

ANNUAL REVIEW 2017



**THE DONKEY
SANCTUARY**



WORKING WORLDWIDE

CONTENTS

MESSAGE FROM THE CHAIR OF TRUSTEE DIRECTORS	4
THANK YOU	6
MESSAGE FROM THE CHIEF EXECUTIVE	8
VISION, MISSION AND VALUES	10
EMERGING ISSUES	12
RESCUE AND REHOMING	14
WORKING WORLDWIDE	16
DONKEY-ASSISTED THERAPY	18
CONSIDERING THE FUTURE	20
LOOKING AFTER OUR SUPPORTERS	22
FINANCIAL REVIEW	24

Cover picture: a donkey in Palestine — thanks to our donors and supporters, we work around the world to help working donkeys and mules, and the people who depend on them for their livelihood.



The staff and volunteers at our sanctuaries work hard to ensure donkeys such as Sigwell and his friends receive the best care for health and wellbeing.

MESSAGE FROM THE CHAIR OF TRUSTEE DIRECTORS

It has been an exciting time for The Donkey Sanctuary in 2017, representing the final year of a successful five-year strategy period. Thanks to the dedication of the charity's staff, volunteers and supporters, we have made significant gains in the UK and overseas as we pursue our mission to help donkeys, and those who depend on them, wherever there is need. As Chairman of Trustees it gives me great pleasure to introduce you to the facts and figures behind our work, as well as some of the stories that illustrate just why our efforts are so important both at home and internationally.

Last year, we provided sanctuary to nearly 7,000 animals on our farms and sanctuaries, attended to over 1,300 welfare visits in the UK and opened a new hospital that will give care to donkeys and mules for decades to come. In the last five years, we increased the number of donkeys in our rehoming scheme from 1,500 to over 2,000 in the UK and mainland Europe, and developed our donkey-assisted therapy programme to help more children and adults with additional needs. Our global outreach increased the number of countries in which we work and support projects from 27 to 38, transforming lives through direct care, community training, and partnership work to improve the way donkeys are treated, including better harnesses, dentistry and farriery.

As trustees of The Donkey Sanctuary, we are consistently reassured by the combination of generous giving together with thoughtful working practices among staff and volunteers. We know we make a real difference to animals experiencing abandonment, overwork, neglect and abuse.

Thank you for your continued interest in our aims and the support you provide. It is collectively that we make possible our goal of improving the lives of donkeys and mules around the world.



Stuart Reid



Like all living creatures, whether domesticated or wild, donkeys have the right to a life free from suffering, where their social and intelligent natures can flourish.

THANK YOU

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

Here are just some examples of our successes from 2017 — thanks to your support.



JACKIE'S HOSPITAL TREATMENT

Our new hospital opened at Brookfield Farm, Devon, in May, replacing the old hospital at our Sidmouth sanctuary. Treating sick donkeys both inside and outside our care, and training vets both nationwide and worldwide, the new hospital enables us to carry out more procedures and treatments than previously. Recent patients include Jackie, who at just one-year-old was admitted with a laceration to the inside of one of her fore-legs. The wound, likely to have been caused by overreaching with her rear hooves while playing, had become infected and needed specialist care. Jackie was given antibiotics, and a heavy bandage applied to prevent her from re-opening the wound. Vets scanned the area by ultrasound to check for foreign bodies and took radiographs to make sure there were no bone chips. With expert care and her friend Stephanie by her side the whole time, Jackie has made a full recovery.

HELPING CANCER PATIENTS

Our donkey-assisted therapy programme benefited more children and adults with additional needs following the launch of a pilot partnership with CLIC Sargent, the UK's leading charity for young cancer patients and their families. Leighann Hickinson, 22, was among those who took part in donkey-assisted therapy at our Belfast sanctuary while recovering from the ordeal of undergoing surgery and chemotherapy for a brain tumour. "The calming presence of the animals really helps in a way that's hard to explain," she says.

“Children and adults learn from their physical and emotional experience with these exceptional creatures.”

Caron Whaley,
director of donkey-assisted therapy



FEEDING THE HUNGRY IN TANZANIA

We responded to emergency calls in Tanzania, where donkeys and their owners faced devastation after failing rains had made regions of the country as barren as a desert, with no plants growing and water points drying up. We teamed up with our local partner, Tanzania Animal Welfare Society to distribute much-needed food to donkeys.

“ Donkeys, weakened by hunger, were having to work even harder for their owners in the local communities. Thanks to donors like you responding to our appeal, we funded an urgent feeding programme that saved so many donkeys from suffering.

Simon Pope,
rapid response and campaigns manager

RESCUING TIMMY AND TOMMY

Timmy and Tommy are among the desperate donkeys we rescued in the UK last year thanks to the generosity of supporters. We found them in a pitiful state, hidden away in unimaginable squalor in a barn in Yorkshire. As their owner faced charges under the Animal Welfare Act, our healing and nurturing work got underway.

“ After a few months at The Donkey Sanctuary following their tortuous ordeal, Timmy and Tommy regained health and their individual characters began to shine through.

Hannah Bryer,
senior welfare adviser

**Thank you from the
bottom of our hearts**

MESSAGE FROM THE CHIEF EXECUTIVE



It was my privilege during 2017 to experience so much vital work being carried out at our UK sanctuaries, and by our projects overseas.

At home I had the opportunity to witness the expertise, dedication and compassion of staff and volunteers, from the welfare advisers called out to rescue donkeys from abuse and neglect to the grooms, vets and farriers who maintain such high welfare standards for the donkeys and mules in our care.

Just one of many such cases was the rescue of seven donkeys in Staffordshire, suffering chronic pain as their owner had failed to trim their overgrown hooves. The donkeys are now doing well in our care, and after they arrived it was found that five of them were in foal.

To increase the impact of our veterinary care and research, we also opened a new hospital in Devon to treat sick donkeys both inside and outside our care. Another significant development was an increase in the number of donkeys in our rehoming scheme from 1,846 in 2016 to 2,051 in 2017, in the UK and mainland Europe.

Further afield the issues faced by donkeys are very different and a donkey suffering in Africa is every bit as deserving as a donkey in Sidmouth. We need to be there for both of them.

During visits to Kenya, Tanzania and Namibia we witnessed first-hand the suffering caused by the unsustainable rise in the theft of working donkeys for the skin trade.

Violet Antete, a donkey owner in Tanzania, summarised the plight of many: “When the kids visited the donkeys, they discovered one, Tabu, was missing. We went looking for her but found only her discarded corpse. Only the skin had gone. We now have one less donkey to fetch our water. They assist the family in collecting water during the rains, and their work is even more important when there is drought. We have lost a vital part of our family.”

Our response to such global challenges combines grass-roots initiatives with advocacy and awareness-raising in order to make a sustainable impact. While collaborating with local partners on community education and training projects, we consulted governments, non-governmental organisations and the international media to garner support.

One of many high-level meetings was at the United Nations where I had the opportunity to demonstrate the critical role donkeys play in achieving the UN’s Sustainable Development Goals (SDGs), which aim to end poverty, protect the planet and ensure prosperity for all.

The great strength of The Donkey Sanctuary is how we provide both practical help for individual donkeys and influence top decision makers by persuading them of the urgent need for donkey welfare, and giving them ideas about how to achieve it.

There are an estimated 50 million donkeys and mules in the world and we can’t possibly reach them on our own. Our ability to transform the lives of the millions of animals that need us depends on persuading others that this will make a real difference, not only to donkeys but the people who rely on them.

Our focus in the year ahead is to develop as a beacon for donkey welfare all over the UK, and our international and advocacy work will focus on reaching donkeys at scale around the world.

Mike Baker
Chief Executive



As well as funding our partner Tanzania Animal Welfare Society to distribute food to donkeys affected by the failing rains, we worked with the local Meru Animal Welfare Organisation, funding this partner to conduct community training sessions for welfare-friendly harness design. Local women then became trainers for their communities, to ensure knowledge transfer is sustained.

VISION, MISSION AND VALUES

OUR VISION

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

OUR MISSION

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

OUR VALUES

Compassion, collaboration and creativity are The Donkey Sanctuary values. They are the key to our journey as they represent what we stand for and what we measure ourselves against.

Compassion

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

Collaboration

The Donkey Sanctuary is collaborative in all its activities, working through a worldwide network of partner organisations, communities and individuals. We work inclusively with people frequently marginalised within their own countries and communities, whether due to poverty, ignorance, race, gender or disabilities. We treat every interaction as a two-way opportunity to learn and teach. We know that it is only together that we can help donkey owners and carers become donkey-welfare ambassadors wherever they live and work.

Creativity

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



Over a million people in Mexico City live without piped water. Donkeys provide a vital lifeline to families by collecting water supplies from delivery trucks (pipas). The Donkey Sanctuary Mexico helps these donkeys by providing healthcare for problems including harness wounds, lameness, malnutrition and mistreatment. They also offer guidance to owners to help them break the cycle of poor welfare, through improved harnesses, reduced loads, and better communication and understanding of donkey behaviour.

EMERGING ISSUES

During 2017, we raised awareness of one of the most significant issues for donkeys in the world right now — how the skin trade is killing as many as four million donkeys each year to provide the key ingredient – gelatin – for the traditional Chinese medicine, ejiao.

Our Under the Skin report, published in January 2017, was an urgent response to this unsustainable trade. As well as involving the inhumane slaughter and transportation of animals, it involves the theft of working donkeys in Africa, Asia and South America which is causing socio-economic devastation to the people who depend on these animals for their livelihood.

Since launching our campaign we have played a pivotal role in several countries standing against or halting the development of the skin trade, including Namibia, Botswana, Zimbabwe, Tanzania, Uganda and Ethiopia. We secured exposure in the media including BBC News, and successfully lobbied eBay to immediately stop selling ejiao products on their websites.

We also made our first visit to China, jointly with World Horse Welfare, to better understand the country driving the global trade in donkey skins for ejiao products.

Our advocacy work has complemented our Under the Skin campaign by demonstrating to opinion formers the critical role of working equids in achieving the United Nation's Sustainable Development Goals. We have highlighted the negative impact caused to communities when their animals are poached for the skin trade.

While there remains much work to be done, we are encouraged by the scale of breakthroughs, and how our groundwork and lobbying, and our networking in China, is identifying further solutions.





In Baringo, Kenya, hundreds of donkey skins dry in the sun as part of the production process of ejiao. Large-scale donkey slaughterhouses are known to have been established in Kenya and other areas of Africa, with the continent's huge donkey population a key target for the skin trade.

RESCUE AND REHOMING

Thanks to our supporters and donors we continued through 2017 to provide rescue and rehoming services to thousands of donkeys in distress across the UK, Ireland and Europe.

We provided sanctuary to nearly 7,000 donkeys and mules, all of whom can now look forward to a life in a loving home. Of these, over 2,000 donkeys and mules enjoyed the direct care and friendship of families through our Rehoming Scheme.

The Donkey Sanctuary's Spanish operation El Refugio del Burrito rescued or relinquished 95 animals last year, and directly rehomed 71 of them. The Donkey Sanctuary Ireland rescued 141, 65 of whom had been found abandoned as a consequence of indiscriminate breeding. One of our welfare advisers in Ireland discovered a foal, Roma, stuck in a bog, trembling with cold. After emergency treatment for hypothermia and shock, Roma has settled in to our sanctuary in Lisscarroll, County Cork.

Our research work made further advances on enrichment programmes that are essential to improving the wellbeing of the donkeys in our care, just as food and bedding are essential to their welfare needs. A therapeutic part of care for a donkey is daily contact with grooms, but toys, forage boxes and food hidden in logs also provide mental stimulation for inquisitive donkeys, and help improve social interactions between donkeys in their herds.

To help tackle the abandonment problem in Ireland, we introduced a Donkey Welfare Improvement Scheme (DWIS) to improve the welfare of donkeys in private ownership in Ireland, and reduce incidents of cruelty and neglect. This scheme is encouraging people that may need help with their donkeys to contact us to enquire about veterinary improvements such as castration, microchipping, veterinary treatment and farriery.

During the year, we continued our work to improve habitats for the wildlife on our farms: volunteers have helped us lay hedges as a traditional method of encouraging wildlife.

Finally, with the help of our generous supporters we opened our new veterinary hospital, replacing the old hospital at the main Sidmouth sanctuary with more up-to-date premises at nearby Brookfield Farm. The opening takes our medical care to new heights as we give life-saving medical care to donkeys both inside and outside our sanctuaries, and train vets and donkey handlers both nationwide and worldwide.

A SUSTAINABLE FUTURE

With our sanctuaries becoming full to capacity, rehoming more pairs of donkeys by finding them loving homes in the wider community is an increasingly important goal so we can continue rescuing those donkeys in desperate need of sanctuary. Some ill-treated donkeys thrive on the special attention they receive when placed in caring homes. That's why we use a variety of ways to respond to a donkey in need, such as finding a loving home, supporting owners through behaviour and husbandry training, providing expert advice, and helping people find new homes for their donkeys when they can no longer care for them. In 2018 we will continue to address the root causes of relinquishments.



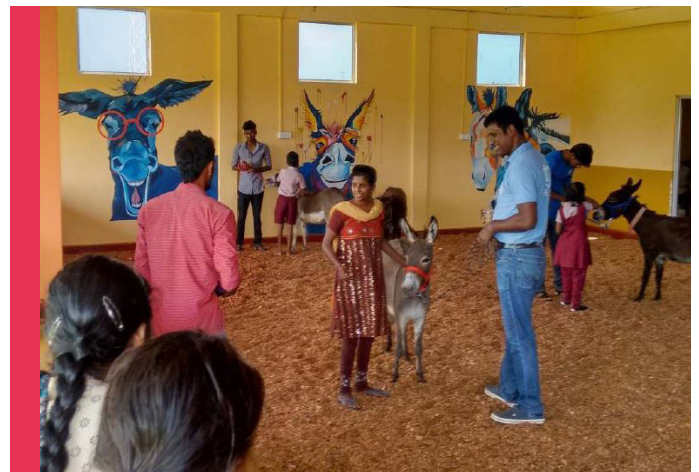
Our Spanish team found an elderly mule, Xarqui in a terrible abandoned state. Starving and too weak to survive alone having been dumped on a remote hilltop by his owner, he was rescued to the safety of our sanctuary north of Malaga, El Refugio del Burrito.

WORKING WORLDWIDE

The situation for donkeys and mules in the modern world is complex and ever changing, and never more so than in 2017. For example, in some areas large populations of donkeys living in the wild — animals that have been abandoned when their services are no longer needed — face uncertain and traumatic futures. Elsewhere, the increasing use of donkey products in China is driving up the demand for donkeys, bringing a completely new set of challenges. Meanwhile many millions of donkeys worldwide are used from infancy into their old age in the construction industry all over the developing world; in tourism on several continents and, of course, as vital transport for communities reliant on donkeys for their livelihoods.

This year we have had to use all our ingenuity to address the welfare needs of donkeys and mules in the face of such wildly diverse challenges. We relieved donkey suffering directly through the hands-on care of our project teams worldwide. At the same time, training and advising others to do the same, and helping them to build welfare infrastructures. It's through this collaborative work that we can have a mass impact and it's something we plan to build on and expand in 2018. Vitally, we know that in helping donkeys we help the people who depend on them for their livelihoods too; another reason, should we need one, why driving forward our international projects is so very important.

In 2017, we increased the number of countries in which we work and support collaborative projects from 27 to 38.



SRI LANKA — case study

Our partners Donkey Sanctuary India made progress in Sri Lanka during a recent visit by providing help to Bridging Lanka, an organisation setting up a Donkey Clinic and Education Centre. The team helped with the design, ensuring provisions for stallions, mares, isolation units for new donkeys, and a path for tourists to see the work. They also attended sessions of the donkey-assisted therapy programme helping improve the physical and emotional wellbeing of children with additional needs.



GHANA — case study

Through the Ghana Society for the Protection and Care of animals, we funded a scoping project to unearth the impact that the donkey skin trade is having on population numbers in Ghana. The findings are informing our wider project to tackle the biggest welfare issue facing donkeys today.

EGYPT — case study

In the brick kilns of Egypt, we continued to support the Egyptian Society for the Protection and Welfare of Working Animals in improving conditions for mules and donkeys by providing veterinary treatment, farriery, and vital education for brick kiln owners and workers.



ZIMBABWE — case study

We saw the positive effects of previous harness workshops in Africa, such as one in Tanzania which helped a harness maker called Aaron return to Zimbabwe armed with the knowledge and skills to train others, enabling sustainable improvements for donkey welfare.

NEPAL — case study

With our support, Animal Nepal made important progress in securing legislation for pack animals, safeguarding the welfare of working donkeys and raising the profile of animal welfare within the Government of Nepal. Outreach work is intensifying in the 18 brick factories, including the introduction of a Model Watering Facility, addressing the lack of safe water for the working mules and donkeys. With our funding, Animal Nepal also sent a rapid response team to help during the disastrous floods which hit the country.

DONKEY-ASSISTED THERAPY

Introduced to our UK centres over 40 years ago by our founder Dr Elisabeth Svendsen, our donkey-assisted therapy programme for children and adults with additional needs continued to evolve. Following trials in 2016, we rolled out the development whereby children spent less time on the back of the donkey, and more time interacting and engaging with the donkey in other ways.

This approach sees children and adults learn through experiencing and discovering things about the donkeys through hands-on interaction. It provides more opportunity for a connection between donkey and human on an emotional as well as a physical level, and is helping us to better understand how these magical moments of engagement can enrich the donkey's life alongside that of the person.

In 2017, we expanded these services to other groups such as sufferers of post-traumatic stress disorder, and improved our understanding of the impacts of donkey facilitated learning on vulnerable people.

We launched a pilot partnership with CLIC Sargent, the UK's leading charity for young cancer patients and their families. Annaliese Laffan, 20, and Leighann Hickinson, 22, took part in several weeks of donkey-assisted therapy at our Belfast sanctuary.

CLIC Sargent social worker Simon Darby said: "Every week I watched in awe at something I knew very little about. I experienced goose-bump moments where the young people were talking about issues that many cancer survivors would struggle with. Leighann and Annaliese have transformed."



Our staff facilitate the programme but donkeys do the work – their bond with humans is independent and intuitive, and their connection with people both teaches us about them, and teaches us about ourselves. Children and adults learn from their physical and emotional experience with these exceptional creatures.

Caron Whaley,
director of donkey-assisted therapy



Donkey-assisted therapy helped teach schoolgirl Millie to rebuild her confidence after bullies made her life a misery. The ordeal left eight-year-old Millie withdrawn but, after a 12-week programme at our sanctuary in Birmingham, she built the confidence she needed to continue her school classes. During the sessions, Millie worked with Charlie, Oscar, Jacko and Jimmy, taking part in learning activities that allowed her to interact, and explore aspects of looking after them. Millie's time with the donkeys helped her develop life skills such as resilience, communication, managing emotions and empathy, and saw her become more open and chatty over the course of the sessions.

CONSIDERING THE FUTURE

Thanks to our supporters and donors, we have so much to celebrate.

IN 2017

Last year was the final year of a successful five-year strategy period that saw us grow in impact, profile and income. During this time, we have achieved a lot in the UK as well as overseas:

- provided a home on our sanctuaries, farms or through our rehoming scheme to nearly 7,000 animals
- attended to over 1,300 welfare visits in the UK and to over 900 welfare complaints in Ireland and mainland Europe
- opened a new hospital that will give vital care to donkeys and mules for decades to come
- increased the number of donkeys in our rehoming scheme from 1,500 in 2012 to over 2,000 in 2017, in the UK and mainland Europe
- increased the number of countries in which we work and support projects from 27 in 2012 to 38 in 2017
- played a pivotal role in several countries standing against or halting the development of the skin trade, including Namibia, Botswana, Zimbabwe, Tanzania, Uganda and Ethiopia
- transformed the lives of donkeys worldwide through community and partnership work to improve the way donkeys are treated, including better harnessing, dentistry and farriery
- championed the contribution of donkeys and advocated for their needs by working with governments, the media and other NGOs worldwide, including the World Organisation of Animal Health (OIE), the Food and Agriculture Organisation of the United Nations (FAO), the World Bank and nine veterinary associations around the world
- launched the new Visitor Centre at our Sidmouth sanctuary, including The Kitchen restaurant, Exhibition Barn and Gift Shop
- increased our income from £27 million in 2012 to over £37 million in 2017 to finance this work.

IN 2018

Our goal for 2018 and beyond is to transform the welfare of donkeys and mules and elevate their status across the world.

Following extensive consultation with staff and trustees, 2018 will be a year of intense preparation to develop The Donkey Sanctuary's next five-year strategy, which will take us from 2019 to 2023. The new strategy outlines our plan to take our work for donkeys and mules to a new level, both on home ground in our farms and sanctuaries and through our global programmes of work.

The strategy describes exactly why donkeys matter so much, both for their own sakes and for the pivotal impact they have on the human beings they live among, and the key issues that challenge donkeys' wellbeing worldwide today. It also describes the approach we will need to take to combat these issues.

In 2018, we set the groundwork towards our goal to transform the welfare of donkeys and mules and elevate their status across the world. This goal is underpinned by six key operational aims:

- 1. We will ensure that every donkey in the UK can live a happy and healthy life**
- 2. We will transform the lives of working donkeys in greatest need across the world**
- 3. We will dramatically reduce the number of donkeys suffering in the production of meat, milk and skins**
- 4. We will ensure that every donkey affected by a major disaster receives prompt and expert care**
- 5. We will transform the status of donkeys, demonstrating the positive impact they have on human health and happiness**
- 6. We will transform people's negative attitudes to feral donkeys.**

Thanks to such incredible support received during 2017, we are confident that in the coming years we can have an even greater impact on the millions of donkeys around the world. In fact, it is our duty to do that.



LOOKING AFTER OUR SUPPORTERS

It is vital that we are transparent in all our activities, and our supporters are at the heart of everything we do. Our life changing work is only possible because of the enduring commitment of supporters, who we consider to be part of our family. Their generosity makes it possible for us to reach and transform the lives of donkeys and communities that depend on them.

Our supporters are extremely loyal and trusting of how we use their donations. And we are very grateful for that trust.

We raise funds through collection boxes and engaging visitors at our farms, centres and sanctuaries as well as promoting our work and events online and on television. We run a series of successful, annual supporters appeals as well as our popular raffles programme. Sometimes, we use external fundraising agencies to help us deliver our fundraising campaigns, where they have specific knowledge, expertise and experience. We regularly monitor and review our fundraising activities and the activities of agencies that fundraise on our behalf. We deliver regular training to those agencies and listen to call recordings to ensure any agency partners are meeting our standards.

The Donkey Sanctuary is committed to delivering the highest standard of service at all times. However, in the event of any breach in standards, we have a fair, simple and easy-to-access complaints procedure so we can resolve things satisfactorily.

Since the inception of our new complaints policy, which came into force in September 2017, we have received and logged seven in the fundraising category, and we are committed to learning from any complaints.

We have policies and procedures to foster mutually respectful and positive supporter relationships, to ensure we treat donors fairly and to help us protect vulnerable people. With the introduction of the General Data Protection Regulation in May 2018 we have further strengthened our procedures around communication preferences, making it easier for supporters to define how they would like us to communicate with them.

The Donkey Sanctuary voluntarily subscribes to the Fundraising Regulator and we have professional fundraising staff who are members of the Institute of Fundraising. The charity is also a member of the Direct Marketing Association and complies with the regulations of the Gambling Commission.

We regularly monitor and review our fundraising activities and those of the external agencies that fundraise on our behalf. We deliver regular training to those agency partners to ensure they meet our standards.



Our dedicated supporters raised funds for the charity in a variety of ways with community fundraising initiatives ranging from taking part in a sponsored bike ride or run to giving time to knit the cuddly donkeys sold in our gift shops. Whether dedicating just a few hours to a charitable venture, or embarking on a dream challenge such as a first marathon, we truly value everyone's support.

FINANCIAL REVIEW

The Donkey Sanctuary's financial performance for 2017 was encouraging, with consolidated total income reaching £37.6m (2016: £38.3m).

We increased total expenditure, including capital, to £42.0m (2016: £38.8m), an increase of 8%, and ended the year with general funds of £42.9m (2016: £43.4m).

INCOME

The Donkey Sanctuary continues to be reliant on the kind generosity of our supporters and the voluntary income they donate to help our work. While income from donations rose by 3% against the previous year, total voluntary income fell by 3% due to the exceptional legacy income received in 2016.

We experienced continued success from our fundraising strategies including strong growth in our adoptions scheme, investment in online fundraising activity and our ongoing initiatives to promote regular giving. We worked hard to not only introduce new supporters to the charity, but also to ensure we engage with our existing supporters through fundraising and communication activities that increase awareness of the impact of our work across the world.

Legacies continued to be an important source of income for us and, in 2017, we are grateful to all who have remembered us in their will.

In 2017 legacy income fell slightly to £23.3m (2016: £24.8m), a decrease of 6%, the reduction reflecting an exceptionally strong end to 2016 for legacy income. We are confident that our legacy income will continue to provide a robust source of income in 2018 and beyond with new high value giving strategies planned for the year ahead.

Income generated from other trading activities increased to £2.9m in 2017 (2016: £2.5m). During the year, we completed construction of The Kitchen, our new restaurant facilities in Sidmouth, and the Gift Shop and interpretation area for visitors. The new facilities provide an opportunity to attract more supporters to our sanctuary, the resulting increase in visitors helping to increase income from our trading and other on-site fundraising activities. All profits from our trading subsidiaries' activities are donated back to the charity to help transform the lives of donkeys in need.

EXPENDITURE

Total expenditure for the year, including investment in capital projects, grew to £42.0m (2016: £38.8m) In 2017 operational expenditure on our charitable activities increased by 8% to £28.8m (2016: £26.7m).

During the year, we increased investment in our rehoming scheme, our global programmes activities and advocacy work, our skin trade campaign activities, and our donkey-assisted therapy work.

We advanced with our rehoming strategy including the promotion of direct rehoming with donkey guardians who can offer caring homes for two or more of our donkeys. By extending our investment in 2017 we helped to increase the number of donkeys rehomed in private homes, schools and other institutions and worked towards our objective of increasing the number of rehomed donkeys to 3,000.

Our investment in Donkeys in the Community increased by 5% to £4.3m. 2017 was a period of transition for our Global Programmes team as we continued activity across our core projects in Mexico, Kenya, India and Ethiopia as well as extending our collaboration with other like-minded organisations across the world. During the year, one of our most significant projects was our donkey skins campaign. This involved our newly formed advocacy team consulting with governments, other non-governmental organisations and the international media to garner support. In order for us to make a sustainable impact, advocacy and awareness-raising will form a key activity in the future.

In 2017, we saw an increase of 13% in expenditure on donkey-assisted therapy, reflecting growth in activities across our centres and outreach programmes as we expanded our services to other groups such as sufferers of post-traumatic stress disorder. Our new strategy provides learning through experiencing and discovering things

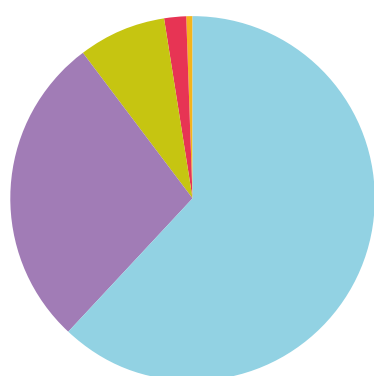
about the donkeys through hands-on interaction and provides more opportunity for a connection between donkey and human on an emotional and physical level.

Finally, in order to support our expanding operations and continue the success of the charity, we have invested in our new fundraising activities.

Particular attention has been paid to ensure the charity complies with new regulations both from the Fundraising Regulator and from the Information Commissioners Office in respect of General Data Protection Regulation (GDPR). The increase in fundraising activity combined with further enhancement to our internal

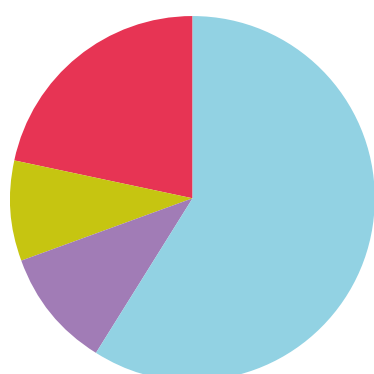
controls to be GDPR-ready is reflected in the increase in expenditure on raising funds (including trading costs) to £8.6m in 2017 excluding capital (2016: £7.2m). The proportion of our expenditure attributed to raising donations, legacies and other fundraising income remains low, at 17.6p (2016:16.8p) for every £1 of total expenditure. The trustees continue to monitor the risks associated with the changing landscape of fundraising and data protection regulation and the potential for reduced levels of income in 2018 and beyond. Through our ongoing maintenance of robust financial controls and other internal measures, we are able to closely monitor the charity's fundraising performance to mitigate this risk and take suitable action as required.

2017 INCOME



	2017 £'m	2016 £'m
Legacies	23.3	24.8
Donations	10.5	10.2
Other trading activities	2.9	2.5
Investment income	0.7	0.7
Other	0.2	0.1
Total	37.6	38.3

2017 EXPENDITURE (including capital)



	2017 £'m	2016 £'m
Rescue and rehoming	23.6	22.9
Donkeys in the Community	4.4	4.1
Donkey-assisted therapy	3.9	3.5
Raising funds inc trading costs	10.1	8.3
Total	42.0	38.8

NET ASSETS AND FUNDS

The trustees operate a reserves policy to ensure the continued ability of The Donkey Sanctuary to meet its objectives. The trustees are aware of the potential volatility of income levels and the significant proportion of our total income from legacies. They completed a review of the reserves policy recognising that, while the existing policy had provided a robust platform in maintaining reserves sufficient to cover at least one year's expenditure, a more agile and forward thinking model would be required to link in with our new five-year strategy and plans for growth.

The new policy recognises the specific reserves needed to fund our core activities reflecting the financial risks the charity faces, our ongoing committed expenditure and the composition of readily available funds to meet day-to-day activities. The policy will allow us to invest in a dynamic programme of strategic growth, driving forward our ambitious initiatives to transform the lives of donkeys at scale. The policy is kept under periodic review and reserves levels are adjusted as perceptions of risk and other factors change.

In terms of our total assets, £32.4m (2016: £29.9m) relates to fixed assets and planned capital projects, most of which is land and buildings to care for donkeys across sanctuaries. During the year, we completed construction of our new veterinary hospital and, at our main sanctuary in Sidmouth, we completed our new visitor facilities introducing an interpretation centre, a better gift shop and restaurant from which proceeds support our work across the world.

General funds of £42.9m (2016: £43.4m) comprise:

- specific reserves of £23.3m to take account of core operating activity including the many risks and uncertainties that the charity may face such as potential reduction of future income.
- general reserves of £19.6m representing those funds available to accommodate medium to long term growth in the charity, and for the trustees to apply to specific transformative strategic projects.



One of the first patients at our new veterinary hospital was Sid, who was losing weight due to diastema (a gap between teeth which traps food). Sid arrived with his mule friend, Mille, was sedated, inspected with a dental endoscope, and treated. He was given an injection of anti-inflammatory medication, and returned to the hospital stables for monitoring before being returned home.

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