). Key management personnel comprise the chief executive and executive management team detailed on p67.

No remuneration was paid to any trustee or to any person connected with them during the year.

We are very grateful for the contribution given by general volunteers to The Donkey Sanctuary. During the year volunteers helped us with a wide range of activities, including the trustees, providing governance, quality time volunteers, fundraising and Donkey Assisted Therapy. We estimate that volunteers have contributed 29,680 hours to The Donkey Sanctuary in 2019 (2018: over 42,000). It is not practicable to attach a value to this contribution.

11. INTANGIBLE FIXED ASSETS: SOFTWARE

	GROUP £'000	CHARITY £'000
Cost		
At 1 January 2019	2,006	1,964
Additions	70	68
Disposals	(2)	-
Foreign currency translation adjustment	-	-
At 31 December 2019	2,074	2,032
Amortisation		
At 1 January 2019	770	744
Charge for the year	190	186
Adjustment for disposals	(1)	-
At 31 December 2019	959	930
Net book value		
At 31 December 2019	1,115	1,102
At 31 December 2018	1,236	1,220

In the statement of financial activities amortisation is allocated to expenditure on raising funds and expenditure on charitable activity according to the activities that each intangible fixed asset supports.

Assets under construction amounting to £43k (2018: £19k) have not been amortised.

12. TANGIBLE FIXED ASSETS

Tangible fixed assets – Group

	LEASEHOLD PROPERTY £'000	FREEHOLD LAND AND BUILDINGS £'000	VEHICLES AND TRACTORS £'000	EQUIPMENT FIXTURES AND FITTINGS £'000	TOTAL FIXED ASSETS £'000
Cost					
At 1 January 2019	1,738	32,571	4,602	5,589	44,500
Additions	12	2,241	787	516	3,556
Disposals	-	-	(485)	(1,055)	(1,540)
Foreign currency translation adjustment	-	(177)	(36)	(49)	(262)
At 31 December 2019	1,750	34,635	4,868	5,001	46,254
Depreciation					
At 1 January 2019	247	7,243	2,810	3,614	13,914
Charge for the year	38	558	453	415	1,464
Adjustment for disposals	-	-	(428)	(1,011)	(1,439)
Foreign currency translation adjustment	-	(17)	(27)	(47)	(91)
At 31 December 2019	285	7,784	2,808	2,971	13,848
Net book value					
At 31 December 2019	1,465	26,851	2,060	2,030	32,406
At 31 December 2018	1,491	25,328	1,792	1,975	30,586
The net book value represents fixed assets used for:					
Direct charitable purpose					
Rescue and rehoming	11	22,318	1,585	1,255	25,169
Donkeys in the community	-	26	45	2	73
Human-donkey interactions	1,426	1,915	94	116	3,551
Other purposes					
Fundraising	-	-	-	12	12
Trading	3	1,526	-	215	1,744
Administration and support	25	1,066	336	430	1,857
	1,465	26,851	2,060	2,030	32,406

Freehold land amounting to £3,663k has not been depreciated (2018: £3,710k) and assets under construction amounting to £1,728k (2018: £967k) are included within freehold land and buildings and equipment additions. Assets under construction include new arrivals units at our Brookfield site, as well as donkey yards, tracks and farm building works on our other sites. These have not been depreciated.

Tangible fixed assets – Charity

	LEASEHOLD PROPERTY £'000	FREEHOLD LAND AND BUILDINGS £'000	VEHICLES AND TRACTORS £'000	EQUIPMENT FIXTURES AND FITTINGS £'000	TOTAL FIXED ASSETS £'000
Cost					
At 1 January 2019	1,738	28,362	3,600	4,242	37,942
Additions	12	2,226	631	469	3,338
Disposals	-	-	(377)	(887)	(1,264)
At 31 December 2019	1,750	30,588	3,854	3,824	40,016
Depreciation					
At 1 January 2019	247	6,584	2,071	2,597	11,499
Charge for the year	38	500	373	346	1,257
Adjustment for disposals	-	-	(330)	(856)	(1,186)
At 31 December 2019	285	7,084	2,114	2,087	11,570
Net book value					
At 31 December 2019	1,465	23,504	1,740	1,737	28,446
At 31 December 2018	1,491	21,778	1,529	1,645	26,443
The net book value represents fixed assets used for:					
Direct charitable purpose					
Rescue and rehoming	11	18,971	1,271	963	21,216
Donkeys in the community	-	26	39	1	66
Human-donkey interactions	1,426	1,915	94	116	3,551
Other purposes					
Fundraising	-	-	-	12	12
Trading	3	1,526	-	215	1,744
Administration and support	25	1,066	336	430	1,857
	1,465	23,504	1,740	1,737	28,446

Freehold land amounting to £2,594k has not been depreciated (2018: £2,594k) and assets under construction amounting to £1,726k (2018: £965k) are included within freehold land and buildings and equipment additions. Assets under construction include new arrivals units at our Brookfield site, as well as donkey yards, tracks and farm building works on our other sites. These have not been depreciated.

13. FIXED ASSET INVESTMENTS

	GROUP 2019 £'000	GROUP 2018 £'000	CHARITY 2019 £'000	CHARITY 2018 £'000
Valuation				
Opening balance	21,027	24,963	21,177	25,113
Additions	2,706	3,389	2,706	3,389
Disposals and withdrawals	(3,668)	(5,499)	(3,668)	(5,499)
Transfers	-	-	-	-
Unrealised gain	3,012	(1,826)	3,012	(1,826)
Closing balance	23,077	21,027	23,227	21,177
Fixed asset investments are detailed below:				
Investments in subsidiary undertakings				
Donkey World Limited				
– 150,000 ordinary shares of £1 each	-	-	150	150
The Hayloft (Donkey Sanctuary) Limited				
– 4 ordinary shares of £1 each	-	-	-	-
Indirect investment in UK listed securities				
UK fixed interest bonds	2,302	2,094	2,302	2,094
Property backed fund	1,385	1,432	1,385	1,432
UK equities	8,979	7,339	8,979	7,339
Cash funds	300	1,650	300	1,650
Alternative assets	985	730	985	730
Indirect investment in overseas listed securities				
International bonds	257	250	257	250
Overseas equities	8,105	6,658	8,105	6,658
Total listed investments	22,313	20,153	22,463	20,303
Other				
Investment management cash accounts	764	874	764	874
Building society deposits	-	-	-	-
Cash-based investment deposits	-	-	-	-
	23,077	21,027	23,227	21,177

No individual investments held at 31 December 2019 or 31 December 2018 had a market value in excess of 5% of the total market value of listed investments.

Details of the investments in subsidiary undertakings can be found in note 24.

14. STOCK

	GROUP 2019 £'000	GROUP 2018 £'000	CHARITY 2019 £'000	CHARITY 2018 £'000
Trading stock	391	396	10	35
Stock of feed, straw and bedding	134	228	100	144
Veterinary supplies, equipment, stores and other	109	110	72	79
	634	734	182	258

£3,088k (2018: £3,077k) has been recognised as expenditure in the statement of financial activities for the above stock items.

15. DEBTORS AND PREPAYMENT

	GROUP 2019 £'000	GROUP 2018 £'000	CHARITY 2019 £'000	CHARITY 2018 £'000
Amounts due from subsidiary undertakings and connected parties	-	-	1,048	798
Other debtors	42	20	58	142
Income tax recoverable	190	271	190	271
Residual legacies	19,860	18,754	18,695	17,166
Prepayments	263	143	257	140
Accrued income	187	26	136	9
	20,542	19,214	20,384	18,526

The amounts due from subsidiary undertakings and connected parties are repayable on demand and non-interest bearing.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP 2019 £'000	GROUP 2018 £'000	CHARITY 2019 £'000	CHARITY 2018 £'000
Amounts due to subsidiary undertakings and connected parties	-	-	9	62
Accounts payable	684	624	469	346
Social security and other taxes	603	550	436	407
Other creditors	583	440	426	247
Accruals	1,720	1,496	1,429	1,034
	3,590	3,110	2,769	2,096

The amounts due to subsidiary undertakings and connected parties are repayable on demand and non-interest bearing.

17. PENSION SCHEME

Defined Contribution Scheme

The charity provides a Group Personal Pension Scheme operated by AEGON Scottish Equitable. Three categories of employer contributions operate within the scheme which are tiered according to seniority. The cost for the accounting period is disclosed in note 10. A contribution by all staff is required, with the exception of a small number of longer-serving senior staff who have remained on a non-contributory category. The defined contribution nature of the scheme avoids

the potential volatility of employer pension costs experienced by the previously operated defined benefit schemes.

The pension contributions are allocated to activities by direct attribution and via the support cost allocation. The liability and expenditure is allocated to unrestricted funds.

The Group Personal Pension Scheme was changed to a salary exchange scheme with effect from 1 March 2019.

18. CAPITAL COMMITMENTS

At the end of the year the group had no contracts for capital commitments that have not been accrued within these accounts.

At 31 December 2019 the group had authorised but not contracted the following amounts for 2020 and beyond:

	2019 £'000	2018 £'000
Authorised but not contracted at period end	3,478	4,042

Capital commitments authorised but not contracted by the end of the year include provision for donkey accommodation and farm vehicles.

19. OPERATING LEASES

Non-cancellable operating lease rentals are payable as follows:

	2019 £'000	2018 £'000
Less than one year	55	91
Between one and five years	61	112
More than five years	251	258
	367	461

During the year £70k was recognised as an expense in the profit and loss account in respect of operating leases (2018: £125k).

20. ANALYSIS OF MOVEMENT IN FUNDS

Restricted funds

The reserves of the group include restricted funds which comprise income held on trusts to be applied for those specific purposes as described in the table below. The group has sufficient resources held in an appropriate form to enable each fund to be applied in accordance with any restrictions.

The source of the income is represented by funds raised from:

- local or national fundraising activities, all of which have been completed by the end of the period; or
- specific donations or legacies requesting the funds be applied as specified by the donor

Tangible fixed asset funds represent funds received in respect of specific items of equipment, vehicles or capital building projects,

all of the funding relating thereto having been spent by the end of the financial year. Each tangible asset fund is amortised so as to match the depreciation rate of the associated asset. Veterinary and isolation facilities funds relate mainly to funds raised and used for building and equipping our hospital and new arrivals facilities in the UK. DAT centres funds relate mainly to funds raised and used for purchasing and modifying our Donkey Assisted Therapy centres in Manchester, Birmingham, Leeds and Ivybridge.

Current asset funds are funds received for which the associated project has yet to commence or had yet to be fully utilised by the end of the financial year. Funds are held in cash at bank and in hand until the project is complete.

Operating cost funds are funds relating to the operational projects (i.e. non capital projects) of the charity and ordinarily are spent before the end of the financial year.

Analysis of movement in funds – Group

	BALANCE AT 01.01.19 £'000	INCOMING RESOURCES £'000	OUTGOING RESOURCES £'000	TRANSFERS BETWEEN FUNDS £'000	OTHER RECOGNISED GAINS £'000	BALANCE AT 31.12.19 £'000
Restricted funds						
Tangible fixed asset funds						
Farm buildings (UK)	353	96	(11)	-	-	438
Veterinary and isolation facilities	1,006	84	(30)	-	-	1,060
Veterinary equipment	5	-	(1)	-	-	4
Farm equipment and machinery	10	13	(12)	-	-	11
DAT centres	1,265	-	(33)	-	-	1,232
DAT centre equipment	5	-	(2)	-	-	3
DAT centre vehicles	10	-	(6)	-	-	4
Education and activities vehicles	14	-	(3)	-	-	11
Current asset fund						
Turks & Caicos	171	-	-	-	-	171
DAT centre equipment	6	-	(2)	-	-	4
Operating cost funds						
Rescue and rehoming	-	707	(707)	-	-	-
Donkeys in the community	-	348	(348)	-	-	-
DAT centres	-	160	(160)	-	-	-
Total restricted funds	2,845	1,408	(1,315)	-	-	2,938
Unrestricted funds						
General funds	42,756	41,610	(41,432)	(2,869)	2,722	42,787
Designated funds	33,196	-	(1,829)	2,869	-	34,236
Total unrestricted funds	75,952	41,610	(43,261)	-	2,722	77,023
Total group funds	78,797	43,018	(44,576)	-	2,722	79,961

During the year the trustees authorised capital expenditure for 2020 as described in note 18. Accordingly, an amount to cover this designation of funds was transferred from general funds to designated funds.

Analysis of movement in funds – Charity

	BALANCE AT 01.01.19 £'000	INCOMING RESOURCES £'000	OUTGOING RESOURCES £'000	TRANSFERS BETWEEN FUNDS £'000	OTHER RECOGNISED GAINS £'000	BALANCE AT 31.12.19 £'000
Restricted funds						
Tangible fixed asset funds						
Farm buildings (UK)	353	53	(11)	-	-	395
Veterinary and isolation facilities	1,006	84	(30)	-	-	1,060
Veterinary equipment	5	-	(1)	-	-	4
Farm equipment and machinery	10	13	(12)	-	-	11
DAT centres	1,265	-	(33)	-	-	1,232
DAT centre equipment	5	-	(2)	-	-	3
DAT centre vehicles	10	-	(6)	-	-	4
Education and activities vehicles	14	-	(3)	-	-	11
Current asset fund						
Turks & Caicos	171	-	-	-	-	171
DAT centre equipment	6	-	(2)	-	-	4
Operating cost funds						
Rescue and rehoming	-	707	(707)	-	-	-
Donkeys in the community	-	348	(348)	-	-	-
DAT centres	-	160	(160)	-	-	-
Total restricted funds	2,845	1,365	(1,315)	-	-	2,895
Unrestricted funds						
General funds	41,768	37,793	(38,020)	(2,788)	2,966	41,719
Designated funds	28,641	-	(1,423)	2,788	-	30,006
Total unrestricted funds	70,409	37,793	(39,443)	-	2,966	71,725
Total charity funds	73,254	39,158	(40,758)	-	2,966	74,620

21. DESIGNATED FUNDS

Designated fund movements – Group

	BALANCE AT 01.01.19 £'000	ADDITIONAL APPROVED £'000	DEPRECIATION AND DISPOSALS £'000	BALANCE AT 31.12.19 £'000
Intangible fixed assets fund	1,297	559	(191)	1,665
Tangible fixed assets fund	31,899	2,310	(1,638)	32,571
	33,196	2,869	(1,829)	34,236

Designated fund movements – Charity

	BALANCE AT 01.01.19 £'000	ADDITIONAL APPROVED £'000	DEPRECIATION AND DISPOSALS £'000	BALANCE AT 31.12.19 £'000
Intangible fixed assets fund	1,281	557	(186)	1,652
Tangible fixed assets fund	27,360	2,231	(1,237)	28,354
	28,641	2,788	(1,423)	30,006

Intangible fixed assets fund – this fund represents the amalgamation of:

- Unrestricted income funds that could only be released by disposing of intangible fixed assets held for charitable use.
- Unrestricted income funds designated for specific future capital projects for which the Trustee has either authorised and contracted or authorised but not contracted the related expenditure as set out in note 18.

Tangible fixed assets fund – this fund represents the amalgamation of:

- Unrestricted income funds that could only be released by disposing of tangible fixed assets held for charitable use.
- Unrestricted income funds designated for specific future capital projects for which the Trustee has either authorised and contracted or authorised but not contracted the related expenditure as set out in note 18.

22. ANALYSIS OF NET ASSETS

Analysis of net assets – Group

	INTANGIBLE FIXED ASSETS £'000	TANGIBLE FIXED ASSETS £'000	INVESTMENTS £'000	CURRENT ASSETS £'000	CURRENT LIABILITIES £'000	TOTAL GROUP NET ASSETS AT 31.12.19 £'000
Restricted funds	-	2,763	-	175	-	2,938
Unrestricted funds:						
Designated funds	1,115	29,643	-	3,478	-	34,236
General funds	-	-	23,077	23,300	(3,590)	42,787
	1,115	32,406	23,077	26,953	(3,590)	79,961

Analysis of net assets – Charity

	INTANGIBLE FIXED ASSETS £'000	TANGIBLE FIXED ASSETS £'000	INVESTMENTS £'000	CURRENT ASSETS £'000	CURRENT LIABILITIES £'000	TOTAL CHARITY NET ASSETS AT 31.12.19 £'000
Restricted funds	-	2,720	-	175	-	2,895
Unrestricted funds:						
Designated funds	1,102	25,726	-	3,178	-	30,006
General funds	-	-	23,227	21,261	(2,769)	41,719
	1,102	28,446	23,227	24,614	(2,769)	74,620

23. LEGACIES RECEIVABLE

At the end of the year the group was entitled to receive an estimated £5,712k (2018: £5,972k) from residual legacies subject to life tenancies. These mainly comprise shares in properties and investments held in trusts. Residual legacies subject to life tenancies are recognised in the accounts once the tenancy restriction is removed.

During the year The Donkey Sanctuary received £5,215 in donations from solicitors, being sundry balances in their client accounts. The Law Society

permits these donations to be made to charity, provided that The Donkey Sanctuary agrees to indemnify the solicitors for these donations which it has done.

On 23 August 2019 the Charity Commission authorised The Donkey Sanctuary to make an application of property from The Donkey Sanctuary's share of the estate of the late Mr Brian Hey. The trustees regarded themselves as being under a moral obligation to make the application.

24. SUBSIDIARIES AND RELATED PARTY TRANSACTIONS

Related party transactions

Related parties comprise trustees (and close members of their families), subsidiaries, key management personnel (and close members of their families) and anyone carrying out business in partnership with any of the aforementioned parties.

The following related party transactions require disclosure under FRS 102:

Pramada Shah was appointed to the board of The Donkey Sanctuary Trustee Limited on 18 March 2019. She is the co-founder and president of Animal Nepal. The Donkey Sanctuary gave a total value of £135k in grants to Animal Nepal in 2019 (2018: £163k) as disclosed in note 9. There were no outstanding balances at the end of the financial year.

Elizabeth Sheldon was appointed to the board of The Donkey Sanctuary Trustee Limited on 24 March 2020. She is the Chief Operating Officer of CCLA Investment Management Limited. The Donkey Sanctuary holds a COIF Charities Deposit Fund account with CCLA. The balance in this account as at 31 December 2019 was £50,000.

There are no other related party transactions which require disclosure under FRS 102.

Subsidiary undertakings

The Donkey Sanctuary's subsidiaries, El Refugio Del Burrito, Il Rifugio Degli Asinelli O.N.L.U.S, The Donkey Sanctuary (Cyprus) Limited, The Donkey Sanctuary (Ireland) Limited, Stichting The Donkey Sanctuary Nederland, The International Donkey Protection Trust, The Elisabeth Svendsen Trust for Children and Donkeys, The Donkey Sanctuary Kenya, Donkey World Limited and The Hayloft (Donkey Sanctuary) Limited are incorporated into the consolidated accounts in accordance with FRS 102 using the acquisition accounting method.

a. El Refugio Del Burrito

El Refugio Del Burrito (an Association registered in Spain whose registered office is at Avda. Ricardo Soriano, 12, Edif. Marques de Salamanca, 2nd floor-office 8, 29600 Marbella – Malaga (Spain), registered number 170773) qualifies as a subsidiary undertaking of The Donkey Sanctuary due to the composition of its board of directors.

The directors of El Refugio Del Burrito are:

- **Ann Brown**
Executive officer of The Donkey Sanctuary
- **Linda Edwards**
Executive officer of The Donkey Sanctuary (resigned 30 April 2020)
- **Barbara Massa**
Officer of The Donkey Sanctuary (appointed 3 June 2020)
- **Kevin Nacey**
Executive officer of The Donkey Sanctuary (appointed 1 July 2019)
- **Veronica Sanchez**
Officer of The Donkey Sanctuary (resigned 24 January 2020)
- **Marianne Steele**
Executive officer of The Donkey Sanctuary
- **Anna Stenner-Evans**
Officer of The Donkey Sanctuary
- **Chris Young**
Executive officer of The Donkey Sanctuary

The income and costs of El Refugio Del Burrito relate to the provision of care, protection and or permanent security anywhere in the world for donkeys and mules which are in need of attention by reason of sickness, maltreatment, poor circumstances, ill-usage or other like causes and the prevention of cruelty and suffering among donkeys and mules. Transactions have been included within the consolidated results of the charitable activities of The Donkey Sanctuary.

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	2019 £'000	2018 £'000
Total income	1,149	1,055
Total cost of charitable activities	(1,146)	(1,077)
Governance cost	(5)	(5)
Total expenditure	(1,151)	(1,082)
Net expenditure for the year	(2)	(27)

As at 31 December 2019, El Refugio Del Burrito had net assets of £1,977k (2018: £2,067k). This comprised assets of £2,034k (2018: £2,120k) and liabilities of £57k (2018: £53k)

b. Il Rifugio Degli Asinelli (O.N.L.U.S.)

Il Rifugio Degli Asinelli O.N.L.U.S. (an Association registered in Italy whose registered office is at Via Per Zubiena 62, 13884 Sala Biellese, Italy, registered number 42000) qualifies as a subsidiary undertaking of The Donkey Sanctuary due to the composition of its board of directors.

The income and costs of Il Rifugio Degli Asinelli O.N.L.U.S. relate to the provision of care, protection and or permanent security anywhere in the world for donkeys and mules which are in need of attention by reason of sickness, maltreatment, poor circumstances, ill-usage or other like causes and the prevention of cruelty and suffering among donkeys and mules. Transactions have been included within the consolidated results of the charitable activities of The Donkey Sanctuary.

The directors of Il Rifugio Degli Asinelli O.N.L.U.S. are:

- **Ann Brown**
Executive officer of The Donkey Sanctuary
- **Linda Edwards**
Executive officer of The Donkey Sanctuary (resigned 30 April 2020)
- **Barbara Massa**
Officer of The Donkey Sanctuary (appointed 14 April 2020)
- **Kevin Nacey**
Executive officer of The Donkey Sanctuary (appointed 1 July 2019)
- **Marianne Steele**
Executive officer of The Donkey Sanctuary
- **Chris Young**
Executive officer of The Donkey Sanctuary

	2019 £'000	2018 £'000
Total income	985	806
Total cost of charitable activities	(982)	(958)
Governance cost	(2)	(2)
Total expenditure	(984)	(960)
Net income/(expenditure) for the year	1	(154)

As at 31 December 2019, Il Rifugio Degli Asinelli O.N.L.U.S. had net assets of £1,528k (2018: £1,574k). This comprised assets of £1,866k (2018: £1,878k) and liabilities of £338k (2018: £304k).

c. The Donkey Sanctuary (Cyprus) Limited

The Donkey Sanctuary (Cyprus) Limited (a Company registered in Cyprus whose registered office is at Georgiou Gennadiou, 10A, Agathangelos Court, 2nd Floor, Flat 203, Limassol, Cyprus, registered number HE194261) qualifies as a subsidiary undertaking of The Donkey Sanctuary due to the composition of its board of directors.

The income and costs of The Donkey Sanctuary (Cyprus) Limited relate to the provision of care, protection and or permanent security anywhere in the world for donkeys and mules which are in need of attention by reason of sickness, maltreatment, poor circumstances, ill-usage or other like causes and the prevention of cruelty and suffering among donkeys and mules. Transactions have been included within the consolidated results of the charitable activities of The Donkey Sanctuary.

The directors of The Donkey Sanctuary (Cyprus) Limited are:

- **Ann Brown**
Executive officer of The Donkey Sanctuary
- **Linda Edwards**
Executive officer of The Donkey Sanctuary (resigned 30 April 2020)
- **Kevin Nacey**
Executive officer of The Donkey Sanctuary (appointed 1 July 2019)
- **Chris Young**
Executive officer of The Donkey Sanctuary

	2019 £'000	2018 £'000
Total income	259	297
Total cost of charitable activities	(263)	(308)
Governance cost	(2)	(2)
Total expenditure	(265)	(310)
Net expenditure for the year	(6)	(13)

As at 31 December 2019, The Donkey Sanctuary (Cyprus) Limited had net assets of £24k (2018: £31k). This comprised assets of £34k (2018: £47k) and liabilities of £10k (2018: £16k).

d. The Donkey Sanctuary (Ireland) Limited

The Donkey Sanctuary (Ireland) Limited was incorporated on 21 January 2011 (a company limited by guarantee and registered in Ireland (registered charity CHY11617, registered company 494024) whose registered office is Liscarroll, Mallow, County Cork, Ireland). The company commenced its charitable activities on 1 September 2011 and qualifies as a subsidiary undertaking by virtue of the degree of management and control exerted by The Donkey Sanctuary.

The income and costs of The Donkey Sanctuary (Ireland) Limited relate to the provision of care, protection and or permanent security anywhere in the world for donkeys and mules which are in need of attention by reason of sickness, maltreatment, poor circumstances, ill-usage or other like causes and the prevention of cruelty and suffering among donkeys and mules. Transactions have been included within the consolidated results of the charitable activities of The Donkey Sanctuary.

The directors of The Donkey Sanctuary (Ireland) Limited are:

- **Linda Edwards**
Executive officer of The Donkey Sanctuary (resigned 30 April 2020)
- **Michael Cronin**
Of independent status (appointed 9 July 2020)
- **Denis Healy**
Of independent status
- **Tim Kirby**
Of independent status (appointed 9 July 2020)
- **Dan McCarthy**
Of independent status (appointed 9 July 2020)
- **Philip Merrills-Dearn**
Of independent status (appointed 9 July 2020)
- **Kevin Nacey**
Executive Officer of The Donkey Sanctuary (appointed 26 May 2020)
- **Rosemary Polden**
Of independent status

	2019 £'000	2018 £'000
Total income	3,992	4,216
Total cost of charitable activities	(4,088)	(4,117)
Governance cost	(7)	(7)
Total expenditure	(4,095)	(4,124)
Net (expenditure)/income for the year	(103)	92

As at 31 December 2019, The Donkey Sanctuary (Ireland) Limited had net assets of £794k (2018: £936k). This comprised assets of £993k (2018: £1,326k) and liabilities of £199k (2018: £390k).

e. Stichting The Donkey Sanctuary Nederland

Stichting The Donkey Sanctuary Nederland was incorporated on 3 June 2010 (a Foundation registered in Holland whose registered office is Polarisavenue 83 I, 2132 JH Hoofddorp, Holland, registered number 50110152). The foundation commenced its charitable activities on 1 February 2011 and qualifies as a subsidiary undertaking of The Donkey Sanctuary due to the composition of its board of directors.

The income and costs of Stichting The Donkey Sanctuary Nederland relate to fundraising for the charitable objectives of The Donkey Sanctuary. Transactions have been included within the consolidated costs of generating voluntary income for The Donkey Sanctuary.

The directors of Stichting The Donkey Sanctuary Nederland are:

- **Kevin Nacey**
Executive officer of The Donkey Sanctuary (appointed 8 July 2019)
- **Zoë Norris**
Executive officer of The Donkey Sanctuary
- **Marianne Steele**
Executive officer of The Donkey Sanctuary
- **Chris Young**
Executive officer of The Donkey Sanctuary

	2019 £'000	2018 £'000
Total income	2,181	2,269
Total cost of charitable activities	(2,179)	(2,266)
Governance cost	(2)	(2)
Total expenditure	(2,181)	(2,268)
Net income for the year	-	1

As at 31 December 2019, Stichting The Donkey Sanctuary Nederland had net assets of £6k (2018: £6k). This comprised assets of £498k (2018: £700k) and liabilities of £492k (2018: £694k).

f. The Donkey Sanctuary Kenya Limited

The Donkey Sanctuary Kenya Limited was incorporated on 5 March 2010 (a Company limited by guarantee and registered in Kenya whose registered office is at Kenya Society for the Protection & Care of Animals (KSPCA) – Karen office, Langata Road, PO Box 24203-00502, Nairobi, registered number CPR/2009/13322). The company commenced its charitable activities in October 2010 and qualifies as a subsidiary undertaking of The Donkey Sanctuary due to the composition of its board of directors.

The income and costs of The Donkey Sanctuary Kenya Limited relate to the provision of care, protection and or permanent security anywhere in the world for donkeys and mules which are in need of attention by reason of sickness, maltreatment, poor circumstances, ill-usage or other like causes and the prevention of cruelty and suffering among donkeys and mules. Transactions have been included within the consolidated results of the charitable activities of The Donkey Sanctuary.

The directors of The Donkey Sanctuary Kenya Limited are:

- **Mike Baker**
Executive officer of The Donkey Sanctuary
- **Linda Edwards**
Executive officer of The Donkey Sanctuary (resigned 30 April 2020)
- **Jean Gilchrist**
Of independent status (retired 22 May 2020)
- **Dr Sudarshan Varma**
Of independent status
- **Christopher Vaughan**
Executive officer of The Donkey Sanctuary (appointed 22 May 2020)

	2019 £'000	2018 £'000
Total income	137	190
Total cost of charitable activities	(147)	(190)
Governance cost	(2)	(1)
Total expenditure	(149)	(191)
Net expenditure for the year	(12)	(1)

As at 31 December 2019, The Donkey Sanctuary Kenya Limited had net assets of £14k (2018: £19k). This comprised assets of £15k (2018: £20k) and liabilities of £1k (2018: £1k).

g. The International Donkey Protection Trust

Since 1 October 2000, when the objects of The Donkey Sanctuary were amended by the Charity Commission, The Donkey Sanctuary has taken the responsibility for all overseas work previously carried out by the International Donkey Protection Trust (IDPT) and the Trustees of IDPT resolved to pass all funds received by IDPT to The Donkey Sanctuary. However, IDPT still exists as a “shell” charity with the full knowledge and agreement of the Charity Commission.

On 21 December 2010, the Charity Commission granted a scheme under which

The International Donkey Protection Trust would be incorporated within the Charity. Under this uniting direction, IDPT is treated as forming part of The Donkey Sanctuary for the purposes of Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011.

The income of the International Donkey Protection Trust relates to legacy and donation income generated for the charitable objectives of The Donkey Sanctuary. Transactions have been included within the consolidated voluntary income of The Donkey Sanctuary.

	2019 £'000	2018 £'000
Total income	425	638
Amount donated to The Donkey Sanctuary	(593)	(162)
Net (expenditure)/income for the year	(168)	476

As at 31 December 2019, The International Donkey Protection Trust had net assets of £425k (2018: £592k). This comprised assets of £425k (2018: £592k).

h. The Elisabeth Svendsen Trust for Children and Donkeys (EST)

On 2 December 2011 the Trustees of The Donkey Sanctuary Trustee Limited (“The Company”) and the Incorporated Trustees of The Elisabeth Svendsen Trust for Children and Donkeys (“EST”) agreed to proceed with the merging of EST’s activities into those of The Donkey Sanctuary with the intention that The Company would act as Trustee of both The Donkey Sanctuary and EST.

Further to a Charity Commission Scheme granted with effect from 1 January 2012, EST was incorporated within The Donkey

Sanctuary. Under this uniting direction EST is treated as forming part of The Donkey Sanctuary for the purposes of Part 4 (registration) and Part 8 (accounting) of the Charities Act 2011. EST still exists as a “shell” charity with the full knowledge and agreement of the Charity Commission.

The income of EST relates to legacy and donation income generated for the charitable objectives of The Donkey Sanctuary (which include Donkey Assisted Therapy activity). Transactions have been included within the consolidated results of the charitable activities of The Donkey Sanctuary.

	2019 £'000	2018 £'000
Total income	577	841
Amount donated to The Donkey Sanctuary	(410)	(587)
Net income for the year	167	254

As at 31 December 2019, The Elisabeth Svendsen Trust for Children and Donkeys had net assets of £577k (2018: £410k). This comprised assets of £577k (2018: £410k).

i. Donkey World Limited

Donkey World Limited “the Company”, registered number 4452098, was incorporated on 30 May 2002 and commenced trading on 1 October 2002 to conduct trading activities in support of the charitable objects of The Donkey Sanctuary and The Elisabeth Svendsen Trust for Children and Donkeys. The principal activity is the sale of merchandise by mail order through a catalogue and the internet and sales at our visitor centres.

The Donkey Sanctuary holds 150,000 Ordinary Shares of £1 each in Donkey World Limited, the shares representing a holding of 100% in the Company.

The directors of Donkey World Limited are:

- **Kevin Nacey**
Executive officer of The Donkey Sanctuary (appointed 3 July 2019)

- **Zoë Norris**
Executive officer of The Donkey Sanctuary
- **Marianne Steele**
Executive officer of The Donkey Sanctuary
- **Chris Young**
Executive officer of The Donkey Sanctuary

The directors have agreed that the Company, by virtue of its principal objects, will distribute by way of charitable donations the majority of its retained profit for the year to its 100% parent undertaking – The Donkey Sanctuary. On this basis charitable donations amounting to £411k (2018: £164k) were accrued in the consolidated results of The Donkey Sanctuary for the year.

The following are extracts from Donkey World Limited’s financial statements:

	2019 £'000	2018 £'000
Turnover	1,500	1,225
Cost of sales	(635)	(480)
Gross profit	865	745
Other income	13	4
Administration and other costs	(467)	(585)
Taxation	-	-
Net income	411	164
Amount donated to The Donkey Sanctuary	(411)	(164)
Retained profit	-	-

As at 31 December 2019, Donkey World Limited had net assets of £165k (2018: £165k). This comprised assets of £980k (2018: £616k) and liabilities of £815k (2018: £451k).

j. The Hayloft (Donkey Sanctuary) Limited

The Hayloft (Donkey Sanctuary) Limited, “the Company”, registered number 06807104, was incorporated on 2 February 2009 and commenced trading on 1 April 2009 to conduct trading activities in support of the charitable objects of The Donkey Sanctuary. The principal activity is to provide a restaurant and other catering facilities.

The Donkey Sanctuary holds 4 Ordinary Shares of £1 each in The Hayloft (Donkey Sanctuary) Limited. This represents a holding of 100% in the Company.

The directors of The Hayloft (Donkey Sanctuary) Limited are:

- **Kevin Nacey**
Executive officer of The Donkey Sanctuary (appointed 3 July 2019)

- **Zoë Norris**
Executive officer of The Donkey Sanctuary
- **Marianne Steele**
Executive officer of The Donkey Sanctuary
- **Chris Young**
Executive officer of The Donkey Sanctuary

The Directors have agreed that the Company, by virtue of its principal objects, will distribute by way of charitable donations the majority of its retained profit for the year to its 100% parent undertaking – The Donkey Sanctuary. Although the result was a profit for the year, The Hayloft (Donkey Sanctuary) Limited has carried forward losses from prior years so no charitable donations were accrued in the consolidated results of The Donkey Sanctuary for the year ended 31 December 2019 (2018: £nil).

The following are extracts from The Hayloft (Donkey Sanctuary) Limited’s financial statements:

	2019 £'000	2018 £'000
Turnover	1,108	924
Cost of sales	(808)	(759)
Gross profit	300	165
Other income	-	-
Administration and other costs	(208)	(174)
Taxation	-	-
Net income/(expenditure)	92	(9)
Amount donated to The Donkey Sanctuary	-	-
Retained profit/(loss)	92	(9)

As at 31 December 2019, The Hayloft (Donkey Sanctuary) Limited had net liabilities of £5k (2018: £97k). This comprised assets of £185k (2018: £86k) and liabilities of £189k (2018: £183k).

25. PARENT CHARITY

In line with the SORP the parent charity has not published its own SOFA and the related notes. Details of the charity's own income and results are as follows:

	2019 £'000	2018 £'000
Turnover	39,158	37,900
Expenditure on raising funds	(9,196)	(7,259)
Expenditure on charitable activities	(31,564)	(28,965)
Total expenditure before net gains/losses on investments	(40,760)	(36,224)
Net gains/(losses) on investments	2,994	(1,614)
Net income before other recognised gains and losses	1,392	62

26. NON-ADJUSTING POST BALANCE SHEET EVENT

On 11 March 2020 the World Health Organisation declared the novel coronavirus Covid-19 outbreak to be a pandemic. This disease and the speed of its spread has caused a global economic, social and health issue, giving rise to very significant falls in the UK and global stock markets.

The charity's investment portfolio saw material unrealised losses after the year end, reflecting the volatility of the global markets. As at 30 June 2020 the main portfolio value included an unrealised loss of £1.8 million vs the balance at the year end. Furthermore, the activity of the charity is expected to be significantly different in some areas over the coming months, responding to the recommendations and requirements from the UK government. This will reduce both income and costs in these areas.

£19.9 million of accrued income (see Note 15) is for legacies. It is possible there will be an impairment of this value as the value of the housing market is expected to fall, and a proportion of this accrued income is held as property. A proportion of this balance is also held as investments which are showing significant volatility as referenced above. However, at the time of writing, it is not possible to quantify the potential effect of these factors on legacy income received.

The Donkey Sanctuary is actively looking at possibilities to defer non-critical expenditure to later years or to change the scope of projects to reduce the short-term cost to the charity, and expects to implement changes during 2020.

REFERENCE AND ADMINISTRATIVE DETAILS

GOVERNING INSTRUMENT

The Donkey Sanctuary is registered with the Charity Commission as a charity and the first trustees were appointed by a trust deed dated 10 September 1974. The power of appointing a new trustee is invested in the surviving or continuing trustees, for the time being. The sole corporate trustee is The Donkey Sanctuary Trustee Limited, a company limited by guarantee. The Donkey Sanctuary Trustee Limited is governed by its Memorandum and Articles of Association.

Charity Registration Number: 264818

Corporate Trustee Company Registration Number: 07328588

Registered Office: Slade House Farm, Sidmouth, EX10 0NU

BOARD OF TRUSTEES (WHO ARE DIRECTORS FOR COMPANIES ACT PURPOSES)

The trustees who served throughout the year and up to the date of the approval of the Trustees' Report and Accounts comprised:

- **Lucy Back** (appointed 24 March 2020)
- **Natalie Cook**
- **Robert Crawford** (retired 26 June 2020)
- **Rosemary Gillespie**
- **Susan Griffin**
- **David Howarth**
- **Richard Kapff** (appointed 26 June 2020)
- **Thomas Mitchell** (appointed 18 March 2019)
- **Patrick Pollock** (appointed 18 March 2019)
- **Christine Purdy**
- **Stuart Reid** (Chair)
- **John Sewell-Rutter** (retired 28 June 2019)
- **Pramada Shah** (appointed 18 March 2019)
- **Elizabeth Sheldon** (appointed 24 March 2020)
- **Andrew Stringer** (appointed 18 March 2019)
- **Bill Tetlow** (retired 28 June 2019)
- **Company Secretary: Anna Stenner-Evans**, Head of Governance

CHIEF EXECUTIVE AND EXECUTIVE MANAGEMENT TEAM

The executive management team to whom day-to-day management of the charity is delegated by the trustees and who served throughout the year and up to the date of the approval of the Trustees' Report and Accounts comprised:

- **Mike Baker** Chief Executive
- **Ann Brown** Director of Equine Operations
- **Faith Burden** Executive Director of Equine Operations
- **Ian Cawsey** Director of Advocacy & Campaigns
- **Jenny Coe** Director of People (appointed 4 March 2019)
- **Linda Edwards** Executive Director Operations (resigned 30 April 2020)
- **Cheryl Martin** Director of Brand & Communications (appointed 29 April 2019)
- **Kevin Nacey** Executive Director of Resources
- **Zoë Norris** Deputy Director Marketing Communications
- **Marianne Steele** Senior Executive Director Marketing Communications
- **Ceris Turner-Bailes** Interim Director of Global Programmes (resigned 17 November 2019)
- **Christopher Vaughan** Director of Global Programmes (appointed 20 April 2020)
- **Caron Whaley** Director Donkey Assisted Therapy (resigned 9 April 2019)
- **Chris Young** Director of Finance
- **Investment Managers:** Investec Wealth & Investment Limited, 2 Gresham St, London, EC2V 7QN
- **Bankers:** Barclays Bank plc, Bedford Street, Exeter, EX1 1LX
- **Solicitors:** Michelmores LLP, Woodwater House, Pynes Hill, Exeter, EX2 5WR
Tozers Solicitors LLP, Broadwalk House, Southernhay West, Exeter, EX1 1UA
- **Auditor** KPMG LLP, Regus, 4th Floor, Salt Quay House, 6 North East Quay, Plymouth, PL4 0HP



THE DONKEY SANCTUARY

Slade House Farm, Sidmouth, Devon EX10 0NU

T [44] (0)1395 578222 **F** [44] (0)1395 579266 **E** enquiries@thedonkeysanctuary.org.uk
thedonkeysanctuary.org.uk

The Donkey Sanctuary was founded by Dr Elisabeth Svendsen MBE in 1969. The Donkey Sanctuary (registered charity number 264818) and its sole corporate trustee, The Donkey Sanctuary Trustee Limited (Company number 07328588), both have their registered office at Slade House Farm, Sidmouth, EX10 0NU. Linked charities: The Elisabeth Svendsen Trust for Children and Donkeys (EST); The International Donkey Protection Trust (IDPT).