

TRUSTEE'S REPORT AND ACCOUNTS

2021



**THE DONKEY
SANCTUARY**







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INTRODUCTION BY MARIANNE STEELE

We have seen several challenges brought on by the pandemic which continued to grip the world in 2021, but I am proud to say our dedicated teams here at The Donkey Sanctuary continued to deliver above and beyond for donkeys and mules in need.

Without the hard work and commitment of every single member of The Donkey Sanctuary family, we would not have bounced back so positively from the impact of Covid-19 in 2020. While we faced our share of challenges, some of which continue to impact our operations worldwide, I firmly believe that as a charity we are well on the road to recovery.

Having sustained a substantial deficit to our income in 2020, primarily due to a delay in the processing of legacies and some fundraising activity being curtailed, our income bounced back strongly as our legacy donations not only returned to normal, but also increased in value, allowing us to continue to care for donkeys and mules all across the world. The majority of our critical core activities have also resumed.

Looking back on a complex year, I feel privileged to be able to share so many positive outcomes with you. These triumphs are a mark of the doggedness and determination of our skilled and committed staff – to keep doing the best for donkeys despite any hurdle that may arise. This commitment and generosity of our donors shows no sign of flagging in 2022, and I am excited to see what the coming year will bring.

Successes include the care of our resident herds and improvements to their living environments, and rehoming efforts continuing at their highest levels in four years. We have seen another record performance in income generation and significant wins in our work against the skin trade.

An expanding programme of global partnerships continues to ensure our voice remains heard worldwide, and we have made substantive progress in our work to build strong foundations for expanding our reach and impact over coming years.



Thanks to the efforts of our dedicated team of Donkey Welfare Advisers, we have many heartwarming stories of rescues and rehoming. Tales of compassion, determination and ultimately, of happy endings for many donkeys with broken backgrounds.

We will continue to be a voice for donkeys everywhere and make sure they receive the recognition they deserve. There are many countries where these diligent and hardworking animals are so heavily relied on, and our work to focus the eyes of the world on their contribution never wavers.

It is a pleasure to work alongside so many likeminded people who, together, are making this world a better place for donkeys and mules everywhere.

Marianne Steele

Acting Chief Executive
The Donkey Sanctuary



“ I am proud to say our dedicated teams here at The Donkey Sanctuary continued to deliver above and beyond for donkeys and mules in need.





A FAREWELL MESSAGE FROM **STUART REID**

As the world emerged from the pandemic in 2021, we continued building on strong foundations to reach donkeys and mules across the world with confidence.

Through a charity-wide health check we have been working hard to ensure The Donkey Sanctuary is safe, secure and able to provide all the right foundations we need, not only to meet a growing ambition but also to provide a healthy and happy future for our donkeys and our people.

2021 saw us make great progress and I would like to thank everyone who has been involved. I am confident that by the end of 2022 we will be in a position of strength to move the charity further forward in our mission to reach more donkeys and mules wherever they are.

Sadly, following 26 years of service to The Donkey Sanctuary, with 15 of those as Chair of Trustees, it's time for me to retire and hand the reins over to somebody new and I would like to welcome our new incoming Chair of Trustees, Paul Lunn.

During my years of service, I have seen The Donkey Sanctuary grow from a small family charity to one that operates in many countries around the world. It has been a fantastic experience and a great honour, and I have been truly humbled by the dedication and passion I have seen during my time spent with the charity.

I am confident that I am leaving the charity in a better place than when my journey began.

So, once again, thank you everybody for having me as part of your family – for all I have learned and the experiences we have shared.

Former Chair of Trustees, Stuart Reid.

OUR VISION AND VALUES

We are transforming the lives of donkeys in need worldwide by fostering 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.

OUR VALUES

Compassion

We help donkeys, and the people who rely on them for their livelihoods, to cope with physical, mental and emotional challenges.

Collaboration

We treat every interaction as a two-way opportunity to learn and teach. Together, we can help our networks of partners, communities and individuals become donkey welfare ambassadors where they live and work.

Creativity

The need for our work is immense, but our resources are finite. This means that we must exercise creativity to deliver our vision.







THRIVING NOT JUST SURVIVING

We have emerged from a post-pandemic world that had significantly impacted both our day-to-day operations and our ability to raise money to finance them.

To ensure we not only survived, but could thrive, against a backdrop of so much uncertainty, our 2021 core objectives focussed on recovery and building strong foundations for the future. We worked hard to undertake our activities in a way that was smart, innovative and sustainable.

The stories we tell here describe some of our project priorities in 2021, and are testament to the passion and conviction of our staff, volunteers, partners and supporters; working together to not only deliver our over-arching goals, but ultimately, remain a powerful voice and protector for donkeys everywhere.

We hope you enjoy reading about some of our work in action.

DONKEY WELFARE

2021 was a busy year for our welfare teams who continued to work with passion and dogged determination to ensure we reach donkeys in desperate need.

942
WELFARE
COMPLAINTS
ATTENDED

1,943
GUARDIAN
HOMES
VISITED

108
ACTIVE
INVESTIGATIONS
UNDERWAY



RESCUE, REHOMING AND SANCTUARY CARE

TRANSFORMING THE LIVES OF DONKEYS EVERY DAY

Our welfare teams across all Donkey Sanctuary operations made a major impact on the lives of hundreds of donkeys, mules and owners. Working together with other organisations and local and national enforcement authorities we attended more than 900 welfare complaints and 108 active investigations in 2021.

Partnerships like these, where we can share our wealth of experience and reach more and

more donkeys in need, are critical to how we approach our work. They give us a greater reach and, therefore, more opportunities to transform a donkey's life.

We are proud and grateful to all of our teams and partners who continue to work so hard for donkeys.

CASE STUDY: FLOSSY AND JUBILEE FIND SANCTUARY

At the beginning of 2021, our welfare team was alerted to the plight of two gentle-natured donkeys who had very overgrown hooves, living in appalling conditions without adequate shelter. Flossy and Jubilee were struggling to walk in the freezing conditions, as their long hooves were curling upwards. Their field, in Derbyshire, was covered in snow and their water troughs had frozen over.

Without adequate shelter in their field, Flossy and Jubilee were exposed to the freezing elements with little protection.

Donkey Welfare Adviser Keira Benham saw that Flossy and Jubilee were in desperate need of veterinary assistance, so Keira snapped into action to facilitate their removal from the field. Thanks to the close collaboration of The Donkey Sanctuary, RSPCA and Derbyshire Constabulary, the donkeys were rescued and placed into the warmth and safety of our Derbyshire sanctuary, where their road to recovery could begin.

Today, Flossy and Jubilee are living happier lives, and spend their days grazing with their newfound friends.



It is thanks to the close collaboration between all parties involved that we could impact Flossy and Jubilee's lives so positively and provide them with a rosier outlook.

SANCTUARY CARE

LEARNING MEANS IMPROVEMENT – OUR FARMS IN 2021

In 2019/20 we undertook a thorough welfare assessment of donkeys on our UK farms which resulted in several recommendations for upgrades to farm facilities based on our ever-expanding knowledge and expertise on how best to give donkeys in our care a good life.

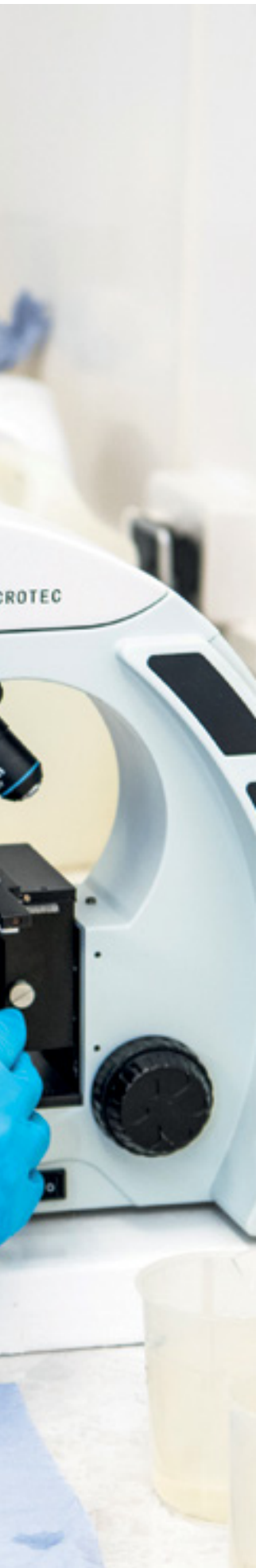
This year we invested in a number of improvements which included replacing woodchip surfaces with sand for better hoof health, the installation of tracks to access donkey housing and additional donkey housing at our Woods Farm for summer grazing. With the lifting of Covid restrictions in 2022, we plan to expand this work to Ireland this year.

Our donkey care staff are our frontline workers, and we want to take this opportunity to thank a great team for all their hard work at a difficult time. It is hard to weather a winter at the best of times, but even harder when working in small team ‘pods’ wearing PPE to help keep both our people and donkeys safe from the impact of the pandemic. But through it all, their hard work and commitment never faltered.









RESEARCH AND EDUCATION

With around 7,000 donkeys in our care in nine sanctuaries across Europe, we hold an unprecedented knowledge of ‘all things donkey’ – health, care and welfare. We use this research and learning to help our own understanding but also to help make welfare improvements across the world that can transform the lives of donkeys, mules and the people who rely on them.



**GLOBAL LEARNING
OPPORTUNITIES**
AT THE DONKEY ACADEMY



DOWNLOADS
OF THE CLINICAL COMPANION
ACROSS 83 COUNTRIES

RESEARCH

HARNESS INNOVATIONS HELP DONKEYS ACROSS THE WORLD

One of the most serious welfare issues faced by working donkeys is wounds and injuries due to inappropriate harness. These wounds can blight donkeys' lives for months and even years.

A breakthrough project focussing on the design and development of a novel load-measuring device, identifying the most suitable harness and collars, is already making a difference to the welfare of working donkeys across the globe.

The project uses novel approaches to identify and understand the key features of harness systems that are of paramount importance for the health and welfare of working donkeys.

This collaborative, creative research is already making a significant difference to donkey welfare. It will inform the development of easily transportable kit that allows in-situ evaluation of any harness system used with donkeys worldwide.

The findings have been published in peer-reviewed journals and offer practical, welfare-focused options for harness-making and use in global contexts.

This innovation has the potential to transform the welfare of working donkeys everywhere.



EDUCATION



THE DONKEY ACADEMY

In 2021 we launched The Donkey Academy, the world's first virtual learning environment dedicated to improving the welfare of donkeys.

Tens of thousands of people will have access to up-to-date knowledge of donkey welfare thanks to the launch of our new online platform; developed and run by experts at The Donkey Sanctuary.

Many users have already accessed the platform and expanded their knowledge of donkey care and welfare across a broad range of categories.

The Donkey Academy offers courses from foundation learning to more advanced levels and cover a wide range of subjects including donkey behaviour, respiratory disease, donkey dentistry and hoof care.

Early results have already been seen in collaborative projects spanning the globe. One example is the creation of the first ever online curriculum for universities focused on welfare and preventive medicine for working equids. This was achieved in collaboration with partner Equitarian Initiative.

The Donkey Academy is an important step in achieving our core vision – a world where donkeys and mules live free from suffering, and their contribution to humanity is fully valued.

CONSERVATION

Having spent many years caring for donkeys and mules in our sanctuaries, we have learnt that what serves their welfare often also serves the environment. Donkeys thrive in a rich and varied environment, with ample opportunities to enjoy diverse browsing, grazing and access to natural shade and shelter. That's why our conservation team works closely with our donkey welfare and farm teams to ensure the optimum care for donkeys, with enlightened stewardship of our land.

LEARNING FOR OUR ENVIRONMENT – MANAGING THE MEADOWS

One of our perennial wildflower meadows at our Sidmouth headquarters has now been incorporated into grazing for our donkeys. The different grasses and wildflowers offer the donkeys choice and opportunity to express a wider range of foraging behaviours.

The land benefits from the donkeys grazing as they eat the coarse, woody and dense vegetation. This allows the delicate grasses and flowers space to draw from the sunlight, germinate and grow, and eventually flourish the following year. The lower nutritional value of this forage makes it suitable for the donkeys to eat, and their small hooves help to tread in seeds without damaging the soil surface.



VETERINARY CARE

HELPING DONKEYS HEAL WITH WORLD-LEADING EXPERTISE

Our Brookfield donkey hospital treated 167 donkeys in 2021, and positively impacted the lives of more than 4,000 more through mobile examinations and treatments across our farms. Our dedicated team of veterinary staff perform heroics day and night to ensure resident herds remain in the best health and continue to thrive in our sanctuaries.

As well as a team to treat ailments, our pathology team identifies the many parasites and germs that can make a donkey's life miserable and ultimately cause serious illness. This part of our healthcare team checked more than 15,500 donkey blood, skin, urine and dung samples in 2021.

CASE STUDY: SAVING SMOKEY'S SIGHT

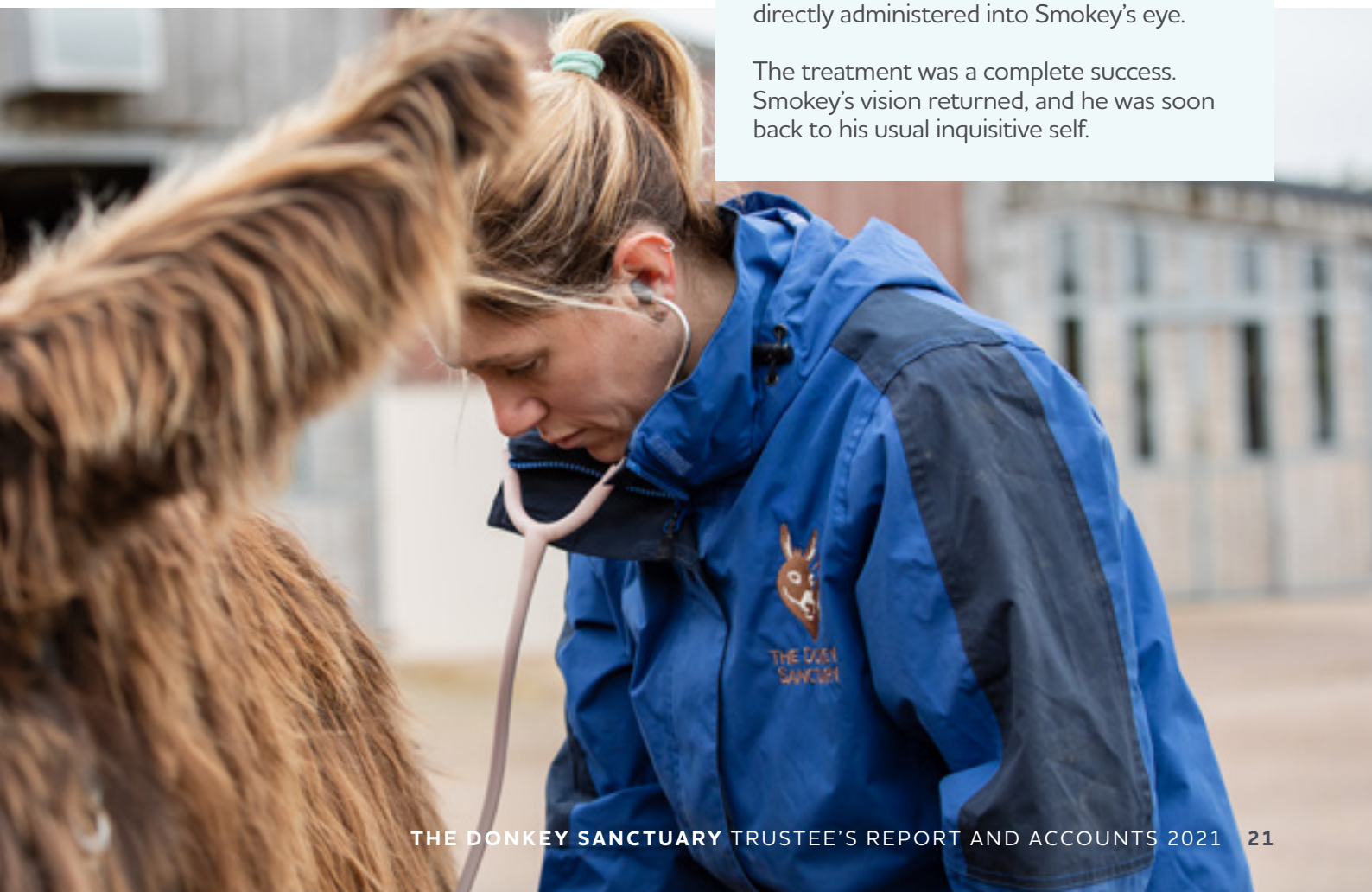
When our grooms noticed Smokey had suffered an injury to his left eye, our expert veterinary team immediately went to work to save his sight.

Smokey's swollen eye was bleeding internally, preventing the vets from examining deeper layers.

An ultrasound revealed a large blood clot within the eye, but thankfully there was no displacement of the lens and no rupture of his retina.

Our vets began an intensive treatment to save Smokey's eye. By fitting a special sub-palpebral lavage catheter, a piece of specialised medical equipment, medicine was directly administered into Smokey's eye.

The treatment was a complete success. Smokey's vision returned, and he was soon back to his usual inquisitive self.





DONKEY ASSISTED ACTIVITIES

While the Covid-19 pandemic sadly prevented us from working directly with clients of our Donkey Assisted Activities (DAA) operations, plenty of work behind the scenes saw donkeys rehomed, our centres refurbished, and our teams adapt their ways of working to benefit the donkeys in our care.

PEOPLE AND DONKEYS HEALING EACH OTHER – A NEW WAY OF WORKING

The restrictions placed on our centres that offer donkey-assisted activities due to the Covid-19 pandemic put the brakes on a lot of our valuable direct work within the community in 2021.

By adapting to a new way of working, our staff worked collaboratively with other departments to best serve the donkeys in our care, and those arriving at our sanctuaries.

We made a strong link between people and donkeys helping each other to move on with their lives. This work has been a great success, and will help shape the integration of donkey-assisted activities within the wider charity.

Our regional centres took in 41 new donkeys in 2021 for rehoming training for eventual placement into Guardian homes. By the end of

the year, 24 donkeys were rehomed while others continue training in preparation for their new lives with Donkey Guardian homes.

In 2022 we are excited to resume client services with both existing and new partners and we plan to collaborate with other organisations to further promote the importance of donkeys in human development.



24 DONKEYS
REHOMED THROUGH DAA TRAINING



DONKEYS IN THE COMMUNITY

Our international work continued despite the pandemic remaining both a risk and an issue for all our areas of work. This was exacerbated by other events on the world stage, not least the civil conflict in Ethiopia, and the horrific scale and impact of the illegal and inhumane global trade in donkey skins.

WORKING WORLDWIDE

COLLABORATING FOR CHANGE ACROSS THE GLOBE

By creating strong and lasting partnerships with key organisations on a global scale, we have been able to impact more donkeys in need and share our know-how while drawing on the invaluable experiences and information of our partners. This end-to-end influence has resulted in critical breakthroughs in our goal to improve the global welfare of donkeys and mules who are so heavily relied on.

We have active partnerships on five continents, improving both the welfare of donkeys and those whose lives they touch. Working alongside our partner Animal Nepal, we are co-funding with

the Food and Agriculture Organization of the UN, a trailblazing survey to guide protocols surrounding the control and management of the zoonotic disease, glanders.

Glanders is an infectious disease that spreads mainly between horses, donkeys and mules but can also infect humans. It can cause severe problems in the airways of donkeys, which unfortunately is often fatal, or can cause abscesses in the skin that can persist for many years. Sadly, there is no cure.

The Donkey Sanctuary has worked collaboratively with Animal Nepal for over two years to help communities to deal with a disease spreading through working equids. The disease was suspected as being glanders and Animal Nepal has been carrying out critical advocacy work, with the support of The Donkey Sanctuary, which led to the government carrying out testing and officially notifying the World Organisation for Animal Health (OIE) of the presence of glanders in their country in May 2021. The survey is the result of this work.

Since then, work has increased tenfold to create and implement measures to help Nepal react to the disease. Permission has been granted to the country's Ministry of Agriculture to draft Nepal's first Animal Welfare Act. There is still plenty of work to be done to understand the scale of the outbreak, support communities and provide training in disease spread and the protection against infection with glanders, but recent developments have been seen as a huge breakthrough in combatting this deadly disease.

SPOTLIGHT ON THE DONKEY SKIN TRADE

The traditional Chinese medicine ejiao, and the associated donkey skin crisis, is the biggest and most urgent threat to donkey populations across the globe today, threatening the welfare and lives of near five million donkeys every year.

Ending the donkey skin trade continued to be a priority focus of our global work in 2021, and our campaign saw a number of successes during the year:

- Nigeria held its ban on the export of donkey skins and we continued to challenge farming donkeys as an option whenever it is offered as a solution to supply the trade.
- In late 2021, the Nigerian media announced that the National Quarantine Service (NAQS) would remove donkey skins from the prohibited export list. We immediately flagged this with our contacts in Nigerian parliament, which resulted in a redaction of this statement and reassurances that while donkeys remain a 'threatened species', a ban on the export of their skins will remain in place.

- In May 2021, the court in Kenya upheld a slaughterhouse's judicial review on the ban of slaughter on a technicality. Fearing that slaughter would recommence, we worked with our charity partner Brooke, and local community groups, to provide supported petitions to Government from every region in Kenya. This resulted in slaughterhouse licences not being renewed. We continue to monitor the situation to ensure the licences are not granted and work to reinstate the ban.
- Working with Sao Paulo University, we developed a 'case for transition' to cellular agriculture as a humane and sustainable alternative source of donkey collagen for the ejiao industry. We presented the report to the two largest ejiao manufacturers (DEEJ and FuPai) and re-engaged in developing the scope of this alternative with one of them.
- We implemented our advocacy and engagement plan for China to promote cellular agriculture solutions, strongly emphasising biosecurity threats.
- Our engagement with ECOWAS (Economic Community of West African States) has been strengthened by an agreement to guide the collaboration between the Brooke, The Donkey Sanctuary and the Regional Animal Health Centre (RAHC).
- We became official partners of United For Wildlife (UFW), a conservation charity founded by Prince William, thanks to our partnership with Oxford University Wildcru to carry out research showing the links between wildlife crime and the donkey skin trade.
- We mapped shifts in the trade and used the data to implement our disruption plans.

We will not cease in our efforts to bring this cruel and unsustainable trade to an end. In 2022 we're launching our biggest-ever communications campaign, 'Stop the slaughter – end the donkey skin trade', to raise global awareness of the crisis, alongside the publication of our latest Under the Skin report.

The scale of the challenge is vast but through targeted disruption tactics, strong advocacy and better education, we hope to end this inhumane trade.

We are exceptionally grateful to The Robert H.N. Ho Family Foundation Global for helping to support this programme of work.

WITH THANKS TO OUR SUPPORTERS

2021 was a record-breaking year for The Donkey Sanctuary. Excellent progress was made towards recovering from the substantial shortfall in income recorded in 2020 against the backdrop of the Covid-19 pandemic. A record income of £63m was achieved thanks to the generosity of our supporters and tireless work and resourcefulness of our income generating teams.

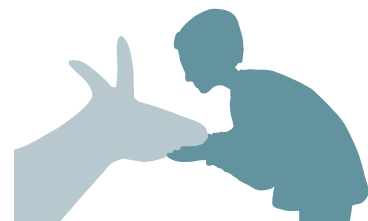
MAKING A DIFFERENCE FOR DONKEYS AND MULES

It is thanks to the lasting commitment of our supporters that we can continue to make a difference to donkeys, owners and communities all over the world. Lives have been transformed and communities all around the world have been positively impacted thanks to our family of supporters, who continue to stand behind all of our efforts to create a world where donkeys and mules can live free of suffering.


We are indebted to the fantastic volunteers who have given their time freely to support our work. During challenging times, such as the imposed period of lockdown due to the Covid-19 pandemic, they showed time and time again that donkeys are in their hearts. A heartfelt thank you to all who have helped so far.



**GROWTH ACROSS
COMBINED INCOME
GENERATING ACTIVITIES**



**WE NOW HAVE
NEARLY 90,000
DONKEY ADOPTERS**



Our sincere thanks go to the individuals and organisations who have so generously supported the charity in 2021, be it through donations, offering a donkey a forever home or partnering with us to help improve the lives of donkeys, wherever they are.

On behalf of our staff, our trustees and of course our donkeys, thank you.

LOOKING AFTER OUR SUPPORTERS

Our supporters are at the heart of everything we do for donkeys and mules, but it is vital that we are transparent in all our activities.

The enduring commitment of our supporters is what makes our work possible. Their generosity allows us to reach and transform the lives of donkeys and the communities that depend on them. But it is vital that we repay the trust they have placed in us by using their donations wisely and making sure that we comply with fundraising regulations.

We raise funds in many ways, such as running a series of supporter appeals, a popular raffle programme and donkey adoption scheme. Supporters are kept up to date with goings-on through a series of engaging newsletters, which showcase how their support has propelled our work here in the UK and further afield. We also engage visitors at our sanctuaries and promote our work and events online and on television.

Following a successful launch in 2020, our lottery, which gives new and existing supporters a chance to win weekly prizes, is being enjoyed

by our players as a different way to offer charitable support. The lottery is run by Sterling, an official External Lottery Management Company (ELM), and regulated by The Gambling Commission to ensure it is conducted fairly, openly and transparently. We undergo a Remote Technical Standards audit annually to ensure compliance, the first of which took place in April 2021 and was successfully completed. 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 that allows us to resolve issues satisfactorily.

Last year, we received and logged 18 complaints, 16 in the fundraising category and two in the philanthropy category, and we are committed to learning from each one of them.

We have policies and procedures in place to foster mutually respectful and positive supporter relationships, to ensure we treat donors fairly and to help us protect vulnerable people. 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 a

member of the Direct Marketing Association and complies with the regulations of The Gambling Commission for our raffles and lottery. We also provide financial support to the Responsible Gambling Trust, via our Lotteries Council membership.

“ The enduring commitment of our supporters is what makes our work possible. Their generosity allows us to reach and transform the lives of donkeys and the communities that depend on them.

LOOKING TO THE FUTURE

BOOSTING INVESTMENT FOR DONKEY WELFARE IN 2022

Having spent much of 2021 focussing on recovery and building foundations for the future, we are now ready and excited to push forward with renewed vigour and purpose as the pandemic recedes.

Thanks to the 'bounce-back' from delays in the processing of legacy donations and continual growth across our income generating channels, we have been able to replenish our reserves and are focused on developing our future plans.

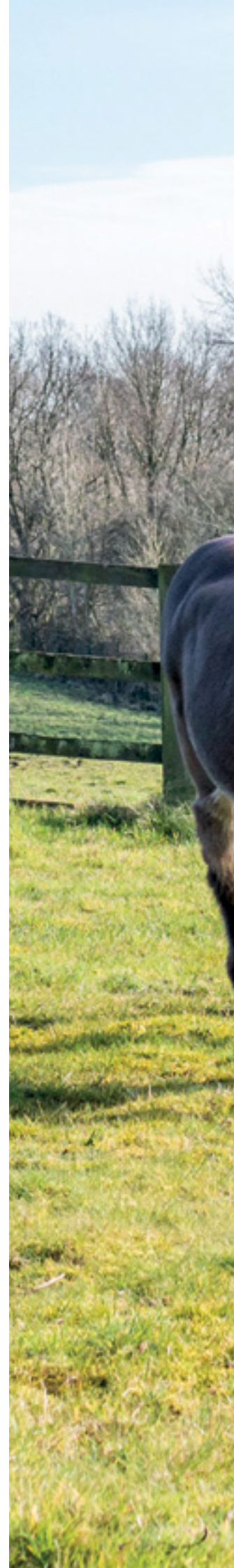
Among these plans is the Putting Donkeys First project, which will enable us to improve standards of donkey welfare across all of our work. It includes providing additional winter shelters, new donkey tracks to help create more space for donkeys, and more feeding and water troughs to provide greater choice and better facilities for our resident donkeys. We are also improving ground conditions to reduce foot care problems by using fine sand in standing areas rather than woodchip that retains water and is hard to manage.

We are investing in better facilities for our staff and volunteers who care for donkeys, where previously we have only been able to afford very basic rest facilities that are no longer big enough.

We will also focus on developing the strategic international framework we need to be able to help more donkeys overseas.

Investment in our foundation building activity will continue as we work to ensure our charity is safe and secure in the future. This will include investment in our IT architecture, enabling more agility in our work to deliver new, innovative programmes such as growth in our Donkey Academy and a better user experience for our loyal supporters with the development of new customer relationship management team and web site platforms.

We have a depth of knowledge and insight that we urgently need to share to help improve the welfare of donkeys and mules wherever they are in the world. These plans will help to consolidate our position as experts in 'all things donkey'.





STOP THE SLAUGHTER

END THE DONKEY SKIN TRADE

In 2022, we're launching our biggest-ever campaign, 'Stop the Slaughter – End the Donkey Skin Trade', asking people from across the world to join the fight against the donkey skin trade. We are calling for an urgent global response from the shipping industry law enforcement agencies, governments and online trading platforms. These are an important part of the chain of taking donkey skins to their final destination.

The barbaric slaughter and trading of donkeys has catastrophic repercussions on global donkey populations and the communities that rely on them, as well as posing huge environmental and biosecurity risks. We will not cease in our efforts to bring this cruel and unsustainable trade to an end.

We know that we can be so much more powerful together than alone – helping many more donkeys in need, as well as the people who depend on them. It is our intention over the coming year to collaborate even more extensively with others, to help empower our partners to work with us to improve the welfare of donkeys and mules, wherever they are in the world.

FINANCIAL REVIEW

Despite the challenges posed by the Covid-19 pandemic, the charity has had an exceptional year financially. Having sustained a record deficit of £5.4m in 2020 we adapted to the ongoing challenges presented by the Covid crisis and it was extremely pleasing to see our income recovering during the year as total consolidated income grew to £63.4m (2020: £37.0m) this including £56.8m (2020: £32.4m) from donation and legacy income.

As the pandemic continued with two further periods of lockdown across the UK, together with wider lockdown measures in many of the overseas areas where we work, we maintained our agile approach to planning, ensuring we could adapt to the changing environment and still deliver many of our strategic goals, converting many of the challenges we faced into opportunities. In order to maintain a robust and sustainable financial outlook we regularly reviewed all of our plans and financial forecasts to identify activities that needed to pause, adapt or continue and this resulted in a much lower level of activity than we had originally planned for 2021, hence our expenditure for the year was only £42.2m (2020: £42.5m).

WHERE OUR INCOME CAME FROM

Our income arises predominantly from donations, legacies and trading to fund the majority of our activities. On behalf of all of the donkeys and mules that we helped during the year we would like to thank every one of our supporters for their kind generosity and ongoing commitment to help the charity's work. Despite the continued disruption to a number of our income streams presented by the pandemic, we continued with our fundraising strategies adapting our approach with many new and exciting ways to engage with existing supporters as well as introducing the work of the charity to new audiences. Our income of £63.4m comes from the following sources

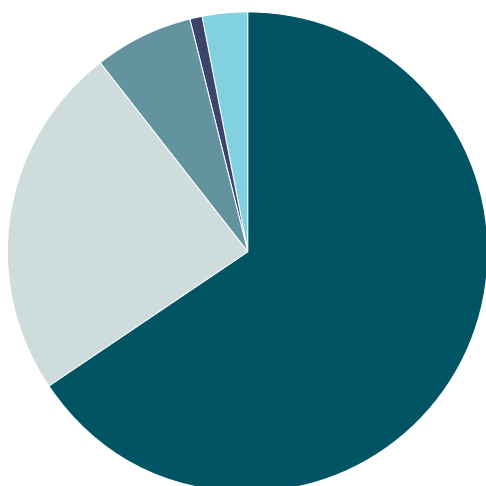
Legacy income remains an important source of income for us and we are extremely grateful to all who have remembered us in their will. Following such a significant shortfall (£7.3m) in 2020 it was encouraging to see Her Majesty's Courts and Tribunals Services (HMCTS) starting to clear the backlog created by Covid-19 and the recovery in notifications of new income following the processing delays created by the pandemic. During the year we took the opportunity to update the basis of calculation of new notifications so as to improve our forecasting accuracy, this one off uplift adding £4.7m to the end of year position. After the last two years of disruption at HMCTS we believe we are firmly on the way to returning

to 'pre-pandemic' levels of legacy income for the charity in 2022 and beyond. The exceptional level of income recognised in 2021 includes the recovery of delays in processing; the increase in deaths due to the Covid pandemic; and the update to new notifications estimates.

In terms of other trading activities, the early part of 2021 continued to be impacted by a prolonged period of closure for our gift shop and restaurant. Lockdown restrictions were eased in May and the summer season saw a very successful period of trading with increased visitor numbers to our facilities in Sidmouth as we benefited from the effect of people holidaying in the UK. Our mail order and online trading activities continued the successes of 2020 as we continued with further development of new digital channels to reach more supporters. All profits from our trading subsidiaries' activities are donated back to the charity to help transform the lives of donkeys in need.

During the year we applied for government grant support where entitled. Other income includes income from the UK Covid Job Retention Scheme (JRS) of £0.4m (2020: £1m) which helped to support the charity in retaining many members of staff who were not able to work during the Covid lockdown periods and the £1.2m (2020: £0.7m) of Covid related grants in our subsidiaries.

2021



	2021 £'m	2020 £'m
Legacies	41.6	18.7
Donations	15.2	13.7
Other trading activities	4.2	2.1
Investment income	0.5	0.5
Other	1.9	2.0
Total	63.4	37.0

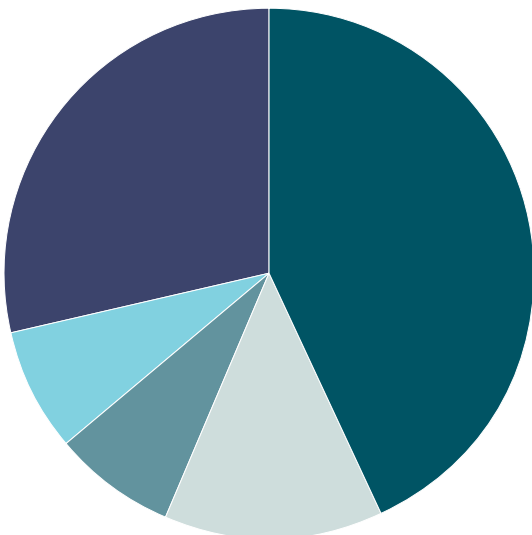


WHERE THE MONEY IS SPENT

Total expenditure for the year reduced slightly to £42.2m (2020: £42.5m) reflecting ongoing covid related restrictions to our activities, particularly those overseas. Investment in capital projects remained the same as 2020 at £1.7m. During the year we also took the opportunity to restructure a number of activities in order to future proof the charity

and ensure we maintain operational efficiency and value for money. While expenditure has reduced slightly it is important to note that we expect this to increase in 2022/2023 as we invest in essential capital infrastructure, key operational charitable activities and our fundraising and commercial income generating strategies.

2021



	2021 £'m	2020 £'m
Rescue and Rehoming	18.2	18.3
Research, Education and Operations	5.7	5.9
Donkeys in the Community	3.1	3.3
Donkey Assisted Activities	3.2	3.4
Raising Funds	12.0	11.6
Total	42.2	42.5



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

DONKEY ASSISTED ACTIVITIES

Includes our donkey-assisted therapy activities driven by our six specialist centres across the UK, enriching the lives of donkeys and children and adults with additional needs.

RAISING FUNDS

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

Continuing with the excellent work in maintaining continuity of care for our donkeys throughout the pandemic, our Crisis Management Team worked really hard to keep our staff and volunteers safe, well and reassured. Working in 'pods' our farms teams worked tirelessly throughout the year despite the many challenges of Covid including coping with self-isolation absence; ensuring our resident donkeys and mules received the best possible care as well as maintaining momentum with our rehoming strategy and supporting donkey Guardians.

During the year our Research and Operational Support teams continued to provide the highest quality of research, supporting analysis and veterinary expertise across so many of our operational activities including the next stages of the donkey skins campaign. We have used the opportunity of the Covid lockdown to develop a new virtual learning environment – The Donkey Academy. Launched in January 2022 this new innovative, free online learning platform has the potential to reach tens of thousands of people across the globe providing comprehensive, up-to-date knowledge on donkey welfare. Courses provide a huge range of educational resources for donkey and mule owners, universities, veterinary colleges, carers and professionals alike. Whilst we continued with many aspects of our international partnership programme, including the second phase of The Donkey Sanctuary Covid Emergency Response Fund (CERF), progress with overseas activities in 2021 was hampered by ongoing Covid restrictions and unrest in Ethiopia hence the reduced level of expenditure. Many of our overseas locations were impacted by lockdowns and global travelling restrictions, limiting the scope of activities as we ensured our teams were kept safe and well. We were able to progress with our donkey skin trade campaign 'Under the Skin' as our advocacy, campaigning and media engagement activities continued to play a key role in our campaign to end the skin trade.

Our Donkey Assisted Activities continued to be impacted by Covid restrictions during the year and with this in mind we continued to develop the use of our centres to help progress with our rehoming strategy. Working in collaboration with our farms, the centres have been working hard with Guardian donkey training ensuring those donkeys identified as being suitable for rehoming can be familiarized for life in a loving home where the Guardians play a vital role in providing dedicated care as well as freeing up vital space across our sanctuaries.

EXPENDITURE ON RAISING FUNDS

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 and during the year we spent £12.0m (2020: £11.6m). Our fundraising strategies are progressing very well and have been refined over the last two years to embrace the challenges presented by the pandemic. We continue to invest in our commercial strategy with the increase in expenditure in 2021 commensurate with the recovery in trading activity and both trading subsidiaries performing very well with our restaurant winning the 'Taste of the West' gold award for the fourth successive year! It is worthy of note that the proportion of our expenditure attributed to raising donations, legacies and other fundraising income remains low, at 22.4p (2020:22.6p) 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 2022 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 recognizes 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 reserve levels are adjusted as perceptions of risk and other factors change.

In terms of our total assets, £34.2m (2020: £33.5m) relates to fixed assets and planned capital projects (designated funds), most of which is land and buildings to care for donkeys across our farms. There were no exceptional capital

projects during the year, the Covid pandemic has impacted on many aspects of our capital programme including supply chain difficulties. Capital expenditure in 2021 is represented by normal asset replacement cycles and minor property additions.

General funds of £60.4m (2020: £38.1m) comprise:

- specific reserves of £34.2m 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 £26.2m 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.



FUTURE PLANS

The trustees recognize that the last two year period has been a truly exceptional period of activity for the charity in coping with the impact of the pandemic and that this is reflected in the out-turn for both 2020 (a record deficit of £5.4m) and 2021 (a record surplus of £23.2m). With this in mind the trustees are mindful that having replenished the deficit of 2020, the charity has a general reserve of £26.2m and as part of our strategic planning for 2022 and beyond has a number of transformative strategic programmes in which to invest the funds, while still ensuring value for money. These programmes are likely to involve significant investments made over a

number of years and have been incorporated into our medium term financial plan. The programmes include: investment in donkey care and welfare infrastructure across our sanctuaries; a significant expansion of our international partnership programme, advocacy and campaign activity; a 'post-Covid' recovery in building maintenance and renovation incorporating facilities for hybrid working and greater collaborative working spaces; a compensation and benefits review incorporating restructuring our salary scales; and a comprehensive upgrade of IT and communications technology infrastructure across the charity including all overseas locations.



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
<p>Cyber risk: a failure to ensure and maintain appropriate information security protocols to protect the charity from cyber-attack. A growing dependency on digital systems—intensified by Covid-19—has altered risk profiles. Over the last 18 months, staff have shifted to remote working where possible, and platforms and devices facilitating this change have proliferated. At the same time, cybersecurity threats are growing and are outpacing society's ability to effectively prevent or respond to them.</p>	<p>Most cyber incidents result from human error, so awareness training is vital. Cyber-crime is the leading method of committing fraud. We have engaged an expert in cyber security each year for the last three years to review our arrangements, to check our mitigations and to suggest any additional steps we need to take, as well as reminders to staff about protecting personal data and access.</p>
<p>Capacity in several of our teams: The cumulative effect of the pandemic, the change in working patterns and an ambitious programme of business plan priorities has put pressure on key enabling teams such as IT, Comms, People and Procurement. A good example is the more permanent switch to working from home (hybrid working) on our IT capacity.</p>	<p>We have sought to re-prioritise where we can, to alleviate the workload spikes; we have bought in additional support where possible and had a major focus on wellbeing for staff, training over 70 staff in mental health first aid. We have also reviewed team capacity in these pinch-point areas and augmented management capacity and tried to recruit at entry level roles to provide support.</p>
<p>Staff recruitment and retention:</p> <ul style="list-style-type: none"> i. Recruitment - the employment market has become competitive as remote working balances the market across the UK and makes it harder to attract new talent. ii. Retention - the rising cost of living is impacting lower paid staff and single income households causing staff to look at other jobs in the market. 	<p>We have begun a root and branch review of all our roles, with initial work on hotspot roles and key worker roles such as our front-line donkey staff. This review will last throughout 2022 but the first quarter has brought realignment of our core donkey facing staff and this has been well received.</p>
<p>Business continuity and resilience: Economic challenges flowing from the pandemic persist. Coupled with supply chain issues relating to the Ukraine and Russia conflict, there is the potential for rising costs and feed shortages for donkeys worldwide. The impact of rising commodity prices, inflation and debt are emerging risks that will add to the Covid-19 and supply chain operational issues.</p>	<p>We have set up two Crisis Management teams in 2021 and 2022, one for Covid-19 and one for the potential implications of the Ukraine and Russia conflict. Our management of the incidence of Covid-19 through adherence to protocols has enabled donkey care to be maintained extremely well. There are limited controls we can deploy relating to cost increases, as demand for materials is impacting at all levels and sectors of the market and is having an impact globally. However, some actions have been taken to reduce the impact on the organisation, reprioritising our programmes of work where supplies have been less affected, concentrating on delivery of work outside of the UK.</p>

<p>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, highlighted clearly during the pandemic.</p>	<p>We mitigate this risk by revisiting our business planning objectives each quarter to evaluate progress and changing circumstances. recognising aspects that are not within our control. We then adapt our activities and resource allocations accordingly. We are also currently developing a new five-year strategy which will reflect our latest strategic development priorities and focus on what is deliverable.</p>
<p>Health and safety: due to the diversity of activity of the charity, there is a risk of failing to maintain appropriate health, safety and security for staff, volunteers and partners working with us.</p>	<p>We have been working through the full range of these risks by developing a framework for health and safety that has set performance standards for The Donkey Sanctuary, to be applied globally to provide a worldwide standard of care. We have also engaged local consultants to identify gaps where in-country requirements are different to those in the UK. A self-assessment questionnaire has been developed and distributed to all international operations with clear minimum requirements, which if not attained will result in a project being paused or ceased.</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>Inherent risk for all charities: There are several risk events on the risk register which could lead to reputational damage for The Donkey Sanctuary. Specific training for UK staff working with international partners is being rolled out regarding safeguarding in the international context. Safeguarding standards for international partners are to be included in new partnership agreements and support provided for implementation.</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>This is an inherent risk for all charities. We are extremely conscious of this risk and raise awareness of it throughout our teams. The charity has an effective communications strategy providing communications that inspire trust and loyalty to our cause, that is proactive in advance of events.</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 international branches in Ethiopia and Mexico as well as operating a network of regional UK centres focused on donkey-assisted therapy and rehoming. 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. In this annual report and accounts we will refer to the directors of The Donkey Sanctuary Trustee Limited as trustees. Standard board composition allows up to 14 trustees but due to the timing of retirement and appointment this can vary. The trustees who served throughout the year and up to the date of the approval of the Trustee's Report and Accounts are listed on p97. 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. On rare occasions, a trustee's tenure can be extended in accordance with the Articles if deemed in the best interests of the charity. 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 2021, 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 and equality and diversity objectives are used to inform future trustee recruitment. A recruitment agency is appointed to ensure fair and transparent recruitment processes for the board for all future trustee vacancies.

The induction process for any newly appointed trustee includes a programme of visits to sites and meetings with key trustees and staff to supplement information provided in their induction pack so as to impart knowledge of the operational and administrative aspects of the charity. Details of trustee's 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 assurance on specific parts of the charity. 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 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 and executive are committed to a programme of continual development to meet full alignment.

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, and dedicated people. Due to the unique diversity of its activities both in the UK and around the world, the charity 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 recognise 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 the charity's staff including key management personnel. The Remuneration Committee assists with advising the board with this process. Those systems and controls include a review of senior management salaries each year to benchmark them against XpertHR data for the charity sector. The Donkey Sanctuary aims to pay the voluntary sector median salary for its senior executives. Total remuneration of the executive team is included in Note 11 of the accounts.

The ratio of remuneration of the highest paid employee at end of December 2021 (£122,500 pa) to the median remuneration of employees (£25,710 pa) was 1:6 (comparison 2020 1:7).

To enable the executive team and trustees to operate effectively, approvals and delegations are listed on Matters Reserved for the board and the Scheme of Delegation. 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.

Notable developments:

- Since 2017, a Gender Pay Gap report has been issued and placed on the charity's website with reported improvements year on year. The Gender Pay Gap report is available on the charity's website.
- The Strategic Priorities for Safeguarding Vulnerable People were adopted by the Board of Trustees in December 2019. They have subsequently been reviewed and updated in December 2021. Safeguarding Vulnerable People Standards and a Safeguarding Vulnerable Persons Self-Assessment Tool were implemented across the charity, including its international locations and partners in December 2021.
- In June 2020 a suite of lottery policies including Responsible Gambling Policy was adopted by the charity to support the launch of The Donkey Sanctuary Lottery.
- In October 2020 the Modern Slavery Policy was adopted by the charity. The Modern Slavery Act Statement is available on the charity's website.
- In October 2020 the Diversity and Inclusion Policy was approved by the board. In 2021 staff capacity slowed the finalisation of the Equality and Diversity Strategy but this is due to be completed in 2022.
- In March 2021 a new policy library was launched on the Where We Stand portal for ease of access for internal use by staff and volunteers.

GRANT MAKING

The Donkey Sanctuary continues to meet the needs of 'donkeys in global need' through the provision of grants to organisations best placed to provide high quality and sustainable support to donkeys and mules. We choose to work in partnership with organisations, going beyond providing grants by providing technical and programme management support to ensure the most effective outcomes. We partner with organisations that share our values and charitable objectives and have the capacity to deliver agreed outputs and outcomes and value for money in using The Donkey Sanctuary's resources.

Within all the partnerships, we work closely on project design to ensure that funded work is of the highest quality and receive regular financial and project-reporting to ensure that we are able

to keep informed that work is on track. We take a learning approach to our partnerships, sharing successes and understanding challenges which allows us to adjust our approaches to better meet donkey and mule needs. All partnerships are governed by partner due diligence, partnership agreements, grant contracts and appropriate executive sign-off before dispersing funds.

Alongside strategic partnerships that operate over years meeting chronic welfare challenges, we also promote and receive grant applications for shorter-term interventions responding to defined needs. An example of this is responding to the impact of Covid-19 on the lives of working donkeys and mules and the people that rely on them through our Covid-19 Emergency Response Fund (CERF).

CHARITABLE OBJECTS 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 strategic plan covering 2019 – 2023 was launched, which set out the charity's next five-year strategic aims. In 2022 the charity will revisit this strategy and create an evolved, integrated post-pandemic strategy to enable sustainable and effective ways of working for the coming years.

Each year the charity produces an Annual Business Plan setting out its targets and objectives for the year ahead and in 2022 the business plan is purposely designed to be a rolling plan that helps us transition from where we were in 2020/21 to where we need to be today, and then guides our progress in the future.

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 overall aim of the portfolio is to achieve a total return of CPI +3.0% net of fees, which gave a target return of 8.6% in 2021. The actual return in 2021 was 13.7%.

The investment policy includes the trustee's 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.

In respect of any companies that are deemed unacceptable under this policy, the fund manager is permitted to investigate this and may continue to hold the stock for no more than three months as this is undertaken. 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.

COVID-19 RESPONSE

Throughout the Covid-19 pandemic, the charity regularly reviewed its short-term objectives as it assessed the ongoing impact of Covid-19 on operations, finances and business plan priorities.

In that time, we achieved much of what we set out to do, with many work items once listed before as a 'priority' in the 2021 business plan now embedded in our daily work. We have, however, rolled over into the 2022 business plan the key priorities we still need to focus on, including several new donkey welfare priorities.

The Recovery and Resilience Programme set up in 2020 continued to coordinate and structure work to manage risks throughout the year and shaped our strategic planning. This included: managing the financial position; the day-to-day crisis management of sites; enhancing the wellbeing support we provide to our staff and volunteers; horizon scanning for future strategic planning and improving ways of working to address the challenges and opportunities that the pandemic presented.

Caring for The Donkey Sanctuary donkey herd remained the uppermost priority for the organisation, however, during the pandemic other work was reduced, paused or carried out at a more distanced level. In all countries, our staff continued with new ways of working, with remote working from home for those staff not directly engaged with donkey care or in critical services.

As we emerge from the pandemic we are mindful of remaining agile to the ongoing challenges we face, both to the charity's day-to-day operations and maintaining our ongoing commitment to the wellbeing of our staff and volunteers. Over the next year the charity will progress with the development of its strategic plan recognising that some areas of its activities may continue to be impacted by Covid-19 and other crises throughout the world. However, we will continue to adapt as needed to address any future challenges presented.

Lessons learned from the pandemic eg flexible working, internal communications and collaboration, will continue to be key to the charity's future success in order to respond and innovate into 2022 and beyond.



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 (eg 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 2021, 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 25 of the accounts.

APPROVAL

This report was approved by the trustees on 25 July 2022 and signed on its behalf by:

Thomas Mitchell

Thomas Mitchell, Trustee
The Donkey Sanctuary Trustee Limited.

Elizabeth Sheldon

Elizabeth Sheldon, Trustee
The Donkey Sanctuary Trustee Limited.



STATEMENT OF TRUSTEE'S RESPONSIBILITIES

STATEMENT OF THE CORPORATE TRUSTEE'S RESPONSIBILITIES IN RESPECT OF THE TRUSTEE'S ANNUAL REPORT AND THE FINANCIAL STATEMENTS

Under the trust deed and rules of the charity and charity law, the trustee is responsible for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and regulations.

The trustee is required to prepare both the group and the charity 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 group's incoming resources and application of resources for that period.

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

- selects suitable accounting policies and then apply them consistently;
- makes judgements and estimates that are reasonable and prudent;
- states whether applicable UK Accounting Standards and the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the group and the charity financial statements;
- states whether the group and the charity financial statements comply with the trust deed and rules, subject to any material departures disclosed and explained in the financial statements;

- assesses the group and the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- uses 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 trustee is required to act in accordance with the trust deed and the rules of the charity, within the framework of trust law. The trustee is responsible for keeping accounting records which are sufficient to show and explain the charity's transactions and disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustee 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. The trustee is 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 group and to prevent and detect fraud and other irregularities.

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

OPINION

We have audited the financial statements of The Donkey Sanctuary for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 December 2021 and of the group's net movement in funds for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

BASIS FOR OPINION

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

OTHER INFORMATION

The trustee is responsible for the other information. The other information comprises the information included in the Trustee's Annual Report, the Chair's statement and the Chief Executive's statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEE FOR THE FINANCIAL STATEMENTS

As explained more fully in the trustee's responsibilities statement set out on page 49, the trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the group's and the parent 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 the trustee either intends to liquidate the group or the parent charity or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to compliance with the regulations of the Charity Commission and Fundraising Regulator, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011 and compliance with the regulations related to taxation.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and the manipulation of the accounting estimate on accrued legacy income.

Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Review of meeting minutes;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with significant values or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

USE OF OUR REPORT

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

Haysmacintyre LLP
Statutory Auditors
27 July 2022

10 Queen Street Place
London
EC4R 1AG

Haysmacintyre LLP

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



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 December 2021

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
Income from:					
Donations and legacies	2	55,135	1,720	56,855	32,411
Other trading activities	3	4,151	-	4,151	2,145
Income from investments	4	484	-	484	463
Other income:					
Gain on disposals of fixed assets		178	-	178	55
Other income	5	1,700	-	1,700	1,888
Total income		61,648	1,720	63,368	36,962
Expenditure on raising funds	6	11,995	-	11,995	11,612
Expenditure on charitable activity:					
	7				
Rescue and rehoming		17,976	192	18,168	18,339
Research, education and operations		5,584	132	5,716	5,907
Donkeys in the community		2,486	659	3,145	3,314
Donkey-assisted activities		2,673	500	3,173	3,347
Total expenditure on charitable activity		28,719	1,483	30,202	30,907
Total expenditure	7	40,714	1,483	42,197	42,519
Net gains/(losses) on investments		2,383	-	2,383	(74)
Net income/(expenditure)		23,317	237	23,554	(5,631)
(Losses)/gains on foreign currency translation		(327)	(3)	(330)	265
Net movement in funds		22,990	234	23,224	(5,366)
Reconciliation of funds:					
Total funds brought forward		71,621	2,974	74,595	79,961
Total funds carried forward	21	94,611	3,208	97,819	74,595

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 2021

	Notes	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Fixed assets:					
Intangible assets	12	833	1,007	828	998
Tangible assets	13	32,263	32,544	28,252	28,430
Investments	14	22,907	20,128	23,057	20,278
Total fixed assets		56,003	53,679	52,137	49,706
Current assets:					
Stocks	15	849	722	271	234
Debtors	16	31,527	20,406	31,535	20,245
Short term deposits		2,008	8	2,008	8
Cash at bank and in hand		10,978	3,569	9,487	2,240
Total current assets		45,362	24,705	43,301	22,727
Current liabilities:					
Creditors: Amounts falling due within one year	17	3,546	3,789	2,497	2,896
Net current assets		41,816	20,916	40,804	19,831
Net assets		97,819	74,595	92,941	69,537
The funds of the charity:					
Restricted income funds	21	3,208	2,974	3,166	2,929
Unrestricted income funds:					
Designated funds	22	34,219	33,479	29,948	29,099
General fund	21	60,392	38,142	59,827	37,509
Total unrestricted income funds		94,611	71,621	89,775	66,608
Total group/charity funds		97,819	74,595	92,941	69,537

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

Signed for and on behalf of The Donkey Sanctuary Trustee Limited and authorised for issue on 25 July 2022.



Thomas Mitchell, Trustee
The Donkey Sanctuary Trustee Limited



Elizabeth Sheldon, Trustee
The Donkey Sanctuary Trustee Limited

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2021

	Notes	2021 £'000	2020 £'000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	(i)	11,049	(3,958)
Cash flows from investing activities			
Interest received		-	2
Dividends, interest and rents from investments		484	460
Purchase of investments		(3,148)	(4,598)
Purchase of intangible fixed assets		(56)	(90)
Purchase of property, plant and equipment		(1,848)	(1,665)
Proceeds from the sale of property, plant and equipment		233	116
Proceeds from the sale of investments		2,752	7,472
Net cash (used in)/provided by investing activities		(1,583)	1,697
Change in cash and cash equivalents in the reporting period		9,466	(2,261)
Cash and cash equivalents at the beginning of the period		3,577	5,777
Change in cash and cash equivalents due to exchange rate movements		(57)	61
Cash and cash equivalents at the end of the period	(ii)	12,986	3,577

Notes to the consolidated cash flow statement

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

	2021 £'000	2020 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	23,554	(5,631)
Depreciation charges	1,568	1,530
Amortisation charges	201	195
Unrealised (gain)/loss on fixed asset investments	(1,449)	297
Dividends, interest and rents from investments	(484)	(463)
Loss on the sale of intangible fixed assets	29	1
Loss on the sale of tangible fixed assets	73	46
Gain on the sale of tangible fixed assets	(178)	(55)
Gain on the sale of fixed asset investments	(934)	(223)
Increase in stock	(127)	(88)
(Increase)/decrease in debtors	(11,121)	137
(Decrease)/increase in creditors	(83)	296
Net cash provided by/(used in) operating activities	11,049	(3,958)

(ii) A) Analysis of cash and cash equivalents

	2021 £'000	2020 £'000
Short-term deposits	2,008	8
Cash at bank and in hand	10,978	3,569
	12,986	3,577

(ii) B) Analysis of changes in net cash

	At start of year £'000	Cash-flows £'000	Foreign exchange movements	At end of year £'000
Cash	3,569	7,466	(57)	10,978
Short term deposits	8	2,000	-	2,008
	3,577	9,466	(57)	12,986

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2021

1. Accounting policies

BASIS OF ACCOUNTING

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective from 1 January 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn. 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 account of severe but plausible downside scenarios, the charity will have sufficient funds to meet its liabilities as they fall due for that period. The trustees are confident that the available reserves as at 31 May 2022 will allow the charity to continue to meet its liabilities as they fall due. These available reserves

include cash and cash equivalents of £14.6m, investments in securities and bonds of £22.1m, and legacy debtor of £33.2m as at 31 May 2022. These resources would be sufficient to cover core costs for a period in excess of 12 months if required, even in the event that no income was received for a period of 12 months.

The trustees continue to monitor the situation via regular reforecasting, including longer-term cash flow forecasting. Should there be any downturn in income they have developed mitigating action plans which include reductions in operational and capital expenditures and utilising reserves such as investments.

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 2021 in accordance with the business combinations provisions of FRS 102.

The parent charity has not published its own SOFA and the related notes. See note 26 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. Where the charity has been notified of income receivable but has yet to receive the estate accounts, an average notional value is applied to those residuary legacies as disclosed in note 24. Pecuniary legacy income is recognised on notification. Where a life tenancy exists income is deferred as disclosed in note 24. 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, lottery and fundraising events.

- vii. Income from government grants is recognised at the point that conditions for entitlement to the grant have been satisfied.
- viii. 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 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 9 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 8 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 1 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 £2,500 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 £2,500 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.
- v. 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
33¹/₃% — 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 trustee's 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 (eg 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 funds,

where the assets are required to be invested, or retained for actual use, rather than expended. Income arising from 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 2021 £'000	Restricted Funds 2021 £'000	Total 2021 £'000	Unrestricted Funds 2020 £'000	Restricted Funds 2020 £'000	Total 2020 £'000
Donations	14,867	380	15,247	13,359	324	13,683
Legacies	40,268	1,340	41,608	18,227	501	18,728
	55,135	1,720	56,855	31,586	825	32,411

3. Other trading activities

	Total 2021 £'000	Total 2020 £'000
Rental income	29	27
Sale of donated assets	26	19
Fundraising income	1,518	744
Trading income	2,578	1,355
	4,151	2,145

4. Income from investments

	Total 2021 £'000	Total 2020 £'000
Listed and unlisted investments	484	460
Bank interest	-	3
	484	463



5. Other income

	Total 2021 £'000	Total 2020 £'000
UK job retention scheme	385	978
Other Covid-19-related grants	1,187	692
Miscellaneous income	128	218
	1,700	1,888

6. Expenditure on raising funds

	Total 2021 £'000	Total 2020 £'000
Donations and legacies	8,101	8,871
Fundraising costs	1,361	689
Trading costs	2,426	1,952
Investment management costs	107	100
	11,995	11,612

7. Expenditure

	Staff costs £'000 (Note 11)	Other direct costs £'000	Grant funding of activities £'000 (Note 10)	Support costs £'000 (Note 9)	Total 2021 £'000
Expenditure on raising funds					
Donations and legacies	740	4,071	-	3,290	8,101
Fundraising costs	74	892	-	395	1,361
Trading costs	688	1,565	-	173	2,426
Investment management costs	-	89	-	18	107
Expenditure on charitable activities					
Rescue and rehoming	6,516	6,481	14	5,157	18,168
Research, education and operations	3,192	1,202	55	1,267	5,716
Donkeys in the community	1,131	541	501	972	3,145
Donkey-assisted activities	1,794	535	-	844	3,173
Expenditure in support of activities					
	7,554	4,496	66	(12,116)	-
	21,689	19,872	636	-	42,197

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000
Expenditure on raising funds			
Donations and legacies	8,101	-	8,101
Fundraising costs	1,361	-	1,361
Trading costs	2,426	-	2,426
Investment management costs	107	-	107
Expenditure on charitable activities			
Rescue and rehoming	17,976	192	18,168
Research, education and operations	5,584	132	5,716
Donkeys in the community	2,486	659	3,145
Donkey-assisted activities	2,673	500	3,173
	40,714	1,483	42,197

	Staff costs £'000 (Note 11)	Other direct costs £'000	Grant funding of activities £'000 (Note 10)	Support costs £'000 (Note 9)	Total 2020 £'000
Expenditure on raising funds					
Donations and legacies	946	4,464	-	3,461	8,871
Fundraising costs	51	352	-	286	689
Trading costs	713	1,019	-	220	1,952
Investment management costs	-	84	-	16	100
Expenditure on charitable activities					
Rescue and rehoming	6,823	6,161	160	5,195	18,339
Research, education and operations	3,337	1,170	113	1,287	5,907
Donkeys in the community	1,040	786	508	980	3,314
Donkey-assisted activities	1,994	471	-	882	3,347
Expenditure in support of activities					
	8,093	4,159	75	(12,327)	-
	22,997	18,666	856	-	42,519

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000
Expenditure on raising funds			
Donations and legacies	8,871	-	8,871
Fundraising costs	689	-	689
Trading costs	1,952	-	1,952
Investment management costs	100	-	100
Expenditure on charitable activities			
Rescue and rehoming	18,021	318	18,339
Research, education and operations	5,778	129	5,907
Donkeys in the community	3,160	154	3,314
Donkey-assisted activities	3,157	190	3,347
	41,728	791	42,519

8. Governance costs

	Total 2021 £'000	Total 2020 £'000
Audit and other financial services:		
Audit fees - UK auditor current year	47	-
Audit fees - UK auditor prior year	6	48
Audit fees - overseas audit firms	22	29
Other services provided by current year auditor	2	-
Other services provided by prior year auditor	30	10
Other services provided by overseas auditors	26	27
Trustee expenses	11	7
Apportionment of costs supporting governance activities	1,002	948
	1,146	1,069

The aggregate amount of reimbursed trustee director expenses was £3k (2020: £3k) in respect of training, travel, accommodation and subsistence for 14 (2020: 14) trustee directors during the year, and direct training and meeting costs of £8k (2020: £4k). There were no trustee director expenses outstanding for reimbursement at the end of the year.

9. Support costs allocation

	Directorate £'000	Finance, legal & admin. £'000	Information technology £'000	Human resources £'000	Supporter services & comms. £'000	Direct support costs £'000	Total 2021 £'000
Expenditure on raising funds							
Donations and legacies	40	805	134	45	2,046	220	3,290
Fundraising costs	4	107	14	5	224	41	395
Trading costs	11	29	3	61	12	57	173
Investment management costs	6	9	-	-	2	1	18
Expenditure on charitable activities							
Rescue and rehoming	493	1,430	227	545	845	1,617	5,157
Research, education and operations	176	176	132	194	288	301	1,267
Donkeys in the community	189	308	35	98	212	130	972
Donkey-assisted activities	82	94	70	155	174	269	844
	1,001	2,958	615	1,103	3,803	2,636	12,116
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 £1,146k (2020: £1,069k). This is included primarily within Directorate and Finance Legal & Admin. Governance costs are shown in note 8.

	Directorate £'000	Finance, legal & admin. £'000	Information technology £'000	Human resources £'000	Supporter services & comms. £'000	Direct support costs £'000	Total 2021 £'000
Expenditure on raising funds							
Donations and legacies	45	797	155	62	2,109	293	3,461
Fundraising costs	4	42	8	3	209	20	286
Trading costs	8	55	3	68	20	66	220
Investment management costs	5	8	-	-	2	1	16
Expenditure on charitable activities							
Rescue and rehoming	454	1,314	250	630	875	1,672	5,195
Research, education and operations	159	173	146	220	283	306	1,287
Donkeys in the community	175	295	39	115	208	148	980
Donkey-assisted activities	81	95	77	188	171	270	882
	931	2,779	678	1,286	3,877	2,776	12,327
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.

10. Grants and donations

	Rescue and rehoming £'000	Research, education and operations £'000	Donkeys in the community £'000	Donkey-assisted activities £'000	2021 £'000
Institutional					
Overseas for the welfare of donkeys					
ActionAid Ghana	-	-	54	-	54
AEGPA - Portugal	-	45	-	-	45
Animal Nepal	-	-	165	-	165
DHWP - College of Veterinary Medicine and Agriculture, Addis Ababa University	-	-	57	-	57
Eseltjesrus Donkey Sanctuary - S. Africa	-	-	6	-	6
Fundacao Medicina Veterinaria - Brazil	-	9	-	-	9
Lilongwe Society for the Protection and Care of Animals	-	-	17	-	17
Palestine Wildlife Society	-	-	9	-	9
The Donkey Sanctuary Welfare Association - India	-	-	30	-	30
Southern Agricultural Research Institute - Ethiopia	-	-	30	-	30
University of Pretoria	-	-	20	-	20
Women & Land in Zimbabwe	-	-	30	-	30
Items £5,000 or less	3	1	2	-	6
	3	55	420	-	478
Institutional					
UK for the welfare of donkeys					
Cats Protection Enterprises Ltd	5	-	-	-	5
Send A Cow	-	-	35	-	35
University of Oxford	-	-	46	-	46
Items £5,000 or less	6	-	-	-	6
	11	-	81	-	92
Expenditure in support of activities	-	-	66	-	66
Total	14	55	567	-	636

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 2021. All grants made are to institutions. Expenditure in support of activities comprises salary costs.

	Rescue and rehoming £'000	Research, education and operations £'000	Donkeys in the community £'000	Donkey-assisted activities £'000	2020 £'000
Institutional					
Overseas for the welfare of donkeys					
ActionAid Ghana	13	-	-	-	13
Alage Agriculture and TVET College - Ethiopia	-	-	24	-	24
Animal Nepal	-	-	160	-	160
ARAF Plateau Dogon - Mali	23	-	-	-	23
Arusha Society for the Protection of Animals (ASPA) - Tanzania	-	-	11	-	11
East African Legislative Assembly - Tanzania	-	-	24	-	24
DHWP - College of Veterinary Medicine and Agriculture, Addis Ababa University	-	-	58	-	58
Fundacao Medicina Veterinaria - Brazil	-	18	-	-	18
Good Samaritan Donkey Sanctuary Inc (Australia)	-	-	10	-	10
Innovar Y Compartir - Peru	-	-	22	-	22
International Livestock Research Institute - Kenya	-	74	-	-	74
Lilongwe Society for the Protection and Care of Animals	11	-	-	-	11
Meru Animal Welfare Org (MAWO) - Tanzania	-	-	10	-	10
Sanjeevani Vikas Evam Jan Kalyan Samiti - India	-	-	22	-	22
The Donkey Sanctuary Welfare Association - India	-	-	67	-	67
Items £5,000 or less	2	-	-	-	2
	49	92	408	-	549
Institutional					
UK for the welfare of donkeys					
Petplan Charitable Trust	15	-	-	-	15
Send A Cow	-	-	100	-	100
University of Glasgow	-	11	-	-	11
University of Oxford	94	-	-	-	94
University of Reading	-	10	-	-	10
Items £5,000 or less	2	-	-	-	2
	111	21	100	-	232
Expenditure in support of activities	-	-	75	-	75
Total	160	113	583	-	856

As at 31 December 2021 full provision has been made for the following grants for 2022 and beyond. These projects had either started or were fully committed to before the period end:

	£'000
Research grant — International Livestock Research Institute	24
Research grant — University of Copenhagen	3

11. Staff costs and volunteers

Staff costs for the year were as follows:

	2021 £'000	2020 £'000
Salary	17,968	19,257
Social security costs	1,797	1,780
Pension contributions	1,924	1,960
	21,689	22,997

Staff costs include a total of £95k payments for compensation for loss of office (2020: £175k). 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 2021.

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

	2021 No.	2020 No.	2021 FTE	2020 FTE
Rescue and rehoming	248	264	227	238
Research, education and operations	89	90	81	84
Donkeys in the community	42	45	41	44
Donkey-assisted activities	78	90	65	72
Fundraising	22	27	21	25
Trading	42	42	26	26
Support activities	215	228	197	210
	736	786	658	699

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

	2021 No.	2020 No.
£60,001–£70,000	5	5
£70,001–£80,000	6	3
£80,001–£90,000	1	3
£90,001–£100,000	2	1
£100,001–£110,000	-	1
£110,001–£120,000	1	-
£120,001–£130,000	-	-
£130,001–£140,000	-	-
£140,001–£150,000	-	1
£150,001–£160,000	1	-
	16	14

Emoluments include salary and benefits-in-kind but exclude pension scheme contributions. 2021 emoluments include £25k payments for compensation for loss of office (2020: £47k).

The total remuneration (including pension scheme contributions) paid to key management personnel in 2021 was £1,284k (2020: £1,317k). Key management personnel comprise the chief executive and executive management team detailed on p97.

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 3,733 hours to The Donkey Sanctuary in 2021 (2020: 600). It is not practicable to attach a value to this contribution.

12. Intangible fixed assets: Software

	Group £'000	Charity £'000
Cost		
At 1 January 2021	2,063	2,021
Additions	56	55
Disposals	(64)	(64)
Foreign currency translation adjustment	-	-
At 31 December 2021	2,055	2,012
Amortisation		
At 1 January 2021	1,056	1,023
Charge for the year	201	196
Adjustment for disposals	(35)	(35)
At 31 December 2021	1,222	1,184
Net book value		
At 31 December 2021	833	828
At 31 December 2020	1,007	998

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 £13k (2020: £21k) have not been amortised.

13. 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 2021	1,772	35,517	5,288	5,121	47,698
Additions	-	372	984	332	1,688
Disposals	-	-	(581)	(141)	(722)
Foreign currency translation adjustment	-	(274)	(71)	(73)	(418)
At 31 December 2021	1,772	35,615	5,620	5,239	48,246
Depreciation					
At 1 January 2021	324	8,425	3,136	3,269	15,154
Charge for the year	39	636	511	382	1,568
Adjustment for disposals	-	-	(478)	(116)	(594)
Foreign currency translation adjustment	-	(74)	(37)	(34)	(145)
At 31 December 2021	363	8,987	3,132	3,501	15,983
Net book value					
At 31 December 2021	1,409	26,628	2,488	1,738	32,263
At 31 December 2020	1,448	27,092	2,152	1,852	32,544
The net book value represents fixed assets used for:					
Direct charitable purpose					
Rescue and rehoming	-	18,545	1,992	829	21,366
Research, education and operations	11	3,375	100	258	3,744
Donkeys in the community	-	25	28	2	55
Donkey-assisted activities	1,374	1,833	82	101	3,390
Other purposes					
Fundraising	-	-	-	2	2
Trading	-	1,419	-	95	1,514
Administration and support	24	1,431	286	451	2,192
	1,409	26,628	2,488	1,738	32,263

Freehold land amounting to £3,647k has not been depreciated (2020: £3,719k) and assets under construction amounting to £69k (2020: £184k) are included within freehold land and buildings and equipment additions. Assets under construction include work in progress on a donkey transporter vehicle. 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 2021	1,772	31,250	4,168	3,909	41,099
Additions	-	349	711	232	1,292
Disposals	-	-	(411)	(111)	(522)
At 31 December 2021	1,772	31,599	4,468	4,030	41,869
Depreciation					
At 1 January 2021	324	7,624	2,379	2,342	12,669
Charge for the year	39	573	403	327	1,342
Adjustment for disposals	-	-	(309)	(85)	(394)
At 31 December 2021	363	8,197	2,473	2,584	13,617
Net book value					
At 31 December 2021	1,409	23,402	1,995	1,446	28,252
At 31 December 2020	1,448	23,626	1,789	1,567	28,430
The net book value represents fixed assets used for:					
Direct charitable purpose					
Rescue and rehoming	-	15,319	1,503	537	17,359
Research, education and operations	11	3,375	99	259	3,744
Donkeys in the community	-	25	25	1	51
Donkey-assisted activities	1,374	1,833	82	101	3,390
Other purposes					
Fundraising	-	-	-	2	2
Trading	-	1,419	-	95	1,514
Administration and support	24	1,431	286	451	2,192
	1,409	23,402	1,995	1,446	28,252

Freehold land amounting to £2,594k has not been depreciated (2020: £2,594k) and assets under construction amounting to £69k (2020: £181k) are included within freehold land and buildings and equipment additions. Assets under construction include work in progress on a donkey transporter vehicle. These have not been depreciated.

14. Fixed asset investments

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Valuation				
Opening balance	20,128	23,077	20,278	23,227
Additions	3,148	4,598	3,148	4,598
Disposals and withdrawals	(1,818)	(7,250)	(1,818)	(7,250)
Unrealised gain/(loss)	1,449	(297)	1,449	(297)
Closing balance	22,907	20,128	23,057	20,278
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	1,932	2,319	1,932	2,319
Property backed fund	1,003	992	1,003	992
UK equities	7,034	6,415	7,034	6,415
Cash funds	600	300	600	300
Alternative assets	1,577	1,262	1,577	1,262
Indirect investment in overseas listed securities				
International bonds	633	511	633	511
Overseas equities	9,430	8,092	9,430	8,092
Total listed and subsidiary investments	22,209	19,891	22,359	20,041
Other				
Investment management cash accounts	698	237	698	237
	22,907	20,128	23,057	20,278

Details of the investments in subsidiary undertakings can be found in note 25.

15. Stock

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Trading stock	541	440	10	10
Stock of feed, straw and bedding	187	160	159	135
Veterinary supplies, equipment, stores and other	121	122	102	89
	849	722	271	234

16. Debtors and prepayments

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Amounts due from subsidiary undertakings and connected parties	-	-	1,007	1,001
Other debtors	32	354	5	292
Income tax recoverable	229	129	229	129
Residual legacies	30,765	18,997	29,844	17,959
Social security and other taxes	17	-	-	-
Prepayments	382	245	378	242
Accrued income	102	681	72	622
	31,527	20,406	31,535	20,245

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

17. Creditors: amounts falling due within one year

	Group 2021 £'000	Group 2020 £'000	Charity 2021 £'000	Charity 2020 £'000
Amounts due to subsidiary undertakings and connected parties	-	-	25	92
Accounts payable	764	793	538	553
Social security and other taxes	555	618	454	515
Other creditors	333	398	177	215
Accruals	1,894	1,980	1,303	1,521
	3,546	3,789	2,497	2,896

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

18. 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 11. 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.

19. 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 2021 the group had authorised but not contracted the following amounts for 2022 and beyond:

	2021 £'000	2020 £'000
Authorised and contracted at period end	708	-
Authorised but not contracted at period end	3,289	2,623

Capital commitments authorised and contracted by the end of the year include replacement CRM software and farm vehicle purchases.

Capital commitments authorised but not contracted by the end of the year include a new website, rolling replacements for vehicles and tractors and provision for farm building improvements.

20. Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2021 £'000	2020 £'000
Less than one year	67	63
Between one and five years	159	80
More than five years	275	290
	501	433

During the year £94k was recognised as an expense in the profit and loss account in respect of operating leases (2020: £97k).

21. 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 new arrivals facilities funds relate mainly to funds raised and used for building and equipping our hospital and new arrivals facilities in the UK. DAA centres funds relate mainly to funds raised and used for purchasing and modifying our Donkey Assisted Activities 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 (ie 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 01.01.21 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Other recognised gains/(losses) £'000	Balance at 31.12.21 £'000
Restricted funds						
Tangible fixed asset funds						
Farm buildings (UK)	425	237	(16)	-	(3)	643
Veterinary and new arrivals facilities	1,032	-	(28)	-	-	1,004
Veterinary equipment	16	22	(7)	-	-	31
Farm equipment and machinery	8	5	(3)	1	-	11
Welfare vehicles	-	5	-	-	-	5
DAA centres	1,202	-	(35)	(1)	-	1,166
DAA centre equipment	3	-	(1)	-	-	2
DAA centre vehicles	11	-	(2)	-	-	9
Current asset funds						
Turks & Caicos	171	-	-	-	-	171
Donkey welfare UK	-	1	-	-	-	1
Donkeys in the community	-	241	(79)	-	-	162
DAA centres	-	7	(4)	-	-	3
DAA centre equipment	5	-	(5)	-	-	-
Operating cost funds						
Rescue and rehoming	-	272	(272)	-	-	-
Donkeys in the community	101	478	(579)	-	-	-
DAA centres	-	452	(452)	-	-	-
Total restricted funds	2,974	1,720	(1,483)	-	(3)	3,208
Unrestricted funds						
General funds	38,142	61,648	(38,607)	(2,847)	2,056	60,392
Designated funds	33,479	-	(2,107)	2,847	-	34,219
Total unrestricted funds	71,621	61,648	(40,714)	-	2,056	94,611
Total group funds	74,595	63,368	(42,197)	-	2,053	97,819

Analysis of movement in funds: Charity

	Balance at 01.01.21 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Other recognised gains £'000	Balance at 31.12.21 £'000
Restricted funds						
Tangible fixed asset funds						
Farm buildings (UK)	380	237	(16)	-	-	601
Veterinary and isolation facilities	1,032	-	(28)	-	-	1,004
Veterinary equipment	16	22	(7)	-	-	31
Farm equipment and machinery	8	5	(3)	1	-	11
Welfare vehicles	-	5	-	-	-	5
DAA centres	1,202	-	(35)	(1)	-	1,166
DAA centre equipment	3	-	(1)	-	-	2
DAA centre vehicles	11	-	(2)	-	-	9
Current asset funds						
Turks & Caicos	171	-	-	-	-	171
Donkey welfare UK	-	1	-	-	-	1
Donkeys in the community	-	241	(79)	-	-	162
DAA centres	-	7	(4)	-	-	3
DAA centre equipment	5	-	(5)	-	-	-
Operating cost funds						
Rescue and rehoming	-	272	(272)	-	-	-
Donkeys in the community	101	478	(579)	-	-	-
DAA centres	-	452	(452)	-	-	-
Total restricted funds	2,929	1,720	(1,483)	-	-	3,166
Unrestricted funds						
General funds	37,509	56,164	(33,786)	(2,452)	2,392	59,827
Designated funds	29,099	-	(1,603)	2,452	-	29,948
Total unrestricted funds	66,608	56,164	(35,389)	-	2,392	89,775
Total charity funds	69,537	57,884	(36,872)	-	2,392	92,941

22. Designated funds

Designated fund movements: Group

	Balance at 01.01.21 £'000	Additional approved £'000	Depreciation and disposals £'000	Balance at 31.12.21 £'000
Intangible fixed assets fund	1,464	696	(230)	1,930
Tangible fixed assets fund	32,015	2,151	(1,877)	32,289
	33,479	2,847	(2,107)	34,219

Designated fund movements: Charity

	Balance at 01.01.21 £'000	Additional approved £'000	Depreciation and disposals £'000	Balance at 31.12.21 £'000
Intangible fixed assets fund	1,455	695	(225)	1,925
Tangible fixed assets fund	27,644	1,757	(1,378)	28,023
	29,099	2,452	(1,603)	29,948

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 19.

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 19.

23. 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 31.12.21 £'000
Restricted funds	-	2,874	-	334	-	3,208
Unrestricted funds:						
Designated funds	833	29,389	-	3,997	-	34,219
General funds	-	-	22,907	41,031	(3,546)	60,392
	833	32,263	22,907	45,362	(3,546)	97,819

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 31.12.21 £'000
Restricted funds	-	2,829	-	337	-	3,166
Unrestricted funds:						
Designated funds	828	25,423	-	3,697	-	29,948
General funds	-	-	23,057	39,267	(2,497)	59,827
	828	28,252	23,057	43,301	(2,497)	92,941

24. Legacies receivable

At the end of the year the group was entitled to receive an estimated £4,429k (2020: £4,652k) 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 charity undertook a review of the revenue recognition of legacy income which included an update to the average notional value applied to those legacy cases where we have been notified of income receivable but have yet to receive the estate accounts. This one off adjustment amounts to

£4.7m and hence legacy income for the year has been increased to £41.6m as stated in the notes to the accounts. The update to notional values will provide a much more accurate reflection of legacies receivable as well as reduce volatility in legacy forecasting.

25. 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 £165k in grants to Animal Nepal in 2021 (2020: £160k) as disclosed in note 10. 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 2021 was £nil (2020: £nil).

Transactions with subsidiaries and subsidiary details are as follows:

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 income and costs of El Refugio Del Burrito (ERB) 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.

As at 31 December 2021, ERB had net assets of £2,017k (2020: £2,024k). This comprised assets of £2,067k (2020: £2,112k) and liabilities of £50k (2020: £88k). As at 31 December 2021 The Donkey Sanctuary owed ERB £6k for work carried out by ERB staff for The Donkey Sanctuary and donations received in the UK intended for ERB (2020: £20k). In 2021 £70k was recharged by ERB to The Donkey Sanctuary for work carried out by ERB staff (2020: £70k).

	2021 £'000	2020 £'000
Grant income from The Donkey Sanctuary	865	791
Local income	151	137
Total income	1,016	928
Total cost of charitable activities	(959)	(954)
Governance cost	(5)	(5)
Total expenditure	(964)	(959)
Net income/(expenditure) for the year	52	(31)

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. (IRDA) 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.

As at 31 December 2021, IRDA had net assets of £1,519k (2020: £1,561k). This comprised assets of £1,805k (2020: £1,922k) and liabilities of £286k (2020: £361k). As at 31 December 2021 The Donkey Sanctuary owed IRDA £7k for donations received in the UK intended for IRDA (2020: £11k).

	2021 £'000	2020 £'000
Grant income from The Donkey Sanctuary	616	528
Local income	280	373
Total income	896	901
Total cost of charitable activities	(894)	(899)
Governance cost	(2)	(2)
Total expenditure	(896)	(901)
Net income for the year	-	-

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.

As at 31 December 2021, The Donkey Sanctuary (Cyprus) Limited had net assets of £16k (2020: £18k). This comprised assets of £25k (2020: £32k) and liabilities of £9k (2020: £14k). There were no intercompany balances outstanding as at 31 December 2021 (2020: £nil)

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.

	2021 £'000	2020 £'000
Grant income from The Donkey Sanctuary	163	215
Local income	10	13
Total income	173	228
Total cost of charitable activities	(172)	(234)
Governance cost	(2)	(2)
Total expenditure	(174)	(236)
Net expenditure for the year	(1)	(8)

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 Lisscarroll, 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 (DSI) 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.

As at 31 December 2021, DSI had net assets of £868k (2020: £607k). This comprised assets of £1,295k (2020: £1,070k) and liabilities of £427k (2020: £463k). As at 31 December 2021 The Donkey Sanctuary owed DSI £9k for donations received in the UK intended for DSI (2020: £8k) and DSI was owed £110k by DWL for services provided by DSI and donations received by DWL intended for DSI (2020 £24k). During the year DSI recharged £49k to DWL for services provided by DSI (2020: £31k).

	2021 £'000	2020 £'000
Grant income from The Donkey Sanctuary	844	1,773
Local income	3,257	1,767
Total income	4,101	3,540
Total cost of charitable activities	(3,792)	(3,755)
Governance cost	(9)	(13)
Total expenditure	(3,801)	(3,768)
Net income/(expenditure) for the year	300	(228)

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.

As at 31 December 2021, DSN had net assets of £6k (2020: £6k). This comprised assets of £324k (2020: £336k) and liabilities of £318k (2020: £330k). As at 31 December 2021 The Donkey Sanctuary was owed £167k by DSN for donations to be remitted to The Donkey Sanctuary (2020: £282k).

The income and costs of Stichting The Donkey Sanctuary Nederland (DSN) 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.

	2021 £'000	2020 £'000
Grant income from The Donkey Sanctuary	498	512
Local income	1,319	1,369
Total income	1,817	1,881
Cost of charitable activities	(501)	(507)
Funds remitted to The Donkey Sanctuary	(1,314)	(1,372)
Governance cost	(2)	(2)
Total expenditure	(1,817)	(1,881)
Net income for the year	-	-

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.

As at 31 December 2021, The Donkey Sanctuary Kenya Limited had net assets of £19k (2020: £16k). This comprised assets of £22k (2020: £17k) and liabilities of £3k (2020: £1k). There were no intercompany balances outstanding as at 31 December 2021 (2020: £nil).

	2021 £'000	2020 £'000
Grant income from The Donkey Sanctuary	152	136
Local income	-	-
Total income	152	136
Total cost of charitable activities	(147)	(131)
Governance cost	(1)	(2)
Total expenditure	(148)	(133)
Net income for the year	4	3

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.

As at 31 December 2021, The International Donkey Protection Trust had net assets of 260k (2020: £549k). This comprised assets of £260k (2020: £549k). There were no intercompany balances outstanding as at 31 December 2021 (2020: £nil).

	2021 £'000	2020 £'000
Total income	437	473
Amount donated to The Donkey Sanctuary	(725)	(349)
Net (expenditure)/income for the year	(288)	124

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. As at 31 December 2021, The Elisabeth Svendsen Trust for Children and Donkeys had net assets of £196k (2020: £332k). This comprised assets of £196k (2020: £332k). There were no intercompany balances outstanding as at 31 December 2021 (2020: £nil).

	2021 £'000	2020 £'000
Total income	380	375
Amount donated to The Donkey Sanctuary	(516)	(620)
Net expenditure for the year	(136)	(245)

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 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 £421k (2020: £253k) were accrued in the consolidated results of The Donkey Sanctuary for the year.

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

	2021 £'000	2020 £'000
External turnover	1,638	1,072
Sales to The Donkey Sanctuary	1	1
Total turnover	1,639	1,073
Cost of sales	(598)	(371)
Gross profit	1,041	702
Other income	6	25
Administration and other costs	(234)	(172)
Costs recharged from The Donkey Sanctuary	(343)	(271)
Costs recharged from The Donkey Sanctuary Ireland	(49)	(31)
Taxation	-	-
Net income	421	253
Amount donated to The Donkey Sanctuary	(421)	(253)
Retained profit	-	-

As at 31 December 2021, Donkey World Limited had net assets of £165k (2020: £165k). This comprised assets of £1,204k (2020: £1,195k) and liabilities of £1,039k (2020: £1,030k). As at 31 December 2021 The Donkey Sanctuary was owed £601k by Donkey World Limited for the profit donations to be remitted to The Donkey Sanctuary, as well as donations received by Donkey World Limited intended for The Donkey Sanctuary and amounts due for

recharged services (2020: £472k). DSI was owed £110k by Donkey World Limited for services provided by DSI and donations received by DWL intended for DSI (2020 £24k). During the year DWL recharged £10k of purchases made on behalf of The Donkey Sanctuary (2020: £2k).

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 four ordinary shares of £1 each in The Hayloft (Donkey Sanctuary) Limited. This represents a holding of 100% in the Company.

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 net liabilities due to losses from prior years so no charitable donations were accrued in the consolidated results of The Donkey Sanctuary for the year ended 31 December 2021 (2020: £nil).

In 2020 The Donkey Sanctuary made a loan of £200k to The Hayloft (Donkey Sanctuary) Limited in order to cover unavoidable running costs while The Kitchen restaurant could not trade due to the Covid-19 pandemic. The trustees of The Donkey Sanctuary considered the loan to be in the long-term interests of The Donkey Sanctuary. The loan was made at a commercial rate of interest and is due to be repaid in full by 31 December 2024. The outstanding balance of the loan as at 31 December 2021 was £121k (2020: 200k).

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

	2021 £'000	2020 £'000
External turnover	889	241
Sales to The Donkey Sanctuary	1	2
Total turnover	890	243
Cost of sales	(247)	(70)
Cost of sales recharged from The Donkey Sanctuary	(355)	(191)
Gross profit/(loss)	288	(18)
Other income	28	-
Administration and other costs	(58)	(27)
Administration costs recharged from The Donkey Sanctuary	(85)	(145)
Taxation	-	-
Net income/(expenditure)	173	(190)
Amount donated to The Donkey Sanctuary	-	-
Retained profit/(loss)	173	(190)

As at 31 December 2021, The Hayloft (Donkey Sanctuary) Limited had net liabilities of £22k (2020: £195k). This comprised assets of £210k (2020: £261k) and liabilities of £232k (2020: £456k). As at 31 December 2021 The Donkey Sanctuary was owed £99k

by The Hayloft (Donkey Sanctuary) Limited for cost recharges (2020: £237k). During the year The Hayloft (Donkey Sanctuary) Limited recharged £7k of purchases made on behalf of The Donkey Sanctuary (2020: £5k).

26. 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:

	2021 £'000	2020 £'000
Total income	57,884	33,748
Expenditure on raising funds	(9,942)	(10,315)
Expenditure on charitable activities	(26,930)	(28,417)
Total expenditure	(36,872)	(38,732)
Net gains/(losses) on investments	2,383	(74)
Net income/(expenditure)	23,395	(5,058)
Other recognised gains/(losses)	9	(25)
Net movement in funds	23,404	(5,083)



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 Trustee's Report and Accounts comprised:

Lucy Back
Natalie Bishop (known as Natalie Cook)
Rosemary Gillespie (retired 10 December 2021)
Susan Griffin
David Howarth (tenure extended to December 2022)
Richard Kapff
Paul Lunn (appointed 25 June 2021, Chair from 18 March 2022)
Thomas Mitchell
Patrick Pollock
Christine Purdy
Stuart Reid (Chair until 18 March 2022, retired 28 June 2022)
Pramada Shah
Elizabeth Sheldon
Andrew Stringer
Anna Stenner-Evans, Company Secretary, 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 Trustee's Report and Accounts comprised:

Mike Baker	Chief Executive (resigned 18 June 2021)
Ann Brown	Director of Equine Operations (retired 9 May 2022)
Faith Burden	Executive Director of Equine Operations
Ian Cawsey	Director of Advocacy & Campaigns
Richard Cobb	Director of International Programmes and Partnerships (appointed 1 April 2021)
Jenny Coe	Director of People
Sarah Gibson	Director of Resources Strategy and Support (appointed 20 June 2022)
Andrew Judge	Director of Equine Operations - Sanctuary Ops (appointed 20 June 2022)
Cheryl Martin	Director of Brand & Communications
Kevin Nacey	Executive Director of Resources
Zoe Norris	Director Marketing Communications & Income Generation
Karen Rickards	Director of Equine Operations (appointed 14 March 2022)
Marianne Steele	Senior Executive Director Marketing Communications (appointed as Acting Chief Executive 18 June 2021)
Christopher Vaughan	Director of Global Programmes (resigned 6 June 2021)
Chris Young	Director of Finance
Investment Managers	Investec Wealth & Investment Limited, 30 Gresham St, London, EC2V 7QN
Bankers	Barclays Bank plc, 3 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	Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG





