

TRUSTEE'S REPORT AND ACCOUNTS

2022



**THE DONKEY
SANCTUARY**







CONTENTS

4	INTRODUCTION BY MARIANNE STEELE
7	INTRODUCTION BY PAUL LUNN
8	RESCUE, REHOMING AND SANCTUARY CARE
12	VETERINARY CARE
14	CONSERVATION
17	EDUCATION
19	DONKEY ASSISTED ACTIVITIES
22	WORKING WORLDWIDE
26	RAISING VITAL FUNDS
27	LOOKING AFTER OUR SUPPORTERS
28	LEADERS IN A GLOBAL PLAN FOR DONKEYS
32	FINANCIAL REVIEW
38	PRINCIPAL RISKS AND UNCERTAINTIES
41	STRUCTURE, GOVERNANCE AND MANAGEMENT
49	STATEMENT OF TRUSTEE'S RESPONSIBILITIES
50	INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE DONKEY SANCTUARY
54	CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
55	CONSOLIDATED AND CHARITY BALANCE SHEETS
56	CONSOLIDATED STATEMENT OF CASH FLOWS
58	NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
96	REFERENCE AND ADMINISTRATIVE DETAILS

INTRODUCTION BY MARIANNE STEELE

I am delighted to introduce The Donkey Sanctuary's 2022 Annual Report and share some of our outstanding successes with you. Of course, we have not been immune to the challenges facing us all in an uncertain world. Difficult economic factors such as inflation and the impact of the cost-of-living crisis have not only impacted our operating costs but may also affect our rehoming scheme as potential Guardians are forced to make more difficult choices.

However, thanks to the resilience of our income and financial planning, only made possible by the incredible generosity of our supporters, and the hard work and dedication of our people, we have much to celebrate and share.

In 2022 our UK welfare teams continued to transform the lives of hundreds of donkeys, mules and owners through rescue and rehoming. Our resident herds remain happy and healthy across all our sanctuaries thanks to our veterinary team who perform daily heroics with world-leading medical expertise and innovation.

We never take our beautiful sanctuary spaces for granted and our conservation work moves apace as we work to enhance the special link between our resident donkeys and the land they graze and explore.

Looking further afield, The Donkey Sanctuary continues to be engaged as an effective influencer advocating for change for donkeys at an international level, as well as working relentlessly to halt the inhumane trade in donkey skins – probably the biggest, single global threat donkeys have faced.

Our international teams have been working hard to prioritise and plan how best we can help improve the lives of more donkeys and mules across the world, completing 22 projects in total this year across East and West Africa, Asia and Latin America.



2022 also saw us complete our new organisational strategy, which will help guide us in our vision over the next five years for a world where every donkey has a good quality of life. With clarity and simplicity, our new strategy will ensure we put donkeys at the heart of everything we do.

It is a privilege to continue our vitally important work alongside our supporters, and together we can make this world a better place for donkeys and mules every day.

Marianne Steele

Chief Executive
The Donkey Sanctuary





“ *Standing among the donkeys, sharing in the serenity and calm of the sanctuary, I was reminded how deep, and important, the link between humans and donkey can be.* ”

INTRODUCTION BY PAUL LUNN

The innate connection we share with donkeys never ceases to amaze me. I was lucky enough to experience this connection for myself recently when I took part in a Donkey Assisted Activities session at our Manchester sanctuary. These activities support the development of people's life skills and wellbeing, helping individuals to better cope with challenges in everyday life, while also promoting positive attitudes towards donkeys.

Standing among the donkeys, sharing in the serenity and calm of the sanctuary, I was reminded how deep, and important, the link between humans and donkey can be.

However, the donkeys I shared this moment with are the lucky ones, as they have been spared the misery that many donkeys around the world still face. Threats to the lives of donkeys remain – and a world without donkeys is a broken world for many, and a poorer place to live.

As such, it buoys me to know that our new five-year organisational strategy places the special connection we share with donkeys at its heart. As the film that supports our strategy says, this relationship is one that spans thousands of years and millions of lives. By focusing on the donkey's perspective, we believe we have a unique opportunity to make that relationship work better – not just for donkeys but for the people they stand beside and the environments in which they live and work.

My visit revealed the fantastic work our teams carry out at our sanctuaries every day, as well as the influence and expertise they have that is being mirrored for the benefit of donkeys across the world. It's a harmonious process. We seek out wisdom in donkey welfare wherever it might be, and we are constantly alert to what we might learn from our work with communities around the world. To all of you who are making the difference, you have my unreserved thanks.

Donkeys' lives are being transformed for the better thanks to our passionate teams, supporters, volunteers and partners.

Paul Lunn
Chair of Trustees



RESCUE, REHOMING AND SANCTUARY CARE

Rescue and rehoming was the founding principle of The Donkey Sanctuary and remains at the core of much of our work in Great Britain. The experience we gain means how we care for donkeys is constantly evolving.

It's a virtuous circle: we acquire knowledge from around the world to benefit the donkeys in our direct care and, in turn, we share that wisdom across the globe. A sanctuary model is not sustainable in most of the countries we work in, however, sharing the knowledge we gain from the donkeys in our care helps owners and communities worldwide to improve the welfare of their own donkeys, reducing the need for intervention.

HELPING DONKEYS LEAD THE LIVES THEY DESERVE

The Donkey Sanctuary's welfare teams across all operations continued to make an important impact on the lives of thousands of donkeys, mules and owners throughout 2022.

Through close collaboration with external organisations and enforcement authorities, our Donkey Welfare Advisers attended more than 200 welfare complaints in Great Britain and six active welfare investigation cases.

At the end of 2022, there were 1,538 donkeys in Guardian homes across Great Britain. Donkey Guardians are essential to us, providing safe homes and helping to free up vital space in our sanctuaries for donkeys who require more specialist care.

In Ireland, our welfare team offers a wide range of advice and support to help donkeys and their owners. In 2022 we provided direct support to donkeys in the community on 1,589 separate occasions, including 471 donkeys we helped for the first time.

Sharing knowledge and experience with our partners allows us to make an even bigger difference to the lives of donkeys. This two-way process of teaching and learning opens more opportunities to transform donkeys' lives, as well as helping us to work more effectively.


We also continued to ensure our relinquishment processes are working in the best way possible and that donkeys are rehomed to environments best suited to their needs.

The year also saw the successful outcome of an important court case that required formal intervention to protect donkey welfare and alleviate suffering.

The case followed a major multi-agency operation – one of the largest and most complex that The Donkey Sanctuary has ever undertaken – in which more than 70 donkeys were rescued from a farm in Wales.

The RSPCA-led operation was carried out with The Donkey Sanctuary, World Horse Welfare, the British Horse Society, Bransby Horse Rescue and Welfare and two veterinary surgeons from Redwings.

The owner was handed an 18-week prison sentence – suspended for two years – and was banned from keeping equines for 10 years. This outcome highlights the importance of our welfare work. Thanks to the dedication and patience of our Donkey Welfare Advisers, vets, farm staff, farriers and behaviour team, many of the donkeys involved have now made a full recovery.

 *Sharing knowledge and experience with our partners allows us to make an even bigger difference to the lives of donkeys.*

As we entered 2023, our resident herds numbered more than 2,300 animals, with two animals temporarily housed with us.

On our farms, we delivered a planned programme to help improve the housing of our resident herds, following a comprehensive housing survey involving our farm managers from Paccombe, Axnoller and Woods farms, and a number of other staff from The Donkey Sanctuary.

We also identified the need to upgrade some existing housing and install new tracks and sand yards. Other works include changing our woodchip yards and tracks to a more hoof-friendly surface. These capital works will feed into each farm plan and help inform further improvements over the next five to 10 years.

HAPPIER TIMES AHEAD FOR CORNWALL DONKEYS



In April 2022, our Donkey Welfare Adviser Jenna Goldby was alerted to the plight of five donkeys living in muddy conditions with horrendously overgrown hooves.

Jenna knew that Rosie, Maggie, Seagull, Bluebell and Hugo were all in need of veterinary help when, after following a set of hoof prints, she found them almost knee deep in mud and huddled together on a woodland track.

Maggie, mother of Hugo and Bluebell, was thin – Jenna could see the outline of her bones poking through her thick winter coat. Rosie's hooves were also the longest Jenna had ever seen in person.

Knowing all five donkeys needed help, Jenna spoke with their owner, who agreed to relinquish the animals into our care.

Reaching our New Arrivals Unit was the beginning of the donkeys' journey to recovery. Sadly, after contracting a severe bout of colic, Seagull was put to sleep.

Thankfully Rosie, Maggie, Bluebell and Hugo coped well with Seagull's passing, and have since blossomed into lively, confident animals and are thriving in sanctuary care.



DURING 2022:



200
MORE THAN
WELFARE COMPLAINTS
ATTENDED*

1,413
DONKEY WELFARE
ADVISER VISITS TO
GUARDIAN HOMES*



PROVIDED DIRECT
SUPPORT TO
471
DONKEYS IN THE
COMMUNITY ON
1,589
OCCASIONS IN IRELAND



1,538
DONKEYS IN LOVING
GUARDIAN HOMES*



181
DONKEYS
RELINQUISHED
INTO OUR CARE*



2,383
ANIMALS IN OUR
RESIDENT HERDS*

*Great Britain only





VETERINARY CARE

As we develop our strategy to improve the welfare of even more donkeys across the globe, one of the strongest foundations we build on is our world-leading capability and reputation in veterinary care for donkeys.

In order to grow the positive impact we have on donkeys around the world, our approach is to influence those who have the most influence on donkey welfare. Vital to this is the worldwide veterinary community.

We have a solid track record and reputation for world-class veterinary care and groundbreaking scientific work. This benefits significantly from the experience and learning we gain through our work with communities in different countries and contexts across the globe.

PUTTING DONKEY WELFARE FIRST

Several welfare initiatives from our Veterinary team throughout 2022 have had a significant impact on donkeys' lives.

One major project was the launch of a trailblazing method to manage fly worry through the use of biological control.

The biting fly, stomoxys, poses a significant welfare issue to donkeys and the use of conventional processes, such as repellents, to combat the insects only provides limited relief.

Our teams are working on a new study, which explores if we can reduce the risk of fly worry by spreading parasitic wasps. Between March

and October, the wasps are spread around the potential breeding grounds for flies. The same method will be continued in 2023 to measure the effectiveness of the strategy.

Another project involved a new technique to widen the gaps between a donkey's teeth, which removes the risk of food packing and the resulting trauma to the gum. This new dental procedure proved effective and has led to the complete removal of painful gum disease in many of the cases that we have treated.

A successful louse management programme was another standout project, that will help alleviate a common issue affecting donkeys' welfare.

HELPING OLD BOY HARRY SMILE AGAIN

Grooms at our Slade House Farm site became worried when they noticed a change in the demeanour of 21-year-old Harry.

Harry hadn't been eating and was packing food between his teeth, so grooms alerted our vets to investigate.

While examining Harry's mouth, our vet identified some problematic gaps between the teeth packing the food, known as diastemata. She removed the packed food and flushed the gaps with a disinfectant solution. Harry was also started on a course of painkillers and monitored.

However, the next day his condition hadn't improved, so our Lead Veterinary Surgeon for Dentistry and two specialist nurses assessed his case further.

They noticed some swelling to the right side of Harry's face, along with a bad smell, and discovered pus draining from a gap between two of his upper cheek teeth.

After diagnosing an acute tooth infection, the dentistry team worked quickly to extract the infected tooth.

Since the extraction, both Harry's appetite and his happy demeanour have returned.



DURING 2022:

MORE THAN

11,000

DONKEYS BENEFITTED FROM **MEDICAL EXAMINATIONS** ACROSS OUR **SANCTUARY FARM SITES**



283

DONKEYS RECEIVED TREATMENT AT OUR **BROOKFIELD DONKEY HOSPITAL**



PATHOLOGY TEAM CHECKED MORE THAN

14,800

DONKEY BLOOD, SKIN, URINE AND DUNG SAMPLES





CONSERVATION

We have long understood the mutual benefits of the relationship between humans and donkeys. But there is a third and vital dimension to this relationship: the environment. Through a range of initiatives, we have shown that a nourishing environment for donkeys is also good for local ecology and biodiversity, and the people who share that space.

A STRONGER CONNECTION BETWEEN DONKEYS AND LAND

We planted 6,000 trees at our Woods Farm and Brookfield hospital sites, offering donkeys essential browsing, enrichment and nutritional benefits as well as shade, shelter and privacy. Hedgerows and trees are vital wildlife habitats that provide foraging and nesting resources.

The planting was part of a surface water mitigation plan, funded by South West Water through their Upstream Thinking Project, which is coordinated by Devon Wildlife Trust.

The trees were planted as hedges, tree belts and wood pasture and will improve water infiltration, slow surface water run-off and reduce soil erosion.

At our hospital at Brookfield Farm, hedges and scrub blocks were planted within the paddocks,

while hazel and willow were planted as coppice coupes, which can be cut by grooms and given to donkeys on box rest.

Different seed mixes were also sown into donkey pastures at Slade House Farm and Woods Farm as part of the work to provide our resident donkeys with an enriching environment.

Our team create bespoke seed mixes to suit the different requirements and conditions of each of the donkey fields.

All seed mixes contain a variety of native grasses and wildflowers, offering a wide range of properties that support soil health, biodiversity and donkey welfare.

CONSERVATION BY NUMBERS:

TOTAL NUMBER OF HOURS VOLUNTEERED IN 2022:



1,363

NUMBER OF REGULAR CONSERVATION VOLUNTEERS AT THE END OF 2022:

14



NUMBER OF SPECIES IDENTIFIED ON TDS SITES IN 2022:



2.6ha OF BRACKEN BASHED
1.8ha OF WILDFLOWER MEADOW MOWED AND RAKED
3.2ha OF WILDFLOWER SEED SOWN (BROADCAST BY HAND)

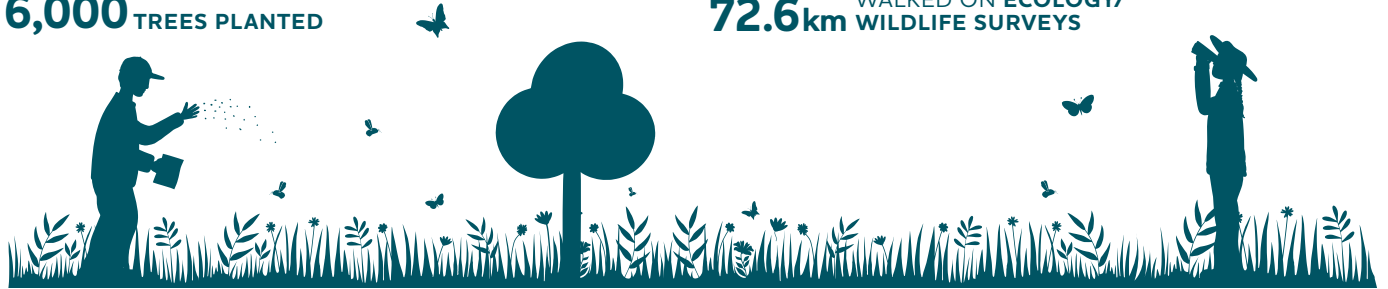
6,000 TREES PLANTED

1.1km OF HEDGES PLANTED

0.3ha OF WOOD PASTURE PLANTED

84 SURVEYS ON TDS SITES CARRIED OUT BY ECOLOGY AND CONSERVATION TEAM

72.6km WALKED ON ECOLOGY/ WILDLIFE SURVEYS



RESEEDING BOOST FOR DONKEYS IN SPAIN

Donkeys and mules at one of our sanctuaries in Spain are benefitting from a new land reseeded programme designed to boost the herd's enrichment and wellbeing. The project is in paddocks at our sanctuary in Dona Rosa, about 500km southwest of Madrid.

The project's full benefits will be realised in the summer, when enrichment is more challenging due to reduced rainfall and higher temperatures. It will also help protect and restore ecosystems under the sanctuary's stewardship and cut running costs by reducing the amount of straw and hay purchased.

We are always exploring ways to enrich our donkeys' lives, and safeguarding the longevity and quality of our habitats plays a crucial role in achieving this.





EDUCATION

With over 50 years of experience and knowledge, and a commitment to evidence-based practice, we are increasingly regarded as a world authority on ‘all things donkey’. We continue to develop our role as a hub for global knowledge about donkeys and mules. By sharing our work with communities around the world, while learning from them in return, we keep growing our repository of donkey wisdom.

We fund and lead original scientific research – in 2022 we published 9 papers, covering topics which ranged from collar and harness use and development, to donkey behaviour and nutrition.

Our growing body of knowledge informs updates to the curricula of veterinary schools all over the world, and is available to anyone with an interest in donkey welfare via our virtual learning environment – The Donkey Academy.

Our experts advise governments and international bodies at a level where meaningful policy changes can have a wide-ranging impact on donkey welfare.

We continue to work with and learn from our partners on the ground, with the aim of developing and implementing evidence-based practices that keep improving the lives of donkeys every day.

DEVELOPING PATHWAYS FOR FURTHER LEARNING

Improving the skills and knowledge of our staff helps to ensure that donkeys in our sanctuaries and beyond receive the very best care and support possible.

Armed with knowledge, expertise and a deeper understanding of donkeys’ and mules’ unique welfare needs, our teams are better equipped to improve their lives every day.

In 2022, following a review of our donkey care diploma, our Education team developed a new training programme for our donkey care staff.

As part of this, we identified development opportunities for all our staff, including career training for our more experienced donkey-facing employees.

Our science and research work means we continue to learn more about donkeys and their

care, and we pass this knowledge onto our own teams and to those we know can help make a difference to donkey welfare.

This continual two-way process of teaching and learning reaches far beyond our sanctuaries in Great Britain. Wherever there is insight and wisdom we can help translate this into improved welfare for donkeys overseas.

The Donkey Academy, our virtual learning environment, is key to helping us reach more people. This truly international resource, which had been accessed from 57 countries by the end of 2022, is helping change the lives of donkeys and mules on a global scale. We are continually revising the platform, with course developers from across the sanctuary working with our donkey care teams to produce standardised, quality-assured resources.



DONKEY ASSISTED ACTIVITIES (DAA)

Our unique approach to animal-assisted activities reflects our focus on what is best for the donkey, which is why we design our programmes from the donkey's perspective.

The innate characteristics of donkeys – their empathy and intelligence – make them ideally suited to supporting vulnerable communities and individuals. By making this interaction an integral part of a rescued donkey's rehabilitation, we have discovered that placing the donkey's needs at heart of this interaction has the greatest benefit for both donkeys and humans. This is reflected in our pioneering research into animal-assisted-activities which reveals the greater value for both parties when sessions are designed from the animal's perspective.

A 'MORE-THAN-HUMAN' APPROACH

Through our donkey-assisted activities (DAA), we support people who want to improve their wellbeing and develop life skills so they are better able to cope with challenges in everyday life. This important work also helps to promote positive attitudes towards donkeys.

These life-changing activities were the subject of a key paper we co-authored and published in 2022, in partnership with the University of Sussex. The research resulted in a new understanding of donkey welfare in animal-assisted activities contexts, and the results are already shaping how we develop our DAA work.

Drawing on empirical research with donkeys, the study explored how animal-assisted activities might be rethought from a 'more-than-human' perspective – in other words, placing emphasis on understanding how the activities benefit and impact donkeys, rather than just humans.

The investigations revealed how animal-assisted activities could be re-shaped to account for the mental and emotional labour on the part of the animal. Within this, the study noted the importance of getting to know individual donkeys and 'tuning in' to their discrete needs.

The research opens up a new area for discussion in the animal assistance field and is widely recognised as an important contribution to this emerging area of study. This paper will inform future studies of donkey welfare in settings based around animal-assisted activities. We plan to share these insights with other equine-assisted activity organisations and we will continue to develop our own practices in line with emerging evidence.



MAKING IMPROVEMENTS FOR DONKEYS

During the closure of our regional centres in 2021, we took the opportunity to assess the wellbeing of our herds when they are not interacting with people. We used our in-house Qualitative Behavioural Assessment tool and analysed the results with the help of the Research team in 2022. We learned how we could help improve a donkey's experience at our centres by providing more enrichment and a variety of outside spaces. We also updated our approach to how we manage our herds.

At the same time we reviewed and redesigned how we deliver our DAA programme based on the needs of our clients. We successfully implemented this new framework within our six regional centres.

With these new practices in place we are more efficient and effective than ever, with benefits for both the charity and our donkeys.

“ *The research opens a new area for discussion in the animal assistance field and was widely recognised as an important contribution to this emerging area of study.* ”



DONKEYS HELP GAYNOR FIND PEACE AND HEALING

Gaynor works as a sister within a small, busy nursing team in Manchester, delivering healthcare to people in her local community, including end-of-life care.

After suffering with her mental health for several years, she turned to our Manchester sanctuary for support, a place she herself has supported for some time.

Gaynor began our Wellbeing with Donkeys programme in May 2022. It blends a unique range of sessions, offering the time and space for individuals to focus on developing skills around self-awareness, self-care and work-life balance, all in natural surroundings.

When her sessions came to an end, she reflected on the journey she had been on, and the grounding impact the sessions had.

Gaynor said: “I do not know how to put it into words, it’s just a beautiful thing to do because it’s very ‘in the moment’. If you fully invest in it like I did, you are just in the field with the donkeys – it is so pure and simple, which is very grounding.”



WORKING WORLDWIDE

Over the next five years we are focused on growth – not just in terms of income but also in the number of donkeys whose welfare we can positively impact around the world. A major enabling factor will be our new international strategy, which we developed in 2022.

We will forge partnerships with organisations worldwide where our role will be to represent the donkeys' perspective. We will create programmes that harness the unique relationship between donkeys and their communities to generate mutual benefit for donkeys and humans. By doing this in tandem with our advocacy and campaigning work, we will continue to raise the status of donkeys worldwide and bring issues to the attention of those who can effect change for the better: paving the way for our ambitious aim to create a Global Plan for Donkeys.

MAKING A DIFFERENCE FOR DONKEYS ACROSS THE GLOBE


This year we finalised our new international strategy. This clearly maps out our plan for how we will accomplish positive outcomes for donkeys and mules around the world by working through partnerships, shaped by evidence, in a way that delivers sustainable and meaningful change.

We positively impacted communities in 13 countries throughout 2022. In many cases we did this through education and training; working with communities to change their behaviours and attitude towards donkeys, including such things as vaccination rollout.

We successfully completed 22 existing projects, which directly reached over 30,000 donkeys and mules and more than 17,000 people. We continued to support a further 11 ongoing projects. These are estimated to reach more than 13,000 donkeys and mules and 23,000 people.

We launched nine new projects.

One project in Ghana with ActionAid helped provide donkeys with access to good nutrition, care, proper hydration and disease control. With healthy donkeys by their side, female donkey owners are empowered to become self-sufficient, boost their income and focus on their education instead of carrying water and firewood.

 *We continue to support the implementation of 11 ongoing projects, which are reaching more than 13,000 donkeys and mules and 23,000 people.*

Another project, launched in Nepal, focuses on improving the welfare of donkeys and educating their owners. The project included the construction of two new shelters that provide vital protection and respite for some of the country's hardest-working donkeys and mules.

We also started working in Afghanistan. An extremely complex country, Afghanistan presents largescale welfare issues for both donkeys and people. This is made even more challenging by ongoing internal war and recurring natural disasters. To fulfil this work, we have established a strong relationship with our partner, Dutch Committee for Afghanistan, which has already proved resilient in this unpredictable political context.

Through having a clear, shared vision of what we want to achieve, how and with who, we have improved the lives of donkeys in greatest need in a meaningful way, while appropriately managing the associated risks.



THE WORLD'S SPOTLIGHT FOR DONKEY WELFARE

Our Advocacy team continues to promote donkey welfare internationally.

In 2022 the United Nations General Assembly accepted language into their Agriculture Resolution that was initially created by The Donkey Sanctuary. The resolution calls for increased ambition and urgency of action to protect working animals and to strengthen global efforts to ensure that animal health can contribute to addressing challenges and achieving the Sustainable Development Goals (SDG).

This was passed unanimously by all 193 member states of the UN. The resolution frames the issues to be discussed over the coming year about the actions governments will begin to incorporate into their SDG plans. It has previously been challenging to get specific animal references included. The approval to include working animals – and to call for urgent and ambitious action to protect them – represents a big step forward in our work with countries where there are large numbers of donkeys and mules.

The Donkey Sanctuary was also one of ten animal welfare organisations who worked on a resolution for the United Nations Environmental Assembly in 2022. The resolution called for the UN Environmental Programme, the World Health Organisation, the World Organisation for

Animal Health and the UN Food and Agriculture Organisation to produce a report on the interconnectivity of animals, the environment and sustainable development through a One Health perspective.

This was also passed unanimously by all 193 member states and is the first time such a resolution has linked major UN organisations to look at an issue from both an animal and human perspective. Given the role of donkeys and mules in sustainable development in so many parts of the world, this is a major achievement for us.

At a European level we created a series of guidelines on the health and welfare of donkeys and their hybrids designed to influence the EU member states. We also created a guide to safeguarding the welfare of equids in tourism in the EU. These were presented to the EU Platform for Animal Welfare where they were adopted and are now available on the EU Commission website.

Finally, along with World Horse Welfare and Eurogroup for Animals, we produced a report on working equids in the EU. This was presented to MEPs at an InterGroup on the Welfare and Conservation of Animals in Strasbourg in December 2022.



“ Tackling global issues of this nature and on this scale is never easy but, step by step, with determination and unwavering resilience, we will continue to campaign to stop the slaughter of donkeys for their skins.

FOCUSING ON THE DONKEY SKIN TRADE

In 2022 we intensified our campaign to end the cruel and largely unregulated international trade in donkey skins.

Approximately 4.8 million donkeys are slaughtered for their skins every year. The collagen taken from their skin is used in the production of ejiao, a traditional Chinese medicine. China's domestic donkey population has been decimated. Because of this, the ejiao industry relies on a global trade network to source its donkey skin to continue meeting demand.

With such an intense demand, skin traders look for a supply at any cost. From source to slaughter, the donkeys who get caught up in this trade suffer at every stage. Communities who depend on their donkeys to help sustain a quality of life wake up to find them stolen, slaughtered and skinned during the night.

We published two major reports on the donkey skin trade in 2022, with a third due for release in 2023. Each highlighted specific challenges within the trade. The reports spoke to different influential audiences and created multiple opportunities for the trade to be raised and discussed. They have been released to global media as well as at important strategic events where our representatives delivered keynote addresses.

These interactions strengthened our key contacts and partnerships and helped form new ones while raising the profile and plight of donkeys with key stakeholders.

Last year also saw important advances in our campaign to disrupt the skin trade with the Tanzanian government closing down the country's one remaining operational donkey abattoir and actively enforcing a 10-year ban in place on all donkey slaughter and export.

Our campaign also had a major win in Brazil. Following The Donkey Sanctuary's representations, 10 of the 13 judges of the Federal Regional Court voted in favour of banning the trade, recognising its wholly negative consequences. The motion has since been challenged and the debate is ongoing. However, it has been encouraging to see such extensive grassroots support for the nation's donkeys in response to our campaign.

RAISING VITAL FUNDS

The generosity of our fantastic supporters allows us to continue changing the lives of the donkeys and mules who needed us most.

They enable us to support communities in the UK and across the world, sharing our knowledge and expertise with donkey owners, while also listening and learning from them, to help cement the longevity of our impact.

We raise funds in many ways, such as running a series of supporter appeals, popular raffle and lottery programmes, and a donkey adoption scheme. Supporters are kept up to date with our work through a series of engaging newsletters, which showcase how their donations have 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.

Behind all our efforts, our supporters have been there with us, helping The Donkey Sanctuary change the world for donkeys and mules.

LEGACIES AND IN MEMORY

Two-thirds of our work is only made possible by the kindness of our supporters who leave gifts in their will. In 2022, our legacy income stream accounted for £36.7m. Legacies enable us to be by the side of donkeys in need, ensuring we can provide them with all the support and veterinary care they require on their road to recovery. They are also a poignant way to honour those who are no longer with us – acting as a lasting reminder of our supporters' lifetime commitment to donkey care and welfare.

DONATIONS AND FUNDRAISING INCOME

We are so grateful to our generous supporters who continue to contribute to our work through fundraising appeals, newsletters, regular gifts, raffles and lotteries. This resulted in donation income of £15m and fundraising income of £1.6m in 2022.

PHILANTHROPY

Our income from major donors and grants is utilised on specific areas of work. This income stream is made possible by the huge generosity of philanthropists and grant-making trusts, who are engaged with our vision and mission. In 2022, we raised £0.7m through major donors and grants, and we are very grateful for their support. Thanks to them, we can continue to place the focus on changing lives for donkeys in need.

TRADING

The popular gift shop and onsite restaurant, The Kitchen, at our Sidmouth sanctuary in Devon enjoyed a roaring trade throughout 2022, with visitors indulging in donkey-themed gifts and locally sourced food. Trading via onsite, online and mail order activities generated an income of £3m. We are very proud of the quality of items we offer for sale, and the delicious dishes produced and served up in our restaurant. Every employee plays a key part in our income generation – thank you.

LOOKING AFTER OUR SUPPORTERS

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

The commitment of our supporters is what makes our work possible. 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.

Our 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, which was successfully completed in March 2022.

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.

In 2022 we received and logged 19 complaints in the fundraising category and one in the philanthropy category, and we are committed to learning from each one of them.

We have policies and procedures in place, incorporating the guidance from the Code of Fundraising Practice, to foster mutually respectful and positive supporter relationships, to ensure we treat donors fairly and to help us protect vulnerable people. This includes a policy and guidelines on identifying and safeguarding vulnerable people. We reviewed and updated these policies and procedures in 2022 and rolled out additional online training to staff. 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. 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.

LEADERS IN A GLOBAL PLAN FOR DONKEYS

In 2022 we created the plan for our immediate future: our Organisational Strategy 2023-27.

This strategy is designed to lay the foundations for our next 50 years and so introduces an updated vision and mission:

OUR VISION

A world where every donkey has a good quality of life.

OUR MISSION

Improving the lives of donkeys every day.

The strategy is one of growth: not just incremental growth in income, although that is needed, but exponential growth in the number of donkeys whose lives we positively impact.

Our single-species focus is something of which we are proud. By looking at the world from the donkey's perspective we've seen the benefits that accrue; not just for donkeys but for the individuals and communities that live alongside them and the environments in which they live together.

All of this is rooted in our heritage and the words of our founder Dr Svendsen, upon which we have always based our goals and decisions:

Are you doing it for the donkey?

Is it in the donkeys' best interests?







FINANCIAL REVIEW

We are pleased to report another successful year for The Donkey Sanctuary in 2022 as we emerged from the Covid-19 pandemic with total consolidated income of £57.4m (2021: £63.4m), which includes £51.7m (2021: £56.8m) from donation and legacy income. As we reported last year, the pandemic presented us with many challenges and opportunities and we were able to adapt to this changing environment and still deliver many of our strategic goals. We are happy to report that in 2022 activities were reinstated to pre-pandemic levels as well as progressing with many of our strategic programmes both in the UK and overseas. This resulted in an increase to our operating expenditure to £49.7m (2021: £42.2m), an increase of 18%.

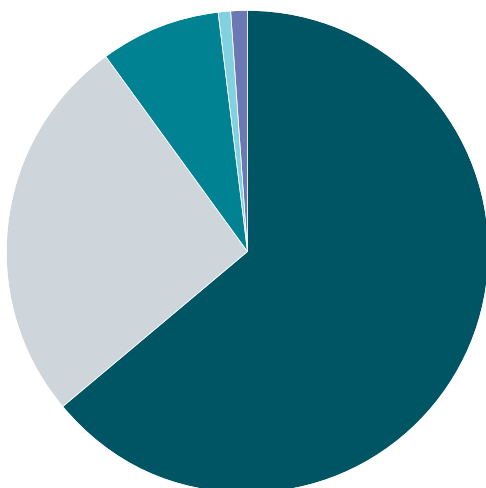
WHERE OUR INCOME CAME FROM

It wouldn't be possible for us to continue our work without the kind generosity of our supporters and the help of our amazing volunteers. During the year our fundraising teams have been working hard to progress our fundraising strategies, remaining resilient, adaptable and innovative. By keeping abreast of an ever-changing environment, we have been able to provide new and exciting ways to connect with existing supporters as well as introducing the work of the charity to new audiences. Despite a challenging economic environment in 2022, our donation income stayed in line with last year at £15.0m (2021: £15.2m).

Legacy income remains an important source of income for us, and we are extremely grateful to all who have remembered us in their will. Having experienced the significant shortfall of legacy income in 2020 resulting from the Covid-19 pandemic, in 2021 we recovered some of the delays and we updated the value of new notification estimates, this resulting in the exceptional total legacy income of £41.6m.

During 2022 we saw legacy income returning to near pre-pandemic levels of activity. However we do recognise that difficulties remain for Her Majesty's Courts and Tribunal Services (HMCTS) in clearing any residual backlog created by Covid-19 and we are hopeful that these processing delays will be cleared in 2023. In terms of other trading activities, 2022 was the first full year of trading since having to close our restaurant and gift shop during 2020 and 2021 because of the pandemic. We saw an increase in visitor numbers in 2022 to our site in Sidmouth, which includes a gift shop and our award-winning restaurant, which is becoming a destination eatery in its own right. All profits from our trading subsidiaries 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. In 2022, we did not receive any income from the UK Covid Job Retention Scheme (2021: £0.4m), which in previous years helped to support the charity in retaining many members of staff who were not able to work during the lockdown periods. However, our other income did include £0.2m (2021: £1.2m) of Covid-related grants in our subsidiaries.

2022



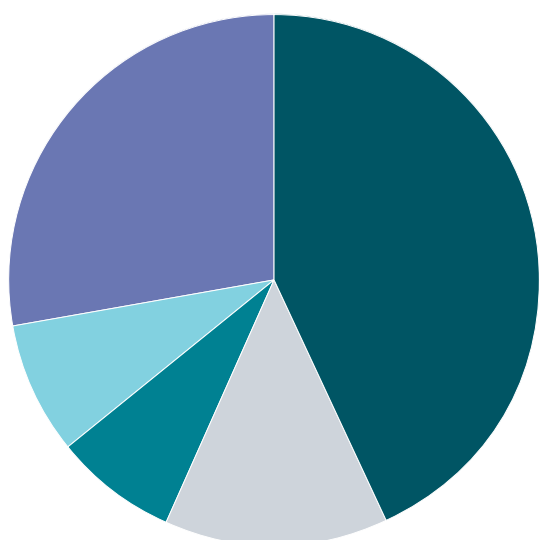
	2022 £'m	2021 £'m
Legacies	36.7	41.6
Donations	15.0	15.2
Other trading activities	4.6	4.2
Investment income	0.5	0.5
Other	0.6	1.9
Total	57.4	63.4



WHERE THE MONEY IS SPENT

Total expenditure for the year increased to £49.7m (2021: £42.2m), reflecting the reinstatement of many activities following the Covid-19 pandemic, as well as progressing with many of our strategic programmes both in the UK and overseas. Investment in capital projects and routine replacement of capital assets increased to £2.9m (2021: £1.7m).

2022



	2022 £'m	2021 £'m
Rescue and Rehoming	21.5	18.2
Research, Education and Operations	6.8	5.7
Donkeys in the Community	3.7	3.1
Donkey Assisted Activities	3.9	3.2
Raising Funds	13.8	12.0
Total	49.7	42.2



RESCUE AND REHOMING

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

RESEARCH, EDUCATION AND OPERATIONS

Includes veterinary teams, research programmes, education and training materials and resources, operational support, data management and reporting.

DONKEYS IN THE COMMUNITY

Includes international programmes and partnerships activity along with campaigns and advocacy activities, including staff costs, overseas operational costs and grants to collaboration partners.

DONKEY ASSISTED ACTIVITIES

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

EXPENDITURE ON RAISING FUNDS

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

During the year we continued to ensure that our resident donkeys and mules received the best possible care as well as maintaining momentum with our rehoming strategy. The increase in cost for Rescue and Rehoming activities reflects the investment in improvements to sanctuary care across our farms, including upgrading existing housing and installing new tracks as well as the recovery of delayed activities resulting from the pandemic, particularly around planned maintenance and fencing programmes.

Our Research, Education and Operations teams provided the highest quality of research, supporting analysis and veterinary expertise. During the year we developed new learning pathways to provide development opportunities for our teams and we invested further in the Donkey Academy and our Virtual Learning Environment. We also experienced ongoing Covid-related supply chain issues with delays in the provision of veterinary supplies together with above-inflation price rises for our veterinary medicines and products.

2022 saw the reinstatement of many aspects of our international programmes and partnerships as we emerged from Covid restrictions and the unrest we experienced in Ethiopia in 2021. In 2022 we saw investment into three major reports on the donkey skin trade as well as attending significant events held across the world as we delivered keynote addresses to raise awareness of the issues surrounding the global skin trade. Our advocacy team was extremely successful in promoting how working animals will feature in the future development of UN Sustainable Development Goals. They also collaborated with other animal welfare organisations to pass a UN resolution to produce a report on the interconnectivity of animals, the environment and sustainable development – the first time such a resolution has committed the UN to look at an issue from both an animal and human perspective.

In 2022, we used wellbeing data gathered in 2021 from the herds at our centres across the UK to improve our donkeys' experiences. We reviewed and redesigned our Donkey Assisted Activities programme framework to further improve the delivery of our service for our clients and we invested in a significant refurbishment programme for our Birmingham centre.

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 £13.8m (2021: £12.0m). Our fundraising strategies are progressing well, and we continue to invest in the future growth of our legacy and donation income. In terms of our trading activity, this aligns with the increased level of income with both trading subsidiaries performing very well with our restaurant winning the 'Taste of the West' gold award for the fifth successive year. The trustees continue to monitor the risks associated with the changing landscape of fundraising and the potential for reduced levels of income in 2023 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. As at the end of 2022, the target range for specific reserves is a range of £21-28m to be held mainly in cash, cash equivalents and investments, less short term creditors. As the specific reserves are held to cover risk, stock and legacy debtor are excluded from these reserves because they cannot be liquidated as required.

In terms of our total assets, £37.9m (2021: £34.2m) relates to fixed assets and planned capital projects, most of which is land and buildings to care for donkeys across our farms. There were

no exceptional capital projects during the year, we continue to experience supply chain difficulties for some elements of the capital programme, but we expect these to ease in 2023. Capital expenditure in 2022 is represented by normal asset replacement cycles and minor property additions. This designated fund balance is held mainly in fixed assets with some funds designated for capital projects held in current assets.

General funds of £62.3m (2021: £60.4m) include £31.2m of unrestricted and undesignated stock and debtors (mainly legacy debtors) that are not suitable to be held as part of the specific reserve. They are used to support donkey care, trading, and funding operational and capital expenditure when they are liquidated.

The remaining general funds of £31.1m need to cover specific reserves requirements of £21-28m. Any general funds over the target are 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 recognise that 2022 has been a period of recovery and reinstatement of activities following the disruption created by the Covid pandemic. This has been combined with the progression of strategic programmes throughout the year and is reflected in the significant increase in operational expenditure to £49.7m (2021: £42.2m).

During 2022 the trustees and executive directors have been developing the charity's next five-year strategic plan, covering the period from 2023 to 2027. In terms of our strategic aims, over the next five years:

- We will improve the lives of five million donkeys.
- We will be leaders in a global plan for donkeys.
- We will inspire a global community of a million to help us in our mission.
- We will increase our income to deliver our goals.
- We will make The Donkey Sanctuary a truly great place to work.
- We will establish operational excellence that makes the most of our resources.

As part of the development of the plan the trustees and executives have ensured the alignment of the strategic aims with the financial resources available. The trustees are aware of the current financial climate and the risks faced by many charities including the current cost of living crisis with high levels of inflation, increased interest rates and increased demand on services. We perform regular reforecasts throughout the year including scenario planning to take account of such risks, so we are well placed to adapt to any events and maintain a sustainable financial position.

With this in mind the trustees are aware the charity has available general funds of approximately £3-10m as at the end of 2022. As part of the new strategic plan the charity has a number of transformative programmes and projects in which to invest, while ensuring we maintain value for money. These capital and operational programmes will involve significant investments made over the five-year period and have been incorporated into our medium-term financial plan. The programmes include:

- Capital investment in additional donkey care facilities across our sanctuaries.
- Investment in staff welfare facilities including a significant capital project in Ireland.
- A multi-million pound investment in our new International Programmes and Partnerships Strategy.
- Further growth of our Policy, Advocacy, Campaigns and Tactical Response team activities.
- A comprehensive upgrade of our IT and communications technology infrastructure across the charity.

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. During 2022 we have formally moved to hybrid working arrangements 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>Cyber-crime is the leading method of committing fraud and the impact of most cyber incidents results from human error in response to an attack. 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. We also have access to external support on a day-to-day basis if required. We provide regular reminders to staff about protecting personal data and access.</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 for other jobs in the market. 	<p>The Total Reward project, which took place throughout 2022, nears completion with a review of the job descriptions for job families across the organisation and a survey of all our staff as to what benefits and aspects of working at TDS are most valued by them. The results of this large piece of work will be rolled out during 2023 with salaries being realigned with market levels where necessary.</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 and supply chain operational issues. There is also the possibility of reduced income due to the cost-of-living crisis reducing disposable income.</p> <p>Over the longer term, environmental risks are expected to compound these risks as the effects of climate change are felt with extreme weather events and insect loss predicted internationally.</p>	<p>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 and seeking efficiencies and savings where possible. We have a robust financial planning process that takes inflation into account and our reserves policy takes account of the financial risks we face to ensure continuity of operations.</p>
<p>Failure to meet our objectives and implement our strategy: As we expand our operations internationally we are exposed to changing levels of risk related to finance, sanctions, due diligence and international travel post Covid.</p>	<p>We are prioritising work on Global Financial Crime training and reviewing the international travel policy. We have developed a new five-year strategy, which will reflect our latest strategic development priorities and focus on what is deliverable. We have in place a rigorous due diligence process for our international partnerships.</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 TDS, to be applied globally to provide an International Standard of Care. We will engage 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 (red line) requirements, which if not attained may result in a project being paused or ceased.</p>
<p>Governance: the increase in the size, scope and historical complexity of the organisation and the data driven world we live in has caused an increase in the level of risks we face regarding the embedding of, and compliance with, key policies.</p>	<p>We already have a wide programme of mandatory training for staff covering high-risk areas, tailored to the roles held and the risks staff are most exposed to.</p> <p>We have commissioned work from external consultants to review our policy and compliance arrangements and via benchmarking and gap analysis recommend a framework for our compliance arrangements going forward.</p> <p>We are also undertaking a comprehensive review of our corporate structure to ensure this best meets our requirements for the future.</p>
<p>Capacity of our farms: A combination of pressures from the cost-of-living crisis, large welfare cases and a high level of relinquishments has meant that our farms in the UK and Ireland are at capacity. Further significant pressure could lead to overcrowding of our herds.</p>	<p>Improving the lives of donkeys every day is our mission and to compromise on this is not an option. Work has been undertaken to secure partnership arrangements with other organisations who can take in animals when there are welfare issues while the accommodation of animals in our care is subject to a programme of continual enhancement.</p>



STRUCTURE, GOVERNANCE AND MANAGEMENT

STRUCTURE

The Donkey Sanctuary is a United Kingdom (UK) registered charity (charity number 264818) operated by a sole corporate trustee The Donkey Sanctuary Trustee Limited (company number 07328588).

The Donkey Sanctuary was first founded in 1969 by Dr Elisabeth Svendsen MBE and became a registered charity in 1973. In 2012, the charity adopted the scheme to operate 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.

The charity's UK headquarters are based in Sidmouth, Devon. It also operates a network of regional UK farms and centres focused on donkey-assisted activities and rehoming. As a UK registered charity, The Donkey Sanctuary incorporates international branches in Ethiopia and Mexico.

The Donkey Sanctuary's charitable subsidiary undertakings operate in Ireland, Spain, Italy, Cyprus, Kenya and the Netherlands. 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 the visitor centre in Sidmouth.

BOARD OF TRUSTEES

The powers of the charity's sole corporate trustee, The Donkey Sanctuary Trustee Limited, are set out in its Memorandum and Articles of Association. The directors of The Donkey Sanctuary Trustee Limited will be referred to as 'trustees' in this report.

The standard board composition allows up to 14 trustees. 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 p96.

At each Annual General Meeting one-third of the trustees retire from office, this includes those trustees who have been longest in office retiring by rotation, those who qualify are nominated for reappointment. Trustees can serve up to a maximum of nine years in total.

Trustees do not receive any remuneration for their services. The members of the company all comprise of the trustees. The members have guaranteed the liabilities of the company, up to £10 each.

On occasion, a trustee's tenure can be extended in accordance with the articles if deemed in the best interests of the charity. Any extension of tenure is subject to a rigorous review. In 2022 the following trustees' tenures were extended: Susan Griffin was elected as Vice Chair and Natalie Bishop was elected as the Safeguarding Trustee Lead, both tenures were extended by three years from the date of election.

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. The board regularly updates 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 the board's diversity objectives are used to inform future trustee recruitment. Trustees are appointed through an open recruitment process that is widely publicised. A recruitment agency is appointed to ensure fair and transparent recruitment processes for the board for all future trustee vacancies.

The trustees receive a structured induction programme, which includes visits to sites and meetings with key trustees and staff to supplement information provided in their induction pack. Details of trustees' responsibilities as required by the Charity Commission are made available to new trustees during the appointment and induction process.

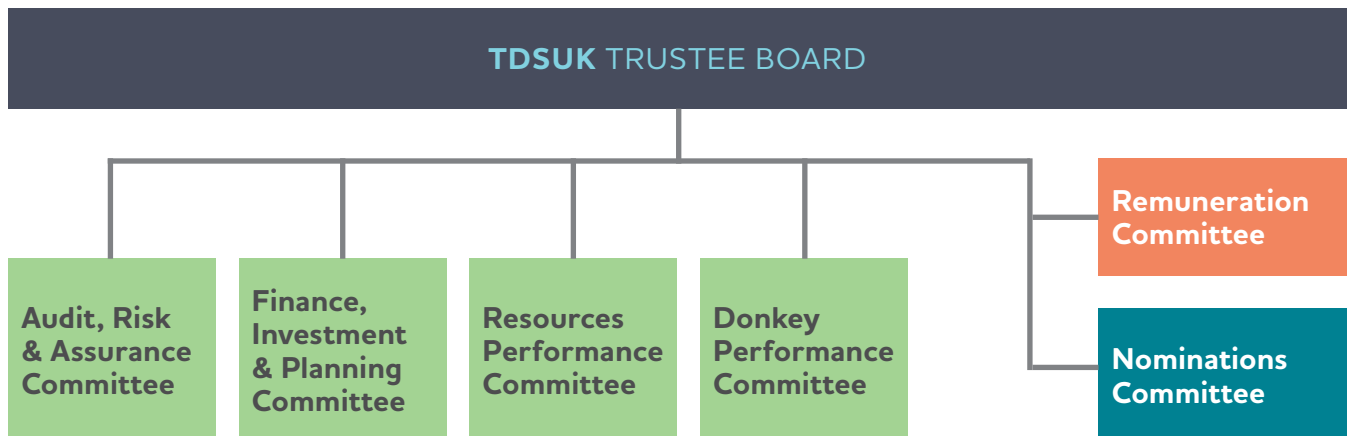
The trustees meet at least four times a year to hold board meetings and strategic away days together with the executive team. A committee structure also operates to enable the trustees and executive team to provide a greater depth of direction and assurance on specific parts of the charity. The committees have no decision-making powers; however, the committees can make recommendations to the board (see diagram below for the committee structure).

Each meeting includes a standing agenda item to declare any conflicts of interest. The charity keeps a register of interests for all trustees and subsidiary company directors.

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.

The trustees regularly review governance best practice. The Charity Governance Code 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.

UK BOARD AND COMMITTEES STRUCTURE



PEOPLE

The Donkey Sanctuary is one of the largest animal welfare charities registered in the UK 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 its values of compassion, collaboration and creativity but also has the required skills and experience to help fulfil its 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 oversight of senior management recruitment, and a review of senior management salaries each year to benchmark them against Cendex data. The Donkey Sanctuary aims to pay the 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 2022 (£143,000) to the median remuneration of employees £27,795 was 1:5 (comparison 2021 1:6).

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 see: 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 annually. 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. International Standards of Care were agreed by the board in November 2022, establishing minimum Safeguarding Vulnerable People and Health and Safety requirements for new and existing partners.
- In June 2020 a suite of lottery policies including a 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 2022 a culture project was introduced with dedicated staff leads to help oversee the Equality, Diversity and Inclusion strategy.
- 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.
- In 2022 the board undertook an internal board evaluation process via an evaluation questionnaire.

GRANT MAKING

The Donkey Sanctuary continues to help ‘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 the needs of donkeys and mules. All partnerships are governed by partner due diligence, partnership agreements, grant contracts and appropriate executive sign-off before dispersing funds.

Alongside strategic projects that operate over years meeting the chronic donkey welfare challenges (and represent the bulk of our international portfolio), we also promote and receive grant applications for shorter-term interventions responding to defined needs. An example of this in 2022 was the short-term dedicated glanders project in Nepal.

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 with 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.

Each year the charity produces a business plan setting out its targets and objectives for the year ahead and in 2022 the business plan was 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.

As the Organisational Strategy 2019-2023 nears its completion, in 2022 the Board and Executive started the preparation of the next five-year strategic plan, via engagement with key stakeholders. The next Organisational Strategy 2023-2028 is being launched in 2023 and sets out the charity’s future strategic objectives.

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 an external investment fund manager. 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 13.6% in 2022. The actual return in 2022 was -9.3%. The trustees are aware that, due to the current exceptionally high rates of inflation, the CPI +3% target return is not achievable and hence, in the medium term, are comparing relative performance with the performance of the ARC Steady Growth Charity benchmark of -9.5%.

During the year the charity reviewed its investment policy including its 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 trustees have recognised the need to supplement its ethical investment policy through the inclusion of positive screening whereby investments are selected that align to the strategic goals of the charity. The resulting ethical investment policy therefore confirms how investment decisions will be aligned with those UN Sustainable Development Goals most relevant to the objects and activities of the charity. The policy retains the ethical exclusions 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; and
- 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 its ethical investment 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 our fund manager and selected executives of the charity, and on at least one occasion during each financial year our fund manager meets with trustees and executives of the charity. Any balance of surplus funds held by the charity and not managed by our fund manager continues to be invested in interest-bearing deposits and treasury accounts with selected banks and building societies.

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 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 2022, 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 14 July 2023 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 applies 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 2022, 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 2022 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: 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
28 July 2023

10 Queen Street Place
London
EC4R 1AG

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 2022

	Notes	Unrestricted Funds £'000	Restricted Funds £'000	Total 2022 £'000	Total 2021 £'000
Income from:					
Donations and legacies	2	50,587	1,067	51,654	56,855
Other trading activities	3	4,630	-	4,630	4,151
Income from investments	4	538	-	538	484
		55,755	1,067	56,822	61,490
Other income:					
Gain on disposals of fixed assets		220	-	220	178
Other income	5	353	-	353	1,700
Total income		56,328	1,067	57,395	63,368
Expenditure on raising funds	6	13,786	-	13,786	11,995
Expenditure on charitable activity:	7				
Rescue and Rehoming		21,282	243	21,525	18,168
Research, Education and Operations		6,750	60	6,810	5,716
Donkeys in the Community		3,236	468	3,704	3,145
Donkey Assisted Activities		3,389	525	3,914	3,173
Total expenditure on charitable activity		34,657	1,296	35,953	30,202
Total expenditure	7	48,443	1,296	49,739	42,197
Net (losses)/gains on investments		(2,559)	-	(2,559)	2,383
Net income/(expenditure)		5,326	(229)	5,097	23,554
Gains/(losses) on foreign currency translation		239	3	242	(330)
Net movement in funds		5,565	(226)	5,339	23,224
Reconciliation of funds:					
Total funds brought forward		94,611	3,208	97,819	74,595
Total funds carried forward	21	100,176	2,982	103,158	97,819

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 2022

	Notes	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Fixed assets:					
Intangible assets	12	1,101	833	1,098	828
Tangible assets	13	33,083	32,263	28,599	28,252
Investments	14	20,749	22,907	20,899	23,057
Total fixed assets		54,933	56,003	50,596	52,137
Current assets:					
Stocks	15	876	849	240	271
Debtors	16	36,959	31,527	35,307	31,535
Short term deposits		2,015	2,008	2,015	2,008
Cash at bank and in hand		13,081	10,978	11,752	9,487
Total current assets		52,931	45,362	49,314	43,301
Current liabilities:					
Creditors: Amounts falling due within one year	17	4,706	3,546	3,294	2,497
Net current assets		48,225	41,816	46,020	40,804
Net assets		103,158	97,819	96,616	92,941
The funds of the charity:					
Restricted income funds	21	2,982	3,208	2,937	3,166
Unrestricted income funds:					
Designated funds	22	37,893	34,219	33,151	29,948
General fund	21	62,283	60,392	60,528	59,827
Total unrestricted income funds		100,176	94,611	93,679	89,775
Total group/charity funds		103,158	97,819	96,616	92,941

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 14 July 2023.



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 2022

	Notes	2022 £'000	2021 £'000
Cash flows from operating activities			
Net cash provided by operating activities	(i)	4,560	11,049
Cash flows from investing activities			
Interest received		57	-
Dividends, interest and rents from investments		488	484
Purchase of investments		(7,653)	(3,148)
Purchase of intangible fixed assets		(468)	(56)
Purchase of property, plant and equipment		(2,436)	(1,848)
Proceeds from the sale of property, plant and equipment		314	233
Proceeds from the sale of investments		7,252	2,752
Net cash used in investing activities		(2,446)	(1,583)
Change in cash and cash equivalents in the reporting period		2,114	9,466
Cash and cash equivalents at the beginning of the period		12,986	3,577
Change in cash and cash equivalents due to exchange rate movements		(4)	(57)
Cash and cash equivalents at the end of the period	(ii)	15,096	12,986

Notes to the consolidated cash flow statement

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

	2022 £'000	2021 £'000
Net income for the reporting period (as per the statement of financial activities)	5,097	23,554
Depreciation charges	1,705	1,568
Amortisation charges	200	201
Unrealised loss/(gain) on fixed asset investments	3,619	(1,449)
Dividends, interest and rents from investments	(538)	(484)
Loss on the sale of intangible fixed assets	-	29
Loss on the sale of tangible fixed assets	78	73
Gain on the sale of tangible fixed assets	(220)	(178)
Gain on the sale of fixed asset investments	(1,060)	(934)
Increase in stock	(27)	(127)
Increase in debtors	(5,440)	(11,121)
Increase/(decrease) in creditors	1,146	(83)
Net cash provided by operating activities	4,560	11,049

(ii) A) Analysis of cash and cash equivalents

	2022 £'000	2021 £'000
Short-term deposits	2,015	2,008
Cash at bank and in hand	13,081	10,978
	15,096	12,986

(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	10,978	2,107	(4)	13,081
Short term deposits	2,008	7	-	2,015
	12,986	2,114	(4)	15,096

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS YEAR ENDED 31 DECEMBER 2022

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) issued on 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 2023 will allow the charity to continue to meet its liabilities as they fall due. These available reserves include cash and cash equivalents of £11.0m,

investments in securities and bonds of £21.2m, and legacy debtor of £36.1m as at 31 May 2023. 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 2022 in accordance with the business combinations provisions of FRS 102.

In line with the SORP 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. 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 support calls. 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;
- 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; and
- 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.

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.

l. INVESTMENTS

Stocks and shares are included in the accounts at market value. Gains and losses arising on the revaluation of investments are shown in the consolidated statement of financial activities with realised gains and losses on

the disposal of fixed asset investments as net gains and losses on investments. Investments in subsidiary undertakings are stated at cost in the charity's balance sheet and eliminated on consolidation in accordance with FRS 102.

m. STOCKS

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

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

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

n. DEBTORS

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

o. CASH AND SHORT-TERM DEPOSITS

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

p. CREDITORS

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

q. FUND ACCOUNTING

- i. Unrestricted funds are expendable at the discretion of the trustees in furtherance of the charity's objects. If part of an unrestricted fund is earmarked for a particular project it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the trustees' discretion to apply the fund. Income generated from assets held in unrestricted funds has been treated as unrestricted.
- ii. Restricted funds are funds subject to specific trusts, which may be declared by the donor(s) or with their authority (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 2022 £'000	Restricted funds 2022 £'000	Total 2022 £'000	Unrestricted funds 2021 £'000	Restricted funds 2021 £'000	Total 2021 £'000
Donations	14,676	293	14,969	14,867	380	15,247
Legacies	35,911	774	36,685	40,268	1,340	41,608
	50,587	1,067	51,654	55,135	1,720	56,855

3. Other trading activities

	Total 2022 £'000	Total 2021 £'000
Rental income	23	29
Sale of donated assets	29	26
Fundraising income	1,602	1,518
Trading income	2,976	2,578
	4,630	4,151

4. Income from investments

	Total 2022 £'000	Total 2021 £'000
Listed and unlisted investments	489	484
Bank interest	49	-
	538	484



5. Other income

	Total 2022 £'000	Total 2021 £'000
UK Job Retention Scheme	-	385
Other Covid-19-related grants	227	1,187
Miscellaneous income	126	128
	353	1,700

6. Expenditure on raising funds

	Total 2022 £'000	Total 2021 £'000
Donations and legacies	9,283	8,101
Fundraising costs	1,546	1,361
Trading costs	2,823	2,426
Investment management costs	134	107
	13,786	11,995

7. Expenditure

	Staff costs £'000 (Note 11)	Other direct costs £'000	Grant funding of activities £'000 (Note 10)	Support costs £'000 (Note 9)	Total 2022 £'000
Expenditure on raising funds					
Donations and legacies	844	4,073	-	4,366	9,283
Fundraising costs	92	881	-	573	1,546
Trading costs	687	1,769	-	367	2,823
Investment management costs	-	90	-	44	134
Expenditure on charitable activities					
Rescue and Rehoming	7,674	7,776	12	6,063	21,525
Research, Education and Operations	3,232	1,538	49	1,991	6,810
Donkeys in the Community	1,469	718	624	893	3,704
Donkey Assisted Activities	1,983	826	-	1,105	3,914
Expenditure in support of activities					
	9,001	6,311	90	(15,402)	-
	24,982	23,982	775	-	49,739

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000
Expenditure on raising funds			
Donations and legacies	9,283	-	9,283
Fundraising costs	1,546	-	1,546
Trading costs	2,823	-	2,823
Investment management costs	134	-	134
Expenditure on charitable activities			
Rescue and Rehoming	21,282	243	21,525
Research, Education and Operations	6,750	60	6,810
Donkeys in the Community	3,236	468	3,704
Donkey Assisted Activities	3,389	525	3,914
	48,443	1,296	49,739

	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

8. Governance costs

	Total 2022 £'000	Total 2021 £'000
Audit and other financial services:		
Audit fees - UK auditor current year	48	47
Audit fees - UK auditor prior year	-	6
Audit fees - overseas audit firms	23	22
Taxation services provided by current year auditor	14	2
Other services provided by current year auditor	16	-
Taxation and other services provided by prior year auditor	-	30
Other services provided by overseas auditors	28	26
Trustee expenses	34	11
Apportionment of costs supporting governance activities	882	1,002
	1,045	1,146

The aggregate amount of reimbursed trustee director expenses was £14k (2021: £3k) in respect of training, travel, accommodation and subsistence for 13 (2021: 14) trustee directors during the year, and direct training and meeting costs of £20k (2021: £8k). 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 2022 £'000
Expenditure on raising funds							
Donations and legacies	66	958	130	79	2,850	283	4,366
Fundraising costs	13	95	14	9	391	51	573
Trading costs	6	4	12	81	1	263	367
Investment management costs	30	9	-	-	-	5	44
Expenditure on charitable activities							
Rescue and Rehoming	459	1,674	296	853	613	2,168	6,063
Research, Education and Operations	143	191	201	291	643	522	1,991
Donkeys in the Community	131	276	35	147	108	196	893
Donkey Assisted Activities	124	111	106	230	205	329	1,105
	972	3,318	794	1,690	4,811	3,817	15,402
Basis of allocation	Estimated time & expenditure	Estimated time & expenditure	Support calls	Headcount	Estimated time & expenditure	Headcount & expenditure	

Expenditure in support of activities includes Governance costs of £1,045k (2021: £1,146k). This is included primarily within Directorate and Finance Legal & Admin. Governance costs are shown in note 8.

9. Support costs allocation (continued)

	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	

Direct support costs include the costs of 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	2022 £'000
Institutional				
Overseas for the welfare of donkeys				
ActionAid Ghana	-	-	32	32
AEGPA – Portugal	-	49	-	49
Alage ATVET College – Ethiopia	-	-	37	37
Animal Nepal	-	-	129	129
Arusha Society for the Protection of Animals (ASPA) – Tanzania	-	-	20	20
AU-IBAR (African Union InterAfrican Bureau for Animal Resources) – Kenya	-	-	6	6
Dutch Committee for Afghanistan	-	-	38	38
East African Legislative Assembly – Tanzania	-	-	26	26
Eseltjiesrus Donkey Sanctuary – S. Africa	-	-	7	7
DHWP – College of Veterinary Medicine and Agriculture, Addis Ababa University	-	-	122	122
Lilongwe Society for the Protection and Care of Animals – Malawi	-	-	55	55
Send A Cow, Ethiopia	-	-	83	83
Social & Animal Welfare Service – Somaliland	-	-	14	14
The Donkey Sanctuary Welfare Association – India	-	-	20	20
University of Pretoria – South Africa	-	-	27	27
Items £5,000 or less	3	-	8	11
	3	49	624	676
Institutional				
UK for the welfare of donkeys				
Items £5,000 or less	9	-	-	9
	9	-	-	9
Expenditure in support of activities	-	-	90	90
Total	12	49	714	775

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 2022. All grants made are to institutions. Expenditure in support of activities comprises salary costs.

10. Grants and donations (continued)

	Rescue and Rehoming £'000	Research, Education and Operations £'000	Donkeys in the Community £'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
Eseltjiesrus Donkey Sanctuary – S. Africa	-	-	6	6
Fundacao Medicina Veterinaria – Brazil	-	9	-	9
Lilongwe Society for the Protection and Care of Animals – Malawi	-	-	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 – South Africa	-	-	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

As at 31 December 2022 full provision has been made for the following grants for 2023 and beyond. These projects had either started or were fully committed to before the period end:

	£'000
Research grant — International Livestock Research Institute	24

11. Staff costs and volunteers

Staff costs for the year were as follows:

	2022 £'000	2021 £'000
Salary	20,813	17,968
Social security costs	2,114	1,797
Pension contributions	2,055	1,924
	24,982	21,689

Staff costs include a total of £12k payments for compensation for loss of office (2021: £95k). 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 2022. 2022 salary costs include provision for a total of £0.6m one-off salary payments to staff, reflecting the outcome of the Total Reward project referred to in the Principal Risks and Uncertainties section of this report.

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

	2022 No.	2021 No.	2022 FTE	2021 FTE
Rescue and Rehoming	260	248	238	227
Research, Education and Operations	91	89	81	81
Donkeys in the Community	41	42	41	41
Donkey Assisted Activities	72	78	64	65
Fundraising	26	22	24	21
Trading	37	42	23	26
Support activities	234	215	214	197
	761	736	685	658

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

	2022 No.	2021 No.
£60,001–£70,000	2	5
£70,001–£80,000	3	6
£80,001–£90,000	4	1
£90,001–£100,000	3	2
£100,001–£110,000	1	-
£110,001–£120,000	-	1
£120,001–£130,000	1	-
£130,001–£140,000	-	-
£140,001–£150,000	-	-
£150,001–£160,000	-	1
	14	16

Emoluments include salary and benefits-in-kind but exclude pension scheme contributions. 2022 emoluments include £nil payments for compensation for loss of office (2021: £25k).

The total remuneration (including pension scheme contributions) paid to key management personnel in 2022 was £1,476k (2021: £1,284k). Key management personnel comprise the chief executive and executive management team detailed on p98.

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 activities. We estimate that volunteers have contributed 7,820 hours to The Donkey Sanctuary in 2022 (2021: 3,733). It is not practicable to attach a value to this contribution.

12. Intangible fixed assets: Software

	Group £'000	Charity £'000
Cost		
At 1 January 2022	2,055	2,012
Additions	468	466
Disposals	-	-
Foreign currency translation adjustment	1	-
At 31 December 2022	2,524	2,478
Amortisation		
At 1 January 2022	1,222	1,184
Charge for the year	200	196
Adjustment for disposals	-	-
Foreign currency translation adjustment	1	-
At 31 December 2022	1,423	1,380
Net book value		
At 31 December 2022	1,101	1,098
At 31 December 2021	833	828

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 £386k (2021: £13k) have not been amortised. Assets under construction comprise replacement CRM software.

13. 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 2022	1,772	35,615	5,620	5,239	48,246
Additions	30	452	1,203	766	2,451
Disposals	-	(9)	(585)	(334)	(928)
Foreign currency translation adjustment	-	227	74	66	367
At 31 December 2022	1,802	36,285	6,312	5,737	50,136
Depreciation					
At 1 January 2022	363	8,987	3,132	3,501	15,983
Charge for the year	39	639	612	415	1,705
Adjustment for disposals	-	-	(499)	(257)	(756)
Foreign currency translation adjustment	-	59	26	36	121
At 31 December 2022	402	9,685	3,271	3,695	17,053
Net book value					
At 31 December 2022	1,400	26,600	3,041	2,042	33,083
At 31 December 2021	1,409	26,628	2,488	1,738	32,263
The net book value represents fixed assets used for:					
Direct charitable purpose					
Rescue and Rehoming	-	18,696	2,460	1,070	22,226
Research, Education and Operations	10	3,302	98	245	3,655
Donkeys in the Community	-	24	23	3	50
Donkey Assisted Activities	1,367	1,797	136	141	3,441
Other purposes					
Fundraising	-	-	-	1	1
Trading	-	1,387	-	86	1,473
Administration and support	23	1,394	324	496	2,237
	1,400	26,600	3,041	2,042	33,083

Freehold land amounting to £3,706k has not been depreciated (2021: £3,647k) and assets under construction amounting to £197k (2021: £69k) are included within freehold land and buildings and equipment additions. Assets under construction include farm building works and work in progress on a donkey transporter vehicle. These have not been depreciated.

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 2022	1,772	31,599	4,468	4,030	41,869
Additions	30	425	868	619	1,942
Disposals	-	(9)	(484)	(295)	(788)
At 31 December 2022	1,802	32,015	4,852	4,354	43,023
Depreciation					
At 1 January 2022	363	8,197	2,473	2,584	13,617
Charge for the year	39	579	466	347	1,431
Adjustment for disposals	-	-	(403)	(221)	(624)
At 31 December 2022	402	8,776	2,536	2,710	14,424
Net book value					
At 31 December 2022	1,400	23,239	2,316	1,644	28,599
At 31 December 2021	1,409	23,402	1,995	1,446	28,252
The net book value represents fixed assets used for:					
Direct charitable purpose					
Rescue and Rehoming	-	15,335	1,738	675	17,748
Research, Education and Operations	10	3,302	98	244	3,654
Donkeys in the Community	-	24	20	1	45
Donkey Assisted Activities	1,367	1,797	136	141	3,441
Other purposes					
Fundraising	-	-	-	1	1
Trading	-	1,387	-	86	1,473
Administration and support	23	1,394	324	496	2,237
	1,400	23,239	2,316	1,644	28,599

Freehold land amounting to £2,594k has not been depreciated (2021: £2,594k) and assets under construction amounting to £197k (2021: £69k) are included within freehold land and buildings and equipment additions. Assets under construction include farm building works and work in progress on a donkey transporter vehicle. These have not been depreciated.

14. Fixed asset investments

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Valuation				
Opening balance	22,907	20,128	23,057	20,278
Additions	7,653	3,148	7,653	3,148
Disposals and withdrawals	(6,192)	(1,818)	(6,192)	(1,818)
Unrealised (loss)/gain	(3,619)	1,449	(3,619)	1,449
Closing balance	20,749	22,907	20,899	23,057
Fixed asset investments are detailed below:				
Investments in subsidiary undertakings				
Donkey World Limited				
— 150,000 ordinary shares of £1 each	-	-	150	150
The Hayloft (Donkey Sanctuary) Limited				
— 4 ordinary shares of £1 each	-	-	-	-
Indirect investment in UK listed securities				
UK fixed interest bonds	2,108	1,932	2,108	1,932
Property backed fund	880	1,003	880	1,003
UK equities	4,950	7,034	4,950	7,034
Cash funds	800	600	800	600
Alternative assets	1,931	1,577	1,931	1,577
Indirect investment in overseas listed securities				
International bonds	1,370	633	1,370	633
Overseas equities	8,399	9,430	8,399	9,430
Total listed and subsidiary investments	20,438	22,209	20,588	22,359
Other				
Investment management cash accounts	311	698	311	698
	20,749	22,907	20,899	23,057

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

15. Stock

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Trading stock	551	541	15	10
Stock of feed, straw and bedding	157	187	126	159
Veterinary supplies, equipment, stores and other	168	121	99	102
	876	849	240	271

16. Debtors and prepayments

	Group 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Amounts due from subsidiary undertakings and connected parties	-	-	935	1,007
Other debtors	48	32	19	5
Income tax recoverable	201	229	201	229
Residual legacies	36,143	30,765	33,640	29,844
Social security and other taxes	-	17	-	-
Prepayments	373	382	365	378
Accrued income	194	102	147	72
	36,959	31,527	35,307	31,535

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 2022 £'000	Group 2021 £'000	Charity 2022 £'000	Charity 2021 £'000
Amounts due to subsidiary undertakings and connected parties	-	-	16	25
Accounts payable	877	764	577	538
Social security and other taxes	670	555	516	454
Other creditors	420	333	230	177
Accruals	2,739	1,894	1,955	1,303
	4,706	3,546	3,294	2,497

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 salary exchange 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 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.

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 2022 the group had authorised the following amounts for 2023 and beyond:

	2022 £'000	2021 £'000
Authorised and contracted at period end	404	708
Authorised but not contracted at period end	6,101	3,289

Capital commitments authorised and contracted by the end of the year include farm vehicle purchases and connectivity improvements.

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:

	2022 £'000	2021 £'000
Less than one year	66	67
Between one and five years	154	159
More than five years	260	275
	480	501

During the year £115k was recognised as an expense in the profit and loss account in respect of operating leases (2021: £94k).

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. Donkey Assisted Activities centres funds relate mainly to funds raised and used for purchasing and modifying our 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 01.01.22 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Other recognised gains/(losses) £'000	Balance at 31.12.22 £'000
Restricted funds						
Tangible fixed asset funds						
Farm buildings (UK)	643	-	(16)	-	3	630
Veterinary and new arrivals facilities	1,004	-	(27)	-	-	977
Veterinary equipment	31	-	(6)	-	-	25
Farm equipment and machinery	11	-	(3)	-	-	8
Welfare vehicles	5	12	-	-	-	17
DAA centres	1,166	-	(35)	-	-	1,131
DAA centre equipment	2	-	-	-	-	2
DAA centre vehicles	9	-	(3)	-	-	6
Current asset funds						
Turks & Caicos	171	-	-	-	-	171
Donkey welfare UK	1	-	(1)	-	-	-
Donkeys in the community	162	123	(273)	-	-	12
DAA centres	3	5	(5)	-	-	3
Operating cost funds						
Rescue and rehoming	-	253	(253)	-	-	-
Donkeys in the community	-	193	(193)	-	-	-
DAA centres	-	481	(481)	-	-	-
Total restricted funds	3,208	1,067	(1,296)	-	3	2,982
Unrestricted funds						
General funds	60,392	56,328	(46,699)	(5,418)	(2,320)	62,283
Designated funds	34,219	-	(1,744)	5,418	-	37,893
Total unrestricted funds	94,611	56,328	(48,443)	-	(2,320)	100,176
Total group funds	97,819	57,395	(49,739)	-	(2,317)	103,158

Analysis of movement in funds: Charity

	Balance at 01.01.22 £'000	Income £'000	Expenditure £'000	Transfers between funds £'000	Other recognised gains/(losses) £'000	Balance at 31.12.22 £'000
Restricted funds						
Tangible fixed asset funds						
Farm buildings (UK)	601	-	(16)	-	-	585
Veterinary and isolation facilities	1,004	-	(27)	-	-	977
Veterinary equipment	31	-	(6)	-	-	25
Farm equipment and machinery	11	-	(3)	-	-	8
Welfare vehicles	5	12	-	-	-	17
DAA centres	1,166	-	(35)	-	-	1,131
DAA centre equipment	2	-	-	-	-	2
DAA centre vehicles	9	-	(3)	-	-	6
Current asset funds						
Turks & Caicos	171	-	-	-	-	171
Donkey welfare UK	1	-	(1)	-	-	-
Donkeys in the community	162	123	(273)	-	-	12
DAA centres	3	5	(5)	-	-	3
Operating cost funds						
Rescue and rehoming	-	253	(253)	-	-	-
Donkeys in the community	-	193	(193)	-	-	-
DAA centres	-	481	(481)	-	-	-
Total restricted funds	3,166	1,067	(1,296)	-	-	2,937
Unrestricted funds						
General funds	59,827	49,736	(41,535)	(4,904)	(2,596)	60,528
Designated funds	29,948	-	(1,701)	4,904	-	33,151
Total unrestricted funds	89,775	49,736	(43,236)	-	(2,596)	93,679
Total charity funds	92,941	50,803	(44,532)	-	(2,596)	96,616

22. Designated funds

Designated fund movements: Group

	Balance at 01.01.22 £'000	Additional approved £'000	Depreciation and disposals £'000	Balance at 31.12.22 £'000
Intangible fixed assets fund	1,930	586	(200)	2,316
Tangible fixed assets fund	32,289	4,832	(1,544)	35,577
	34,219	5,418	(1,744)	37,893

Designated fund movements: Charity

	Balance at 01.01.22 £'000	Additional approved £'000	Depreciation and disposals £'000	Balance at 31.12.22 £'000
Intangible fixed assets fund	1,925	584	(196)	2,313
Tangible fixed assets fund	28,023	4,320	(1,505)	30,838
	29,948	4,904	(1,701)	33,151

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

Group

	Intangible fixed assets £'000	Tangible fixed assets £'000	Investments £'000	Current assets £'000	Current liabilities £'000	Total group net assets at 31.12.22 £'000
Restricted funds	-	2,796	-	186	-	2,982
Unrestricted funds:						
Designated funds	1,101	30,287	-	6,505	-	37,893
General funds	-	-	20,749	46,240	(4,706)	62,283
	1,101	33,083	20,749	52,931	(4,706)	103,158

Charity

	Intangible fixed assets £'000	Tangible fixed assets £'000	Investments £'000	Current assets £'000	Current liabilities £'000	Total charity net assets at 31.12.22 £'000
Restricted funds	-	2,751	-	186	-	2,937
Unrestricted funds:						
Designated funds	1,098	25,848	-	6,205	-	33,151
General funds	-	-	20,899	42,923	(3,294)	60,528
	1,098	28,599	20,899	49,314	(3,294)	96,616

24. Legacies receivable

At the end of the year the group was entitled to receive an estimated £4,374k (2021: £4,429k) 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.

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 £129k in grants to Animal Nepal in 2022 (2021: £165k) 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 2022 was £nil (2021: £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 2022, ERB had net assets of £2,210k (2021: £2,017k). This comprised assets of £2,265k (2021: £2,067k) and liabilities of £55k (2021: £50k). As at 31 December 2022 The Donkey Sanctuary owed ERB £8k for work carried out by ERB staff for The Donkey Sanctuary and donations received in the UK intended for ERB (2021: £6k). In 2022 £71k was recharged by ERB to The Donkey Sanctuary for work carried out by ERB staff (2021: £70k).

	2022 £'000	2021 £'000
Grant income from The Donkey Sanctuary	953	865
Local income	128	151
Total income	1,081	1,016
Total cost of charitable activities	(1,092)	(959)
Governance cost	(5)	(5)
Total expenditure	(1,097)	(964)
Net (expenditure)/income for the year	(16)	52

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 2022, IRDA had net assets of £1,526k (2021: £1,519k). This comprised assets of £1,842k (2021: £1,805k) and liabilities of £316k (2021: £286k). As at 31 December 2022 The Donkey Sanctuary owed IRDA £8k for donations received in the UK intended for IRDA (2021: £7k).

	2022 £'000	2021 £'000
Grant income from The Donkey Sanctuary	732	616
Local income	339	280
Total income	1,071	896
Total cost of charitable activities	(1,069)	(894)
Governance cost	(2)	(2)
Total expenditure	(1,071)	(896)
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 2022, The Donkey Sanctuary (Cyprus) Limited had net assets of £32k (2021: £16k). This comprised assets of £39k (2021: £25k) and liabilities of £7k (2021: £9k). There were no intercompany balances outstanding as at 31 December 2022 (2021: £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.

	2022 £'000	2021 £'000
Grant income from The Donkey Sanctuary	155	163
Local income	13	10
Total income	168	173
Total cost of charitable activities	(151)	(172)
Governance cost	(2)	(2)
Total expenditure	(153)	(174)
Net income/(expenditure) for the year	15	(1)

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 2022, DSI had net assets of £352k (2021: £868k). This comprised assets of £1,268k (2021: £1,295k) and liabilities of £916k (2021: £427k). As at 31 December 2022 DSI owed The Donkey Sanctuary £2k for services provided by The Donkey Sanctuary (2021: The Donkey Sanctuary owed DSI £9k for donations received in the UK intended for DSI) and DSI was owed £44k by DWL for services provided by DSI and donations received by DWL intended for DSI (2021: £110k). During the year DSI recharged £72k to DWL (2021: £49k) and £50k (2021: £nil) to The Donkey Sanctuary for services provided by DSI. The Donkey Sanctuary recharged £162k to DSI for services provided by The Donkey Sanctuary (2021: £nil).

	2022 £'000	2021 £'000
Grant income from The Donkey Sanctuary	2,998	844
Local income	1,304	3,257
Total income	4,302	4,101
Total cost of charitable activities	(4,855)	(3,792)
Governance cost	(12)	(9)
Total expenditure	(4,867)	(3,801)
Net (expenditure)/income for the year	(565)	300

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 2022, DSN had net assets of £44k (2021: £6k). This comprised assets of £219k (2021: £324k) and liabilities of £175k (2021: £318k). As at 31 December 2022 The Donkey Sanctuary was owed £176k by DSN for donations to be remitted to The Donkey Sanctuary (2021: £167k).

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 and charitable activities for The Donkey Sanctuary.

	2022 £'000	2021 £'000
Grant income from The Donkey Sanctuary	-	498
Local income	1,309	1,319
Total income	1,309	1,817
Cost of charitable activities	(485)	(501)
Funds remitted to The Donkey Sanctuary	(784)	(1,314)
Governance cost	(2)	(2)
Total expenditure	(1,271)	(1,817)
Net income for the year	38	-

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 2022, The Donkey Sanctuary Kenya Limited had net assets of £18k (2021: £19k). This comprised assets of £19k (2021: £22k) and liabilities of £1k (2021: £3k). There were no intercompany balances outstanding as at 31 December 2022 (2021: £nil).

	2022 £'000	2021 £'000
Grant income from The Donkey Sanctuary	166	152
Local income	1	-
Total income	167	152
Total cost of charitable activities	(167)	(147)
Governance cost	(1)	(1)
Total expenditure	(168)	(148)
Net (expenditure)/income for the year	(1)	4

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.

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 2022, The International Donkey Protection Trust had net assets of £1,876k (2021: £260k). This comprised assets of £1,876k (2021: £260k). There were no intercompany balances outstanding as at 31 December 2022 (2021: £nil).

	2022 £'000	2021 £'000
Total income	1,887	437
Amount donated to The Donkey Sanctuary	(271)	(725)
Net income/(expenditure) for the year	1,616	(288)

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 activities). Transactions have been included within the consolidated results of the charitable activities of The Donkey Sanctuary.

As at 31 December 2022, The Elisabeth Svendsen Trust for Children and Donkeys had net assets of £451k (2021: £196k). This comprised assets of £451k (2021: £196k). There were no intercompany balances outstanding as at 31 December 2022 (2021: £nil).

	2022 £'000	2021 £'000
Total income	509	380
Amount donated to The Donkey Sanctuary	(254)	(516)
Net income/(expenditure) for the year	255	(136)

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 £452k (2021: £421k) were accrued in the consolidated results of The Donkey Sanctuary for the year.

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

	2022 £'000	2021 £'000
External turnover	1,666	1,638
Sales to The Donkey Sanctuary	1	1
Total turnover	1,667	1,639
Cost of sales	(601)	(598)
Gross profit	1,066	1,041
Other income	15	6
Administration and other costs	(156)	(234)
Costs recharged from The Donkey Sanctuary	(401)	(343)
Costs recharged from The Donkey Sanctuary Ireland	(72)	(49)
Taxation	-	-
Net income	452	421
Amount donated to The Donkey Sanctuary	(452)	(421)
Retained profit	-	-

As at 31 December 2022, Donkey World Limited had net assets of £165k (2021: £165k). This comprised assets of £872k (2021: £1,204k) and liabilities of £707k (2021: £1,039k). As at 31 December 2022 The Donkey Sanctuary was owed £468k 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 (2021: £601k). DSI was owed £44k by Donkey World Limited for services provided by DSI and donations received by DWL intended for DSI (2021: £110k). During the year DWL recharged £15k of purchases made on behalf of The Donkey Sanctuary (2021: £10k).

j. THE HAYLOFT (DONKEY SANCTUARY) LIMITED

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

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

The Directors 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 2022 (2021: £nil). During 2022 The Hayloft (Donkey Sanctuary) Limited distributed £65k (2021: £nil) to The Donkey Sanctuary from reserves available at the time the distribution was made.

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 2022 was £121k (2021: £121k).

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

	2022 £'000	2021 £'000
External turnover	1,263	889
Sales to The Donkey Sanctuary	6	1
Total turnover	1,269	890
Cost of sales	(422)	(247)
Cost of sales recharged from The Donkey Sanctuary	(554)	(355)
Gross profit	293	288
Other income	5	28
Administration and other costs	(135)	(58)
Administration costs recharged from The Donkey Sanctuary	(85)	(85)
Taxation	-	-
Net income	78	173
Amount donated to The Donkey Sanctuary	(65)	-
Retained profit	13	173

As at 31 December 2022, The Hayloft (Donkey Sanctuary) Limited had net liabilities of £9k (2021: £22k). This comprised assets of £361k (2021: £210k) and liabilities of £370k (2021: £232k). As at 31 December 2022 The Donkey Sanctuary was owed £206k

by The Hayloft (Donkey Sanctuary) Limited for cost recharges (2021: £99k). During the year The Hayloft (Donkey Sanctuary) Limited recharged £5k of purchases made on behalf of The Donkey Sanctuary (2021: £7k).

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:

	2022 £'000	2021 £'000
Total income	50,803	57,884
Expenditure on raising funds	(10,775)	(9,942)
Expenditure on charitable activities	(33,757)	(26,930)
Total expenditure	(44,532)	(36,872)
Net (losses)/gains on investments	(2,559)	2,383
Net income	3,712	23,395
Other recognised (losses)/gains	(37)	9
Net movement in funds	3,675	23,404

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 (3, 4, 6)

Ajay Barai – appointed 14 July 2023 (1, 3)

Natalie Bishop (known as Natalie Cook) – tenure extended to December 2025 (1, 3, 6)

Susan Griffin – tenure extended to June 2025 (2, 4, 5)

David Howarth – retired 9 December 2022 (1, 3)

Richard Kapff – retired 24 March 2023 (1, 3)

Thomas Mitchell (1, 4, 5)

Paul Lunn – elected Chair from 18 March 2022 (5)

Patrick Pollock (2, 3)

Christine Purdy – retired 14 July 2023 (1, 3)

Stuart Reid – Chair until 18 March 2022, retired 28 June 2022 (5)

Pramada Shah (4)

Elizabeth Sheldon (2, 4, 5, 6)

Andrew Stringer (2, 3, 5, 6)



Anna Stenner-Evans, Company Secretary, Head of Governance

On 14 July 2023 the following committee memberships are noted:

1. Audit, Risk & Assurance Committee
2. Finance, Investment & Planning Committee
3. Donkey Resources Performance Committee
4. Resources Performance Committee
5. Remuneration Committee
6. Nominations Committee

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:

Marianne Steele	Chief Executive (appointed as Acting Chief Executive 18 June 2021, appointed as Permanent Chief Executive 17 October 2022)
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 & Partnerships
Jenny Coe	Director of People
Sarah Gibson	Director of Resources Strategy & Support (appointed 20 June 2022, post made redundant 10 February 2023)
Andrew Judge	Director of Equine Operations – Sanctuary Operations (appointed 20 June 2022)
Cheryl Martin	Director of Brand & Communications
Kevin Nacey	Executive Director of Resources (resigned 18 November 2022)
Zoe Norris	Director Marketing Communications & Income Generation (until 18 November 2022) Acting Executive Director of Resources (appointed 19 November 2022)
Karen Rickards	Director of Equine Operations – Veterinary & Welfare (appointed 14 March 2022)
James Searle	Interim Deputy Director of Income Generation (appointed 1 January 2022) Acting Director of Income Generation (appointed 19 November 2022)
Chris Young	Director of Finance

ADVISORS

Investment Managers	Investec Wealth & Investment Limited, 30 Gresham St, London, EC2V 7QN Cazenove Capital, 1 London Wall Place, London, EC2Y 5AU (appointed 24 March 2023)
Bankers	Barclays Bank plc, 3 Bedford Street, Exeter, EX1 1LX
Solicitors	Veale Wasbrough Vizards LLP, Narrow Quay House, Narrow Quay, Bristol, BS1 4QA Anthony Collins, 134 Edmund Street, Birmingham, B3 2ES Withers LLP, 20 Old Bailey, London, EC4M 7AN
Auditor	Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

