



# ANNUAL REPORT & ACCOUNTS

2019/20

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**WELCOME TO BROOKE**

# CEO's introduction



**After 11 life-changing years, this is my last annual report as Brooke's CEO. I am so proud of our achievements this year. Enabled by great progress in our monitoring and accountability, they deliver proof that our approach is creating self-sustaining transformational change for working horses, donkeys and mules around the world.**

It is evident to anyone familiar with developing countries that animals are part of the fabric of poor communities everywhere. Anyone in these communities can bring about positive change for animals and this is why our links with communities are so strong. Our staff come from these communities and the practical tools for change are developed within them. This year, two of our flagship global projects, Global Farriery and Compassionate Handling have been launched.

Our work unlocks compassion for animals in all kinds of people; children in Afghanistan and Kenya learning about donkey welfare, women in India forming equine welfare groups, whole communities in Guatemala learning about compassionate handling and networks of vets and paravets from Senegal to Pakistan developing their skills and knowledge of equine health through mentoring. They are all essential to Brooke's ripple effect, which has enabled us to scale up the number of animals and communities benefitting from better animal welfare.

In recent years we have significantly developed our work with women for two critical reasons; they are often the main carers of working horses, donkeys and mules, and their daily life is dependent on having a healthy animal. However, we must not view women in isolation and this year I am delighted to report that we completed our Gender Audit, with an action plan to follow, as part of our diversity and inclusion agenda.

Effective influencing at regional, national and international levels is a vital way of scaling up our impact by benefitting animals in places where we have no physical presence. A career highlight for me came this year with the achievement of a national ban in Kenya on the slaughter of donkeys to supply the skin trade. There is much more to do to keep this ban in place, and Brooke will go on to secure more bans of this crippling trade in Africa and beyond.

In recent years, Brooke has enhanced our response to disasters and emergencies. We have contributed to relief efforts for floods in Pakistan and India, drought in Afghanistan, Ethiopia and Senegal, the 2015 earthquake in Nepal and 2018 volcanic eruption in Guatemala. We are currently seeing the vital contributions of working horses, donkeys and mules to community resilience during the COVID-19 pandemic.

We will continue to ensure their role is recognised by Governments. This year Brooke America Central successfully linked working horses, donkeys and mules to climate change resilience in Nicaragua and across the region.

Throughout my time at Brooke and in particular this year, there has been an impressive evolution in how we gather and use evidence. Our research now focusses on informing key aspects of our theory of change. Our planning, collection and use of data has gone from strength to strength. We have sector-leading tools such as BrookeCheck to facilitate this. In addition, we scaled up independent evaluations of our work this year to increase our accountability as a learning organisation, and continuously improve our impact for animals.

To get the very best impact for the horses, donkeys and mules we all work to support, it is crucial the voice and experience of our countries of operation are present within the leadership of Brooke. I am delighted to have established Brooke's first truly global leadership team during my tenure, driving positive change from all corners of the charity.

Everything Brooke achieves is thanks to our wonderful supporters and donors. I always apply my 'supporter test' when considering whether or not we should go ahead with a proposed project; I ask myself and others "how would we justify this to a supporter?" I think it is our dedication to this principle that encourages so many of our supporters to stay with us for decades, ensuring financial stability even in these most challenging of times. My sincere thanks to you all.

Our world is changing rapidly, unquestionably now more than ever, with the recent global spread of COVID-19 and its profound and uncertain consequences. I want to thank all the staff at Brooke for their extraordinary commitment and professionalism during the pandemic. Your support to each other, to supporters, to the animals and communities we serve, is inspiring and humbling.

You all leave me in no doubt that Brooke will emerge as a stronger, more agile organisation to continue changing the world for its working horses, donkeys and mules, and the people who depend on them.

**Petra Ingram**  
International Chief Executive



## THE ISSUE OF WORKING HORSES, DONKEYS AND MULES AROUND THE WORLD

As many as 600 million people from poor communities around the world depend on the labour of working horses, donkeys and mules. Life is often precarious in the places where Brooke works, with many areas lacking the resilience to deal with the increasing number of shocks impacting our world today, from climate change to failing economies. For many, their equine animal is a crucial livelihood asset, undertaking vital money-earning tasks every day. Severe daily pressures mean that animal welfare is frequently overlooked and often results in working animals suffering significantly. These working animals, therefore, deliver only a fraction of the benefits that they would be capable of if their health and welfare were better.

Brooke works to improve the health and welfare of working horses, donkeys and mules, to give working animals a life worth living, even in the harshest of conditions. The impact of our work also creates more resilient livelihoods for the animals' owners who rely on them for their daily income and way of life. We believe that animal health and welfare play a vital role in overall global health and human well-being. That is why our Theory of Change navigates the complex relationships between working livestock, the communities they serve, and the regional and national animal health systems where they live.

We talk about 'systems' to acknowledge all the different factors that need to be present and work together to deliver a good outcome. A system is a collection of interdependent parts that work together for a particular purpose. For instance in the UK, nurses, doctors, general practice surgeries, pharmacists and physiotherapists are just some of the parts that make up the UK's health care system.

## Our Theory of Change in action



*This year we launched our global farriery project in Ethiopia, India and Senegal.*

### A life worth living and a job worth having in a thriving equine-owning community:

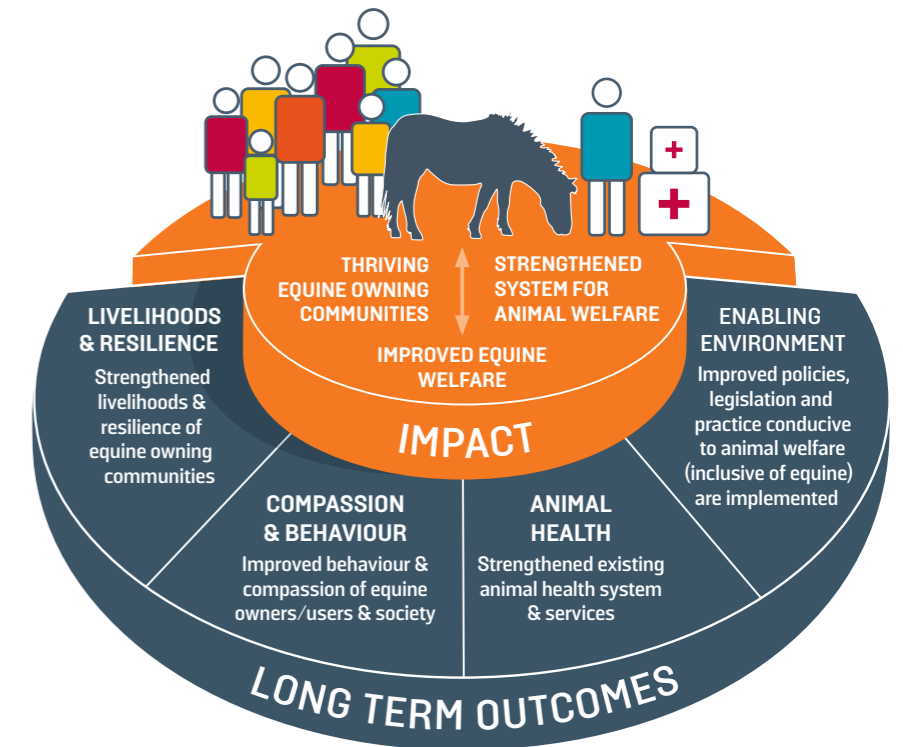
Adane Abay is a farrier from Adaba Woreda in Ethiopia that Brooke has mentored through our Global Farriery Project. By improving his skills as a farrier, Adane has dramatically improved his livelihood and catalysed lasting change throughout his community.

Adane used to work with a traditional hammer and large knife to trim hooves, often causing injuries and distress to the animals. His ways of working changed when he began his mentorship with Brooke Ethiopia. He said,

*"My skills have definitely been improving. I have learnt new techniques, upgrading my services to knowledge-based ways of working. With the new techniques and new tools, I don't injure the animals. Before the training, the animals I treated used to start bleeding and walking lamely after I finish the trimming."*

Having received training in animal handling and community engagement, Adane knows how to talk to equine owners about animal welfare. Adane said,

*"I have seen a significant improvement in the welfare [of the animals] and the attitudes of owners. The relationship that people have with their animals has improved. Community Change Agents [people trained by Brooke to promote animal welfare] bring me customers by talking to owners about the importance of farriery and telling them that I am coming to serve the community as well."*



*Brooke's Theory of Change*

Adane has kickstarted other income-generating activities, like harness production and opening an animal feed shop alongside his farriery service. As his customers increase, so does his income and his status within his community. Adane's story illustrates beautifully the long-term outcomes and critical impact areas in our Theory of Change.

### Our findings show that by:

- Training existing farriers like Adane ensures that animal health systems are strengthened and enables communities to access high-quality local services;
- Engaging animal owners on the importance of animal welfare, hoof care and regular trimming changes behaviour and increases compassion towards working equines. This in turn raises the demand for high-quality animal health services;
- Improving the health and welfare of working animals, the livelihoods and resilience of equine-owning communities increases.

# Where we work

Brooke is a global organisation, with established branches, affiliates and sister organisations in ten countries and regions. We work extensively beyond the borders of our key countries, through partnerships and projects.

HQ  
UK

## AFFILIATES

Brooke East Africa  
Brooke India  
Brooke Pakistan

## BRANCHES

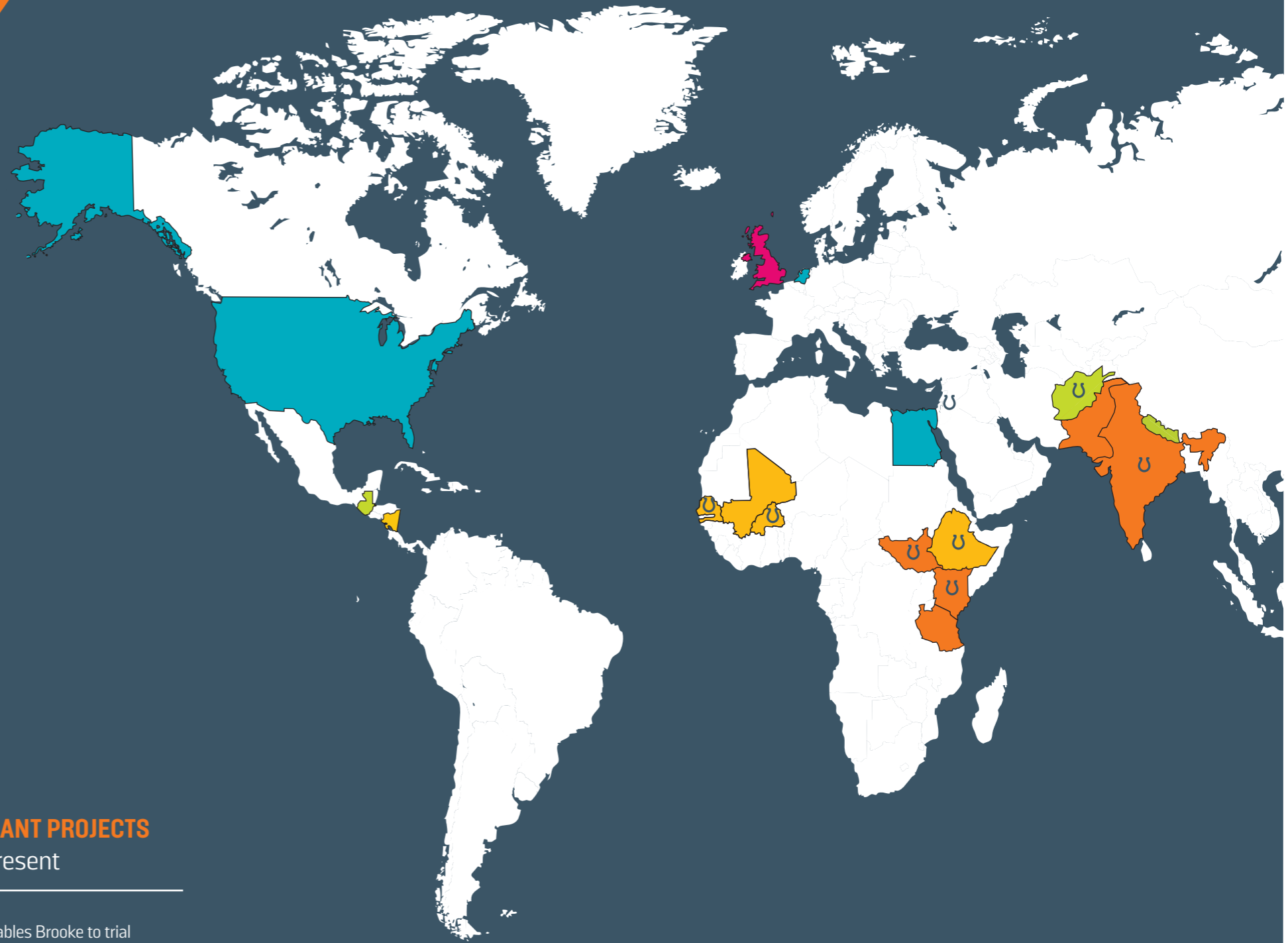
Brooke Ethiopia  
Brooke West Africa  
Brooke Central America

## SISTER ORGANISATIONS

Brooke Hospital for Animals Egypt  
Brooke Hospital for Animals Netherlands  
Brooke USA

## CONTRACT PARTNERS

DCA – Afghanistan  
*(Dutch Committee for Afghanistan)*  
Afghanaid – Afghanistan  
ESAP – Guatemala  
*(Equinos Sanos para el Pueblo)*  
AHTCS – Nepal  
*(Animal Health Training and Consultancy Service)*



## INNOVATION GRANT PROJECTS from 2016 to present

The innovation fund enables Brooke to trial new ideas, learn and extend our reach and positively impact on the welfare of more working equines globally.



Afghanistan  
Burkina Faso  
Ethiopia  
India  
Kenya

Lesotho  
Palestine  
Senegal  
South Africa  
South Sudan

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

## Highlights of the year

**1,519,925**

Animals directly worked with

**824,901**

Owners worked with

**4,679**

Brick kilns worked in

**4,902**

Animal health providers mentored

**11,941**

communities worked with

**94,734**

Brooke Supporters

**8,600**

NEW Brooke supporters

**58**

community fundraising groups

**98%**

of Brooke supporters satisfied or very satisfied

**533**

pieces of media coverage

**7**

Research presentations

**5**

Peer reviewed research papers

## Highlights from around the world

Delivering enduring improvements that strengthen existing local, national and international systems is at the heart of Brooke's work. In this way we promote independent, self-sustaining animal welfare infrastructure and practices as a route to achieving our vision of a world where working horses, donkeys and mules are free from suffering.

### PAKISTAN

EQUINE HEALTH AND MEDICINE RECOGNISED IN NATIONAL REVIEW OF THE VETERINARY CURRICULUM

### INDIA

TRADITIONAL PRACTICES OF EQUINE NOSE SLITTING AND FIRING ERADICATED

### NEPAL

OWNERS TAKING OUT EQUINE INSURANCES ROSE BY 132% FROM PREVIOUS YEAR

### AFGHANISTAN

EQUINE WELFARE IS BEING INCORPORATED INTO NATIONAL PARA-VET TRAINING

### GUATEMALA

DELIVERED AND REVIEWED A COMMUNITY-BASED COMPASSIONATE ANIMAL HANDLING PILOT PROJECT

### NICARAGUA

ALL NICARAGUAN GOVERNMENT VETS TRAINED ON LIVESTOCK IN EMERGENCY PREPAREDNESS AND RESPONSE WITH FOCUS ON CLIMATE CHANGE

### SENEGAL

MINISTRY OF VOCATIONAL TRAINING TO ESTABLISH THE FIRST TRAINING INSTITUTION FOR FARRIERS

### KENYA

NATIONAL BAN ON DONKEY SLAUGHTER ACHIEVED

### ETHIOPIA

MULTI-STAKEHOLDER FOCUS ON IMPROVING ACCESS TO ESSENTIAL ANIMAL MEDICINES



# Progress towards our overarching goals

## HOW DID WE DO?

Within our current five-year strategy, Brooke has two overarching strategic goals. Together, they enable us to achieve lasting change for more of the world's vulnerable working horses, donkeys and mules.

## SUSTAINABLE IMPROVEMENT

Our first strategic goal is to create sustainable change in equine welfare.

This year Brooke teams around the world used stakeholder engagement approaches to facilitate sustainable systems with long-term benefits for working equines and the communities they serve. In Senegal, we connected local service providers to communities through the Veterinary Resource Network. We also supported equine owners in India to form community organisations to strengthen their animal welfare knowledge and their resource purchasing power.

We commissioned several independent and internal evaluations of our work. Various aspects of Brooke Pakistan were assessed as being highly sustainable and a solid foundation for long-term impact. In particular, findings showed that Brooke Pakistan's Business Associated Model (BAM) strengthened local health systems, providing quality animal health services to local people and increasing trade for local health providers.

Brooke's practical approach in the brick kilns convinced brick kiln owners and equine owners working at the kilns to adopt more compassionate practices towards working animals. And national Governments were successfully influenced to include animal welfare in policy and legislation.

## GLOBAL REACH

Our second strategic goal is to reach more working horses, donkeys and mules via our branches, affiliates and independent partner organisations; and through collaborations with local and regional partners. Brooke defines 'reach' as the number of equines belonging to owners and users who have participated in Brooke's programmes through Branches, Affiliates and Partners.

This year we have reached around 1.5 million horses, donkeys and mules from an overall target of 1.4 million. In the last two years, we have put considerable effort and expertise into increasing our accountability. We have progressed from counting the number of animals within our programmatic areas to delivering data on the number of animals, owner and communities directly worked with.

We are continuing to apply our world-class animal welfare assessment tool BrookeCheck, and we are currently developing bespoke monitoring tools for livelihoods, owner behaviour, animal health practitioner mentoring, and farrier mentoring. We are also updating and enhancing our pioneering Sharing the Load (2010) community engagement tool for animals. More details on our monitoring tools can be found in the next section of this report.



# Annual figures

## 2019/20

Our target for the number of animals we aimed to reach this year is slightly lower than last year. This is partly because external evaluations identified that several long-term Brooke India projects demonstrated sustained progress in equine welfare, having already achieved positive outcomes and concluded with a planned exit strategy. Similarly, in Afghanistan, our partner AHTCS exited some areas, resulting in the scaling down of the programme.

Historically, we have also included the number of horses, donkeys and mules reached through equine fairs; last year this totalled 109,000 animals. This year, we decided to exclude these because the short duration of equine fairs means that no sustained work is done. Additionally, many fairs sell animals coming from areas where Brooke

works, and we did not want to inflate our reach numbers by counting the same animal twice. Despite the fact that we are actively making a difference at equine fairs, we have decided to exclude these from our overall figures to increase the robustness of our data.

In other countries, reach figures were under target due to in-country contexts. In Brooke West Africa, security concerns in Burkina Faso restricted the programmatic work of two partners. Across Brooke's East Africa region, the increasing scale and impact of the donkey skin trade called for a reallocation of resources which in turn reduced planned fieldwork. Brooke Ethiopia also had lower reach than planned in some urban areas due to resourcing issues.

|                                  | Animals directly worked with | Owners worked with | Communities worked with | Brick kilns worked in | Coal mines worked in | Animal health providers mentored |
|----------------------------------|------------------------------|--------------------|-------------------------|-----------------------|----------------------|----------------------------------|
| <b>Branches &amp; Affiliates</b> |                              |                    |                         |                       |                      |                                  |
| Ethiopia                         | 353,346                      | 151,960            | 209                     | -                     | -                    | 144                              |
| West Africa                      | 95,709                       | 50,373             | 547                     | -                     | -                    | 176                              |
| East Africa                      | 387,594                      | 173,400            | 456                     | -                     | -                    | 691                              |
| Nicaragua                        | 2,204                        | 1,080              | 50                      | -                     | -                    | 0                                |
| India                            | 294,729                      | 189,776            | 9,880                   | 4,114                 | -                    | 3,164                            |
| Pakistan                         | 98,176                       | 77,563             | 287                     | 515                   | 200                  | 207                              |
| <b>Partners</b>                  |                              |                    |                         |                       |                      |                                  |
| AHTCS (Nepal)                    | 1,995                        | 854                | 14                      | -                     | -                    | 36                               |
| AfghanAid (Afghanistan)          | 1,833                        | 2,000              | 19                      | -                     | -                    | 28                               |
| DCA (Afghanistan)                | 105,559                      | 36,514             | 268                     | -                     | -                    | 361                              |
| ESAP (Guatemala)                 | 594                          | 445                | 20                      | -                     | -                    | 0                                |
| Egypt                            | 178,186                      | 140,936            | 191                     | 50                    | -                    | 95                               |
| <b>Total</b>                     | <b>1,519,925</b>             | <b>824,901</b>     | <b>11,941</b>           | <b>4,679</b>          | <b>200</b>           | <b>4,902</b>                     |







## Progress with our global plan

In 2019, we developed a Global Plan to provide cohesion and help deliver Brooke's work as a truly global organisation, as highlighted in our five-year Global Strategy (2016–2021). The Global Plan represents a significant improvement in our planning and monitoring processes, with specific indicators outlining what success would look like in 2021 and the steps we need to take to get there. The plan enables Brooke to be more focussed and accountable and was a consequence of a mid-term review of our progress against our 2016–2021 Global Strategy. Finally, it offers an opportunity to reflect on our successes; lessons learnt and challenges ahead.

**Our key areas of reporting reflect the primary areas of our Theory of Change articulated in our Global Plan:**

- Strengthening livelihoods and resilience
- Human behaviour change towards working horses, donkeys and mules
- Strengthening animal health systems
- Increasing Brooke's visibility and influence for policy change

**And the enabling aspects of our approach:**

- Future-proofing our income
- Our people
- Strategic partnerships
- Evidence and insight

**Supported by:**

- Technology
- Project management
- Organisational approach to gender
- International governance
- Shared learning and communication agendas
- Safeguarding and compliance



# Strengthening livelihoods & resilience

To assess one of the main elements in our Theory of Change and Global Plan, Brooke has developed a livelihoods monitoring tool. We have tailored this to the Sustainable Livelihoods Framework of the Department for International Development. Our workshops in India, Kenya, Burkina Faso and Senegal have helped us to develop unique livelihood assessments for each project, and collect baseline data. Initial results from our pilot in Kenya indicate that there are links between income generation, integrated farms systems, water access and benefits to equine welfare. Over time, a higher volume of evidence will enable us to verify or otherwise, one of the main assumptions in our Theory of Change; that improvements to human livelihoods benefit working equine animals. We will continue to collect comparative data annually

## £7.9m

Our total expenditure in this area, including human behaviour change. Referred to in our accounts as prevention of welfare problems.



## COMMUNITIES FOR ANIMALS

One of Brooke's flagship global projects is Communities for Animals. Over the past year, we have enhanced our pioneering action tool, Sharing the Load (2010), by integrating best practices that promote sustainable animal welfare improvements. These include community engagement and development, evidence-based behavioural change science, and participatory approaches encouraging community empowerment and ownership. We have also adapted our tools for use across different cultures and working contexts, and emphasised emerging gender and livelihood trends.

In 2019, we updated 22 participatory learning and action tools. We completed five international piloting programmes

and hosted learning exchange workshops in India, Kenya, Ethiopia, Pakistan and Senegal, to test the effectiveness of our tools. We also built capacity in local programme teams to facilitate learning and create a global community of practice. This activity is being overseen by a newly recruited Global Community Development Adviser.

We are also developing an online platform to share our learning in a user-friendly way. The platform will promote the adoption of best practices and ensure that users have access to revised tools, learning modules and appropriate guidance when working with different communities. Users will also be able to download materials for offline use and easily update these where necessary.

## Case study

### BUILDING RESILIENT LIVELIHOODS

The Kaliluni Donkey Welfare Group, formed in 2016, is located in Mwingi of Kitui County in Kenya. Its objective is to advocate for the welfare of donkeys and the community that depends on them. The group consists of 32 members, predominantly female, and supports 67 donkeys from Kaliluni.

In Kitui County, plastic and nylon materials are widely used and are later recycled as animal harnesses and tethers. These poor materials and practices have caused many donkeys to suffer from hobbling, body lesions and hair loss.

Working with Brooke East Africa's local partner, Caritas Kitui, the group has promoted the production of welfare-friendly sisal ropes. As well as preventing so many animals suffering, it creates employment and income-generating opportunities for women. To make the project sustainable, as well as establishing a co-operative sisal farm, each member planted sisal seedlings at home, resulting in almost 4,000 new plants to keep the project going.

Findings show that this project has reduced hobbling lesions and wounds associated with the use of poor ropes; and that retailers are stocking more sisal ropes than nylon-based options. Thanks to our partners the group is now the leading supplier for local markets and donkey welfare groups, having sold 1,746 ropes between March 2019 and February 2020. They made Ksh. 89,050 in profit, of which, Ksh. 13,500 was used to treat donkeys belonging to the group at least three times last year. The remainder was saved for investment, with all women receiving a loan to invest in a new business or support their families.

*"We are the major suppliers of sisal ropes in Migwani and Mwingi. Everyone is aware of what we do, and they come to buy from us because we are capable of producing ropes at bulk. We believe these ropes are sold to donkey farmers for improved tethering and harnessing practices."*

*Lucia Ngei, the group chairperson*



Animals, people and the environment benefit from local sisal rope production.

# Human behaviour change towards working horses, donkeys and mules

Above all, it is the people that work with animals who have the most significant impact on animal welfare. Our Theory of Change recognises the symbiotic relationship between thriving equine owning communities and sustainable animal welfare, and our priority is to encourage positive human-animal interactions which promote animal welfare.



Brooke India works in 4,114 brick kilns.

## Case study:

For those battling poverty, the concept of animal welfare remains unknown. When empowered by training, animal-owning communities put their learning into practice and see the benefits in their animals and their livelihoods. When Brooke India began work in the village of Ambajogai in Maharashtra, animal owners lacked knowledge on equine diseases and had poor animal husbandry practices. Low body condition scores, persistent wounds, lameness, hoof problems, and colic were prevailing equine welfare issues. Consequently, a high number of animals were dying from preventable diseases.

Brooke India gradually built a rapport with donkey owners through regular training workshops, and soon identified Manisha Subhash Bhindey as one of the strongest participants. She began promoting good equine welfare

practices throughout Ambajogai and the neighbouring brick kiln to where she worked. Manisha now knows basic donkey first aid and understands how to prevent common equine diseases. She has facilitated the construction of a rolling pit for donkeys; propagated the use of lime ash for proper hoof care; and ensured the use of welfare-friendly donkey carts to benefit 32 donkeys in the DJ Pokharkar Veet Udyog Brick Kiln.

Our Owner Behavioural Assessment (OBM) tool shows that, 81% of owners in Maharashtra now demonstrate acceptable equine husbandry practices. Brooke India's work with regional stakeholders also resulted in 78% of brick kilns providing green fodder for donkeys; an additional 189 individual brick kilns being built to offer shade for equids; and the community being able to purchase equine-specific medicine in 78 medical shops at affordable prices.

*"I am really thankful to the Brooke that in spite of my humble background, they offered me regular training in good equine welfare practices and built my capacity to deal with ailments."*

*Manisha explains how Brooke's engagement with her village was a turning point.*

## ADDITIONAL ACHIEVEMENTS INCLUDE:

- A new Animal Welfare Policy which provides tools to support implementation, and outlines our expectations of staff and the significance of positive welfare;
- Tools developed in collaboration with SaddleAid to assess harness equipment;
- The delivery of compassion building workshops to 950 men and 500 children in Afghanistan via Brooke's partner DCA. This has resulted in more animals being taken to paravets for treatment;
- Brooke West Africa's successful engagement with Catholic priests and Muslim imams to promote religious arguments which favour good animal welfare;
- 75% of brick kilns in India having adequate infrastructure and access to animal services;
- More than 25,000 equine owners and their 30,043 horses, donkeys and mules, benefiting from 16 water structures donated and delivered by Brooke Ethiopia.

## Launching

# COMPASSIONATE HANDLING FOR LIFE

This year we launched our global project, Compassionate Handling for Life, introducing ten easy-to-apply principles to ensure that working animals receive better handling to improve their welfare.

## As part of this flagship project, we have:

- Published Guiding Principles for Compassionate Handling in English, French and Spanish
- Started developing a competency-based handling training framework
- Visited Brooke West Africa to review their handling training needs
- Hosted a Compassionate Handling training workshop for recruits in Pakistan
- Commenced building an international community of practice
- Delivered a community-based handling project in Guatemala with Brooke partner ESAP
- Produced downloadable factsheet resources for Brooke's website



# Strengthening animal health systems

A strengthened animal health system includes improved access to appropriately trained animal health professionals and medicines, increased consumer demand for quality services and effective legislation to influence implementation and uptake.

## £5.6m

Our total expenditure in this area. Referred to in our accounts as direct intervention.



Brooke has mentored a total of 4,902 animal health professionals this year.

## DEVELOPING THE SKILLS OF ANIMAL HEALTH PROFESSIONALS

Brooke's pioneering Animal Health Mentoring Framework (AHMF) is now integral across all of our healthcare programmes. Our partners, DCA and Afghanaid, have begun using the multispecies version of the framework to raise competence amongst veterinary paraprofessionals in working with a broad range of animals. Brooke East Africa also conducted a pilot project with the Kenyan Veterinary Board (KVB) whereby all graduates were mentored using the framework by KVB vets trained by Brooke East Africa. Feedback was overwhelmingly positive, with the KVB

reflecting on the strengths and weaknesses of graduates from different training institutions and used to improve curricula.

A key finding in some programmes has been the lack of available pain relief medicines which is assessed as a low score for kit contents and maintenance in the mentoring framework. Brooke Ethiopia has faced particular difficulty in accessing essential medication, and is using the framework results to form a national response.

## Key performance successes this year include:

- An overall increase in "good" and "outstanding" scores among mentored animal health practitioners (AHP) in Brooke operations across Pakistan, India, Ethiopia and West Africa;
- A total of 71% of programmes and projects reaching or exceeding their AHMF targets;
- A rise in the overall average score for AHPs in Brooke Pakistan from 55% to 72%, exceeding their year-end goal;
- An increase from 0% to 12% on kit content and maintenance in Brooke East Africa, from a collective effort to access to essential pain relief medication;
- Brooke Ethiopia and DCA exceeding their average score targets;
- DCA paravets scoring an average of 85%;
- Significant gains in all programmes in animal welfare advocacy and clinical expert categories.

## GLOBAL FARRIERY

Farriery and hoof care play a crucial role in an animal's wellbeing throughout its lifetime. Done skilfully it can support working horses, donkeys and mules in doing their jobs well while staying healthy; and create a positive relationship between owners and their animals.

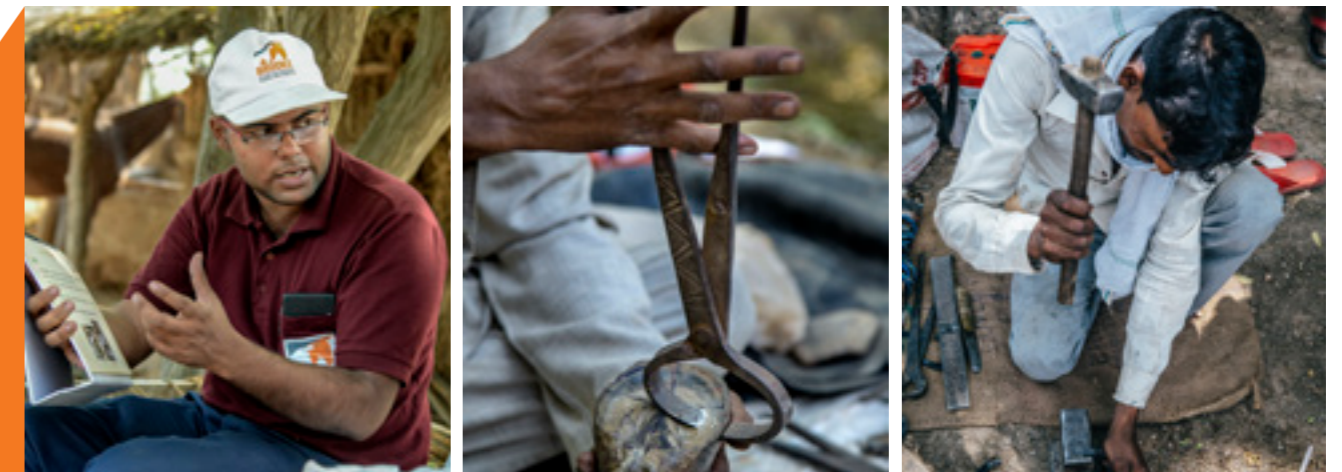
Brooke has been supporting community-based farriers for many years. To build on our successes in this area, we launched the Global Farriery Project in India, Ethiopia and Senegal. The project aims to encourage the development of professional standards, improving hoof health for millions of animals and supporting sustainable livelihoods for families.

An equally important goal is to raise the profile of farriery as a profession. In low and middle-income countries, farriery remains an unrecognised and unregulated industry, with no training institutions or professional standards for practitioners to follow. We are therefore proud to announce that Brooke West Africa has signed an MOU with the Ministry of Vocational Training to establish the first training institution for farriers in Senegal.

We have also recruited a group of farriery experts to act as training consultants and develop local farrier trainers so that UK consultants are not needed in the future.

## Key successes this year include Brooke:

- Delivering training to 21 farrier mentors, 1,039 farriers and 15 vets;
- Completing three Training of Trainer workshops in India, Ethiopia and Senegal;
- Developing, piloting and successfully completing of our farrier mentoring framework;
- Launching a pioneering shoeing pilot in Ethiopia which introduced well-designed steel shoes;
- Securing three restricted funding grants for the project next year.



Our Global Farriery Project aims to set professional standards for a career in farriery.

## WORKING IN COALITION

As a member of the International Coalition for Working Equids (ICWE), we continue to promote the OIE working equine welfare standards to the OIE's 182 member states. Following last year's success, we held two more workshops in the Americas and the Asia-Pacific region on the vital role played by equine animals in national economies, introduced the welfare standards and basic welfare assessments.

Participants were encouraged to commit to influence their national government to improve the lives of working horses, donkeys and mules.

Also as part of ICWE for the OIE, we continued developing the Working Equid Standards Library of Information (WESLI). This document will recommend required welfare standards for working horses, donkeys and mules, and practical methods for their global implementation.



## Visibility & influence for policy change

# £2.0m

Our total expenditure in this area. Referred to in our accounts as influencing for animal welfare.

**Welfare-friendly laws and policies need to be introduced and implemented at global, regional, national and local levels to achieve sustainable change in equine welfare.**

### WORKING EQUINES AND SUSTAINABLE DEVELOPMENT

A key component of our work in this is ensuring that working horses, donkeys and mules are considered in existing internationally recognised agendas, such as the Sustainable Development Goals (SDGs).

In April 2019, we attended the Africa Regional Forum on Sustainable Development (AFRSD) to better understand regional SDG priorities, and ensure that working animals, and those depending on them, are part of key policy discussions. At this conference, we met with the Permanent Mission of Senegal to the United Nations, who agreed to sponsor a Brooke event at the United Nations Headquarters.

Brooke also delivered an oral statement to United Nations national delegations at the High-Level Political Forum on Sustainable Development in July 2019, where it called on delegates to widen the definition of SDG 15 (Life on Land) to include working livestock. A further success was gaining accreditation with the UN Environment Programme. We are excited about using this platform in the future to raise awareness on the role of working equids in disaster resilience, food security and other environmental issues.

### BRICK KILNS

In July 2019, Brooke recruited a Consortium Coordinator to manage the Regional Consortium on brick kilns. The Coordinator engaged new partners, including ActionAid Nepal, International Labour Organisation and International Union for Conservation of Nature, who convened in December 2019 to agree on a way forward for launching the regional consortium. Further meetings were held in Pakistan and India in February 2020 to enable each country to plan their activity and consider the wider regional picture.

Although this year's leading consortium will not take place due to COVID-19, progress has been made with the Nepalese government, who has asked the Consortium Coordinator to advise on appropriate government policy for managing working animals on the brick kilns. We are, therefore, ensuring that working animals continue to be looked after during the pandemic.



*The role of working equines in sustainable development is explained in an animation we created for the HLPF 2019*

The event was hosted with the International Coalition of Working Equids (ICWE) and was a great success. One attendee, who was a key organiser of the AFRSD conference that Brooke initially attended, was so impressed by the impact that working livestock have in rural communities that they invited Brooke to repeat the same presentation at the following AFRSD. In under a year, Brooke went from being an attendee to a guest speaker at a global forum. This demonstrates the importance of our work and the impact we have on regional communities.

### ACTION FOR ANIMAL HEALTH

The COVID-19 pandemic has highlighted the need to better understand the principles of effective animal health and welfare, and how they can help prevent zoonotic diseases arising and jumping from animals to humans. We are developing plans to raise awareness, build engagement and advocate on this issue to ensure that animal health and welfare is given greater importance in the post-COVID world.

# TAKING A STAND AGAINST THE DONKEY SKIN TRADE

Every day, thousands of donkeys around the world are slaughtered for gelatine found in their skin called 'ejiao', which is used in traditional medicine. In May 2019, donkey slaughter in Kenya, the epicentre of the trade, was threatening the viability of the country's donkey population and the livelihoods of donkey-owning communities. At its peak, up to 1,000 donkeys were being killed daily in Kenyan slaughterhouses. Many working donkeys were stolen from their owners to supply the trade. This led to unprecedented increases in the price of a donkey, making them unaffordable to the people who need them most.

In response, we launched a campaign calling for a ban on the trade in Kenya by March 2020. Our campaign shone a spotlight on the trade and its devastating consequences to draw the attention of world leaders. Brooke East Africa worked closely with donkey-owning communities in Kenyan counties, supporting the aims of community-led partner organisations, such as KENDAT, who were fighting to protect their livelihoods. Donkey owners mobilised into community groups to get their voices heard, calling on the government to outlaw the four slaughterhouses. In Pakistan, we worked tirelessly to ensure that the ban on the export of donkey skins was upheld.

In the summer of 2019, Brooke published a policy brief on the issue, calling on national and international decision-makers to act. Our report highlighted the unconscionable animal welfare violations of the legal and illegal trade; the impact of the global donkey skin trade on vulnerable groups; and the heightened risk of zoonotic diseases caused by these illegal practices. Brooke's global campaign focuses on protection, legislation and demand. Our journey started by seeking a ban in Kenya first, then Africa; followed by a global declaration against the trade and a final phase which will address demand in China. To demonstrate the importance of this cruel and unjust issue, we launched a digital campaign to mobilise support from the general public. Thousands of people around the world stood in solidarity with Kenya's donkey owners.

Brooke's multi-faceted stand against the trade saw a major breakthrough in February 2020, with the Kenyan government declaring a ban on the trade. Brooke East Africa continues to support communities to raise their voice, and stand against attempts by the slaughter houses to get the ban overturned.

*Brooke East Africa enabled donkey owners to mobilize against the skin trade and protect their livelihoods.*



# 80%

of initiatives successfully achieved their planned results to increase visibility & influence.

## Strategic Partnerships

In addition to seeking partnerships that extend our work into new regions, we are broadening our partnership model by seeking partnerships that enrich our work within existing country programmes and address animal welfare issues in innovative ways. For example, in Nicaragua, we partnered with Centro Humboldt, a respected and well-networked organisation whose focus is to support vulnerable communities through sustainable management of natural resources. By identifying synergies with such organisations, Brooke projects can benefit from the expertise of others and address broader issues that can impact on equine welfare. The first full year of our partnership with Afghanaid demonstrates that issues affecting people and their animals can be addressed together.

Partnering with a human-centric organisation enabled us to identify some great learnings. For instance, we are developing training tools to support partner staff develop their understanding of good animal welfare.

We also benefit from the expertise of our valued non-funded thematic partners, such as governments and veterinary, education and research institutions, and other civil society organisations. We are also proud to work with AHTCS, our longstanding partner in Nepal. AHTCS received an award for being the best Animal Welfare Promotion and Service Delivery in Nepal by the national Ministry of Agriculture and Livestock Development, Department of Livestock Services.

## Evidence & insight

# £0.5m

Our total expenditure in this area. Referred to in our accounts as research.

Overall this year we made excellent progress on individual components of our Evidence Agenda, particularly monitoring tool development, and BrookeCheck, as mentioned elsewhere in this report. Our goal for 2021 is to have integrated our approach to evidence generation and dissemination, and this year we commenced development of an evidence database.

An internal evaluation of partnerships in Pakistan, an internal review of AHTCS's work in Nepal, and independent evaluations of Brooke Ethiopia's processes and the Alborada-funded project in Pakistan were all conducted.

We were proud to publish our first Annual Research Review with key insights into our research processes, achievements and learnings.

Our research programme addresses the gaps in evidence supporting the assumptions within our Theory of Change. Topics this year include:

- **Testing the relationship between owner socio-economics and animal welfare;**
- **Equine animal nutrition;**
- **Sustainability of the veterinary and zootechnical pharmaceutical system in Senegal; and**
- **Socio-economic contributions of donkeys in milk value chain in Kenya.**

Our research partnerships generate evidence and insight to inform new areas of work highlighted in the Theory of Change. We currently have three research partnerships in progress with other institutions, specifically University of Liverpool, University of Strathclyde, and the Royal Veterinary College. This year we initiated partnership topics involving;

- **Global Burden of Animal Disease;**
- **Transmission dynamics and diagnosis of epizootic lymphangitis;**
- **Loading limits in working donkeys; and**
- **Development of an Animal Health Mentoring app.**



## Future proofing our income

Throughout the year, external challenges such as Brexit and COVID-19 had a significant impact on our fundraising initiatives. Overall, at £20 million, income at year-end was under our budgeted figure of £21 million. This was primarily due to Legacy income in the pipeline that we have not yet received.

The trade in donkey skins was the focus of several key fundraising initiatives this year. In May 2019, Brooke declared the trade to be a global issue and crisis across Africa, and we immediately launched an emergency appeal to combat the epicentre of the trade in Kenya. Our successful 'Big Give' campaign in December 2019 focused on the donkey skin trade and raised over £21k.

We have made excellent progress with our plans to develop new committed giving products, increase engagement and retention, and grow supporter numbers. In particular, we launched our first fully digital campaign to build a movement of people standing against the donkey skin trade. As well as representing a significant step in our digital transformation, we integrated this campaign with our advocacy activities. Thousands of people signed up and participated in our successful campaign to ban donkey skin trade in Kenya in February 2020.

Income from philanthropic trusts continued to perform well. Our stewardship work with major donors is deepening their engagement with Brooke's work. In the area of corporate income, we launched a new relationship with Tonik Energy at the start of the year. Throughout the year, our community fundraising continued to work hard to raise awareness and income. Income generation is always aided by the professionalism of our Supporter Care team, ensuring donations are banked and thanked on time, leading to our satisfaction levels remaining at record levels of 98%.

We have also made good progress with improving our Customer Relationship Management tool (CARE) and related business processes, and are on track to deliver the CRM project on time. Our Audience Engagement Framework has been finalised and is currently being implemented.



# Getting into shape

In order to deliver our strategic objectives, our Global Plan focuses on key enablers.

## OUR PEOPLE

Our ambition for our people is to create an engaged, strategically aligned, high performing global team with a common culture.

This year our newly established Global Leadership Team (GLT) worked well as a strategic international leadership forum led by the CEO. To further encourage a high-performing global team a global performance standards and a global reward strategy have been developed incorporating non-financial awards, talent management and succession planning.

With our former office building being re-developed, this year we moved to our flexible new office, which although smaller provides a diverse working environment which has proved popular with existing staff and is instrumental in attracting high quality new talent to the organisation.

Early staff engagement in the development of our next strategy was superseded by COVID-19 which necessitated an agile rethink of what our next strategy will be and how to develop it. When we went on lock down at the end of the year due to COVID-19, staff were supported with enabling technology and well-being activities including mental health learning circles. In the face of the incomparable challenges created by COVID-19, everyone at Brooke excelled at continuing to operate and deliver impact.

## TECHNOLOGY

Our vision for technology covers three areas:

- 1 Extending our reach and impact on working horses, donkeys and mules;
- 2 Attracting and retaining supporters; and
- 3 Enabling our staff to be as effective as they can be in their role.

This year we have delivered and progressed some excellent examples of technology responding to the external environment. This was accelerated in our response to COVID-19. Towards the end of the year, all staff globally were able to work from home enabled by our existing technology and agile working methodology. Our 'digital first' approach with supporters and influencers is delivering outstanding results and learnings that will inform our vision for technology and shape our new strategy. Similarly, our new online Learning Management System has been implemented with great success and is enhancing staff effectiveness.

Within our programmatic work, we are continuing to refine and improve our BrookeCheck field data collection system and have an App in development for our Animal Health Mentoring Framework.





## Getting into shape

### SHARED COMMUNICATION AGENDA

Brooke's shared communication agenda aims to make Brooke's voice consistent, relevant and influential. Collaboration across communication, fundraising and programming teams identified issues of high relevance to both supporters and technical audiences. These are mapped onto our Audience Engagement Framework and have been tailored for different audiences.

This year we have made good progress on engagement with the international livestock and agriculture sectors, and we have promoted working equine as relevant to selected Sustainable Development Goals. In the light of COVID-19, we have reframed our work on strengthening animal health systems within the context of global health and look forward to developing this work further next year.

### SHARED LEARNING AGENDA

Our vision is to become a learning organisation that continuously transforms itself through the development of our staff. A new global organisational learning and development strategy was launched at the end of last year. As part of this strategy, Brooke's online Learning Management System continues to expand as the leading learning platform for management development.

We carried out a mapping exercise to identify all the organisational learnings taking place across Brooke. All learnings from evaluations, programmes and partnership projects will be disseminated through quarterly reporting, 'share and learn' sessions and intranet articles.

### PROJECT MANAGEMENT

We started the organisation-wide roll-out of our project management approach across Brooke, including a project management handbook and online training. Introductory project management training was delivered to our Global Team in the Programmes Directorate and management teams in India, West Africa and Pakistan.

### GENDER

This year we completed a gender audit upon approval by the Board, with strong involvement from all our country programmes, senior management and our gender coordinators. It was a genuinely participatory approach with not only staff involved, but also a wide range of partners and Board members from across the world. The next step will be to develop an action plan once the Board have approved the gender audit report.

### INTERNATIONAL GOVERNANCE

We have made good progress this year towards agreeing on a shared vision for governance and our operating model post-2021. Accountability has been strengthened, and a review of targets is now in Board agendas. The UK Governance Manual has also been reviewed by Affiliate Chairs to ensure that it is more appropriate for our international colleagues.

# Getting into shape

## COMPLIANCE

We have embedded compliance into our working culture, and we now consider these areas to be business as usual. To get us to this point, this year we have included email and phone data collection points where possible on fundraising and marketing communications so that we can keep in touch with our supporters in a manner they expect. All our Data Processing Notices are now sufficiently clear for our supporters. Supporters are informed about how their data will be collected, processed and protected; and made aware of how they can opt-out at any time.

Our Company Secretary was appointed as the statutory Data Protection Officer, and throughout the year we continued to offer Information Security training and revised Data Protection training, including an updated GDPR module, to all staff. Particular focus was ongoing with teams in our Fundraising and Communication Directorate, ensuring that all data collection in our marketing and fundraising materials has clear data processing notices. This concerted effort helps our supporters understand why we collect their data, and how we will securely store and use it.

We have undertaken all necessary preparations to upgrade our current CARE database and update our servers for multi-factor authentication.

## SAFEGUARDING

Our Global Safeguarding Policy was approved this year. It sets out Brooke's commitment to a global zero-tolerance safeguarding culture across staff, trustees, volunteers, consultants, donors, professional representatives; and the communities we work in including children, young people and vulnerable adults.

All Brooke staff and representatives are required to understand their responsibility in keeping at risk adults and children safe, and to sign and abide by the Brooke Code of Conduct (Annex 5), which lists acceptable and unacceptable behaviour, primarily designed to safeguard others. Members of our Safeguarding Steering Group have undergone Safeguarding Facilitator Training. This training focuses on the identification, assessment and reporting of internal and external safeguarding issues; while also highlighting appropriate conduct and ensuring that we effectively implement our safeguarding policy. We have also launched mandatory training on our Learning Management System for all staff.

For fundraising, we continue to work closely with our agencies, particularly telephone fundraising agencies, to ensure that our suppliers have systems in place to identify potential donors in vulnerable circumstances, and that they are engaging them respectfully and appropriately. Across all categories, we received a total of 305 complaints, all of which were 100% resolved within the 28-day timeframe. Of these, 161 related to fundraising activity and were reported to the Fundraising Regulator.



# Thank you

Everything that Brooke achieves for the world's vulnerable working horses, donkeys and mules is made possible by the generosity of the people and organisations that support us.

## We are profoundly thankful for their support.

From helping give a voice to the voiceless through our campaign to ban the donkey skin trade to our wonderful volunteer fundraising groups and of course, the 94,734 kind individual donors supporting Brooke, many of whom have been doing so for many years. More than half of Brooke's vital work is funded by gifts left to us in people's wills. We want to thank each and every Brooke supporter who has donated to us in this way.

Our work also benefits from the support of many high-profile individuals who have attended and spoken at events, championed campaigns and supported fundraising. Special thanks go to our President HRH The Duchess of Cornwall for her ongoing support. We would also like to thank Charlotte Dujardin CBE, Alastair Stewart OBE, Hannah Russell, Esme Higgs, Alice Oppenheimer, Monty Roberts, Jan Leeming, Dr Scott Miller, Deborah Meaden, Dr James Greenwood, Anthea Turner, Dr Pete Wedderburn, Jodie Prenger, Richard Waygood, Gemma Tattersall and Claire Harker Adam Henson, Rory Bremner, Will Whitaker, Pam St Clement, John Nettles, Aimee Vivienne, Dr Mark Evans, Harry Meade, Dr Emma Milne, Iain Watters, Natasha Baker MBE, Adil Ray, Laura Renwick, Adam Partridge and Emma Massingale.

A critical source of funding and partnership for Brooke is the relationships we hold with a host of charitable trusts and foundations. We are proud that a third of our major funders have supported Brooke for at least 10 years and are incredibly grateful for the longevity and commitment of so many crucial trust and foundation partners.

For example, the Alborada Trust donated their third year of funding towards Brooke's work to transform the welfare of working equines in the brick kilns of Pakistan.

Progress reports indicate that this project is on track to achieve our April 2021 objectives; marking the end of this inspiring four-year initiative.

The Petplan Charitable Trust continued to support our work this year. And The Sir Peter O'Sullivan Charitable Trust awarded Brooke a considerable grant towards the charity's work in the brick kilns of India while the Margaret Giffen Charitable Trust supported this work as part of their three-year commitment to the project. Also contributing to our work in India was The John Horseman Trust and the Elise Pilkington Charitable Trust whose funding helped us advocate for improved conditions at India's equine fairs. The Underwood Trust responded to Brooke's appeal to enhance the resilience of equine-owning communities affected by the donkey skin trade in Kenya. Finally, the Phoebe Wortley-Talbot Charitable Trust provided a second year of funding towards Brooke's Global Animal Health and Welfare Exchange Programme, to strengthen Brooke's animal health and veterinary work. We are tremendously grateful to all our funders mentioned in this report, and to those who prefer to remain anonymous.

Thank you to our sister organisations Brooke USA and Brooke Netherlands, for their hard work and ongoing support to Brooke projects around the world. And finally, Brooke's global family – more than 600 staff members across the globe who work with determination, creativity and compassion to make the world a better place for working horses, donkeys and mules and the communities that so desperately need them.



# Looking Ahead to 2020-21

Next year is the final year of our 2016-21 Global Strategy and 2019-21 Global Plan. It will be characterized by adapting our work in the light of COVID-19 and its wider impact.

We have seen horses, donkeys and mules keeping communities going during the pandemic. For example fetching water, taking people to hospital and supporting community resilience. Our work next year will incorporate getting these essential contributions recognized.

The overarching goals and outcomes in our Global Plan remain and will be progressed albeit adapting to a very different world.

## BY 2021, THE RESULTS WE ARE STILL AIMING TO ACHIEVE ARE THE FOLLOWING:

### Strengthened livelihoods and increased resilience in equine-owning communities

*This is now in the context of COVID-19 and the potentially devastating impact on the communities we work with. We will build on our good working relationship with governments to ensure critical messages and adapted support goes to the communities and their working horses, donkeys and mules.*

### Improved behaviour towards animals

*We will launch and enhance our Communities for Animals online platform, and continue to embed compassionate handling, harnessing and husbandry as key element of our work with communities.*

### Strengthened animal health services through external investment and greater competence of animal health practitioners and associated systems

*We will develop a campaign around the importance of animal health systems to global health in light of the COVID-19, and also deepen our understanding of animal health systems data and insight.*

## THESE WILL BE MADE POSSIBLE THROUGH:

### Greater visibility of and influence on working equine welfare

*We will continue to advocate on specific issues including taking the donkey skin campaign to the next level and further extend our engagement with the UN. We will use digital technology to support our advocacy. This will be supported by and linked to our **shared communications agenda** which will continue to ensure we articulate the issues important to us and to the public.*

### Expansion and mobilisation of partnerships, to extend reach and increase sustainability.

*We will further deepen our relationships with existing partners and seek new partners to collaborate on animal health systems strengthening.*

### Generation and sharing of evidence and insight to determine impact, inform decision-making, and support fundraising and awareness ambitions

*We will implement our **evidence agenda** including the ongoing generation and use of evidence through monitoring, evaluation and research to support programmatic decision making and insights, for instance we will continue the development of our new livelihoods and policy change monitoring tools and progress our research into behavior change methodologies. We will also continue to address the gaps in evidence supporting the assumptions within our Theory of Change, including a better understanding of socio-economics.*

## UNDERPINNING OUR PLANS, WE NEED TO ENSURE:

### We diversify and maintain current levels of giving, to future-proof our income

*We will accelerate our move towards digital fundraising and supporter engagement through our important donkey skin campaign.*

### Our people are united in a common culture and embrace innovation and learning as part of a strategically-aligned and high-performing global team

*We will continue to prioritise staff well-being, hosting learning circles on key topics informed by staff, and roll out resilience training globally. We will also deepen our understanding and action around diversity and inclusion and progress recommendations from the gender audit. Starting with a consultation on our mission, 2020-21 will see the development of our new five year strategy. Our new strategy will be adaptable and flexible in the context of our rapidly changing world. The roll-out of our new project management approach will continue with an emphasis on capacity development, and will be a critical part of the next strategic framework. Our **shared learning agenda** will deliver a pilot project to extend our Learning Management System to key partners. We will ensure learnings from our experience of COVID-19 inform future strategic and operational thinking.*

### Strategic investment in technology

*To support the priorities of the global organisation will be informed by how we rapidly adapted to a digital environment during COVID-19.*

## WE WILL ALSO FOCUS ON:

### Maintaining compliance, including safeguarding

*Building on the safeguarding policy and processes developed last year, we will invest in a safeguarding tool to enable reporting and further rollout digital training to all Safeguarding Focal points globally. We will also maintain all other areas of compliance including fundraising and data protection.*

### Improving international governance

*We will further share accountability and responsibility with the Global Leadership Team and enhance our Governance Manual and Procedures.*



# FINANCIAL & ADMINISTRATIVE REPORT



# Financial and Administrative Report

## TRUSTEES' ADMINISTRATIVE REPORT

The Trustees of Brooke present their Annual Report for the year ended 31 March 2020 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 4.

## ADMINISTRATIVE DETAILS OF BROOKE, OUR 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.

**COMPANY NUMBER NO: 04119581**  
**REGISTERED AS A CHARITY IN ENGLAND**  
**AND WALES NO: 1085760**

## REGISTERED OFFICE AND MAIN OPERATIONAL ADDRESS:

The Brooke Hospital for Animals,  
2nd Floor, The Hallmark Building,  
52-56 Leadenhall Street,  
London, EC3A 2BJ

## PRESIDENT

HRH The Duchess of Cornwall

## HONORARY VICE PRESIDENTS

Dr David Jones MRCVS  
Ms Ann Searight  
Mr Denys Bennett

## PATRONS

HRH Princess Alia bint Al Hussein of Jordan  
Alastair Stewart OBE

## AMBASSADORS

Ms Charlotte Dujardin OBE  
Mr Nigel Payne  
Major Richard Waygood MBE

## TRUSTEES

### Chairman

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

### Honorary Treasurer

Mr Mark McLaughlin (1,2)

Ms Sarah Arnold (3)  
Dr Belinda Bennet (3)  
Mr Richard Britten-Long (1)  
Dr Graeme Cooke (3)  
Mr Raj Dawat (1)  
Dr Marvin Firth  
Mrs Jane Holderness-Roddam CBE, LVO  
Ms Heather Jane Killen  
Professor Cheikh Ly  
Ms Gaynor Miller (1, 2)  
Mr John Edward Rege (3)  
Mr Anant Shah (2, 3)  
Mr Christopher Tattersall (1)

(1) Member of Finance Committee

(2) Member of Remuneration Committee

(3) Member of Governance Committee

## COMPANY SECRETARY

Mr Richard Sims

## SENIOR LEADERSHIP TEAM

### Chief Executive Officer

Ms Petra Ingram FCMA

### Director of Strategy and Performance

Ms Clare Twelvetees

### Director of International Programmes

Mr Nigel Wilson

### Director of Finance and Information Services

Mr Shailesh Patel ACMA

### Director of Fundraising and Communications

Ms Jasvir Kaur

## BANKERS

Barclays Bank PLC  
50 Pall Mall London, SW1A 1QD

## AUDITORS

Crowe U.K. LLP  
St Bride's House  
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

# Financial Overview & Strategy

Brooke's Charitable expenditure increases for the second successive year in a row with funding for the Donkey Skins campaign accounting for more than one third of the expenditure growth. Income performed below last year with administrative backlogs and less than buoyant property market contributing to delays in the receipt of legacy income. Notwithstanding these delays, the legacy pipeline remains strong and increased by 14% compared to 2018 -19.

## TOTAL INCOME

Income at £20.1m is below last year with legacies at £10.2m (-2% vs 2018-19) that has been impacted by delays in HMRC reviews, granting of probates and a slowing down of the housing market due to the National elections in the UK. Brooke's successful campaigning to close the inhumane slaughter houses associated with the Donkey skins trade led to a postponement of conflicting fundraising activity and resulted in Donations at £9.6m (-6 % vs 2018-19).

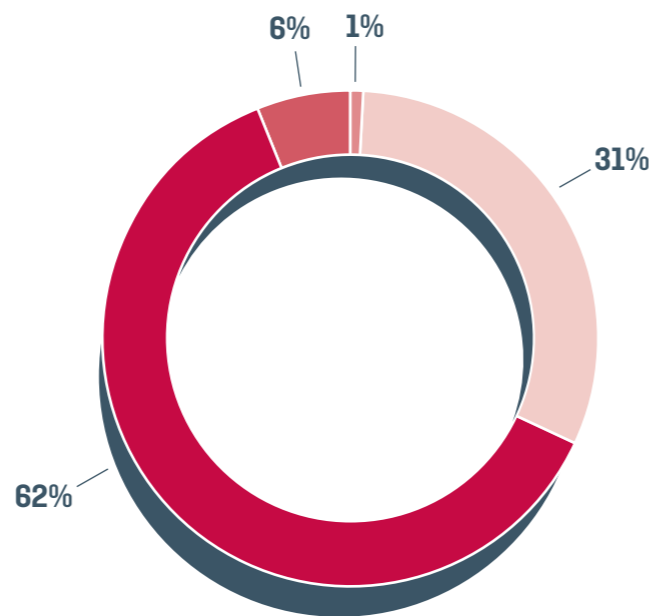
The legacy pipeline (i.e. the estimated value of legacies we have been informed of but not included in the accounts due to income recognition criteria not being met) is £14.1m that compares to £12.4m in the prior year.

## GAIN ON INVESTMENT ASSETS

The returns from our investment portfolio in the form of interest and dividends which is recognised as income was £0.2m and comparable to last year. The underlying market value of the investment portfolio, which is shown in Note 9 in our accounts, reports an unrealised gain of £0.5m (vs £0.8m 2018-19) wherein the stock markets were impacted during the last quarter by the uncertainty around Global Trade due to the pandemic.

Chart 1 on the right provides an analysis of the total resources expended in 2019 – 20.

Chart 1 / Types of Expenditure



- Charitable Activities
- Support Costs
- Governance Costs
- Fundraising

## FUNDRAISING ACTIVITIES

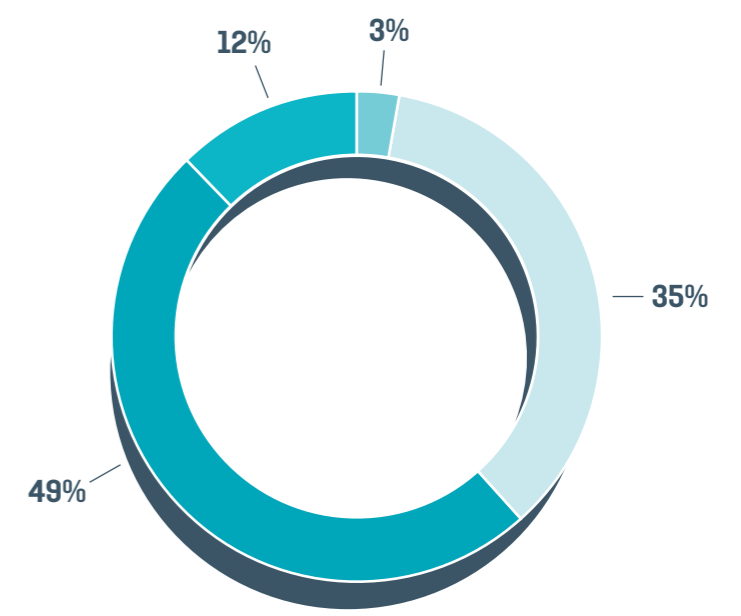
Investment in fundraising activities of £7.1m was moderately below prior year (£7.2m) with acquisition activity through DRTV being reduced and savings as a result of staff vacancies. The savings were partially offset by testing new channels.

## CHARITABLE ACTIVITIES

Total expenditure on charitable activities is at £15.9m (+5% vs 2018-19) with a substantial increase in Country Programme grants that have been at the fore of the Donkey Skins campaigning.

Chart 2 on the right is an analysis of Charitable activities by thematic areas.

Chart 2 / Charitable Activities by Thematic Area



- Prevention of welfare problems
- Influencing for improved animal welfare
- Research
- Direct intervention to improve equine animal welfare



# Financial Overview & Strategy

## 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 of £1.5m, is an increase of £0.2m versus 2018-19 as a result of initiatives that facilitate effective and efficient organisational processes that support compliance and the charity's global plan. An analysis of support costs is provided at note 4a to the accounts.

In accordance with charity accounting practice, support costs are allocated to other costs based on each activity's proportion of the aggregate expenditure. Support costs represent 6% of total resources expended and Governance costs represents 1% of total resources expended.

## RESERVES POLICY

The Board of Trustees reviews and agrees the reserves policy annually and completed the last review in June 2019.

**The main objectives of Brooke's reserves policy, in accordance with its Memorandum, are to:**

- Ensure the future security of Brooke by retaining sufficient funds to enable it to function effectively in the short term, while ensuring these funds will continue to be applied to the pursuit of its charitable objectives in the long term.
- Provide funds for the expansion of overseas charitable activities, particularly in the target regions of Africa, Asia and Central America
- Fulfil Brooke's obligations to beneficiaries and employees to sustain long-standing large-scale projects with recurrent operating costs.

**The reserves are classified as follows:**

### 1) 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 2020, restricted funds totalled £0.2m.

### 2) Designated funds

**Brooke's 5 year strategy has two key goals;**

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

**The Board of Trustees have recognised the Designated Funds would support;**

- A phased expansion, over the remaining life of the strategy, into existing and new countries through collaborative partnerships that deliver sustainable change through our Theory of Change.
- Campaigning efforts that halt the inhumane practices of the slaughter houses and the unsustainable trade in Donkey Skins that is decimating the livelihoods of equine owning communities.
- Enhance Brooke's Customer Relationship Management tool.

The Designated funds at 31 March 2020 were £1.5m a reduction of £1.8m versus last year as Brooke moved offices. The Trustees anticipate the designated funds to be utilised over the coming two years.

## 3) General reserves

**The General funds are comprised of the;**

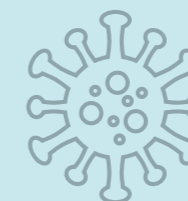
**Minimum reserves** – to maintain sufficient funds that allows Brooke to continue operating for the short term. The Minimum Reserves have been determined on the following basis;

- To support the Country Programmes and UK operations for up to 5 months
- Settle any compensation to staff in accordance with legal and statutory requirements

**General Reserves** – any funds that are in excess to the Minimum Reserves and would be available to be spent on any of the Charity's purposes.

The General Funds held at 31 March 2020 amounted to £7.9m that fulfils the Charity's Minimum Reserves policy of holding 5 months of operating costs. The Trustees anticipate any excess to the Minimum Reserves to be utilised through normal operating expenditure in the following two years.

## Going concern – COVID19



As Brooke's operations are impacted by the global Coronavirus pandemic, the charity has modified its planning process to include the bi-weekly review of its cash flow forecast that provides a short term financial health check of the charity being able to meet its on-going obligations through anticipated funds received from our donors and funders.

The process has been enhanced with the introduction of a longer term financial projection and scenario planning of income and expenditure, cash flow and levels of reserves forecast to March 2022. Both the aforementioned processes have supported the Trustees in ensuring Brooke is well placed to manage the business risks it faces with sufficient levels of reserves and a good cash flow. The Trustees 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.

## 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 the funds of the Brooke
- 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 the Brooke to carry out its purposes, within the limits of safety detailed as above

An ethical investment policy was approved by the Board in 2014-15 that mirrored the 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 2020, 100% of Brooke's total investments were held in asset classes managed by the James Hambro & Partners (JH&P).

The portfolio of assets, managed by James Hambro & Partners, 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.

## INVESTMENT PERFORMANCE

The total return for the year on Brooke's longer-term investments was -35% versus the previous period due to low investor confidence during the final quarter of the year as a result of the Global Pandemic. Against the benchmark indices the investment performed in the following range +1.4% to +1.7%. The investments were held in low risk fixed interest, cash funds, UK and International equities.

# 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 reviewed on a bi-annual basis, ranked by the likelihood of occurrence and potential impact on our operations. Major risks and the risk management process are discussed with the Finance Committee and the Board twice a year. The Board has overall responsibility for risk management, 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 recognises that it is necessary to accept that not all risks can be fully mitigated against, particularly those that fall beyond Brooke's control. However, the Senior Leadership Team actively monitor and manage such risks to provide reasonable, but not absolute assurance that we are protected.

The Board approves a comprehensive annual plan and budget for Brooke. Performance is measured against objectives set out in these plans on a quarterly basis by the Board and its Committees. Material variances, together with any revised financial forecasts, are submitted regularly to the Finance Committee and to the Board. During the annual planning process, risk identification and management as well as the formal approval of any business initiatives, take place. 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 progress updates 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 Board has in place key controls including:

- A clear organisational structure with appropriate levels of accountability and reporting.
- Delegation of financial authority and decision-making powers by the Board to the Chief Executive, within specified limits.
- Clear statement of matters that are reserved to the Board.
- Comprehensive strategic planning, budgeting and management reporting.
- Formal agendas for all Board and committee meetings.
- Formal written policies.
- Clear authorisation and approval levels



## THE PRINCIPAL AREAS OF RISKS AND THE MITIGATION PLANS FOR BROOKE ARE:

| No. | Risk Description   | Risk classification        | What are we doing about it?  |
|-----|--|----------------------------|--|
| 1   | Accident, illness or security in unstable regions/natural disaster may result in serious injury/death to Brooke UK, branch, affiliate or partner staff   | Operational                | <ol style="list-style-type: none"> <li>1) Insurance cover in place for Affiliates, partners and branches and reviewed regularly</li> <li>2) Security Policy in place and adherence to policy is enforced built into grant agreements</li> <li>3) Security review group (SRG) in place which meets at least quarterly to monitor incidence and manage security risks</li> <li>4) Refresher training on security conducted either incountry or as part of management visits</li> <li>5) Annual Travel Safety and Security training for staff and trustees who travel</li> <li>6) Security, first aid and crisis management training conducted for appropriate staff in country programmes</li> <li>7) Security, travel insurance and medicals built into travel authorisation process</li> </ol> |
| 2   | Loss of life and property and disruption of monitoring activities due to violence and insecurity in project areas - Branches, Affiliates and Partners  | Operational                | <ol style="list-style-type: none"> <li>1) Security policies and procedures in place including staff evacuation and movement of assets procedures and adherence to them being enforced and reviewed every 6 months</li> <li>2) Security reviewed quarterly by SMT</li> <li>3) Advice and guidance from the local authorities on the security situation and the way forward on a quarterly basis</li> <li>4) Compliance training for staff in general and capacity building for staff involved in the management of security</li> <li>5) Brooke Ethiopia to use the Control Risk website and services to support with the monitoring of risks</li> </ol>   |
| 3   | Failure to resolve the Legal Registration and Entity Issue in India leads to the India Office having to close down and a corresponding direct affect on programme delivery and corresponding financial risk requiring alternative model for delivery | Operational                | <ol style="list-style-type: none"> <li>1) Maintain close liaison between BI legal team and BUK legal team</li> <li>2) Identify direct funding model with selected partner in India</li> </ol>  |
| 4   | Issues of safeguarding and abuse of power are identified in Brooke country offices/programmes leading to reputation risk and damage to employee relations  | Reputation/<br>Operational | <ol style="list-style-type: none"> <li>1) Global People and whistleblowing policies</li> <li>2) Staff handbook in each country for escalation of complaints</li> <li>3) Training on policies</li> <li>4) Implementation of procedures</li> <li>5) Greater board oversight</li> <li>6) Increased awareness to help management recognise issues of concern</li> </ol>  |

| No. | Risk Description   | Risk classification | What are we doing about it?   |
|-----|--|---------------------|---|
| 5   | Brooke's trade mark rights are not protected or are not used consistently leading to infringement and/or potentially loss of rights which limits/precludes Brooke's ability to use its trade marks in the countries in which it is active. Failure to protect Brooke's copyright material leads to donor or beneficiary confusion or to Brooke research being accredited to others | Operational         | <ol style="list-style-type: none"> <li>1) Trade mark filing programme for the new marks is well progressed in countries where Brooke is active. Watching service in place to ensure that applications for similar marks are noted and objections lodged if appropriate. Brand guidelines developed and rolled out to affiliates</li> <li>2) Head of Legal and Compliance will resume work with relevant departments to ensure that copyright notices are used correctly and references to terms of use properly recorded on materials and to raise awareness of the need to have agreements in place with third parties with whom Brooke collaborates. Head of Legal and Compliance is also working with external legal resource to develop a new IP management policy</li> </ol> |
| 6   | Direct access to our live Customer Relationship Management (CRM) database for activities such as data insight & selections, and customisation creates risk to the data integrity and compliance  | Compliance          | <ol style="list-style-type: none"> <li>1) To create to a secured read-only version of our live CRM environment and retrospectively fix any data issues that arise</li> <li>2) Commence work to cleanse data, archive and/or merge historical and duplicate data</li> </ol>  |
| 7   | Socio economic and political context of the UK reduces the value of fundraising gifts across all income streams, in particular Legacy and MRs jeopardising fundraising targets   | Operational         | Continued monitoring and regular reforecasting based on current situation   |
| 8   | Covid19 leads to lowers levels of income growth for the future that makes it difficult to support the high inflation country programmes that Brooke operates within  | Strategic           | <ol style="list-style-type: none"> <li>1) As part of the Fundcomm Strategy development for the next 5 years, carry out a portfolio analysis that prioritises the channels of income by potential of future growth</li> <li>2) As part of the Strategy development, in collaboration with Country Programme Directors, carry out a Country portfolio prioritisation for the next 5 years</li> <li>3) As part of Brooke's Strategy development process for the next 5 years, develop a sustainable resource plan for the UK operations</li> </ol>   |

# Structure, Governance and 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 2019–20 the London office, with an average of 101 UK staff led by the Chief Executive, funded and advised all overseas operations and staff and kept in touch with approximately 85,700 active supporters in the UK and through Brooke Netherlands and Brooke USA with over 35,000 and 1,500 active supporters respectively.

Brooke applies the Charity Governance Code in its work, by ensuring the Board is clear about the charity's aims, and that they are delivered effectively and sustainably. We are led by an effective Board that provides strategic leadership in line with the charity's aims, and the Board acts with integrity, adopting values and creating a culture which helps achieve Brooke's charitable purposes. The Board ensures that its decision-making processes are informed, rigorous and timely, and effective delegation, control and risk assessment and management systems are established and monitored. It also works as an effective team, using the appropriate balance of skills, experience and knowledge to make informed decisions. The Board's approach to diversity underpins its leadership and decision making, ensuring consistent transparency and accountability.

## BOARD OF TRUSTEES

For the purposes of company law, the directors of Brooke will be referred to as the Trustees throughout this report. 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 2019/2020. Trustees who served during the year are shown on page 22.

The Board is supported by a finance committee, a governance committee and a remuneration committee. The finance and governance committees each met four times last year and the remuneration committee met once during the year. During 2016/17, a fundraising panel was established to support the Executive to identify fundraising opportunities. The committees have no decision-making powers, however can 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-optation 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.

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. The Board recognises, respects and welcomes diverse, different and at times conflicting Trustee views. Appointments are made based on merit, using objective criteria and considering the benefits of diversity on the Board, including gender, ethnicity and nationality.

New Trustees receive a structured induction to Brooke. Each Trustee is linked with a country of operation and new Trustees are encouraged to visit an overseas operation as soon as practicable after their appointment.

The Board undertakes a formal and rigorous biennial evaluation of its own performance and that of its Chairman and individual directors. The evaluation of the Board, which includes comments for the senior staff team, considers the balance of skills, experience, independence and knowledge of our organisation.

## ORGANISATIONAL STRUCTURE

The Board is also responsible for approving the policies and organisational strategy, and ensuring the effective use of our resources in accordance with our charitable objectives and UK law. It 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 that the organisation is run efficiently and accountably. In order to achieve this, the Board reviews all long-term strategic and financial plans including 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 performance of the CEO is appraised annually through a formal process led by the Chairman. All Trustees are invited to comment on her performance against predetermined objectives and feedback is given in a meeting supported by a written report. All senior staff receive ongoing performance management and an annual appraisal with feedback provided by the CEO about how they have contributed to the achievement of the strategy and any personal development areas they may have.

The salaries of all staff including that of key management personnel are set based on external pay benchmarking via the use of market data taken from sector pay surveys and reports. To ensure that pay remains competitive in the market place, all staff receive an annual cost of living reward which is based on external data extracted from economic reports and sector trends.

## RELATIONSHIPS WITH OTHER ORGANISATIONS

In addition to our two international fundraising partners, Brooke Netherlands and Brooke USA, Brooke has many important relationships with other organisations overseas.

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

Brooke affiliate organisations in India, Pakistan and East Africa are independent legal entities, established and registered in accordance with local laws and guided by their own Boards of Trustees or directors. Brooke Ethiopia, Brooke America Central and Brooke West Africa are all branches of Brooke. Brooke Egypt is a sister organisation primarily funded by Brooke Netherlands. Brooke also works through partnership with organisations operating in Afghanistan, Guatemala, Kenya, Nepal, India, Pakistan, Senegal, Burkina Faso, Tanzania and South Sudan.

Brooke affiliate or branch offices are headed by a Chief Executive, a Country or Regional Representative, a Director or General Manager and each has an annual or multi-year country plan in line with Brooke's Global Strategy. The address of each is shown on page 88.

Representatives from each Brooke organisation across the world constitute the Global Advisory Council which meets annually. This has no executive function but provides advice to the Brooke Board on any matters affecting our organisation. 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 Grant Agreements approved by the Board which, unless specifically agreed otherwise, restrict Brooke's commitment to a period of 12 months. Partners' strategic fit and ability to deliver the programme are reviewed in accordance with Brooke's Partnership Guidelines. 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.

**During 2019/20, the following organisations worked in partnership with Brooke.**

### PARTNERSHIP WITH BROOKE UK

#### AFGHANISTAN

DCA Livestock Programmes (DCA)  
AfganAid

#### GUATEMALA

Equinos Sanos para el Pueblo (ESAP)

#### MEXICO

Fundación Dejando Huella (FDH)

#### NEPAL

Animal Health Training and Consultancy Services (AHTCS)

## PARTNERSHIPS WITH ORGANISATIONS IN COUNTRY PROGRAMMES

### BROOKE 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  
Navbharat Samaj Kalyan Samiti, Uttar Pradesh  
Society for Environmental and Rural Awakening, Himachal Pradesh  
Society for the Prevention of Cruelty to Animals (SPCA), Maharashtra  
Sanskrit Samvardhan Mandal, Maharashtra  
Gramin Vikas Sansthan, Uttar Pradesh  
Sahyog India, Jammu and Kashmir  
New Public School Samiti (NPSS), Uttar Pradesh  
Sarvodaya Ashram (SA), Uttar Pradesh  
Shri Bhuvneshwari Mahila Ashram, Uttarakhand  
Prayatn Sanstha, Rajasthan  
Naujhil Integrated rural project for health & development, Uttar Pradesh  
Shramik Janta Vikas Sanstha, Maharashtra  
Panchsheel Development Trust, Uttar Pradesh  
Nehru Yuva Sanstha, Uttar Pradesh  
UP Vanvasi Seva Sansthan, Uttar Pradesh  
Tarun Chetna Sansthan, Uttar Pradesh  
Meerut Sewa Samaj, Uttar Pradesh  
Lokseva Yuva Trust, Gujrat  
Volunteers for Social Justice, Punjab  
Animal Help Foundation, Gujrat  
Astitva Samajvikas va Sanshodhan Sanstha, Maharashtra  
Abhiyan, Uttar Pradesh  
Doaba Vikas Ebam Utthan Samiti, Uttar Pradesh  
Gramin Vikas Sansthan (GVS), Uttar Pradesh  
Pragati Social Service Society, Haryana  
Prayas Trust, Uttarakhand

### BROOKE PAKISTAN

Sindh Rural Support Organisation (SRSO)  
National Rural Support Programme (NRSP)

### BROOKE EAST AFRICA

Arusha Society for Protection of Animals (ASPA)  
Caritas - Kitui  
Farming Systems Kenya (FSK)  
Inades - Tanzania  
Kenya Network for Dissemination of Agricultural Technologies (KENDAT)  
Kenya Veterinary Association (KVA)  
Send a Cow (SAC) Kenya  
VSF-S (South Sudan)

### BROOKE WEST AFRICA

Union des Groupements Associés du Niombato, (UGAN)  
Union des Groupements Paysans de Méckhé, (UGPM)  
Association pour la Protection des Animaux et de l'Environnement (ASPAE)  
Fédération des Associations Paysannes de la région de Louga (FAPAL)  
Union Régionale des Associations Paysannes de Diourbel (URAPD)  
Association pour la Promotion des Initiatives Locales au Burkina Faso (APIL)  
Association Sud Ouest pour le développement International Agricole (ASODIA)  
Association pour la protection des animaux au Burkina Faso (APABF)  
Institut Africain pour le Développement Economique et Social (Inades-Formation) Burkina-Faso

### BROOKE LATIN AMERICA AND CARIBBEAN

Cooperativa de Agroturismo Rural - BIOMETEPE R.L., Nicaragua  
ADDAC (la Asociación para la Diversificación y el Desarrollo Agrícola Comunal), Nicaragua  
OCTUPAN (la Asociación Octupan "Lugar de Grandes Caminos"), Nicaragua.  
Centro Alexander Von Humboldt, Nicaragua  
Veterinarios Sin Fronteras, Honduras

## GRANT MAKING PROCEDURES

Brooke UK issues grants to Brooke Affiliates and partner organisations. Affiliates and branches in turn make grants to partner organisations in their respective country or region. Brooke UK also gives grants on a proactive basis.

These agreements clearly set out our expectations and the deliverables of the third-party entities. Grants to entities are routinely monitored to discuss variance from agreed budgets, operational updates and key programme performance indicators. Programme visits are also undertaken by staff and reports are widely circulated to share learning and understanding. Programme audits are conducted 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 as well as the strategic fit.

## THE ENVIRONMENT

Brooke is committed to reducing the impact it has on the environment and the Board of Trustees has approved an environmental policy. The well-being of animals and animal-owning communities always remain at the core of Brooke's work 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 has carried out in order to further our strategic aims. All activity is intended to further Brooke's charitable objective 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; and
- advocacy for long term and sustainable improvement of the living and working conditions of working equines, relieving 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 the Charity Commission's guidance on public benefit has been taken into account. No material uncertainties have been identified by the Trustees that can cast significant doubt about the ability of Brooke to continue its operations.

# 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, ensuring compliance with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company, thereby taking reasonable steps for fraud prevention and any other irregularities.

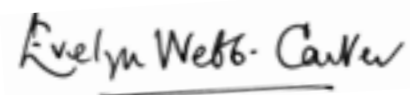
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **IN SO FAR AS THE TRUSTEES ARE AWARE:**

- There is no relevant audit information of which the charitable company's auditor is unaware;
- 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; and

Crowe U.K. LLP were appointed as Brooke's auditors during the year following a tender process.

This report, which incorporates the Strategic Report, was approved by the Trustees on 23 September 2020 and signed on their behalf:



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

23 September 2020



**Auditor's Report**



# Independent auditor's report to the members of the Brooke Hospital for Animals

## OPINION

We have audited the financial statements of the Brooke Hospital for Animals for the year ended 31 March 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2020 and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## BASIS FOR OPINION

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

## CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 62, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's or charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

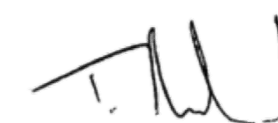
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## USE OF OUR REPORT

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



Tim Redwood  
Senior Statutory Auditor

28 September 2020

For and on behalf of:  
Crowe U.K. LLP  
Statutory Auditor  
St. Bride's House  
Salisbury Square  
London, EC4Y 8EH

# Financial statements

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020 (INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)

|  | Notes | Unrestricted Funds<br>2020<br>£ | Restricted Funds<br>2020<br>£ | Total Funds<br>2020<br>£ | Total Funds<br>2019<br>£ |
|--|-------|---------------------------------|-------------------------------|--------------------------|--------------------------|
| <b>Income</b>  |       |                                 |                               |                          |                          |
| Donations and legacies                               | 2     | 17,966,379                      | 1,857,290                     | 19,823,669               | 20,605,465               |
| Other Trading activities                             |       | 44,206                          | -                             | 44,206                   | 51,287                   |
| Investments  |       | 199,401                         | -                             | 199,401                  | 186,074                  |
| Other  |       | 12,494                          | -                             | 12,494                   | 1,704                    |
| <b>Total income</b>                                  |       | <b>18,222,480</b>               | <b>1,857,290</b>              | <b>20,079,770</b>        | <b>20,844,530</b>        |
| <b>Expenditure</b>                                   |       |                                 |                               |                          |                          |
| Expenditure on raising funds                         |       | 7,117,284                       | -                             | 7,117,284                | 7,198,360                |
| <b>Expenditure on Charitable activities:</b>         |       |                                 |                               |                          |                          |
| Direct intervention to improve equine animal welfare |       | 4,911,939                       | 688,479                       | 5,600,418                | 5,487,869                |
| Prevention of welfare problems                       |       | 6,930,894                       | 971,466                       | 7,902,360                | 7,466,532                |
| Influencing for improved animal welfare              |       | 1,720,257                       | 241,119                       | 1,961,376                | 1,778,882                |
| Research   |       | 466,362                         | 65,367                        | 531,729                  | 508,679                  |
| <b>Total charitable activities</b>                   | 3     | <b>14,029,452</b>               | <b>1,966,431</b>              | <b>15,995,883</b>        | <b>15,241,962</b>        |
| <b>Total expenditure</b>                             | 4A    | <b>21,146,736</b>               | <b>1,966,431</b>              | <b>23,113,167</b>        | <b>22,440,322</b>        |
| Net gains on investments                             | 9     | 515,475                         | -                             | 515,475                  | 798,834                  |
| <b>Net income/(expenditure)</b>                      |       | <b>(2,408,781)</b>              | <b>(109,141)</b>              | <b>(2,517,922)</b>       | <b>(796,958)</b>         |
| <b>Reconciliation of funds:</b>                      |       |                                 |                               |                          |                          |
| Total funds brought forward                          | 18    | 11,768,253                      | 295,029                       | 12,063,282               | 12,860,240               |
| <b>Total funds carried forward</b>                   | 14    | <b>9,359,472</b>                | <b>185,887</b>                | <b>9,545,359</b>         | <b>12,063,282</b>        |

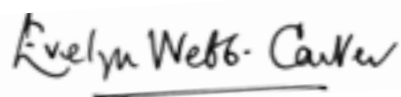
The notes on pages 70 to 86 form a part of these financial statements.

## CONSOLIDATED AND CHARITY BALANCE SHEET AS AT 31 MARCH 2020

|  | Notes | 2020<br>£          | Group<br>2019<br>£ | 2020<br>£          | Charity Only<br>2019<br>£ |
|--|-------|--------------------|--------------------|--------------------|---------------------------|
| <b>Fixed Assets</b>                    |       |                    |                    |                    |                           |
| Intangible Assets                      | 8A    | 20,246             | 78,929             | 20,246             | 78,929                    |
| Tangible Assets                        | 8B    | 1,408,435          | 286,289            | 1,408,435          | 286,289                   |
| Investments and Long Term Deposits     | 9     | 12,478,227         | 13,623,598         | 12,478,227         | 13,623,598                |
|  |       | <b>13,906,908</b>  | <b>13,988,816</b>  | <b>13,906,908</b>  | <b>13,988,816</b>         |
| <b>Current Assets</b>                  |       |                    |                    |                    |                           |
| Debtors                                | 11    | 1,490,104          | 2,840,962          | 1,490,104          | 2,840,962                 |
| Cash at Bank and in Hand               |       | 4,308,292          | 4,421,528          | 4,307,887          | 4,394,870                 |
|  |       | <b>5,798,396</b>   | <b>7,262,490</b>   | <b>5,797,991</b>   | <b>7,235,832</b>          |
| <b>Current Liabilities</b>             |       |                    |                    |                    |                           |
| Creditors: amounts due within one year | 12    | 10,159,945         | 9,188,024          | 10,159,540         | 9,161,366                 |
| Net Current Liabilities                |       | <b>(4,361,549)</b> | <b>(1,925,534)</b> | <b>(4,361,549)</b> | <b>(1,925,534)</b>        |
| <b>Total Net Assets</b>                |       | <b>9,545,359</b>   | <b>12,063,282</b>  | <b>9,545,359</b>   | <b>12,063,282</b>         |
| <b>The Funds Of The Charity</b>        |       |                    |                    |                    |                           |
| <b>Unrestricted Income Funds:</b>      |       |                    |                    |                    |                           |
| General funds                          |       | 7,899,472          | 8,468,253          | 7,899,472          | 8,468,253                 |
| Designated Funds                       | 10    | 1,460,000          | 3,300,000          | 1,460,000          | 3,300,000                 |
| Restricted Income Funds                | 10    | 185,887            | 295,029            | 185,887            | 295,029                   |
| <b>Total Charity Funds</b>             |       | <b>9,545,359</b>   | <b>12,063,282</b>  | <b>9,545,359</b>   | <b>12,063,282</b>         |

The notes on pages 70 to 86 form a part of these financial statements.

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



Major General Sir Evelyn Webb-Carter  
KCV0, OBE, DL, Chairman

23 September 2020



Mark McLaughlin  
Honorary Treasurer

## CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

|   | Total Funds<br>2020<br>£ | Prior Year Funds<br>2019<br>£ |
|---|--------------------------|-------------------------------|
| <b>Schedule</b>   |                          |                               |
| - A Net cash provided by (used in) operating activities   | <b>(504,296)</b>         | <b>(1,500,306)</b>            |
| <b>Cashflow from Investing Activities:</b>  |                          |                               |
| Dividends, Interest from Investments  | 199,401                  | 186,074                       |
| Proceeds from disposal  | 1,148                    | -                             |
| Purchases of Fixed Assets - Tangible  | (1,469,305)              | (75,894)                      |
| Purchases of Fixed Assets - Intangible  | (1,030)                  | -                             |
| Proceeds from sale of Investments   | 1,750,000                | -                             |
| Realised gain   | -                        | -                             |
| Purchase of Investment  | (89,154)                 | (87,127)                      |
| <b>Net Cash Provided by (used in) Investing activities</b>  | <b>391,060</b>           | <b>23,053</b>                 |
| <b>Change in cash and cash equivalents in the reporting period</b>                                | <b>(113,236)</b>         | <b>(1,477,253)</b>            |
| <b>Cash and cash equivalents at the beginning of the reporting period</b>                         | <b>4,421,528</b>         | <b>5,898,781</b>              |
| <b>Cash and cash equivalents at the end of the reporting period</b>                               | <b>4,308,292</b>         | <b>4,421,528</b>              |
| <b>Schedule</b>   |                          |                               |
| - A Net Movement in Funds for the Reporting Period (as per the Statement of Financial Activities) | <b>(3,033,398)</b>       | <b>(1,595,792)</b>            |
| <b>Adjustments for:</b>   |                          |                               |
| Depreciation Charges  | 338,951                  | 207,135                       |
| Amortisation Charges  | 59,713                   | 115,386                       |
| Revaluation of Fixed Assets   | -                        | 5,460                         |
| Dividends and Interest from Investments   | (199,401)                | (186,074)                     |
| Loss on Sale of Fixed Assets  | 7,061                    | -                             |
| Decrease/(Increase) in Debtors  | 1,350,858                | (1,563,953)                   |
| (Decrease)/Increase in Creditors  | 971,920                  | 1,517,532                     |
| <b>Net Cash Provided by (Used In) Operating Activities</b>  | <b>(504,296)</b>         | <b>(1,500,306)</b>            |

The notes on pages 70 to 86 form a part of these financial statements.

**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 AND OPERATE 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).

## 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 and 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. The accounts are prepared under the historical cost convention, with the exception of quoted investments which are stated at market value.

### Going Concern

As the operations are impacted by the global Coronavirus pandemic, Brooke has modified its planning process to include the bi-weekly review of its cash flow forecast that provides a short term financial health check of the charity being able to meet its on-going obligations through anticipated funds received from our donors and funders.

The process has been enhanced with the introduction of a longer term financial projection and scenario planning of income and expenditure, cash flow and levels of reserves forecast to March 2022. Both the aforementioned processes have supported the Trustees in ensuring the Brooke is well placed to manage the business risks it faces with sufficient levels of reserves and a good cash flow. The Trustees 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, as well as in preparing planning activities, implementing policies and setting priorities for the upcoming year.

### Consolidation

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

The gross income for the year was £20.1m (2019: £20.8m) and our gross expenditure was £23.1m (2019: £22.4m). The charity has a wholly owned subsidiary registered in England and Wales, 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 fundraising through sponsorship activities. The income generated by the trading company was £44k (2019: £49k) and resulted in net profit for the year of £26k (2019: £26k) 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 |
| VEHICLES               | 15%–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 the straight line basis over three years.

### D / Investments

Investments are stated at market value. Net gains and losses on investments, calculated as the difference between market value at the end of the period or 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.

Cash held within the investment portfolio is included within the fixed assets as investments that are managed by James Hambro & Partners. Cash held on short-term deposits is directly managed by Brooke.

### E / Income

Income is recognised in the financial statements when Brooke is legally entitled to the income, receipt is probable and the amount can be measured with reasonable accuracy.

In the case of donations and grants received during the year, they will be fully accounted in that year unless they are subject to performance-related conditions or other terms and conditions that may prevent income recognition. Gift aid on donations is accounted for on an accruals basis where applicable.

Entitlement to both Residuary and Pecuniary legacies is deemed to be the earlier of a payment being received, or notification of a distribution, or notification of the final estate accounts being approved by the executors.

In the case of pecuniary legacies, income is accrued if the following additional criteria have also been met:

- Probate has been granted
- Notification is over 6 months old
- The will is unlikely to be contested
- The estate has sufficient assets
- The amount is material and Brooke has received evidence to support its receipt within six months of the year end.

Where a legacy is subject to the interest of a life tenant, the legacy would not be recognised as income until the death of the life tenant. Investment income and any related recoverable income tax is accounted for on an accrual basis.

### F / Expenditure

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 the Brooke's investments. These also include expenditure of an indirect nature necessary to support them.

Expenditure on charitable activities represents costs incurred to meet the objectives of Brooke. It includes both costs that can be allocated directly to such activities as well as costs of an indirect nature necessary to support them. Grants payable are recognised as soon as a constructive or legal obligation is entered into by Brooke.

Governance costs include costs associated with meeting Brooke's constitutional and statutory requirements. These include the audit fees and costs linked to the strategic management of Brooke.

Costs relating to a particular activity are allocated directly, while 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 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 cash and bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at market 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

Brooke operates a defined contribution pension scheme for our 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 our work. Unrestricted funds are divided into two further classifications:

Designated reserves are funds to support Brooke in four key areas:

- A phased expansion, over the remaining life of the strategy, into existing and new countries through collaborative partnerships that deliver sustainable change through our Theory of Change;
- To support Brooke's campaigning efforts that sees the cessation of Donkey Skins supply;
- Replacement of Brooke's Customer Relationship Management tool; and
- The Trustees anticipate the designated reserves to be fully utilised over the coming next two years.

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, and a contingency fund for other unidentified operational issues. 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 Activities.

As of 31 March 2020, Brooke had committed to 227.2m KES, 165.0m INR and 178.8m PKR. The value of the movement in the forward contracts from the date of commitment to 31 March 2020 was a reduction of £66,462 which has not been recognised in the financial statements.

## 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 (2019: nil). Income Tax suffered by deduction is reclaimed in full from the HMRC.

Brooke is registered for VAT and has partial exemption in respect of our 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.

Legacy income is recognised where the executors of an estate have notified Brooke of an impending payment.

## 2 DONATIONS & LEGACIES

|                  | Unrestricted 2020<br>£ | Restricted 2020<br>£ | Total 2020<br>£   | Total 2019<br>£   |
|------------------|------------------------|----------------------|-------------------|-------------------|
| <b>DONATIONS</b> | 7,762,994              | 1,857,290            | 9,620,284         | 10,192,192        |
| <b>LEGACIES</b>  | 10,203,385             | -                    | 10,203,385        | 10,413,273        |
| <b>Total</b>     | <b>17,966,379</b>      | <b>1,857,290</b>     | <b>19,823,669</b> | <b>20,605,465</b> |

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 have not been met) is £14.1m (2019: £12.4m).

## 3(a) CHARITABLE ACTIVITIES BY THEMATIC AREA

| 2020                           | Direct Intervention<br>to Improve Equine<br>Animal Welfare<br>£ | Prevention<br>of Welfare<br>Problems<br>£ | Information<br>& awareness<br>raising<br>£ | Research<br>£  | 2020 Total<br>£   | 2019 Total<br>£   |
|--------------------------------|---|---|--|----------------|-------------------|-------------------|
| Afghanistan                    | 338,212   | 695,733                                   | 29   | 29             | <b>1,034,003</b>  | <b>1,149,219</b>  |
| Egypt*                         | 155,964   | 114,993                                   | 0  | 18,707         | <b>289,664</b>    | <b>354,724</b>    |
| Ethiopia                       | 1,190,376   | 661,356                                   | 27,209                                     | 51,302         | <b>1,930,243</b>  | <b>1,579,427</b>  |
| Guatemala                      | 20,196  | 60,121                                    | 2,244                                      | 103            | <b>82,664</b>     | <b>96,755</b>     |
| India                          | 1,025,498   | 1,423,242                                 | 340,952                                    | 205,097        | <b>2,994,789</b>  | <b>2,808,106</b>  |
| Kenya                          | 1,200,172   | 1,050,753                                 | 720,445                                    | 96,880         | <b>3,068,250</b>  | <b>2,449,519</b>  |
| Nepal                          | 51,574  | 62,553                                    | 36,152                                     | 76             | <b>150,355</b>    | <b>154,480</b>    |
| Nicaragua                      | 143,953   | 215,466                                   | 97,407                                     | 3,599          | <b>460,425</b>    | <b>400,525</b>    |
| Pakistan                       | 644,272   | 618,362                                   | 24,975                                     | 22,436         | <b>1,310,045</b>  | <b>2,082,372</b>  |
| Senegal                        | 435,940   | 1,028,447                                 | 66,858                                     | 2,079          | <b>1,533,324</b>  | <b>1,486,769</b>  |
|                                | <b>5,206,157</b>  | <b>5,931,026</b>                          | <b>1,316,271</b>                           | <b>400,308</b> | <b>12,853,762</b> | <b>12,561,896</b> |
| Indirect Support<br>Costs - UK | <b>166,203</b>  | <b>831,016</b>                            | <b>569,086</b>                             | <b>55,401</b>  | <b>1,621,706</b>  | <b>1,415,454</b>  |
| Other Support<br>Costs - UK    | <b>228,062</b>  | <b>1,140,311</b>                          | <b>76,021</b>                              | <b>76,021</b>  | <b>1,520,415</b>  | <b>1,264,612</b>  |
| <b>Total</b>                   | <b>5,600,422</b>  | <b>7,902,353</b>                          | <b>1,961,378</b>                           | <b>531,730</b> | <b>15,995,883</b> | <b>15,241,962</b> |

\*Work in Egypt is funded through Brooke Netherlands

### 3(b) CHARITABLE ACTIVITIES -

Analysis of individual amounts spent in each country is shown below:

|                                   | Amount Granted<br>(Partnerships and<br>Affiliates Only) | Amounts spent on<br>direct implementation<br>via Branches & UK | Support<br>Expenditure | Total Charitable<br>Activities | Total Charitable<br>Activities |
|-----------------------------------|---|--|------------------------|--------------------------------|--------------------------------|
|                                   | 2020  | 2020   | 2020                   | 2020                           | 2019                           |
|                                   | £   | £  | £                      | £                              | £                              |
| Afghanistan                       | 877,093   | -  | 156,910                | 1,034,003                      | 1,149,219                      |
| Egypt                             | 250,000   | -  | 39,664                 | 289,664                        | 354,724                        |
| Ethiopia                          | -   | 1,793,973  | 136,270                | 1,930,243                      | 1,579,427                      |
| Guatemala                         | 67,158  | -  | 15,506                 | 82,664                         | 96,755                         |
| India                             | 2,473,295   | -  | 521,494                | 2,994,789                      | 2,808,106                      |
| Kenya                             | 2,636,006   | -  | 432,244                | 3,068,250                      | 2,449,519                      |
| Nepal                             | 131,650   | -  | 18,705                 | 150,355                        | 154,480                        |
| Nicaragua                         | -   | 346,099  | 114,326                | 460,425                        | 400,525                        |
| Pakistan                          | 1,106,202   | -  | 203,843                | 1,310,045                      | 2,082,372                      |
| Senegal*                          | -   | 1,269,195  | 264,129                | 1,533,324                      | 1,486,769                      |
| Indirect<br>Support<br>Costs - UK | -   | -  | 1,621,706              | 1,621,706                      | 1,415,454                      |
| Other<br>Support<br>Costs - UK    | -   | -  | 1,520,415              | 1,520,415                      | 1,264,612                      |
| <b>Total</b>                      | <b>7,541,404</b>  | <b>3,409,267</b>   | <b>5,045,212</b>       | <b>15,995,883</b>              | <b>15,241,962</b>              |

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

### 4(a) EXPENDITURE

|  | Grants            | Direct<br>Staff  | Direct<br>Other  | Support<br>Costs | Governance<br>Costs | Total<br>2020     | Total<br>2019     |
|--|-------------------|------------------|------------------|------------------|---------------------|-------------------|-------------------|
|  | £                 | £                | £                | £                | £                   | £                 | £                 |
| <b>Cost of raising funds</b>                               |                   |                  |                  |                  |                     |                   |                   |
| Fundraising  | -                 | 2,405,539        | 3,024,253        | 586,071          | -                   | 6,015,863         | 6,243,751         |
| Supporter Services   | -                 | 393,756          | 503,495          | 96,845           | -                   | 994,096           | 844,923           |
| Trading  | -                 | 15,743           | -                | -                | -                   | 15,743            | 19,685            |
| Investment<br>Management                                   | -                 | -                | 91,582           | -                | -                   | 91,582            | 90,001            |
| <b>Total</b>   | <b>-</b>          | <b>2,815,038</b> | <b>3,619,330</b> | <b>682,916</b>   | <b>-</b>            | <b>7,117,284</b>  | <b>7,198,360</b>  |
| <b>Charitable activities</b>                               |                   |                  |                  |                  |                     |                   |                   |
| Direct Intervention<br>to Improve Equine<br>Animal Welfare | 4,940,150         | 204,264          | 188,074          | 228,062          | 39,867              | 5,600,417         | 5,487,869         |
| Prevention of<br>Welfare Problems                          | 4,592,538         | 1,126,088        | 1,036,834        | 1,140,311        | 6,588               | 7,902,359         | 7,466,532         |
| Information &<br>awareness raising                         | 1,209,843         | 518,250          | 157,263          | 76,021           | -                   | 1,961,377         | 1,778,882         |
| Research   | 208,139           | 75,047           | 69,099           | 76,021           | 103,424             | 531,730           | 508,679           |
| <b>Total Charitable<br/>Activities</b>                     | <b>10,950,670</b> | <b>1,923,649</b> | <b>1,451,270</b> | <b>1,520,415</b> | <b>149,879</b>      | <b>15,995,883</b> | <b>15,241,962</b> |
| <b>Governance Costs</b>                                    |                   | 105,569          | 44,310           | -                | (149,879)           | -                 | -                 |
| <b>Total</b>   | <b>10,950,670</b> | <b>4,844,256</b> | <b>5,114,910</b> | <b>2,203,331</b> | <b>-</b>            | <b>23,113,167</b> | <b>22,440,322</b> |
| <b>Expenditure in Support<br/>of Activities</b>            |                   | 1,295,747        | 907,584          | (2,203,331)      |                     | -                 | -                 |
| <b>Total Resources<br/>Expended</b>                        | <b>10,950,670</b> | <b>6,140,003</b> | <b>6,022,494</b> | <b>-</b>         | <b>-</b>            | <b>23,113,167</b> | <b>22,440,322</b> |

**4(b) ANALYSIS OF GOVERNANCE EXPENSES**

|                  | 2020           | 2019           |
|------------------|----------------|----------------|
|                  | £              | £              |
| Staff Costs      | 98,749         | 91,162         |
| Trustee Expenses | 11,052         | 23,290         |
| Audit Fees       | 25,200         | 28,080         |
| Other Expenses   | 14,878         | 40,916         |
| <b>Total</b>     | <b>149,879</b> | <b>183,448</b> |

**5 NET INCOME FOR THE YEAR IS STATED AFTER CHARGING:**

|   | 2020     | 2019     |
|---|----------|----------|
|   | £        | £        |
| Audit Fees for Statutory Audit (including VAT)                  | 27,000   | 28,080   |
| Non audit fees (including VAT)                                  | 420      | 15,156   |
| <b>Rental cost relating to operating leases (including VAT)</b> | <b>-</b> | <b>-</b> |
| Plant and Machinery   | 3,368    | 3,023    |
| Land and Building   | 545,732  | 431,969  |

**6 STAFF COSTS**

|                           | 2020             | 2019             |
|---------------------------|------------------|------------------|
|                           | £                | £                |
| Salaries                  | 5,717,587        | 5,150,924        |
| Temporary staff           | 217,787          | 249,349          |
| National Insurance costs  | 559,385          | 570,776          |
| Pensions and Other Costs* | 719,253          | 469,943          |
| <b>Total</b>              | <b>7,214,012</b> | <b>6,440,992</b> |

\* Total Redundancy and settlement costs incurred in 2020 £nil (2019: £nil). In Note 4a, Staff costs for branches amounting to £1,068,480 have been included within Programme costs.

**AVERAGE NUMBER OF STAFF EMPLOYED**

|   | 2020       | 2019       |
|---|------------|------------|
| Fundraising   | 46         | 43         |
| Supporter Services                                      | 8          | 8          |
| Charitable Activities UK                                | 32         | 31         |
| Charitable Activities Overseas (Branches)               | 88         | 85         |
| Administration (Including Support Costs and Governance) | 41         | 36         |
| <b>Total</b>  | <b>215</b> | <b>203</b> |

**REMUNERATION OF THE CHARITY'S KEY MANAGEMENT PERSONNEL**

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

|   | 2020           | 2019           |
|---|----------------|----------------|
|   | £              | £              |
| <b>Total salary of Key Management Personnel</b> | <b>561,641</b> | <b>562,193</b> |

**NUMBER OF EMPLOYEES WHOSE BENEFITS, EXCLUDING EMPLOYER'S PENSION CONTRIBUTIONS, AMOUNTED TO MORE THAN £60K**

|                               |   |   |
|-------------------------------|---|---|
| Between £60,001 and £70,000   | 3 | 4 |
| Between £70,001 and £80,000   | 1 | 1 |
| Between £80,001 and £90,000   | 1 | 0 |
| Between £90,001 and £100,000  | 2 | 2 |
| Between £100,001 and £110,000 | 0 | 0 |
| Between £110,001 and £120,000 | 1 | 1 |

The pension costs paid in respect of these employees amounted to £46,907 (2019: £45,245).

## 7 TRUSTEES EXPENSES

Trustees' total expenses during the year amounted to £11,052 (2019: £23,290), of which £5,539 (2019: £1,266) related to visits to overseas centres. These expenses were incurred in respect of necessary duties carried out. Four Trustees (2019: 5 Trustees) received reimbursements for their expenses totalling £1,649 (2019: £1,857).

The Trustees received no remuneration for their services. A Trustee and employee indemnity insurance policy was purchased during the year at a cost of £3,170 (2019: £3,169).

The UK charity received donations from the Trustees of £6,045 (2019: £517) during the year.

## 8(a) INTANGIBLE FIXED ASSETS

|                           | Computer Applications | Website        | Total          |
|---------------------------|-----------------------|----------------|----------------|
|                           | £                     | £              | £              |
| <b>Cost</b>               |                       |                |                |
| At 31 March 2019          | 254,167               | 248,962        | 503,129        |
| Additions                 | 1,030                 | 0              | 1,030          |
| <b>At 31 March 2020</b>   | <b>255,197</b>        | <b>248,962</b> | <b>504,159</b> |
| <b>Depreciation</b>       |                       |                |                |
| At 31 March 2019          | 208,383               | 215,816        | 424,200        |
| Depreciation for the year | 26,568                | 33,146         | 59,713         |
| <b>At 31 March 2020</b>   | <b>234,951</b>        | <b>248,962</b> | <b>483,913</b> |
| <b>Net Book Value</b>     |                       |                |                |
| <b>At 31 March 2020</b>   | <b>20,246</b>         | <b>0</b>       | <b>20,246</b>  |
| At 31 March 2019          | 45,784                | 33,145         | 78,929         |

## 8(b) GROUP AND CHARITY TANGIBLE FIXED ASSETS

|                           | Leasehold Improvements | Fixtures and Fitting | Machinery and Equipment | Computers and Software | Vehicles       | Total            |
|---------------------------|------------------------|----------------------|-------------------------|------------------------|----------------|------------------|
|                           | £                      | £                    | £                       | £                      | £              | £                |
| <b>Cost</b>               |                        |                      |                         |                        |                |                  |
| At 31 March 2019          | 439,430                | 99,167               | 154,640                 | 599,089                | 253,640        | 1,545,966        |
| Additions                 | 782,641                | 193,820              | 140,060                 | 188,816                | 163,969        | 1,469,306        |
| Disposals                 | (439,430)              | (40,533)             | (5,641)                 | (213,349)              | (18,159)       | (717,112)        |
| <b>At 31 March 2020</b>   | <b>782,641</b>         | <b>252,454</b>       | <b>289,059</b>          | <b>574,556</b>         | <b>399,450</b> | <b>2,298,160</b> |
| <b>Depreciation</b>       |                        |                      |                         |                        |                |                  |
| At 31 March 2019          | 433,517                | 73,847               | 85,408                  | 465,265                | 201,640        | 1,259,677        |
| Depreciation for the year | 81,865                 | 31,385               | 35,897                  | 123,538                | 66,266         | 338,951          |
| Disposals                 | (433,517)              | (39,546)             | (5,314)                 | (212,367)              | (18,159)       | (708,903)        |
| <b>At 31 March 2020</b>   | <b>81,865</b>          | <b>65,686</b>        | <b>115,991</b>          | <b>376,436</b>         | <b>249,747</b> | <b>889,725</b>   |
| <b>Net Book Value</b>     |                        |                      |                         |                        |                |                  |
| <b>At 31 March 2020</b>   | <b>700,776</b>         | <b>186,768</b>       | <b>173,068</b>          | <b>198,121</b>         | <b>149,702</b> | <b>1,408,435</b> |
| At 31 March 2019          | 5,913                  | 25,320               | 69,231                  | 133,824                | 52,000         | 286,289          |

## 9 GROUP AND CHARITY INVESTMENTS

| Reconciliation of Investments Held with Fund Manager | 2020              | 2019              |
|--|-------------------|-------------------|
|  | £                 | £                 |
| Market Value at 1 April                              | 13,623,598        | 12,737,638        |
| Disposals  | (1,750,000)       | 0                 |
| Dividends reinvested                                 | 182,303           | 175,759           |
| Fees deducted during year                            | (93,150)          | (88,632)          |
| Net gains  | 515,476           | 798,833           |
| <b>Market Value at 31 March</b>                      | <b>12,478,227</b> | <b>13,623,598</b> |
| Historical Cost at 31 March                          | 11,171,760        | 12,166,063        |

Investments held in cash £2.2m and listed investments £10.3m



## 10 CONSOLIDATED MOVEMENT IN UNRESTRICTED AND RESTRICTED FUNDS

|  | As at<br>31 March<br>2019<br>£ | Income<br>£       | Expenditure<br>£    | Transfers<br>£ | Net<br>Gains/<br>Losses<br>£ | As at<br>31 March<br>2020<br>£ |
|--|--------------------------------|-------------------|---------------------|----------------|------------------------------|--------------------------------|
| <b>Unrestricted Funds</b>              |                                |                   |                     |                |                              |                                |
| General Funds                          | 8,468,253                      | 18,222,480        | (21,146,736)        | 1,840,000      | 515,475                      | 7,899,472                      |
| Designated Funds                       | 3,300,000                      | -                 | -                   | (1,840,000)    | -                            | 1,460,000                      |
| <b>Total Unrestricted Funds</b>        | <b>11,768,253</b>              | <b>18,222,480</b> | <b>(21,146,736)</b> | <b>0</b>       | <b>515,475</b>               | <b>9,359,472</b>               |
| <b>Restricted Funds</b>                |                                |                   |                     |                |                              |                                |
| Afghanistan                            | 0                              | 6,000             | (6,000)             | 0              | 0                            | 0                              |
| Egypt                                  | 0                              | 87,756            | (87,756)            | 0              | 0                            | 0                              |
| Ethiopia                               | 0                              | 132,903           | (146,356)           | 13,453         | 0                            | 0                              |
| India                                  | 100,001                        | 392,861           | (530,544)           | 37,682         | 0                            | 0                              |
| Kenya                                  | 9,993                          | 463,550           | (485,754)           | 12,211         | 0                            | 0                              |
| Pakistan                               | (26)                           | 339,418           | (421,804)           | 82,412         | 0                            | 0                              |
| Senegal                                | 183,543                        | 212,273           | (209,929)           | 0              | 0                            | 185,887                        |
| UK Innovation Fund                     | 0                              | 20,378            | (20,378)            | 0              | 0                            | 0                              |
| Ubuntu                                 | 0                              | 5,491             | (5,491)             | 0              | 0                            | 0                              |
| Effectiveness Framework<br>Application | 0                              | 12,500            | (12,500)            | 0              | 0                            | 0                              |
| *Virtual Gifts                         | 1,518                          | 145,758           | (1,518)             | (145,758)      | 0                            | 0                              |
| Ethiopia Research Wellcome             | 0                              | 13,402            | (13,402)            | 0              | 0                            | 0                              |
| Global Exchange 18-19                  | 0                              | 25,000            | (25,000)            | 0              | 0                            | 0                              |
| <b>Total Restricted Funds</b>          | <b>295,029</b>                 | <b>1,857,290</b>  | <b>(1,966,432)</b>  | <b>0</b>       | <b>0</b>                     | <b>185,887</b>                 |
| <b>Total Funds</b>                     | <b>12,063,282</b>              | <b>20,079,770</b> | <b>(23,113,167)</b> | <b>0</b>       | <b>515,475</b>               | <b>9,545,359</b>               |

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.

Grants amounting to £317k were received from Brooke USA to fund work in Ethiopia, Senegal, Pakistan and Kenya. Additionally donations totalling £31k were received from Brooke Netherlands in 2019-20, restricted to our work in Pakistan, Kenya and India.

## 11 DEBTORS AND PREPAYMENTS

|                               | Group 2020<br>£  | Charity 2020<br>£ | Group 2019<br>£  | Charity 2019<br>£ |
|-------------------------------|------------------|-------------------|------------------|-------------------|
| Legacies Receivable           | 702,031          | 702,031           | 698,663          | 698,663           |
| Tax Recoverable               | 457,159          | 457,159           | 1,682,493        | 1,682,493         |
| Prepayments and other debtors | 330,914          | 330,914           | 459,806          | 459,806           |
| <b>Total</b>                  | <b>1,490,104</b> | <b>1,490,104</b>  | <b>2,840,962</b> | <b>2,840,962</b>  |

## 12 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

|                               | Group 2020<br>£   | Charity 2020<br>£ | Group 2019<br>£  | Charity 2019<br>£ |
|-------------------------------|-------------------|-------------------|------------------|-------------------|
| Amounts committed to partners | 6,833,962         | 6,833,962         | 6,525,807        | 6,525,807         |
| Taxes and social security     | 137,946           | 137,946           | 127,820          | 127,820           |
| Other creditor and accruals   | 2,729,995         | 2,729,590         | 2,340,483        | 2,313,825         |
| Deferred Income               | 387,128           | 387,128           | -                | -                 |
| Gift Aid Provision            | 70,914            | 70,914            | 193,914          | 193,914           |
| <b>Total</b>                  | <b>10,159,945</b> | <b>10,159,540</b> | <b>9,188,024</b> | <b>9,161,366</b>  |

## 13 GROUP AND CHARITY OPERATING LEASE COMMITMENTS

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

| Lease Payments                                 | 2020             |              |                  | 2019             |               |                |
|--|------------------|--------------|------------------|------------------|---------------|----------------|
|  | Land & Buildings | Other        | Total            | Land & Buildings | Other         | Total          |
| Not later than one year                        | 432,520          | 2,694        | 435,214          | 217,994          | 2,694         | 220,688        |
| Later than one year and not later than 5 years | 2,012,552        | 6,062        | 2,018,614        | 50,295           | 8,756         | 59,051         |
| Later than 5 years                             | -                | -            | -                | -                | -             | -              |
| <b>Total</b>                                   | <b>2,445,072</b> | <b>8,756</b> | <b>2,453,828</b> | <b>268,289</b>   | <b>11,450</b> | <b>279,739</b> |

On 30th July 2019, a lease was signed for new office premises in London.

## 14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

|                     | Unrestricted Funds | Restricted Funds | Total            |
|---------------------|--------------------|------------------|------------------|
|                     | £                  | £                | £                |
| <b>Group</b>        |                    |                  |                  |
| Intangible Assets   | 20,246             | -                | 20,246           |
| Tangible Assets     | 1,408,435          | -                | 1,408,435        |
| Investments         | 12,478,227         | -                | 12,478,227       |
| Current Assets      | 5,612,509          | 185,887          | 5,798,396        |
| Current Liabilities | (10,159,945)       | -                | (10,159,945)     |
| <b>Net Assets</b>   | <b>9,359,472</b>   | <b>185,887</b>   | <b>9,545,359</b> |
| <b>Charity</b>      |                    |                  |                  |
| Intangible Assets   | 20,246             | -                | 20,246           |
| Tangible Assets     | 1,408,435          | -                | 1,408,435        |
| Investments         | 12,478,227         | -                | 12,478,227       |
| Current Assets      | 5,612,103          | 185,887          | 5,797,990        |
| Current Liabilities | (10,159,539)       | -                | (10,159,539)     |
| <b>Net Assets</b>   | <b>9,359,472</b>   | <b>185,887</b>   | <b>9,545,359</b> |

## 15 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2019: none).

## 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 2020       | Bhat 2019       |
|--|-----------------|-----------------|
|  | £               | £               |
| Total income                             | 44,206          | 49,366          |
| Total expenditure                        | (17,843)        | (23,178)        |
| Net income                               | 26,363          | 26,188          |
| Gift to Brooke Hospital for Animals      | (26,363)        | (26,188)        |
| Retained surplus/ (deficit) for the year | 0               | 0               |
| <b>Total Assets</b>                      | <b>12,500</b>   | <b>26,658</b>   |
| <b>Total Liabilities</b>                 | <b>(12,500)</b> | <b>(26,658)</b> |
| <b>Total Funds</b>                       | <b>0</b>        | <b>0</b>        |

At 31 March 2020, Brooke Hospital for Animals Trading Limited owed the parent charity £11,000 (2019 £11,000) for a start-up loan injection. During the year, Brooke Hospital for Animals Trading Limited expended £2,130 (2019 £2,152) with the parent charity for loan interest charges and use of name and logo.

## 17 FINANCIAL ASSETS AND LIABILITIES

|  | Group 2020        | Group 2019        |
|--|-------------------|-------------------|
|  | £                 | £                 |
| <b>Financial Assets Measured at Fair Value</b>   | <b>12,478,227</b> | <b>13,623,598</b> |
| The charity's income, expense, gains and losses in respect of financial instruments are summarised below |                   |                   |
| <b>Total Income from Financial Assets Held at Fair Value</b>   | <b>199,401</b>    | <b>186,239</b>    |
| <b>Net Gains on Financial Assets Held at Fair Value</b>  | <b>515,476</b>    | <b>798,834</b>    |

**18 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2019**

| Notes   | Unrestricted Funds 2019<br>£ | Restricted Funds 2019<br>£ | Total Funds 2019<br>£ | Total Funds 2018<br>£ |
|---|------------------------------|----------------------------|-----------------------|-----------------------|
| <b>Income from</b>                            |                              |                            |                       |                       |
| Donations and legacies                        | 18,933,119                   | 1,672,346                  | 20,605,465            | 21,126,975            |
| Other trading activities                      | 51,287                       | -                          | 51,287                | 46,599                |
| Investments                                   | 186,074                      | -                          | 186,074               | 241,622               |
| Other   | 1,703                        | -                          | 1,703                 | 9,597                 |
| <b>Total income</b>                           | <b>19,172,183</b>            | <b>1,672,346</b>           | <b>20,844,530</b>     | <b>21,424,794</b>     |
| <b>Expenditure on Raising funds</b>           |                              |                            |                       |                       |
|   | <b>7,198,360</b>             | -                          | <b>7,198,360</b>      | <b>6,682,214</b>      |
| <b>Expenditure on Charitable activities:</b>  |                              |                            |                       |                       |
| Direct intervention to improve animal welfare | 4,908,699                    | 579,170                    | 5,487,869             | 4,766,527             |
| Prevention of welfare problems                | 6,678,542                    | 787,991                    | 7,466,532             | 6,163,690             |
| Influencing and awareness raising             | 1,591,145                    | 187,737                    | 1,778,881             | 1,667,716             |
| Research                                      | 454,995                      | 53,684                     | 508,679               | 710,359               |
| <b>Total charitable activities</b>            | <b>13,633,380</b>            | <b>1,608,582</b>           | <b>15,241,962</b>     | <b>13,308,292</b>     |
| <b>Total expenditure</b>                      | <b>20,831,740</b>            | <b>1,608,582</b>           | <b>22,440,322</b>     | <b>19,990,506</b>     |
| Net gains on investments                      | 798,834                      | -                          | 798,834               | 368,195               |
| <b>Net (expenditure)/income</b>               | <b>(860,723)</b>             | <b>63,765</b>              | <b>(796,958)</b>      | <b>1,802,484</b>      |
| <b>Reconciliation of funds:</b>               |                              |                            |                       |                       |
| <b>Total funds brought forward</b>            | <b>12,628,976</b>            | <b>231,264</b>             | <b>12,860,240</b>     | <b>11,057,756</b>     |
| <b>Total funds carried forward</b>            | <b>11,768,253</b>            | <b>295,029</b>             | <b>12,063,282</b>     | <b>12,860,240</b>     |

**19 CONSOLIDATED MOVEMENT IN UNRESTRICTED AND RESTRICTED FUNDS FOR YEAR ENDED 31 MARCH 2019**

|                                     | As at 1 April 2018 restated<br>£ | Total incoming resources<br>£ | Total resources expended<br>£ | Transfers<br>£ | Net gains/losses<br>£ | As at 31 March 2019<br>£ |
|-------------------------------------|----------------------------------|-------------------------------|-------------------------------|----------------|-----------------------|--------------------------|
| <b>Unrestricted Funds</b>           |                                  |                               |                               |                |                       |                          |
| General Funds                       | 9,128,977                        | 19,172,183                    | (20,831,740)                  | 200,000        | 798,834               | 8,468,253                |
| Designated Funds                    | 3,500,000                        | 0                             | 0                             | (200,000)      | 0                     | 3,300,000                |
| <b>Total Unrestricted Funds</b>     | <b>12,628,977</b>                | <b>19,172,183</b>             | <b>(20,831,740)</b>           | <b>0</b>       | <b>798,834</b>        | <b>11,768,253</b>        |
| <b>Restricted Funds</b>             |                                  |                               |                               |                |                       |                          |
| Afghanistan                         | 0                                | 7,500                         | (7,500)                       | 0              | 0                     | 0                        |
| Egypt                               | 0                                | 16,093                        | (16,093)                      | 0              | 0                     | 0                        |
| Ethiopia                            | 11,900                           | 87,205                        | (104,508)                     | 5,403          | 0                     | 0                        |
| Guatemala                           | 0                                | 32,819                        | (32,819)                      | 0              | 0                     | 0                        |
| India                               | 111,000                          | 384,757                       | (457,398)                     | 61,641         | 0                     | 100,001                  |
| Kenya                               | (7)                              | 189,870                       | (191,746)                     | 11,876         | 0                     | 9,993                    |
| Nepal                               | 0                                | 39,002                        | (39,002)                      | 0              | 0                     | 0                        |
| Pakistan                            | 18,475                           | 306,588                       | (388,222)                     | 63,134         | 0                     | (26)                     |
| Senegal                             | 88,378                           | 412,855                       | (317,690)                     | 0              | 0                     | 183,543                  |
| Ubuntu                              | 0                                | 10,982                        | (10,982)                      | 0              | 0                     | 0                        |
| Effectiveness Framework Application | 0                                | 12,500                        | (12,500)                      | 0              | 0                     | 0                        |
| *Virtual Gifts                      | 1,518                            | 142,054                       | 0                             | (142,054)      | 0                     | 1,518                    |
| Ethiopia Research Wellcome          | 0                                | 5,121                         | (5,121)                       | 0              | 0                     | 0                        |
| Global Exchange 18-19               | 0                                | 25,000                        | (25,000)                      | 0              | 0                     | 0                        |
| <b>Total Restricted Funds</b>       | <b>231,265</b>                   | <b>1,672,346</b>              | <b>(1,608,581)</b>            | <b>0</b>       | <b>0</b>              | <b>295,030</b>           |
| <b>Total Funds</b>                  | <b>12,860,242</b>                | <b>20,844,529</b>             | <b>(22,440,322)</b>           | <b>0</b>       | <b>798,834</b>        | <b>12,063,282</b>        |

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.

Grants amounting to £429k were received from Brooke USA to fund work in Ethiopia, Senegal, Pakistan and Kenya. Additionally donations totalling £31k were received from Brooke Netherlands in 2017-18, restricted to our work in Pakistan, Kenya and India.

## 20 ANALYSIS OF NET ASSETS BETWEEN FUNDS FOR YEAR ENDED 31 MARCH 2019

|                     | Unrestricted Funds | Restricted Funds | Total             |
|---------------------|--------------------|------------------|-------------------|
|                     | £                  | £                | £                 |
| <b>Group</b>        |                    |                  |                   |
| Intangible Assets   | 78,929             | -                | 78,929            |
| Tangible Assets     | 286,289            | -                | 286,289           |
| Investments         | 13,623,598         | -                | 13,623,598        |
| Current Assets      | 6,967,461          | 295,029          | 7,262,490         |
| Current Liabilities | (9,188,024)        | -                | (9,188,024)       |
| <b>Net Assets</b>   | <b>11,768,253</b>  | <b>295,029</b>   | <b>12,063,282</b> |
| <b>Charity</b>      |                    |                  |                   |
| Intangible Assets   | 78,929             | -                | 78,929            |
| Tangible Assets     | 286,289            | -                | 286,289           |
| Investments         | 13,623,598         | -                | 13,623,598        |
| Current Assets      | 6,940,803          | 295,029          | 7,235,832         |
| Current Liabilities | (9,161,366)        | -                | (9,161,366)       |
| <b>Net Assets</b>   | <b>11,768,253</b>  | <b>295,029</b>   | <b>12,063,282</b> |



## CONTACT ADDRESSES

### UNITED KINGDOM HEADQUARTERS AND REGISTERED OFFICE

#### Brooke

2nd Floor, The Hallmark Building,  
52-56 Leadenhall Street, London, EC3A 2BJ  
t: +44 20 3012 3456

[www.thebrooke.org](http://www.thebrooke.org)

Registered in England and Wales.  
Company number 04119581.

A company limited by guarantee with the legal  
name The Brooke Hospital for Animals.

A charity registered with the Charity  
Commission Charity No. 1085760

### BRANCHES

#### ETHIOPIA

Brooke Hospital for Animals (Ethiopia)  
House No. 1727  
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