



ANNUAL REPORT & ACCOUNTS

2015-16

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Cover photo:

Taken in Lucknow India, this man is teaching his son to groom his two mares. The animals work with him in the local brick kiln. The mare in the photo is so happy with all the attention she has fallen asleep while being groomed.

Photo: Freya Dowson

All images used in this annual report copyright © Brooke

This coal mine donkey in Pakistan had just come to the surface with a load of coal. After being unloaded by his handler, he only has a moment before going back underground to be loaded with coal again.

Photo: Freya Dowson



INTRODUCTION FROM OUR CHIEF EXECUTIVE



It gives me enormous pleasure to introduce the Trustees' Annual Report and Accounts for 2015-16, concluding our six year Strategic Plan 2009 to 2016. During this time we have seen significant growth with our reach increasing from around 700,000 working horses, donkeys and mules to 1.97 million at the end of March 2016. This compares favourably with our strategic goal of reaching two million working equine animals by the end of 2016. It is an incredible achievement and one that everyone at Brooke is proud to deliver.

In this report we describe the ingenious ways that Brooke has improved the daily lives of working horses, donkeys and mules across the world. We are delighted to have supported the World Organisation for Animal Health (OIE) in the development of the first Global Standards for working equines which create an unprecedented opportunity to benefit more animals. We have also delivered vital support during times of disaster – you can read about our award winning response in Nepal following the devastating earthquake in April 2015. Our work is increasingly focused on very challenging areas where animals are in the most need, such as the pastoralist areas of Turkana in Northern Kenya and the rural communities in Afghanistan.

During the year we were very sad to report the death of our Patron, Sir Peter O'Sullivan, who had been involved with Brooke for 19 years. We have benefited significantly as a beneficiary of the Sir Peter O'Sullivan Trust, and remain grateful for their continuing support.

I have seen many significant changes in Brooke during the past six years, reflecting the need for us to continually evolve to meet the shifts in development practice and increasing regulation within the UK charity sector. During the past year, we have worked hard to improve our impact measurement with the pilot of our Effectiveness Framework in East Africa and definition of indicators for each of the three key areas of our work supporting our Theory of Change, in preparation for the launch of our new Global strategy 2016 to 2021.

Looking forward we will continue our growth to reach more working horses, donkeys and mules in greatest need around the world. Following the implementation in 2015 of a new operating model, we launched our new five-year global strategy in May 2016. We have become a more agile and responsive organisation, guided by the expertise of our programme country teams.

The difference that we make to the world's working horses, donkeys and mules is only possible due to the generosity of our supporters, from those volunteering within our community groups, to those who kindly give a regular donation, and those making more substantial gifts to support specific projects. To everyone who has been part of Brooke's journey over the past six years and those that have joined Brooke's family more recently, I would like to say a huge thank you for your support, past, present and future.

Petra Ingram
Chief Executive

HIGHLIGHTS FROM THE YEAR



Owned by a rural farming family in Senegal, this young horse will grow up to be a working animal taking the family's crop of peanuts to be sold at the local market.

Photo: Freya Dowson

526
PIECES OF MEDIA COVERAGE

2
RESEARCH PAPERS
PUBLISHED

1,969,800

WORKING HORSES, DONKEYS AND MULES BEING REACHED BY BROOKE

9
PAPERS FROM FOUR BROOKE
COUNTRIES DELIVERED BY BROOKE
STAFF AT FOUR INTERNATIONAL
CONFERENCES.

30
COMMUNITY
FUNDRAISING
GROUPS

13,449
ANIMALS ASSESSED IN
WELFARE ASSESSMENT

9,629
NEW BROOKE
SUPPORTERS

BROOKE HAVE HELPED TO REDUCE...

↓ 16% ...ANIMALS WITH SEVERE WOUNDS ON THEIR HINDQUARTERS IN OUR COAL MINES PROJECT IN PAKISTAN

↓ 42% ...ANIMALS WITH EYE PROBLEMS (DUE TO DUSTY CONDITIONS) IN BRICK KILNS KATHMANDU, NEPAL

↓ 14% ...SEVERELY UNDERWEIGHT ANIMALS IN OUR ETHIOPIAN DRY AREA PROJECT

↓ 20% ...SEVERELY UNDERWEIGHT ANIMALS IN THE MBEERE REGION OF KENYA

↓ 31% ...SEVERELY UNDERWEIGHT ANIMALS IN RURAL NICARAGUA

17
INTERNATIONAL
COLLEAGUES PASSED OUR
ONLINE ADVANCED ANIMAL
WELFARE COURSE

30
INTERNATIONAL COLLEAGUES
PASSED OUR ONLINE FOUNDATION
ANIMAL WELFARE COURSE

BROOKE
SUPPORTERS
86,046

TRUSTEES' ADMIN REPORT

The Trustees of Brooke present their Annual Report for the year ended 31 March 2016 under the Charities Act 2011 and the Companies Act 2006, including the Directors' Report and the Strategic Report under the 2006 Act, together with the audited financial statements for the year.

Objectives and principal activities

The objectives, principal activities and future developments of the charity are described in the objectives and activities section of the trustees' annual and strategic report, starting on page 12.

Reference and administrative details of the charity, its trustees and advisers

The Brooke Hospital for Animals is registered with the Charity Commission as a charity and with Companies House as a company limited by guarantee. The Brooke Hospital for Animals is governed by its Memorandum and Articles of Association.

Brooke is registered as a Charity in England and Wales (No. 1085760) and with Companies House (No. 4119581).

PRESIDENT

HRH The Duchess of Cornwall

HONORARY VICE PRESIDENTS

Dr David Jones MRCVS
Ann Searight
Denys Bennett

PATRONS

HRH Princess Alia bint Al Hussein of Jordan
Alastair Stewart OBE

AMBASSADORS

Charlotte Dujardin OBE
Dr Emma Milne MRCVS
Nigel Payne
Monty Roberts
Major Richard Waygood MBE

While many of the adult donkeys are working underground in the coalmines of Pakistan, the donkey foals graze close by.

Photo: Freya Dowson

TRUSTEES

CHAIRMAN

Major General Sir Evelyn
Webb-Carter KVCO, OBE DL

DEPUTY CHAIRMAN

Mr Stephen Savage (3)

HONORARY TREASURER

Mr Paul Elphick FCA (1,2)

Mr Richard Britten-Long (1)

Mr Peter Coe (1,2)

Mrs Jane Holderness-Roddam
CBE, LVO

Mrs Angela Horsman (2, 3)

Mr Ian Kerr (1)

Sir David Madden KCMG (3)

Dr Michael Seton BVetMed (3)

Mr Anant Shah (3)

Professor Natalie Waran

(1). **Member of Finance
Committee**

(2). **Member of Remuneration
Committee**

(3). **Member of Governance
Committee**

SENIOR LEADERSHIP TEAM

CHIEF EXECUTIVE OFFICER

Petra Ingram FCMA

DIRECTOR OF ANIMAL WELFARE AND SUSTAINABILITY

Dr Dil Peeling BVSc MSc MRCVS

DIRECTOR OF PERFORMANCE AND PLANNING

Lesley Young

DIRECTOR OF INTERNATIONAL PROGRAMMES

Harriet Dodd

DIRECTOR OF FINANCE AND INFORMATION SERVICES

Shailesh Patel ACMA

DIRECTOR OF FUNDRAISING AND COMMUNICATIONS

Jasvir Kaur

BANKERS

Barclays Bank PLC
50 Pall Mall London, SW1A 1QD

AUDITORS

Crowe Clark Whitehill LLP
St Bride's House
10 Salisbury Square
London, EC4Y 8EH

SOLICITORS

Bates, Wells & Braithwaite
Cheapside House
138 Cheapside
London, EC2V 6BB

INVESTMENT FUND MANAGERS

James Hambro & Partners LLP
Ryder Court
14 Ryder Street
London
SW1Y 6QB

Royal London Cash Management Limited
55 Gracechurch Street
London
EC3V 0UF



INTRODUCTION

Children working at Dewa equine fair in Lucknow, India, preparing a truck full of horses for unloading.
Photo: Freya Dowson

Brooke is an animal welfare charity with over 80 years' experience dedicated to improving the lives of working equines. We are a recognised international authority on equine welfare, working across Africa, Asia, Latin America and the Middle East. Our vision is of a world in which working horses, donkeys and mules are free from suffering.

Working horses, donkeys and mules are indispensable to poor communities in remote and marginalised places around the world. A healthy animal earns money that puts food on the table, sends children to school and reduces the overwhelming domestic burden for women.

From the brick kilns of Nepal and the slate mines of India, to the small farms of Ethiopia and Nicaragua, over 100 million working horses, donkeys and mules are paying the price for their labour with injuries, exhaustion, dehydration and malnutrition. Brooke is proud to deliver significant and lasting change to the welfare of these animals.



At this brick kiln near Gujranwala in Pakistan donkeys are used to carry wet and dry bricks around the site. Each donkey will carry a load of approx. 125 kgs and make between 20 and 30 trips per day.

Photo: Richard Dunwoody

STRATEGIC REPORT

WHERE WE WORK

Brooke works in these countries to achieve change across three continents.

HQ

UK

AFFILIATES

Brooke East Africa
Brooke India
Brooke Pakistan

BRANCHES

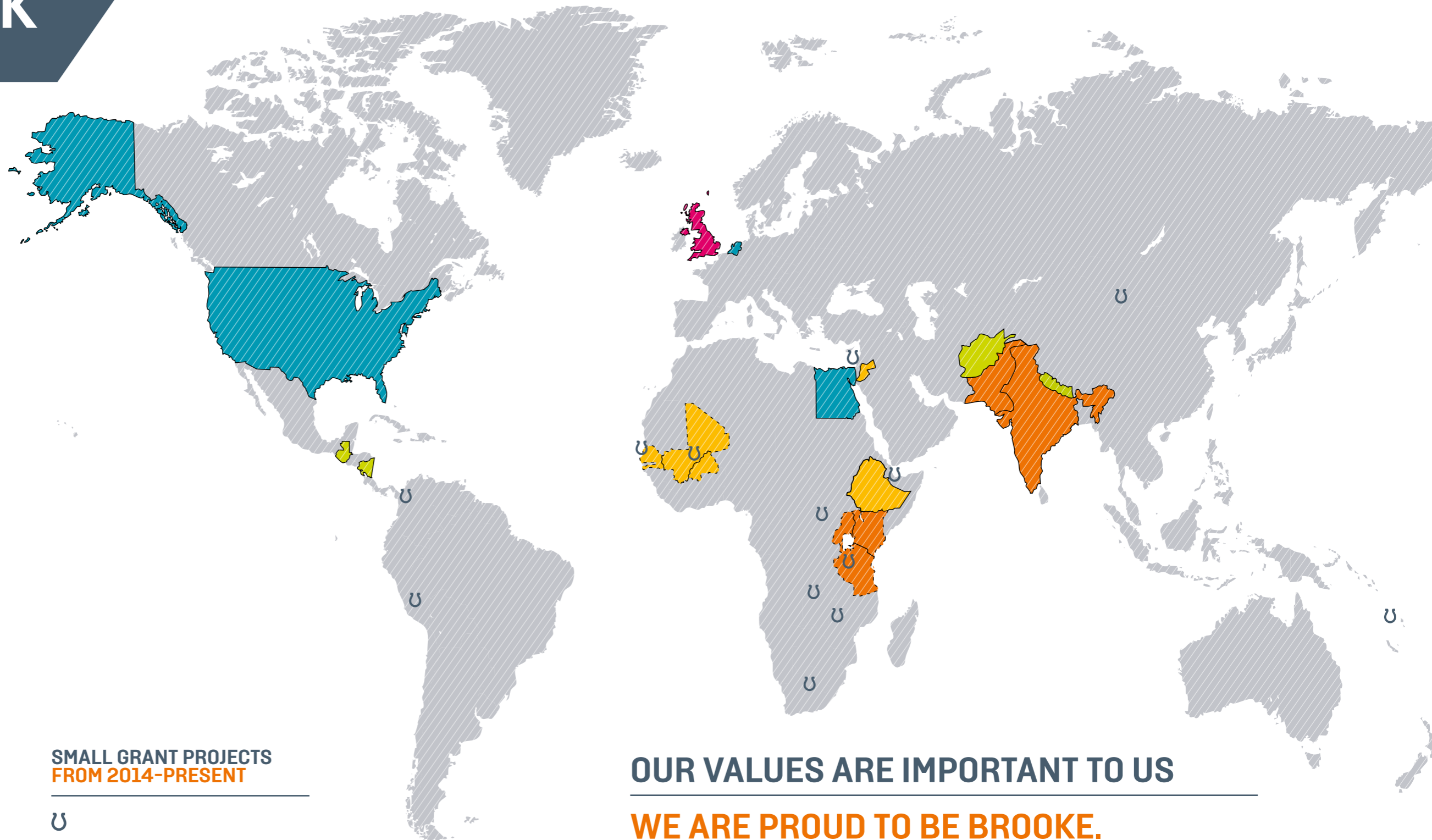
Brooke Ethiopia
Brooke Jordan
Brooke West Africa

CONTRACT PARTNERS

DCA in Afghanistan
ESAP in Guatemala
AHTCS in Nepal
OIKOS in Nicaragua

SISTER ORGANISATIONS

Egypt
Netherlands
USA



SMALL GRANT PROJECTS FROM 2014-PRESENT



Burkina Faso	Somaliland
Colombia	South Africa
Fiji	Tanzania
Mexico	The Gambia
Palestine	Uganda
Peru	Zambia

OUR VALUES ARE IMPORTANT TO US

**WE ARE PROUD TO BE BROOKE.
WE ARE RESOURCEFUL, SHARE NEW
IDEAS AND HELP EACH OTHER SUCCEED.
TOGETHER WE MAKE CHANGE HAPPEN**

COVERAGE & UPTAKE

Coverage refers to the number of working, horses, donkeys and mules that can access the services that Brooke provides or supports around the world.

Uptake refers to the number of direct beneficiaries, and includes the number of working horses, donkeys and mules using services.

Programme	Total Coverage	Uptake Short Term no. of animal	Uptake Sustainable: no. of animal	Total uptake
Afghanistan	72,100	1,019	30,053	31,072
East Africa	231,700	758	47,299	48,057
Ethiopia	318,800	-	189,845	189,845
Egypt	222,200	-	-	168,927
Guatemala	5,500	333	2,488	2,821
India	419,600	31,236	191,903	223,139
Jordan	1,300	-	168	168
Nicaragua	3,100	-	1,419	1,419
Nepal	26,700	5,238	14,978	20,216
Pakistan	607,000	47,917	239,662	287,579
West Africa	17,100	-	11,474	11,474
Small grant projects	44,700	-	-	25,819
Total	1,969,800	86,501	729,289	1,010,536

We define 'short term uptake' as ad hoc interventions by Brooke outreach services.

We define 'sustainable uptake' as services delivered by local providers and communities that have received Brooke training and mentoring.

This horse works pulling cart-loads of rock salt gathered from the salt flats in Senegal. The salt is sold to earn money for the horse's owner.

Photo: Freya Dowson



HOW WE WORK

BROOKE PROTECTS AND IMPROVES THE LIVES OF WORKING HORSES, DONKEYS AND MULES. INCREASINGLY, OUR WORK FOCUSES ON DEVELOPING THE SKILLS AND COMPASSION OF THE PEOPLE WHO WORK WITH THESE ANIMALS. OUR INTEGRATED APPROACH PUTS CHOICE AND POWER IN THE HANDS OF ANIMAL OWNERS, LOCAL ANIMAL HEALTH SERVICES AND BUSINESSES. EVERY ASPECT OF THIS APPROACH IS INFORMED AND DEVELOPED THROUGH PRACTICAL RESEARCH AND EVIDENCE.

1

STRENGTHENING VETERINARY SKILLS AND TREATMENT

Brooke provides free treatment where local services are unavailable or unequipped to help, for instance in emergencies, natural disasters and areas of severe equine need. We also work to build resilience and sustainability in animal welfare with professional and community capacity building, so that better services will continue when Brooke has left a region.

Described in our accounts as "direct intervention to improve equine animal welfare" the total spend on this activity came to £4,463,259 for the year.

Sharing our knowledge creates change that cascades through communities and generations. We start by offering professional development to Brooke vets around the world with online courses, resources and support. Learning enabled by technology and social platforms is cost-effective and accessible. It addresses the issue that equine medicine is often overlooked in veterinary training and defines the Brooke standards that we strive for.

Brooke vets develop their professional confidence with mentoring and additional training on request. Brooke knowledge also gets passed into communities. Using our work-based assessment tool, empowered Brooke vets support local animal health and service providers such as vets and farriers to enhance their skills in key areas of

animal welfare; communication, clinical expertise, clinical governance, kit content and kit maintenance.

A good example of our approach to creating immediate and long-term change is Brooke Pakistan's recent work with coalmining communities in the remote Chakwal district. Most of the donkeys that work in the mines are in a desperately poor condition, and initially Brooke treated them directly. Following further investigation and after establishing local contacts we are now training government vets and paravets to make sure good quality veterinary treatment is accessible in the long term.

In April 2015 a major earthquake caused devastation in Nepal. Local Brooke partner Animal Health Consultancy Training Services (AHCTS) rescued over 500 animals, provided emergency water and grain to 1,483 animals and gave emergency treatment. The team were delighted to receive CEVA's Special Recognition Award for their work.

Brooke's West Africa team also took emergency action. In June 2015, severe drought forced communities to leave their homes in Ferlo in northern Senegal. Unable to make the journey, some old and young donkeys were left behind. Brooke West Africa gave life-saving supplies of water, and food to these abandoned animals.

Both mule and boy work side by side in a brick kiln in Uttar Pradesh India. In this particular kiln children, some as young as six, stack bricks and herd the animals around the kiln.

Photo: Freya Dowson

2

PREVENTION OF WELFARE PROBLEMS THROUGH COMMUNITY CAPACITY BUILDING

Brooke works with the people who have the greatest opportunity to improve the welfare of working horses, donkeys and mules. We share our technical expertise with animal owners and handlers and they share their local insights. Together, we pool our resources to find long-term solutions.

Described in our accounts as "prevention of welfare problems" the total spend on this activity came to £5,987,751 for the year.

Having conducted several scoping visits in Mexico, we began funding a new project in the main refuse and recycling centre serving the city of San Martin in October 2015. The initial 12-month programme is being delivered by local partner Fundación Dejando Huella (FDH).

The 200 horses working at the site keep the city clean and tidy and are essential to the livelihoods of the refuse collectors. Every day they transport cartloads of refuse from the city to the site. They suffer from low body condition and hoof problems, wounds caused by low quality bits and harnesses, and health problems caused by parasites and lameness.

Changing long-held practices can be tough. Working with FDH meant horse owners and local animal health services quickly developed confidence in our project. Brooke training then unlocks their compassion for animals and builds the knowledge required for horses to work safely with better health and handling.

FDH is committed to creating a sustainable welfare environment for these hard-working horses. That's why local farrier skills are also being enhanced to raise quality and prevent hoof problems occurring. Mentoring and support for saddlers and cart makers further ensure that the horses are comfortable during their working day.



3

INFLUENCING FOR IMPROVED ANIMAL WELFARE

Despite their essential role, working horses, donkeys and mules are virtually invisible in development policy and programming. That's why we're working with policy-makers and governments at all levels, providing the evidence and technical guidance they need to support working equine welfare. **The total spend on this activity came to £1,761,559 for the year.**

Over the past three years Brooke has been supporting the World Organisation for Animal Health (OIE) in the development of the first set of global welfare standards specifically for working horses, donkeys and mules. Standards for animal welfare already exist for other animals such as those used in food production but working horses, donkeys and mules have been largely overlooked.

In November 2015, international and national policy stakeholders, researchers and civil society organisations gathered in London for a Brooke-hosted policy conference called Invisible Livestock: Highlighting the multiple contributions of livestock to livelihoods and national economies.

The event emphasised the need to recognise the contribution of working livestock to human livelihoods, sustainable food production and food security.

A wide variety of organisations attended, including the OIE, the government of Kenya, Send a Cow, the Food Economy Group, World Animal Protection, Concern Worldwide and the University of Edinburgh. Discussions tackled the economic contributions of working livestock such as horses, donkeys and mules, the current policy environment and possible ways in which policy and practice can reflect a holistic and comprehensive understanding of livestock.

Brooke's Invisible Workers policy report was launched at the event as a key milestone in our policy and research agenda. Evidencing the connections between working equine welfare and human welfare, the report highlights the economic contributions that working horses, donkeys and mules make to household incomes. It does so by highlighting their role as money earners and money savers, referencing Household Economy Approach (HEA) baselines carried out by Brooke with the Food Economy Group (FEG) in India, Pakistan and Kenya.

4

PRACTICAL RESEARCH

Brooke's partner in Guatemala is Equinos Sanos para el Pueblo (ESAP). The Guatemala programme focuses on animal welfare capacity building in equine-owning communities and advocacy.

Photo: Richard Dunwoody

We undertake and commission field research, so we can continually improve our expertise and identify sustainable improvements to animal welfare. **The total spend on this activity came to £566,158 for the year.**

It is essential that Brooke research delivers recommendations and findings that are workable in remote and marginalised communities around the world. Dinesh Mohite worked at Brooke India for seven years before getting his dream job as Team Leader of Research. His years of experience as an equine fair vet mean that he truly understands the working life of owners and their animals and the challenges they face.

This year, Dinesh led research into heat stress in horses, donkeys and mules working in the extreme environments of India's brick kilns. His study delivered a raft of recommendations that empowered owners to address some of the biggest welfare issues themselves.

Together with his colleague Azeem Ahmad, Dinesh runs a very active research programme, working on topics relating to service providers and community engagement, clinical

equine issues and policy-related issues. We aim to share our work at a national and international level, to encourage learning and stimulate debate on working equine welfare. This year, Dinesh and his team furthered that aim by presenting at three scientific conferences in India, the World Equine Veterinary Association (WEVA) annual conference in Mexico, the International Society of Veterinary Epidemiology also in Mexico, and the International Equine Infectious Disease Conference in Argentina.

Extensive outreach and engagement with the international research community are helping to ensure that evidence collected from Brooke's programmes becomes integral to current thinking, building our reputation as an international authority on equine welfare.

Thanks to the generous support of the Phoebe Wortley-Talbot Charitable Trust, Brooke Journal – an online resource for the global Brooke research community – is encouraging a culture of learning, critical thinking and enquiry at Brooke.



STRATEGIC OBJECTIVES AND ACHIEVEMENTS

THIS IS THE FINAL YEAR OF OUR STRATEGIC CYCLE. THE FOLLOWING SELECTION OF THIS YEAR'S HIGHLIGHTS SHOWS THE BREADTH OF OUR WORK TOWARDS ALL FIVE STRATEGIC OBJECTIVES.

1

WE WILL ENSURE THAT COMMUNITIES AND SERVICE PROVIDERS ARE ENABLED TO SUSTAIN AND IMPROVE WELFARE FOR WORKING EQUINE ANIMALS IN THE SHORT AND LONG TERM.

Gharry horses pull carts transporting people and goods and are a **main source of income for many Ethiopians**. Owners are under pressure to work them hard, so they can earn a living and stay out of poverty. Many gharry horses are rented out to people with little understanding of good welfare practices.

Brooke is working with **motivated owners** willing to be trained in animal welfare. These **'urban change agents'** pass on vital messages to their communities. As awareness starts to grow and social influence shapes people's behaviours, **equine welfare groups** are set up, fostering **long-term improvements**.

We're also **training local farriers** and working closely with other local businesses to improve the quality of equine-related services. **Nutritious feed** is more readily available, while **well-made harnesses** prevent sores. Brooke staff share their equine expertise with **local vet clinics** and animal health workers, so that horses can be diagnosed and treated more effectively.

Before Brooke's intervention, animals with no hope of recovery were abandoned, frequently starving to death or attacked by hyenas. Brooke's compelling **advocacy** enabled the local authority to pass a new by-law to allow **euthanasia**. Our training ensured it was carried out **humanely**, saving many desperate animals from terrible pain and suffering.

While there is still more work to be done, it's clear that we have started to make an impact. The owners that we work with understand the importance of good hoof care and are seeing farriers more frequently. **More horses are now rested, fed and watered at the end of the day and stabling, grooming and handling are improving**. Wounds are being treated effectively and owners are more likely to visit a vet if there is a problem. Our urban change agents continue to build community knowledge and there is a firm foundation for future progress.

Gharry horses are used in many countries pulling carts transporting goods and people to earn money for their owners.

Photo: Freya Dowson

2

WE WILL SIGNIFICANTLY INCREASE OUR POSITIVE IMPACT ON WORKING EQUINE WELFARE, WITHIN AND BEYOND THE GEOGRAPHICAL AREAS IN WHICH WE WORK, THROUGH INFLUENCING AND COLLABORATING WITH LOCAL, NATIONAL AND INTERNATIONAL INSTITUTIONS.

Working in partnership with the African Union Inter-African Bureau for Animal Resources (AU-IBAR) and NGOs including World Animal Protection, Brooke enabled an Africa-wide consultative meeting on animal welfare. The meeting brought together chief veterinary officers from 27 African Union member states, alongside representatives from the African Regional Economic Communities, international organisations, such as the Food and Agriculture Organisation of the United Nations, and the World Organisation for Animal Health. We were honoured to make opening and closing remarks at the conference, as well as having the opportunity to present the crucial work we are delivering in Africa. This landmark meeting secured a commitment from African governments to set up an African Platform for Animal Welfare.

As a result of our support for this important continental meeting, we are proud that AU-IBAR invited us to join the task force set up to take forward and develop the African Platform for Animal Welfare. Brooke will provide support and expertise for an initiative that promises to significantly progress the animal welfare agenda in Africa. We look forward to helping African Union member states in their efforts to benefit animals, as well as the people who depend on them for their livelihood.

3

WE WILL INSPIRE A DIVERSE RANGE OF SUPPORTERS IN ORDER TO EXPAND OUR FUNDING BASE AND INCREASE OUR INCOME THROUGH NEW AND UPGRADED SUPPORT.

In 2015/16, Brooke's total income from fundraising was £16.6m. This includes £162,729 from Brooke USA. Maintaining our income at the same level as last year is a significant achievement in the current climate of national uncertainty and declining trust. We are proud to have welcomed 9,629 more people as Brooke supporters this year. We had enquiries from 1,499 people asking how they could remember Brooke in their will and an additional 417 told us that they had already done so.

We developed a range of bespoke supporter journeys to put choice in the hands of our supporters and supporter care at the heart of our fundraising. We're making sure that new supporters feel happy with how we contact them and the information we provide.

Working with high profile equestrians and Olympic gold medallists Charlotte Dujardin OBE and Brooke Trustee Jane Holderness-Roddam CBE, LVO, we introduced Brooke to many more horse-enthusiasts and potential supporters.

In March 2016, we were delighted that Alastair Stewart OBE agreed to become our new Patron and look forward to working with him to reach new supporters in the coming years.

Our 'grant readiness' preparations are developing well, which will enable us to access new funding streams.

Brooke USA made excellent progress, appointing its first Executive Director and full staff team. New Board members and a whole raft of well-known American equestrians are championing our cause to new audiences in the USA.

4

WE WILL DEFINE AND PROMOTE OUR BRAND WITH PRIDE AND PASSION, MAKING IT SYNONYMOUS WITH EVIDENCE-BASED IMPROVEMENTS IN EQUINE WELFARE, THEREBY REINFORCING OUR STATUS AS A GLOBAL LEADER ON WORKING EQUINE ISSUES.

We saw an across-the-board increase in interest and engagement with Brooke and our work. We secured 526 pieces of media coverage – an increase of 34% on the previous year. A highlight of the year was a gallery of Brooke photos of working horses, donkeys and mules from around the world on the Guardian's website. We also increased our social media presence, gaining 25,554 new fans on Facebook and 2,255 followers on Twitter.

Throughout the year, we have been developing our new brand to attract as much support as possible and have tested it with a broad range of current supporters and potential supporters to gauge its appeal.

The guiding principle throughout the development of our new website was to be 'the online destination for working equine welfare'. The site features a whole new section about our research expertise, featuring peer-reviewed journal articles, presentations given at conferences and research projects from around the world. Promoting our work in this way not only positions Brooke as a global authority on working equine welfare, but stimulates discussion throughout our professional networks.

5

WE WILL DEVELOP AS AN INTERNATIONAL ORGANISATION WITH STRONG ACCOUNTABILITY, WORKING EFFECTIVELY AND MAKING THE BEST USE OF KNOWLEDGE, EXPERTISE AND RESOURCES.

The implementation of our new operating model in 2015 centred on four areas: organisational structure, processes and tools, our people's skills and our culture and IT. The findings from our analysis triggered proposals for a number of changes. These include an expanded Senior Leadership Team (SLT), development of our fundraising capabilities, investment in data insight, monitoring and evaluation, and a new IT strategy.

The operating model process has also responded to external trends – the role of livestock in the political agenda, the changing international context and environment we work in and increasing competition for funding. Brooke is playing a critical part in this complex global story. At our core, we are an animal welfare organisation that has strived through the operating model process to create a robust and sustainable working platform. In this way, we're ensuring that we continue to make a positive difference to working equines worldwide.

"I'd urge all horse lovers out there to give whatever they can to help Brooke to keep doing what it's doing and extend its help to more of these animals."

– Charlotte Dujardin OBE, Olympic Gold Medalist and Global Brooke Ambassador

LOOKING AHEAD TO 2017

We are excited to be launching our new five year Global Strategy from 1 April 2016. To deliver our new strategic goals of **global impact** and **sustainable improvement** we have four newly defined strategic objectives relating to our **scale, income, quality** and **impact**.

You can find out more about our new Global Strategy on our website www.thebrooke.org/about-brooke/our-strategy

KEY OPERATIONAL OBJECTIVES FOR THE NEXT 12 MONTHS

1

SCALE

DO MORE WORK WITH MORE ANIMALS IN THE MOST NEED

- Develop Global Hoofprint strategy to guide expansion plans for increased depth and breadth
- Establish innovation fund to learn from new approaches in order to make us more effective
- Empower country programme teams with increased delegation of responsibility and strengthened accountability
- Better management of information for learning and improvement across the world

2

INCOME

GROW INCOME AND INCREASE AWARENESS

- Grow income from individual giving by 8%
- Continue to invest in our major relationships programme to grow income by 35%
- Develop a robust insight programme to enhance the supporter experience
- Launch a new brand and website to raise awareness of Brooke in UK and overseas

3

QUALITY

DELIVER HIGH QUALITY PROGRAMMES

- Embed our Theory of Change with a focus on developing sustainable impact through improvements to human livelihoods
- Build our animal welfare capacity with the provision of high quality technical support and the development of an ethical review body
- Establish key relationships to support our advocacy programme including increased collaboration around the brick kiln industry
- Disseminate key messages on working equine welfare in published materials and via Brooke presence at scientific conferences

4

IMPACT

INCREASE ACCOUNTABILITY TO DONORS AND BENEFICIARIES

- Implement an organisation wide multi-year planning and budgeting process to clearly define impact measurements for the next five years
- Complete our effectiveness framework pilot in East Africa and develop roll out plans for 2017-18
- Improve our monitoring and evaluation by learning from two independent evaluations and developing a new internal country evaluation approach
- Establish a project governance board to oversee our priority strategic initiatives

5

FOLLOWING THE IMPLEMENTATION OF A NEW OPERATING MODEL IN 2015-16, TO SUPPORT OUR NEW GLOBAL STRATEGY WE WILL:

- Establish a global learning platform to build capacities across the organisation
- Set up a dashboard for Information Systems to monitor project implementation and resource utilisation
- Undertake a staff survey as part of Investors in People accreditation process to enhance engagement of staff following period of considerable change
- Strengthen governance of overseas affiliate boards to improve decision making

These horses work half way up a mountain in a slate mine. They are waiting to be loaded slate that will be used in construction. Their journey from loading to unloading involves two to three hours of walking.

Photo: Freya Dowson





In the Indian state of Jammu and Kashmir, hundreds of horse taxis carry pilgrims and tourists up to the Katra shrine at the top of the mountain and down again. Brooke offers welfare checks along the route.
Photo: Richard Dunwoody

FINANCIAL REPORT



Many donkeys work in urban areas, like this one in Lahore, Pakistan. The busy streets of polluted cities are challenging and dangerous for a working animal. Breathing problems and injuries from road traffic accidents are common.

Photo: Richard Dunwoody

Brooke will seek to diversify its sources of funds over the course of the new strategy by ensuring our brand and the remarkable work we do is effectively communicated and recognised by institutions and a wider pool of donors in the UK and overseas. We will use these additional funds to help more working equines in the countries we are present in by creating sustainable solutions. These funds will also enable us to strategically enter new countries and reach equines that could benefit from our work.

TOTAL INCOME

Total income was £16.6m (-5% vs 2014-15) due to a reduction in legacy income £7.4m (-9% vs 2014-15) even although the pipeline of legacies notified to Brooke was at an all-time high. The lead-time for the distribution of funds from settling an estate has increased compared to previous years. Investment income of £0.1m (vs £0.3m in 2014-15) is due to lower dividend income from our investment portfolio.

The legacy 'pipeline' (i.e. the estimated value of legacies we have been informed of but not included in the accounts due to income recognition criteria not being met) is £9.4m that compares to £6.7m in the prior year.

RETURN ON INVESTMENT ASSETS

The returns from our investment portfolio are two-fold and received in the form of interest and dividends which is recognised as Income, and Net Gains and Losses. The underlying market value of the investment asset, which is shown in Note 9 in our accounts, reports Net realised and unrealised Losses of £117k and reflects market nervousness surrounding conflicts, political uncertainty and economic growth.

FUNDRAISING ACTIVITIES

Growing fundraised income is a strategic objective and a key pillar of our financial strategy to deliver Brooke's ambitious new five year strategy.

Investment in fundraising activities of £6.5m (+8% from 2014-15) has helped to maintain regular giving donations in line with the previous year. Activities have been focused on supporting three of the levers of the fundraising strategy;

- Establishing Brooke USA as a fundraising organisation; £0.35m.
- Review and development of our new brand to increase our appeal to new target donors; £0.15m.
- Developing a legacy analytical tool to fill the pipeline of new legacy pledgers; £0.1m.

CHARITABLE ACTIVITIES

Total expenditure on charitable activities increased by 10% compared to prior year. Charitable activities include grants, to affiliates, branches, partners and expenditure directly incurred by teams in support of country programmes.

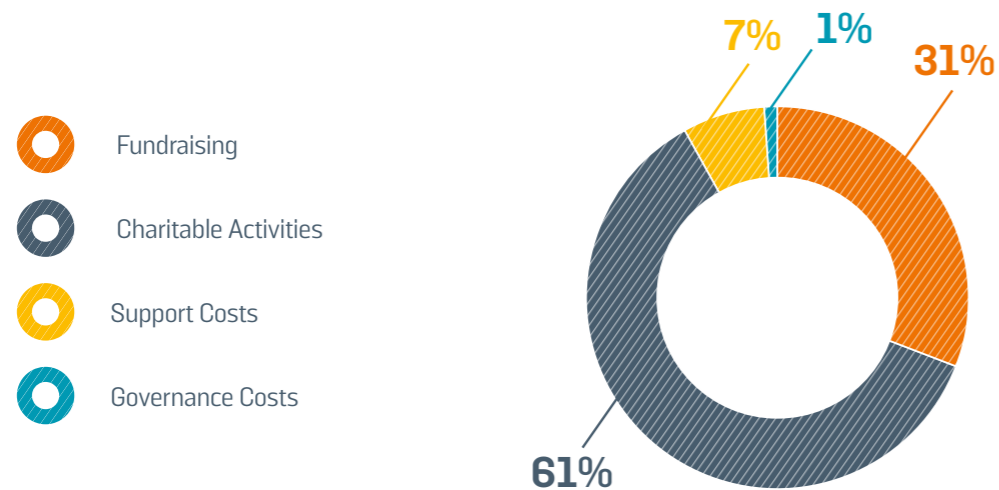
SUPPORT AND GOVERNANCE COSTS

Support includes the cost of teams within finance, human resources and information systems together with investment in staff learning and development, legal costs and centralised staff recruitment costs. Support costs increased from £1.3m in 2014-15 to £1.4m in 2015-16.

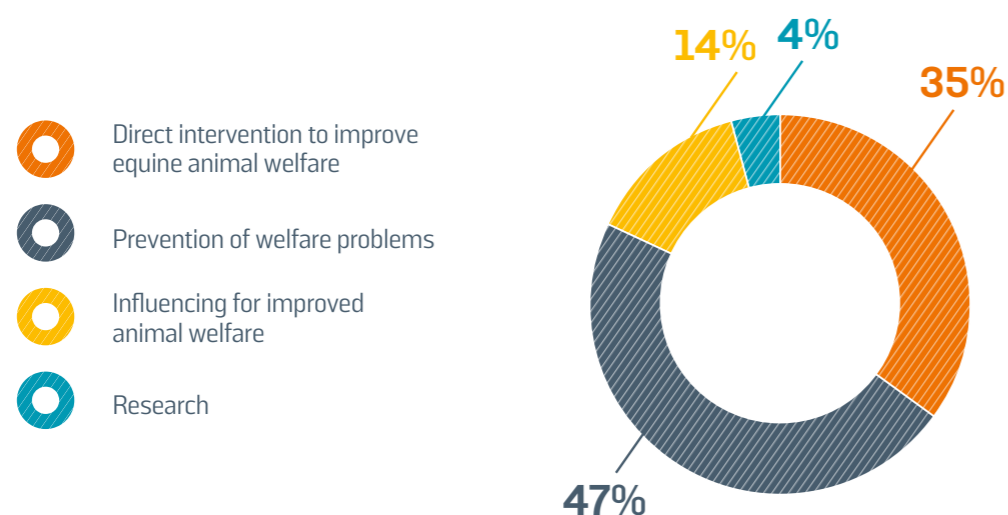
In accordance with charity accounting practice, Support and Governance costs are allocated to other costs based on each activity's proportion of the aggregate expenditure. Support costs represent 7% of total resources expended and Governance costs represents 1% of total resources expended.

THE CHARTS BELOW PROVIDE AN ANALYSIS OF THE TOTAL RESOURCES EXPENDED IN 2015 - 16. THE FIRST SHOWS AN ANALYSIS OF THE DIFFERENT TYPES OF EXPENDITURE AND THE SECOND AN ANALYSIS OF CHARITABLE ACTIVITIES BY THEMATIC AREAS.

TYPES OF EXPENDITURE



CHARITABLE ACTIVITIES BY THEMATIC AREA



RESERVES POLICY

The Board of Trustees reviews and agrees the reserves policy annually and completed the last review in December 2015. Total Funds held at 31 March 2016 amounted to £10.4m.

The reserves fall into two main categories:

Restricted funds

When donors stipulate how their donations may be spent these funds are restricted to those initiatives. In some cases there will be a slight time lag between when such funds are received and when they are expended. At 31 March 2016, restricted funds totalled £0.2m.

Unrestricted funds

Generated when the donors do not stipulate how the income may be spent and the funds support the charity to carry out its work. The Unrestricted funds are divided into two further classifications:

a) Designated reserves

The Board of Trustees approved Brooke's new five year Strategy at the end of 2015 with two key goals;

- Global Reach: reach more working horses, donkeys and mules worldwide
- Sustainable Improvement: programmes that deliver sustainable change

The Designated funds at 31 March 2016 were £2.5m that will support a phased expansion into existing countries, expansion into new countries, implement overseas programmes that deliver sustainable improvement through our Theory of Change and tools to evidence our impact.

The designated funds are anticipated to be fully utilised over the next 12 months.

b) General reserves

Funds that are set aside to cover possible operational and financial risks identified as part of the annual planning process. The risks include;

- Any temporary shortfall in income
- Increase in expenditures due to adverse exchange movements
- Reduction in the investment portfolio due to stock market fluctuation

Individual risks have been quantified and the level of minimum reserves required calculated on the basis of total risk. Applying the reserves policy, the minimum level of reserves required at 31 March 2016 is £7.6m, which is shown in the accounts as general funds.

The general reserves held at 31 March 2016 are in line with the minimum level of reserves required however the Trustees anticipate the level of this reserve to fall below target for at least the next three years as Brooke seeks to diversify its sources of funds. Projections based on the Fundraising strategy envisage reserves to begin to be rebuilt towards target levels from the fourth year onwards.

ETHICAL INVESTMENT POLICY & STRATEGY

Brooke's investment powers are set out in our Memorandum and Articles of Association. In accordance with those powers, the Board has appointed professional fund managers to manage the investment portfolio, which represents a substantial proportion of our reserves. The fund managers are issued with investment guidelines, which are determined by the finance committee on behalf of the board.

Brooke's investment objectives are:

- To safeguard Brooke's funds
- To make secure investments which will grow in value sufficiently to protect the funds against inflation
- To generate the best return possible from these funds in order to assist Brooke to carry out its purposes, within the limits of safety detailed as above

A new ethical investment policy was approved by the Board in 2014-15 that mirrored Brooke's ethos and values. Following a tender process, the Trustees appointed James Hambro & Partners to invest Brooke's reserves according to the new investment policy.

At 31 March 2016, 87% of Brooke's total investments were held in asset classes managed by the James Hambro & Partners and 13% were held in certificates of deposits managed by Royal London Asset Management.

The portfolio of assets managed by James Hambro & Partners and Royal London Asset Management are held in segregated accounts and, in the event of failure, would revert to Brooke.

The investment with James Hambro & Partners is a long-term investment for which the funds are not expected to be required for at least four years.

Cash expected to be required after 12 months but within four years is invested in certificates of deposits with Royal London Asset Management. Cash invested in bank deposits outside the investment portfolio totalled £2.6m that supports the day to day activities of the charity.

INVESTMENT PERFORMANCE

The total return for the year on Brooke's longer-term investments was negligible. This compares with a benchmark of relevant market indices that performed -0.1% due to market volatility. The investments held in low risk fixed term deposits similarly yielded negligible returns over the year, reflecting the continued low interest rates during the year.

The use of working equines persists in very modern cities. This donkey works carrying gravel in a pack at a construction site in Delhi.

Photo: Freya Dowson

RISK MANAGEMENT & INTERNAL CONTROL

Brooke has an organisation-wide, risk management process involving all country programmes and the UK office in the identification of risks to the charity and the development of appropriate mitigation plans. The risks are ranked by the likelihood of occurrence and impact to the charity and reviewed on a bi-annual basis. Major risks and the risk management process are discussed with the Finance Committee and the Board twice a year. However, the management of day-to-day operational risks is delegated to the Senior Leadership Team to proactively manage throughout the year.

The Board's risk appetite guides the risk management process. The Board is not seeking to eliminate risk as there is a recognition that it is necessary to accept the risks that cannot be mitigated in full or which fall beyond Brooke's control. However the Senior Leadership Team actively monitor and manage such risks to provide reasonable, but not absolute assurance that the charity is protected.

The Board approves a comprehensive annual plan and budget for Brooke and the Board and its Committees monitor performance against the objectives set out in these plans and budgets on a quarterly basis. Material variances, together with any revised financial forecasts, are submitted regularly to the Finance Committee and to the Board. Additionally risk identification and management also takes place during the annual planning process and the formal approval of any business initiatives. Internal controls audits are commissioned on a regular basis and are prioritised using a risk-based approach. These reports are submitted to the Finance Committee, together with regular updates of progress on the implementation of recommendations.

The Board is satisfied that these systems, combined with internal financial controls and the reserves policy, will ensure that sufficient resources are available to meet the immediate needs of Brooke in the event of adverse conditions.

THE MAJOR AREAS OF RISKS AND THE MITIGATION PLANS

1

RISK DESCRIPTION

Proposed legislation/guidance changes limits fundraising activity and our ability to engage with individual donors by preventing contact with "non-opted in" individuals via mail and telephone

RISK CLASSIFICATION

Compliance

WHAT ARE WE DOING ABOUT IT?

- 1) Telephone Preference Service (TPS) registered donors contacted by either phone or mail to gather 'consent' for future telephone marketing.
- 2) A Data and TPS "opt in/ opt out" compliance audit conducted to assess current database compliance, identify minimum requirements for current compliance and existing gaps.
- 3) Continue to work closely with other sector and legal experts on Data Protection/TPS to ensure Brooke remains up to date with any further proposed changes/ on-going developments
- 4) A sectorial review will be carried out to assess what other charities are doing before the new Data Protection Legislation comes into force in 2018.

2

RISK DESCRIPTION

Brooke operates in territories with high bribery risks thereby increasing risk of breaching UK Anti-Bribery Act and long lines of communication mean that reporting is difficult

RISK CLASSIFICATION

Compliance

WHAT ARE WE DOING ABOUT IT?

- 1) New Anti-dishonesty policy approved by Board June 2015.
- 2) Anti-bribery training held in May 2015
- 3) Country roll-out and training planned in 2016

3

RISK DESCRIPTION

Accident, illness or security in unstable regions/natural disaster may result in serious injury/death to Brooke UK, branch, affiliate or partner staff

RISK CLASSIFICATION

Operational

WHAT ARE WE DOING ABOUT IT?

- 1) Adherence to security policy being enforced
- 2) Security, first aid and crisis management training conducted for appropriate staff in country programmes and UK
- 3) Security documents and procedures in place in UK and CPs
- 4) Security, travel insurance and medicals built into travel authorisation process
- 5) Security review group meets quarterly
- 6) Compliance with Security Policy built into Grant Agreements
- 7) Insurance cover at the country level reviewed

4

RISK DESCRIPTION

Effectiveness Framework does not develop and become implemented across Brooke in a timely manner that starts to measure impact in line with Global Strategy and therefore a lack of evidence for our approach.

RISK CLASSIFICATION

Governance

WHAT ARE WE DOING ABOUT IT?

- 1) Team lead recruited
- 2) The Link project to define livelihoods needs has been launched
- 3) Clear Project plan with milestones, timelines and responsibilities will be developed
- 4) Effectiveness Framework tool testing, evaluation and adjustment
- 5) Training beyond UK team to be carried out
- 6) Implementation plan to be developed

STRUCTURE, GOVERNANCE & MANAGEMENT

Brooke is constituted as a company limited by guarantee registered in England and Wales and a registered charity. Its objects and powers are set out in its Memorandum and Articles of Association.

Brooke activities are coordinated from its headquarters in London. In 2015-16 the London office, with an average of 88 UK staff led by the Chief Executive, funded and advised all overseas operations and staff and kept in touch with approximately 86,000 active supporters in the UK and through Brooke Netherlands and Brooke USA with over 35,000 and 483 active supporters respectively.

A horse stands in the shade of a brick kiln waiting to be unloaded.

Photo: Freya Dowson

BOARD OF TRUSTEES

The directors of Brooke for the purposes of company law are referred to throughout this report as Trustees. They are also Trustees for charity law purposes. The Board of Trustees is the governing body of Brooke and comprises a minimum of six and a maximum of 15. It met four times in 2015-2016. Trustees who served during the year are shown on page 9.

The board is supported by a finance committee, a governance committee and a remuneration committee. The finance and governance committee each met four times last year and the remuneration committee met once during the year. The committees have no decision-making powers but make recommendations to the board.

The terms of reference and membership of every committee is set by the Board of Trustees.

Trustees are appointed by co-option and serve an initial term of four years calculated from the AGM at which their appointment is ratified by the members. Trustees may offer themselves for reappointment to complete a second four-year term and may serve an additional year if there is a requirement for the term to be extended.

Should a Trustee resign prior to the end of their term, a new Trustee may be co-opted to serve the remainder of that term. Trustees do not receive any remuneration for their services. The members of the company comprise all of the Trustees. The members have guaranteed the liabilities of the company, up to £1 each.

Trustees are appointed through an open recruitment process that is widely publicised. Shortlisted applicants are interviewed by a selection panel.

Upon appointment, new Trustees are given a comprehensive manual containing all Board policies and associated documents, including guidance notes issued by the charity commission and receive a structured induction to Brooke. They are invited to the office for a meeting with each director and also offered the opportunity to join staff sessions on topical matters. If appropriate, they also have the opportunity to attend an external training course on responsibilities of being a Trustee. During their first two years, all trustees will be expected to visit at least one overseas country to see Brooke's work in the field. They will also be invited to attend specific events with supporters. On an ongoing basis, there is a Trustee away day once each year which is dedicated to training on a relevant subject, and ad hoc training will be arranged for all trustees to coincide with a Board meeting when appropriate.

ORGANISATIONAL STRUCTURE

The board is responsible for the direction, management and control of Brooke. The board is responsible for approving the policies and strategy of Brooke and for ensuring the effective use of its resources in accordance with its charitable objects and UK law. The board exercises overall responsibility for the direction, management and control of Brooke by supervising the work of the Chief Executive and, through her, the staff, so the organisation is run efficiently and accountably. In order to achieve this, the board reviews all long-term strategic and financial plans together with annual plans and budgets; all major operational and financial policies; and all extensions of Brooke's work, whether through the expansion of existing operations, or establishment of operations in new countries.

The salaries of all senior officers are set based on external pay benchmarking via the use of market data taken from sector pay surveys and reports. An annual cost of living reward is made consistently for all staff based on external data from both economic reports and sector trends to ensure that pay remains competitive in the market place.

During 2015-16 the governance committee implemented recommendations made in the 2014 Governance report. The structure of board meetings was developed to include more time for generative discussions to support implementation of the new strategy. The operating model of the organisation was reviewed to ensure clearly defined roles and responsibilities. The overall aim was to create a more agile organisation that could be responsive to the needs of the animals, with a greater level of delegation to the country programmes. Levels of management were reduced and decision making decentralized to improve effectiveness. In 2016-17 the focus will be on increasing accountability and strengthening international governance arrangements.

At the end of the year, Brooke updated its objects to support implementation of the new five year Global Strategy in 2016-17.

RELATIONSHIPS WITH OTHER ORGANISATIONS

In addition to our three sister organisations, Brooke Egypt, Brooke USA and Brooke Netherlands, Brooke has many important relationships with other organisations overseas.

Brooke Hospital for Animals Trading Limited is a wholly owned subsidiary whose activities include the sale of Christmas cards, the Dorothy Brooke diary and raising of funds through sponsorship. The trading company had a gross income of £78k and made a net profit £48k. (refer to note 16 of the Financial Statements).

Brooke affiliate organisations in India, Pakistan and East Africa are independent legal entities, each established and registered in accordance with local law and having their own Boards of Trustees or directors. Brooke Ethiopia and Brooke Senegal are branches of Brooke. Brooke also collaborates with partners in Afghanistan, Ethiopia, Guatemala, Kenya, Nepal, Nicaragua, India, Pakistan, Senegal and Mexico.

After 27 years of work in Jordan and some significant welfare improvements to the working horses in Petra, Brooke's work was successfully handed over to the government and local organisations to ensure a sustainable benefit to the welfare of the animals. During 2015, direct operations were reduced to the employment of two consultants to maintain support during this final transition phase. The Brooke Jordan office was closed and the NGO branch was de-registered.

Brooke USA is a US 501(c) 3 organisation. It supports the work of Brooke and shares its mission to support the welfare of working equine animals. Some administrative functions are provided to Brooke USA.

Operations in each direct partner, affiliate or branch are headed by a Chief Executive, a country representative, Director or General Manager and each has a country strategy in line with Brooke's Global strategy. The address of each is shown on the final page of this document.

Representatives from each of Brooke organisations across the world constitute the Global Advisory Council which meets annually. This has no executive function but provides advice to Brooke's board on any matters affecting the Charity. It has clear terms of reference and membership is extended to include Brooke's Honorary Vice Presidents.

The collaborative partnerships are between Brooke and third party entities in accordance with the terms of contracts approved by the Board which, unless specifically agreed otherwise, restrict Brooke's commitment to a period of 12 months. Partners' ethics, competence, capacity and philosophical approach to equine welfare are reviewed in accordance with an evaluation protocol. Partners' financial controls are reviewed as part of initial financial due diligence exercise and subsequently as part of a rolling audit programme carried out by Brooke. Partners are required to comply with Brooke's zero-tolerance anti-dishonesty policy which was updated during the year.

During 2015-16, the following organisations worked in partnership, either directly with the UK or with Brooke operation in the country concerned.

DIRECT PARTNERSHIP WITH THE UK

AFGHANISTAN

Dutch Committee for Afghanistan (DCA)

GUATEMALA

Equinos Sanos para el Pueblo (ESAP)

MEXICO

Fundacion Dejando Huella (FDH)

NEPAL

Animal Health Training and Consultancy Services (AHTCS)

NICARAGUA

Oikos – Cooperação e Desenvolvimento

PARTNERSHIPS WITH ORGANISATIONS IN COUNTRY PROGRAMMES

ETHIOPIA

Sustainable Environment & Development Action (SEDA)

African Development Aid Association (ADAA)

INDIA

Gramin Evam Samajik Vikas Sansthan, Rajasthan

Parvatiya Aranya Sewa Evam Vikas Sansthan, Uttarakhand

Arthik Vikas Evam Jan Kalyan Sansthan (AVEJKS), Uttar Pradesh

Social Action for Knowledge Building awareness Raising (SAKAR), Uttar Pradesh

Yuva Gram Mandal, Maharashtra

Social Action for Knowledge Building Awareness Raising, Uttar Pradesh

Navbharat Samaj Kalyan Samiti, Uttar Pradesh

Society for Environmental and Rural Awakening, Himachal Pradesh

Shramik Bharti, Uttar Pradesh

Society for Rural and Eco Development, Andhra Pradesh

Society for the Prevention of Cruelty to Animals (SPCA), Maharashtra

Sarvahitkari Shiksha Prasar Samiti, Uttar Pradesh

Navbharat Samaj Kalyan Samiti, Uttar Pradesh

Sanskrit Samvardhan Mandal, Maharashtra

Gramin Vikas Sansthan, Uttar Pradesh

Sahyog India, Reasi, Jammu and Kashmir

Vinoba Sewa Ashram, (VSA), Uttar Pradesh

New Public School Samiti (NPSS), Uttar Pradesh

Sarvodaya Ashram (SA), Uttar Pradesh

Yuvagram Vikas Mandal, Maharashtra

Shri Bhuvneshwari Mahila Ashram, Uttarakhand

Shashwat Sahbagi Sansthan, Uttar Pradesh

KENYA (EAST AFRICA)

Agency for Pastoralist Development (APaD)

Animal Welfare and Public Health (AWAPH)

Caritas

Farming Systems Kenya (FSK)

Kenya Network or Dissemination of Agricultural Technologies (KENDAT)

Kenya Veterinary Association (KVA)

PAKISTAN

Sindh Rural Support Organisation (SRSO)

SENEGAL (WEST AFRICA)

Union des Groupements Associés du Niombato (UGAN)

Union des Groupements Paysans de Méckhé (UGPM)



Between 200 and 300 ponies and mules work carrying slate from this open cast slate mine in Khanayara in Himachal Pradesh, India. The terrain is rocky and unstable and the animals frequently make their journey without a person present.

Photo: Richard Dunwoody

GRANT MAKING PROCEDURES

Brooke makes grants to Brooke affiliates. It also gives grants on a proactive basis to partner organisations and through our small initiatives funds programme in furtherance of our equine animal welfare objectives.

Grant agreements are in place which clearly set out our expectations and the deliverables of the partner entities. Grants to entities are routinely monitored through quarterly management reports which include explanations of variance from agreed budgets, animal based indicators and key performance indicators. Programme visits are also undertaken by staff and reports are widely circulated to share learning and understanding. Programme audits are contracted on a periodic basis to monitor the quality of the programmatic deliverables. Extensive due diligence exercises are carried out as part of identifying new partners. These include the assessment of programmatic and financial capabilities.

THE ENVIRONMENT

Brooke is committed to reducing the impact it has on the environment and the Board of Trustees has approved an environmental policy. Brooke will always consider the well-being of animals and animal-owning communities and efforts to improve our green credentials will not override our charitable objectives.

PUBLIC BENEFIT

Charity trustees have a duty to report in the annual report on their charity's public benefit.

They should demonstrate that:

1) There is an identifiable benefit or benefits

This report sets out in some detail the activities that Brooke carried out in order to further its strategic aims. All of Brooke's activities are intended to further Brooke's charitable objects which are "To promote the welfare and relieve the suffering of working equines and other animals in Africa, Asia, the Middle East and South and Central America, and in any other areas outside the United Kingdom that the Trustees may think fit, for the public benefit, in particular, but not exclusively, by:

- the support, promotion and provision of veterinary and other animal healthcare services whether in the context of veterinary clinics, animal hospitals, other animal healthcare facilities or otherwise;
- the provision, promotion and support of education in the care, welfare and treatment of working equines;
- advocacy for long term and sustainable improvement of the living and working conditions of working equines; and to relieve the poverty of owners and users of working animals and their communities by improving the health and welfare of such animals.

2) The benefit must be to the public or a section of the public

This report explains in detail the criteria Brooke uses for selecting the geographical areas in which it operates. The Trustees are therefore confident that Brooke meets the public benefit requirements and they confirm that they have taken into account the Charity Commission's guidance on public benefit.

The Trustees have considered the financial projections of income and expenditure that take into consideration the influences of both economic and regulatory changes. There are no material uncertainties that cast significant doubt about the ability of Brooke to continue as a going concern have been identified by the Trustees.

OUR SUPPORTERS AND OUR PEOPLE

Our supporters make everything we do possible. We rely on a huge and diverse community of individuals, local groups, passionate equestrians, charitable trusts and companies. They are united in their commitment to create a better future for the world's most vulnerable working horses, donkeys and mules.



Charlotte Dujardin OBE cuddling a mule foal she named Brooke at Dewa equine fair, India.

Photo: Freya Dowson

Our sustained income in a challenging year is thanks, in large part, to our individual supporters. We are proud that 9,629 people new to Brooke chose to donate to us. This brings the total number of people supporting Brooke to 86,046.

We would like to pay tribute to every generous and thoughtful person who remembered Brooke in their will. Gifts in wills continue to be our largest source of income. We appreciate the many kind supporters who have already chosen to leave Brooke a legacy. As well as kind individuals, we were also supported by 139 charitable trusts this year. We remain grateful for the kind support of the Alborada Trust, which continues to fund two important projects in Pakistan and Kenya. The Underwood Trust has been supporting Brooke since 2011. It is currently generously providing grant funding over three years to help Brooke deliver sustainable improvements to working equine welfare in Moradabad and Shahjahanpur in India. In April 2015 an Underwood trustee saw first-hand the work we carry out thanks to the Trust's support. The visit included a working brick kiln, the local community and a local farrier demonstrating skills learned from Brooke India's team.

The British Equestrian Trade Association (BETA) – the official representative body for the equestrian businesses – chose Brooke as its charity partner for its international conference. BETA represents over 800 businesses serving the equestrian community and we are delighted to receive its support.

The creativity and dedication of our wonderful community groups give Brooke an unmistakable presence in regions throughout the UK.

In October 2015, double Olympic gold medallist and Brooke Global Ambassador Charlotte Dujardin took time out of her hectic schedule to visit our work in India, joined by her friend and fellow dressage rider Alice Oppenheimer. They've been helping us get working equines everywhere the recognition they deserve. Our other Global Ambassador, Monty Roberts, delivered a wonderful demonstration of his Join Up technique at the Royal Mews at Buckingham Palace where we were honoured to receive a surprise visit from Her Majesty The Queen. This unique event was hosted by our President HRH The Duchess of Cornwall. We thank her for commitment to our cause and enduring support.

Our Trustees, who give their time and talents voluntarily to oversee Brooke's work, are a valuable asset. We have 88 members of staff in our UK office and Brooke's international network of affiliates, partners and branches employs around 1,000 people in total.

On behalf of the animals and communities we serve, we would like to express our heartfelt thanks for all this vital support.

GOODBYE TO A LOYAL PATRON

Last year we were very sad to lose our wonderful Patron, long-term champion and dear friend, Sir Peter O'Sullivan, who passed away on Wednesday, 29 July. We miss him very much, both personally and professionally. His dedicated support significantly helped Brooke's mission and created a remarkable legacy of improved welfare for millions of horses, donkeys and mules worldwide.

Sir Peter was a celebrated racing commentator for 50 years. Throughout his legendary career, he found time to support a number of charities. After retiring in 1997, he devoted much more of his time to charitable work. In 1999, Sir Peter honoured us by becoming Brooke's Patron. He visited our work overseas, supported appeals and funded our operations around the world via the Sir Peter O'Sullivan Charitable Trust. Now in its 20th year, the Sir Peter O'Sullivan Charitable Trust recently donated £50,000 to the Brooke, bringing the total it has raised for the charity to over £600,000.



Our wonderful Patron Sir Peter O'Sullivan

Stones from river beds, like this one in Dharmshala India are collected by hand and transported by horse to towns and cities for use in construction.

Photo: Richard Dunwoody

TRUSTEES' RESPONSIBILITIES, AUDITOR'S REPORT AND FINANCIAL STATEMENTS



STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the Strategic Report, the Trustees' report and the financial statements in accordance with applicable law and regulations.

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

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.
- The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This man was grooming his horse in a small settlement in the middle of Delhi. It was very early morning and he had just been to collect a cart load of fruit from the local market which he would go out and sell on the streets of the city later in the day. He lived in a one room house made from plastic and sticks with his young wife and two small children.

Photo: Freya Dowson



A horse just loaded with slate in a mine. It will soon start the long trek out of the mine to a nearby town where the construction materials will be sold and used.

Photo: Freya Dowson



AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BROOKE HOSPITAL FOR ANIMALS

We have audited the financial statements of Brooke for the year ended 31 March 2016, which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and the related notes numbered 1 to 19.

The financial reporting framework that has been applied in their preparation is applicable law and FRS 102, the Financial Reporting Standard applicable in UK and the Republic of Ireland.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Crowe Clark Whitehill LLP were re-appointed as the Brooke's auditors during the year and have expressed their willingness to continue in that capacity.

This report, which incorporates the Strategic Report, was approved by the Trustees on 12th October 2016 and signed on their behalf:

Major General Sir Evelyn Webb-Carter
KCVO OBE DL, Chairman

12 October 2016

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.

This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Strategic report and the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2016 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance FRS 102, the Financial Reporting Standard applicable in UK and the Republic of Ireland; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- The parent charitable company has not kept adequate accounting records; or
- The parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

N. Hashemi

Naziar Hashemi
Senior Statutory Auditor

For and on behalf of:
Crowe Clark Whitehill LLP
Statutory Auditor,
London

Date:

Overly large and precarious loads, like this one carried by a donkey in Faisalabad Pakistan, are a common sight in many of the countries that Brooke works in.

Photo: Richard Dunwoody

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2016 (INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)

	Notes	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total funds Restated 2015 £
Income					
Donations and Legacies	2	15,366,379	1,013,100	16,379,479	17,084,860
Other Trading Activities		78,420	-	78,420	53,904
Investments		128,115	-	128,115	279,263
Other		5,509	-	5,509	2,775
Total Income		15,578,423	1,013,100	16,591,523	17,420,802
Expenditure					
Expenditure on Raising Funds		6,453,328	-	6,453,328	6,021,127
Expenditure on Charitable Activities					
Direct Intervention to Improve Equine Animal Welfare		4,154,975	308,284	4,463,259	3,772,939
Prevention of Welfare Problems		5,567,453	420,298	5,987,751	5,971,960
Influencing for Improved Animal Welfare		1,637,187	123,592	1,760,779	1,263,423
Research		517,119	39,039	556,158	585,795
Total Charitable Activities	3	11,876,734	891,213	12,767,947	11,594,117
Total Expenditure	4A	18,330,062	891,213	19,221,275	17,615,244
Net Gains on Investments	9	116,890	-	116,890	531,503
Net (Expenditure)/Income		(2,634,749)	121,887	(2,512,862)	337,061
Reconciliation of Funds:					
Total Funds Brought Forward	18	12,776,674	123,529	12,900,203	12,563,142
Total Funds Carried Forward	14	10,141,925	245,416	10,387,341	12,900,203

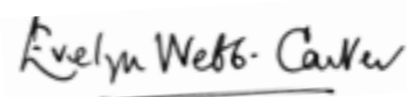
The notes on pages 59 to 71 form a part of these financial statements

CONSOLIDATED AND CHARITY BALANCE SHEET AS AT 31 MARCH 2016

	Notes	GROUP 2016 Restated 2015 £ £		CHARITY ONLY 2016 Restated 2015 £ £	
Fixed Assets					
Intangible Assets	8A	173,669	20,024	173,669	20,024
Tangible Assets	8B	397,358	470,933	397,358	470,933
Investments and Long Term Deposits	9	15,462,472	19,248,163	15,462,472	19,248,163
		16,033,499	19,739,121	16,033,499	19,739,121
Current Assets					
Debtors	11	930,543	1,605,103	941,478	1,616,103
Cash at Bank and in Hand		2,454,824	2,383,509	2,443,889	2,372,509
		3,385,367	3,988,612	3,385,367	3,977,612
Current Liabilities					
Creditors: Amounts Due Within One Year	12	9,031,525	10,827,529	9,031,525	10,827,529
Net Current Liabilities		(5,646,158)	(6,838,917)	(5,646,158)	(6,838,917)
Total Net Assets		10,387,341	12,900,203	10,387,341	12,900,203
The Funds Of The Charity					
Unrestricted Income Funds:					
General Funds	10	7,736,451	7,623,616	7,736,451	7,623,616
Designated Funds	10	2,405,474	5,153,058	2,405,474	5,153,058
Restricted Income Funds	10	245,416	123,529	245,416	123,529
Total Charity Funds		10,387,341	12,900,203	10,387,341	12,900,203

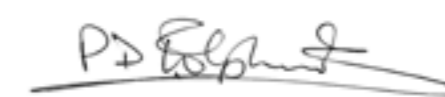
The notes on pages 59 to 71 form a part of these financial statements

The financial statements were approved by the Board of Trustees and signed on its behalf by:



Sir Evelyn Webb-Carter
Chairman

12 October 2016



Paul Elphick
Honorary Treasurer

Brooke was established in 1934 to treat horses left in Egypt after the first World War. In recent years we have expanded to deliver programmes across Africa, Asia and Latin America with a substantial presence in ten countries. Brooke is an international animal welfare organisation dedicated to improving the lives of working horses, donkeys and mules.

Brooke is registered as a Charity in England and Wales (No. 1085760) and with the Companies House (No. 4119581).

CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

		Total Funds 2016 £	Prior Year Funds 2015 £
Schedule			
- A	Net Cash Provided by (Used in) Operating Activities	(3,642,748)	1,259,982
	Cashflow from Investing Activities:		
	Dividends and Interest from Investments	128,115	279,263
	Purchases of Fixtures & Fittings – Tangible	(150,137)	(135,763)
	Purchases of Fixtures & Fittings – Intangible	(166,495)	(9,154)
	Proceeds from Sale of Investments	4,000,000	-
	Purchase of Investments (Stocks and Certificates of Deposit)	(97,420)	(2,272,010)
	Net Cash Provided by (Used In) Investing Activities	3,714,063	(2,137,664)
	Change in Cash and Cash Equivalents in the Reporting Period	71,315	(877,682)
	Cash and Cash Equivalents at the Beginning of the Reporting Period	2,383,509	3,261,191
	Cash and Cash Equivalents at the End of the Reporting Period	2,454,824	2,383,509
Schedule			
- A	Net Movement in Funds for the Reporting Period (as per the Statement of Financial Activities)	(2,629,752)	(194,442)
	Adjustments for:		
	Depreciation Charges	221,763	187,311
	Amortisation Charges	12,850	6,211
	Dividends and Interest from Investments	(128,115)	(279,263)
	Loss/(Profit) on the Sale of Fixed Assets	1,949	(65)
	Decrease/(Increase) in Debtors	674,560	(99,003)
	(Decrease)/Increase in Creditors	(1,796,004)	1,639,233
	Net Cash Provided by (Used In) Operating Activities	(3,642,748)	1,259,982

The notes on pages 59 to 71 form a part of these financial statements

1. ACCOUNTING POLICIES

A. Basis of Preparation

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

Brooke has adopted FRS102 for the first time when preparing these financial statements. The transition date to FRS102 was 1 April 2014 and the last financial statements were prepared under the previous financial reporting framework for the year ended 31 March 2015.

The opening balances for the 2015 financial statements have been restated in accordance with the FRS102 as set out in Note 18. The accounts are prepared under the historical cost convention, with the exception of quoted investments which are stated at market value.

Going Concern

Brooke's planning and performance review processes, include financial projections of income and expenditure that take into consideration the operational influences of both economic and regulatory changes. Brooke is well placed to manage the business risks it faces with sufficient level of reserves, a good cash flow and a strong relationship with our donors and funders. We therefore have a reasonable expectation that we have sufficient resources to continue in operational existence for the foreseeable future and believe that there are no material uncertainties that call into doubt the ability of Brooke to continue as a going concern.

Public benefit

The Trustees confirm that they have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing Brooke's aims and objectives, and in planning activities and setting policies and priorities for the year ahead.

Consolidation

The statement of financial activities and balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. No separate income and expenditure account of the charity has been presented, as permitted by Section 408 of the Companies Act 2006. The functional currency of the Brooke is GBP.

The gross income of the charity for the year was £16.59m (2015: £17.42m) and its gross expenditure was £19.22m (2015: £17.62m). The charity has a wholly owned subsidiary, Brooke Hospital for Animals Trading Ltd. (No.8959139). The financial activities of the company are commercial activities such as Christmas card sales, Dorothy Brooke's diary and fund raising through sponsorship activities. The income generated by the trading company was £78k (2015: £54k) and resulted in net profit for the year of £48k (2015: £16k) that has been passed as Gift Aid to the Charity in furtherance of relieving immediate suffering and creating lasting change for vulnerable working equines.

The results of the subsidiaries are consolidated on a line-by-line basis and further details of the subsidiary are given in note 16.

B. Tangible Fixed Assets and Depreciation

Items costing £1,000 or more are capitalised and depreciated at the following rates:

Fixtures & Fittings.....10% -20% per annum straight line

Office equipment.....10% -25% per annum straight line

Computers & Software.....12% -33.3% per annum straight line

Vehicles15% -20% per annum straight line

Leasehold Improvements.....Life of the lease

The Group accounts include all assets purchased by overseas branches.

C. Intangible fixed assets

Website development costs have been capitalised within intangible assets as they can be identified with a specific project anticipated to produce future benefits. Once brought into use they will be amortised on a straight line basis over three years.

D. Investments

Investments are stated at market value. Realised gains and losses on investments, calculated as the difference between sale proceeds and their market value at the start of the period, are credited or charged to the Statement of Financial Activities in the period of gain or loss. Net unrealised gains and losses in the period are included in the Statement of Financial Activities in the period of gain or loss.

Cash held within the investment portfolio is included within the fixed assets as investments, these are managed by James Hambro & Partners and Royal London Asset Management.

Cash held on short-term deposits is directly managed by Brooke.

E. Incoming resources

All incoming resources are recognised when Brooke is legally entitled to the income, receipt is highly probable and the amount can be measured with reasonable accuracy. Entitlement to legacies is deemed to be the earlier of notification of an impending payment being received, or the payment being received

F. Resources expended

Expenditure is classified by reference to specific activity categories, so that all direct costs relating to a specific activity have been aggregated.

Expenditure on raising funds comprise the costs associated with attracting voluntary income, the costs of trading for fundraising purposes and the costs directly attributable to managing Brooke's investments. The costs of these activities also include expenditure of an indirect nature necessary to support them.

Expenditure on Charitable activities are costs incurred to meet the objectives of Brooke. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them. Grants payable are recognised as soon as the obligation arises.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of Brooke. They include the audit fees and costs linked to the strategic management of Brooke. Every cost is allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource.

Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis as set out in Note 4. Irrecoverable VAT is included as part of the expenditure to which it relates.

G. Financial assets and liabilities

Brooke has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise trade and other debtors. Financial liabilities held at amortised cost comprise, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at fair value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertakings are held at cost less impairment. An analysis of assets and liabilities is set out in Note 17.

H. Operating leases

Rentals payable are charged to the Statement of Financial Activities over the period of the lease, on a straight line basis.

I. Pension costs

The Brooke operates a defined contribution pension scheme for its employees. Contributions to the scheme are charged to the Statement of Financial Activities when incurred.

J. Funds

Restricted funds are generated when donors stipulate how their donations may be spent and these funds are restricted to those initiatives. An analysis of the movements on restricted funds is set out in note 10.

Unrestricted funds are generated when the donors do not stipulate how the income may be spent and the funds support the charity to carry out its work. Unrestricted funds are divided into two further classifications:

- **Designated reserves are funds to support the Brooke achieve its new five year Strategy through a phased expansion into existing and new countries and the implementation of overseas programmes that deliver sustainable change through our Theory of Change.**
- **General reserves are the minimum level of funds set aside to cover possible operational and financial risks identified as part of the annual planning process.**

An analysis of the movements on unrestricted funds is set out in note 10.

K. Foreign Exchange

Transactions denominated in foreign currency are translated at the rate of exchange ruling at the balance sheet date. Income and expenditure transactions incurred in a foreign currency are translated during the course of the year at the rate of exchange prevalent at the date of transaction and are disclosed in the Statement of Financial Activity.

As at 31 March 2016, Brooke had no commitments under foreign currency forward contracts. As at 31 March 2015, Brooke had committed to 161.6m INR and 154.5 KSH. The value of the movement in the forward contracts from the date of commitment to 31 March 2015 was approximately £39,000, which has not been recognised in the financial statements due to its value not being material.

L. Taxation

Brooke Hospital for Animals, as a registered charitable company, is not subject to Corporation Tax, other than on its trading activities, if statutory limits are exceeded. No liability is payable in respect of such activities (2015: nil). Income Tax suffered by deduction is reclaimed in full from the HMRC. The Brooke is registered for VAT and has partial exemption in respect of its trading activities.

M. Judgements and estimates

In the application of the charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year. The principal accounting policies, as set out above, have all been applied consistently throughout the year and the preceding year.

2. DONATIONS & LEGACIES

	Unrestricted 2016 £	Restricted 2016 £	Total 2016 £	Total 2015 £
Regular Giving Donations	7,930,978	1,013,100	8,944,078	8,887,400
Legacies	7,435,401	-	7,435,401	8,197,460
Donations and Legacies	15,366,379	1,013,100	16,379,479	17,084,860

The estimated value of legacies of which Brooke has been informed but which have not been included in the accounts (because the conditions for recognition had not been met) is £7.4m (2015: £6.7m).

3. CHARITABLE ACTIVITIES

	Direct Intervention to Improve Equine Animal Welfare £	Prevention of Welfare Problems £	Influencing for Improved Animal Welfare £	Research £	2016 Total £	2015 Total (Restated) £
Afghanistan	175,204	295,353	-	-	470,557	405,154
Egypt *	(113,036)	(68,323)	-	(18,872)	(200,231)	722,485
Ethiopia	722,126	296,284	23,936	41,554	1,083,900	811,560
Guatemala	57,138	137,977	6,999	-	202,114	65,739
India	816,498	899,189	436,917	225,448	2,378,052	2,011,137
Jordan	6,660	11,866	37,842	-	56,368	86,724
Kenya	914,816	622,076	860,114	89,838	2,486,844	1,326,643
Mexico	6,200	9,043	-	-	15,243	15,361
Nepal	74,896	73,437	84,712	-	233,045	158,257
Nicaragua	64,362	63,109	72,798	-	200,269	191,492
Pakistan	1,078,740	824,191	31,304	49,210	1,983,445	1,853,936
Senegal	152,714	288,840	37,177	-	478,731	361,112
	3,956,318	3,453,042	1,591,799	387,178	9,388,337	8,009,601
UK	506,941	2,534,709	168,980	168,980	3,379,610	3,584,515
Total	4,463,259	5,987,751	1,760,779	556,158	12,767,947	11,594,116

*This amount relates to the release of a provision for the Egypt programme that is no longer required

An analysis of individual amounts spent in each country is shown below:

	Amount Granted (Partnerships and Affiliates Only) 2016 £	Amounts Spent on Direct Implementation via Branches & UK 2016 £	Support Expenditure 2016 £	Total Charitable Activities 2016 £	Total Charitable Activities 2015 £
Afghanistan	457,000	-	13,557	470,557	407,866
Egypt	(182,195)	-	(18,036)	(200,231)	731,186
Ethiopia*	-	988,213	95,687	1,083,900	780,142
Guatemala	194,019	-	8,095	202,114	66,114
India	2,004,548	-	373,504	2,378,052	2,032,097
Jordan*	-	40,150	16,218	56,368	82,378
Kenya	2,042,958	-	443,886	2,486,844	1,344,746
Mexico	14,789	-	454	15,243	15,464
Nepal	193,102	-	39,943	233,045	160,247
Nicaragua	165,944	-	34,325	200,269	193,603
Pakistan	1,875,272	-	108,173	1,983,445	1,866,544
Senegal*	-	450,917	27,814	478,731	307,576
UK - Other	-	18,317	3,361,293	3,379,610	3,606,153
Total	6,765,437	1,497,597	4,504,913	12,767,947	11,594,116

*Country costs associated to Branches cannot be classed as grants to third party organisations.

4(A) TOTAL RESOURCES EXPENDED

	Programme *Cost £	Direct Staff £	Direct Other £	Support Costs £	Governance Costs £	Total 2016 £	Total 2015 (Restated) £
Expenditure on Raising Funds							
Fundraising		1,703,083	3,390,542	394,248		5,487,873	5,209,978
Supporter Services		351,081	490,358	64,976		906,415	763,840
Trading		-	22,755	5,590		28,345	40,720
Investment Management			30,695	-		30,695	6,589
		2,054,164	3,934,350	464,814	-	6,453,328	6,021,127
Charitable activities							
Direct Intervention to Improve Equine Animal Welfare	3,776,361	338,278	181,849	133,168	33,603	4,463,259	3,772,939
Prevention of Welfare Problems	3,402,865	1,085,439	665,591	665,842	168,015	5,987,751	5,971,960
Influencing for Improved Animal Welfare	932,695	523,707	248,787	44,389	11,201	1,760,779	1,263,423
Research	151,110	276,786	72,671	44,389	11,201	556,158	585,795
Total Charitable Activities	8,263,031	2,224,210	1,168,898	887,788	224,020	12,767,947	11,594,117
Governance Costs		167,967	56,054	-	(224,020)	-	-
Support Costs				1,352,602			
Expenditure in Support of Activities		536,677	815,925	(1,352,602)		-	-
Total Resources Expended	8,263,031	4,983,017	5,975,227	0	0	19,221,275	17,615,244

*Staff cost for Branches amounting to £422,498 are included in Programme costs

* Basis of apportionment: Total support costs are allocated based on each activity's proportion of the aggregate expenditure. No support costs are apportioned to investment management as the administration costs are considered negligible.

4(B) ANALYSIS OF GOVERNANCE EXPENSES

	2016 £	2015 £
Staff Costs	167,967	148,073
Trustee Expenses	11,083	7,960
Audit Fees	24,000	23,592
Other Expenses	20,970	43,818
Total	224,020	223,443

5. NET INCOMING RESOURCES FOR THE YEAR IS STATED AFTER CHARGING:

	2016 £	2015 £
Audit Fees for Statutory Audit (Including VAT)	24,000	23,592
Rental Cost Relating to Operating Leases (Including VAT)		
Plant and Machinery	3,000	2,994
Land and Building	293,905	293,905

6. STAFF COSTS

	2016 £	2015 £
Wages and Salaries	4,217,133	3,846,721
Temporary Staff	372,324	137,432
Social Security Costs	391,730	376,069
Pensions and Other Costs*	424,328	277,767
Total	5,405,515	4,637,989

* Total redundancy costs incurred in 2016 £24,255 (2015: £0) due to the realignment of the International area to support delivery of the new strategy. No further amounts were due at the balance sheet date.

In Note 4a, Staff costs for branches amounting to £422,498 have been included within Programme costs.

AVERAGE NUMBER OF STAFF EMPLOYED

	2016 £	2015 £
Fundraising	28	29
Supporter Services	14	14
Charitable Activities UK	32	30
Charitable Activities Overseas (Branches)	81	49
Administration (Including Support Costs and Governance)	26	23
Total	181	145

REMUNERATION OF THE CHARITY'S KEY MANAGEMENT PERSONNEL

The key management personnel of the charity include the Trustees, Chief Executive, Director of Fundraising and Communications, Director of Finance and Information Services, Director of International Programmes, Director of Animal Welfare and Sustainability and Director of Planning and Performance.

	2016 £	2015 £
Total Remuneration of Key Management Personnel	498,548	390,584

Number of Employees whose Benefits, Excluding Employer's Pension Contributions, Amounted to More than £60K	2016	2015
Between £60,001 and £70,000	2	1
Between £70,001 and £80,000	0	0
Between £80,001 and £90,000	2	3
Between £90,001 and £100,000	0	0
Between £100,001 and £110,000	1	1

The pension costs in respect of these employees amounted to £51,333 (2015: £23,775)

7. TRUSTEES EXPENSES

Trustees' total expenses during the year amounted to £11,083 (2015: £9,504). These expenses were incurred in respect of necessary duties carried out and full reimbursement has been made. Six Trustees receiving such reimbursements (2015: 12 Trustees) of which £6,300 (2015: £3,277) related to visits to overseas centres.

The Trustees received no remuneration for their services and made no donations during the year. A Trustee and employee indemnity insurance policy was purchased during the year at a cost of £4,185 (2015: £4,025).

8(A). GROUP AND CHARITY INTANGIBLE FIXED ASSETS

	Computer Applications £	Website £	Assets in the Course of Construction £	Total £
Cost				
At 31 March 2015	-	133,834	9,154	142,988
Additions	1,793	15,046	149,656	166,495
Disposals/Transfers	9,154	-	(9,154)	-
At 31 March 2016	10,947	148,880	149,656	309,483
Depreciation				
At 31 March 2015	-	122,964	-	122,964
Depreciation for the Year	3,251	9,599	-	12,850
Disposals	-	-	-	-
At 31 March 2016	3,251	132,563	-	135,814
Net Book Value				
At 31 March 2016	7,696	16,317	149,656	173,669
At 31 March 2015	-	10,870	9,154	20,024

Assets in the course of construction included expenditure incurred in the development of Brooke's new website that will be brought into existence in early 2017 with the launch of the new brand and logo.

8 (B). GROUP AND CHARITY TANGIBLE FIXED ASSETS

	Computers £	Office Equipment £	Leasehold Improvements £	Fixtures & Fittings £	Vehicles £	Total £
Cost						
At 31 March 2015	530,496	89,612	416,821	104,470	116,109	1,257,508
Additions	15,828	10,488	22,609	32,178	69,034	150,137
Disposals	(63,954)	(10,595)	-	(17,795)	-	(92,344)
At 31 March 2016	482,370	89,505	439,430	118,853	185,143	1,315,301
Depreciation						
At 31 March 2015	363,600	58,924	199,608	92,497	71,946	786,575
Depreciation for the Year	97,730	10,976	85,415	5,461	22,181	221,763
Disposals	(62,005)	(10,595)	-	(17,795)	-	(90,395)
At 31 March 2016	399,325	59,305	285,023	80,163	94,127	917,943
Net Book Value						
At 31 March 2016	83,045	30,200	154,407	38,690	91,016	397,358
At 31 March 2015	166,896	30,688	217,213	11,973	44,163	470,933

9. GROUP AND CHARITY INVESTMENTS

Reconciliation of Investments Held with Fund Manager	2016 £	2015 £
Market Value at 1 April	19,248,162	16,444,649
Acquisitions	-	2,257,815
Disposals	(4,000,000)	-
Sales Proceeds/ Dividends	128,115	14,195
Investment Managers Fees	(30,695)	-
Net Gains on Investments	116,890	531,503
Market Value at 31 March 2016	15,462,472	19,248,162
Historical Cost at 31 March 2016	12,832,838	12,281,378

Investments held in cash £1.1m and listed investments £14.4m.

Investment Holdings Greater than 5% Investment	£ Value	% Holding
Newton Real Return Fund	3,321,560	21.5
Sterling Liquidity Fund	850,000	5.5
Lloyds Bank Certificate of Deposit	774,904	5
National Australian Banks Certificate of Deposit	1,005,664	6.5

10. CONSOLIDATED MOVEMENT IN UNRESTRICTED AND RESTRICTED FUNDS

	As at 1 April 2015 Restated £	Total Incoming Resources £	Total Resources Expended £	Transfers £	Net Gains/ Losses £	As at 31 March 2016 £
Unrestricted Funds						
General Funds	7,623,616	15,578,423	(15,582,478)	-	116,890	7,736,451
Designated Funds	5,153,058	-	(2,747,584)	-	-	2,405,474
Total Unrestricted Funds	12,776,674	15,578,423	(18,330,062)	-	116,890	10,141,925
Restricted Funds						
Afghanistan	-	25,940	(18,239)	12,016	-	19,718
Egypt	-	3,326	(3,326)	-	-	-
Ethiopia	-	200,514	(208,350)	27,194	-	19,358
Guatemala	-	12	(4,343)	4,331	-	-
India	98,639	187,725	(251,133)	50,894	-	86,125
Kenya	-	85,885	(120,070)	35,690	-	1,505
Nepal	-	23,250	(19,967)	3,939	-	7,222
Pakistan	2,890	225,784	(185,851)	50,094	-	92,917
Senegal	-	5,220	(16,513)	11,293	-	-
Nicaragua	-	-	(4,528)	4,528	-	-
The Brooke Journal	-	17,429	(9,697)	-	-	7,732
Formulary	-	13,035	(2,196)	-	-	10,839
Effectiveness Framework Application	10,000	25,000	(35,000)	-	-	-
*Virtual Gifts	-	199,979	-	(199,979)	-	-
Research Capacity Building	12,000	-	(12,000)	-	-	-
Total Restricted Funds	123,529	1,013,100	(891,213)	-	-	245,416
Total Funds	12,900,203	16,591,523	(19,221,275)	-	116,890	10,387,341

We are grateful to all the donors who support our work and wish to thank them for their continued support.

- * Included within restricted funds are Virtual Gifts from our donors that are specifically transferred to country programmes to fund charitable activities.
 ** Any Negative balances have been carried forward on funds where a reasonable expectation exists that funds will be received in a future period from the donor to meet the costs already incurred.

During the year £2,748k was expended in support of a phased expansion into existing countries and the implementation of overseas programmes that deliver sustainable change through our Theory of Change. Grants amounting to £163k were received from Brooke USA, with the majority of the grant coming from one major donor and going to funding our work in Ethiopia, in a new area in Oromia State. Additionally donations totalling £27k were received from Brooke Netherlands in 2015-16 all of which was restricted to our work on Pakistan and India.

11. DEBTORS AND PREPAYMENTS

	Group 2016 £	Charity 2016 £	Group 2015 £	Charity 2015 £
Legacies Receivable	334,433	334,433	484,106	484,106
Tax Recoverable	86,398	86,398	647,817	647,817
Other Debtors	509,712	520,647	473,180	484,180
Total	930,543	941,478	1,605,103	1,616,103

12. CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	Group 2016 £	Charity 2016 £	Group 2015 £	Charity 2015 £
Amounts Committed to Partners	6,780,700	6,780,700	7,354,404	7,354,404
Taxes and Social Security	108,524	108,524	106,448	106,448
Other Creditor and Accruals	2,142,301	2,142,301	3,366,677	3,366,677
Total	9,031,525	9,031,525	10,827,529	10,827,529

13. GROUP AND CHARITY OPERATING LEASE COMMITMENTS

Total minimum lease payments due over the lease term are as follows:

Lease Payments	2016			2015		
	Land & Buildings	Other	Total	Land & Buildings	Other	Total
Not Later than One Year	352,686	2,994	355,680	352,686	2,994	355,680
Later than One Year and Not Later than 5 Years	179,297	5,987	185,284	531,983	8,982	540,965
Later than 5 Years	-	-	-	-	-	-
Total	531,983	8,981	540,964	884,669	11,976	896,645

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Group			
Intangible Assets	165,973	7,696	173,669
Tangible Assets	397,358	0	397,358
Investments	15,462,472	0	15,462,472
Current Assets	3,147,647	237,720	3,385,367
Current Liabilities	(9,031,525)	0	(9,031,525)
Net Assets	10,141,925	245,416	10,387,341
Charity			
Intangible Assets	165,973	7,696	173,669
Tangible Assets	397,358	0	397,358
Investments	15,462,472	0	15,462,472
Current Assets	3,147,647	237,720	3,385,367
Current Liabilities	(9,031,525)	0	(9,031,525)
Net Assets	10,141,925	245,416	10,387,341

15. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2015: none) other than those reported in note 16.

16. SUBSIDIARY UNDERTAKINGS

The Brooke group comprises the parent charity (Brooke Hospital for Animals) and one wholly owned subsidiary (Brooke Hospital for Animals Trading Limited). Brooke Hospital for Animals Trading Limited (BHAT) is a private company limited by shares incorporated in England and Wales.

The principal activities for Brooke Hospital for Animal Trading Limited includes the sale of Christmas cards, sale of Dorothy Brooke's diary and raise funds through sponsorship activities for the furtherance of the parent charities charitable purpose. The results for the year of the subsidiary undertakings are given below.

	Bhat 2016 £	Bhat 2015 £
Total Incoming Resources	78,420	53,904
Total Resources Expended	30,913	(37,667)
Net Incoming Resources	47,507	16,237
Gift to Brooke Hospital for Animals	(47,507)	(16,237)
Retained Surplus/ (Deficit) for the Year	0	0
Total Assets	33,225	11,000
Total Liabilities	(33,225)	(11,000)
Total Funds	0	0

At 31 March 2016, Brooke Hospital for Animals Trading Limited owed the parent charity £11,000 (2015 £11,000) for a start-up loan injection. During the year, Brooke Hospital for Animals Trading Limited expended £2,733 with the parent charity for loan interest charges and use of name and logo.

17. FINANCIAL ASSETS AND LIABILITIES

	Group 2016 £	Group 2015 £
Financial Assets Measured at Fair Value (Investments)	15,462,472	19,248,162
Financial Assets Measured at Amortised Cost (Debtors and Accrued Income)	611,749	639,846
Financial Liabilities Measured at Amortised Cost (Accruals and Provisions)	8,923,002	10,721,081

The charity's income, expense, gains and losses in respect of financial instruments are summarised below

Total Income from Financial Assets Held at Fair Value	128,115	279,263
Net Gains on Financial Assets Held at Fair Value	116,890	531,503

18. TRANSITION TO FRS102 PRIOR YEAR ADJUSTMENT

<i>Transition to Frs102 Reconciliation of Funds</i>	As Previously Stated	Effect of Transition	Transactions Between Entities	Frs102 as Restated
Funds as Previously Stated				
General Funds as Previously Stated	7,562,533	-	-	7,562,533
Holiday Pay	-	(41,506)	-	(41,506)
Consolidation of Branch Net Assets	-	-	-	-
West Africa	-	-	54,881	54,881
Ethiopia	-	-	42,150	42,150
Jordan	-	-	5,557	5,557
General Funds Restated	7,562,533	(41,506)	102,589	7,623,616
Designated Funds	5,153,058	-	-	5,153,058
Restricted Funds	123,529	-	-	123,529
Funds Restated	12,839,120	(41,506)	102,589	12,900,203

<i>Reconciliation of 2015 Surplus for the Year</i>	As Previously Stated	Effect of Transition	Transactions Between Entities	Frs102 as Restated
2015 Surplus as Previously Stated	275,978	-	-	275,978
Holiday Pay	-	(41,506)	-	(41,506)
Consolidation of Branch Net Assets	-	-	-	-
West Africa	-	-	54,881	54,881
Ethiopia	-	-	42,150	42,150
Jordan	-	-	5,557	5,557
2015 Surplus as Restated	275,978	(41,506)	102,589	337,061

NB: Narrative disclosure required explaining nature and purpose of each adjustment

- Holiday pay has now been accrued in line with the requirement of the new FRS 102 accounting regulations.
- The Consolidation of Branches for the first time has required their net assets as 31 March 2015 to be captured in the Group accounts affecting the opening reserves.

19. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2015

	Notes	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds Restated 2015 £
Income				
Donations and Legacies	2	16,192,394	892,466	17,084,860
Trading Activities		53,700	204	53,904
Investments		279,263		279,263
Other		2,775		2,775
Total Income		16,528,132	892,670	17,420,802
Expenditure				
Expenditure on Raising Funds		6,021,127		6,021,127
Expenditure On Charitable Activities:				
Direct Intervention to Improve Equine Animal Welfare		3,439,054	333,885	3,772,939
Prevention of Welfare Problems		5,454,859	517,101	5,971,960
Influencing		1,151,611	111,812	1,263,423
Research		534,548	51,247	585,795
Total Charitable Activities	3	10,580,072	1,014,045	11,594,116
Total Expenditure	4A	16,601,199	1,014,045	17,615,244
Net Gains on Investments	9	531,503	-	531,503
Net (Expenditure)/Income		458,436	(121,375)	337,061
Reconciliation of Funds:				
Total Funds Brought Forward		12,318,237	244,904	12,563,142
Total Funds Carried Forward		12,776,673	123,529	12,900,203

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Registered in England & Wales
Company number 4119581
A company limited by guarantee
A charity registered with the Charity Commission
Charity No.1085760

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A donkey standing in a Delhi suburb waiting to be unloaded at a construction site. Many houses use cheap recycled bricks so it is not uncommon to see donkeys walking from one street to another, loaded up with chipped and broken bricks.

Photo: Freya Dawson



Brooke works with 19 Qalandar communities in northern India, offering welfare training and supporting Equine Welfare Groups. This young girl from the Qalandar camp at the Dewa equine fair showed care and compassion for the foals she was looking after.

Photo: Freya Dawson

One mule of hundreds used in the tourism industry at the Katra Shrine in India.

Photo: Richard Dunwoody



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