

The Donkey Sanctuary (Ireland) Company Limited by
Guarantee

Trustees' report and financial statements

Year ended 31 December 2019

Registered number: 494024

Registered Charity: 20032289

Registered Charity: CHY 11617

The Donkey Sanctuary (Ireland) Company Limited by Guarantee
For the year ended 31 December 2019

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The Donkey Sanctuary (Ireland) Company Limited by Guarantee
For the year ended 31 December 2019

Reference and administrative details

**Directors /
Trustees**

D Healy
R Polden
K Nacey

Secretary

A Stenner-Evans (UK)

Banker

Allied Irish Bank
Bankcentre
Ballsbridge
Dublin 4
Ireland

Solicitor

Matheson Ormsby Prentice
70 Sir John Rogerson's Quay
Dublin 2
Ireland

Ronan Daly Jermyn Solicitors
2 Park Place,
City Gate Park,
Mahon Point,
Cork
Ireland

Auditor

KPMG LLP
Regus, 4th Floor,
Salt Quay House,
6 North East Quay,
Plymouth
PL4 0HP
United Kingdom

Registered office

Liscarroll
Mallow
Co Cork
Ireland

The Donkey Sanctuary (Ireland) Company Limited by Guarantee

For the year ended 31 December 2019

Trustees' report

The directors of The Donkey Sanctuary (Ireland) Company Limited by Guarantee are trustees for the purposes of charitable requirements. The Donkey Sanctuary (Ireland) Company Limited by Guarantee is a limited company with charitable status and is hereon referred to as "the Charity".

The trustees present their annual report and audited financial statements for the year ended 31 December 2019.

In preparing these financial statements the trustees have adopted the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS102 The Financial Reports Standard applicable in the UK and Republic of Ireland.

This trustees' report should be read in conjunction with the report prepared by The Donkey Sanctuary (UK) as the performance and objectives of this entity are dependent upon The Donkey Sanctuary (UK). The parent company is the Donkey Sanctuary Trustee Limited, a company registered in Great Britain.

Charity Objects

For the benefit of the public to relieve the suffering of donkeys, mules and other such animals in need of care and attention anywhere in the world to provide and maintain rescue home or other facilities for the reception care and treatment of such animals, and; to promote humane behaviour towards such animals by providing appropriate care, protection, treatment and security for such animals which are in need of care and attention by reason of sickness, maltreatment, poor circumstances or ill usage and to educate the public in matters pertaining to the welfare of such animals and the prevention of cruelty and suffering amongst such animals.

Charity 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-changing relationships.

Achievements and performance

During 2019 the charity focused on minimising relinquishments, by providing support in the community and where possible assisting movement of donkeys to new homes, thus avoiding relinquishment. Increasing the number of donkeys on our rehoming scheme was key to reducing the pressure across our sanctuary on our overcrowded sites and holding bases. Operational activities across the island of Ireland included castrations, dental work, hoof trimming and advice on micro chipping and passport application. Our veterinary and welfare teams were able to disseminate advice to private donkey owners helping them to retain ownership of their donkeys, this minimising the number taken into direct care.

During the year we completed an independent strategic review of the charity, the outcomes from which are being incorporated into our business planning objectives for 2020 and beyond. One of the key recommendations was an organisational and management review to strengthen the governance, structure and management of the charity which was completed in August 2019. The new leadership structure was agreed including the recruitment of four to six new members for the Board of Directors.

During the latter stages of the year members of The Donkey Sanctuary UK have been providing advice and guidance to the management team in Ireland with parallel heads of department working together to develop fundraising, support the donkey care teams and to assess the sustainability of the Donkey Welfare Improvement Scheme.

Trustees' report (*continued*)

Achievements in 2019 included:

- Donkeys in our care – donkey data updated to enable assessment of donkeys for rehoming and to manage stocking density on each site.
- Two Donkey Welfare Advisors recruited to support donkeys in guardian homes and donkeys in the community in areas of Ireland that were without cover.
- Farm bio-security and Health and Safety procedures reviewed and updated, machinery replacement policy introduced.
- Donkey specific training delivered to student veterinary para-professionals to improve their knowledge.
- A review of visitor centre facilities enabled; improvements to decking and canopy for decking initiated.
- Review of Donkey Welfare Improvement Scheme initiated.

1. Rescue and Rehoming

During the 2019 the Charity rescued over 128 donkeys in need and provided direct care to 1,870 animals across the island of Ireland. The Charity continued to operate four farms in the North Cork area, two owned and two rented premises. The Charity manages external liveryes and holding base facilities across Ireland, which offered short-term care to over 158 animals waiting to come into our resident farms or to be rehomed.

The Guardian scheme saw 174 donkeys rehomed in private homes across Ireland, 78 of these donkeys rehomed were a result of a direct rehoming strategy; where the Charity assisted in the movement of suitable donkeys directly from one private home to another suitable private home without the need for the donkeys to come into the Charity's care or ownership.

2. Donkeys in the Community

The Donkey Welfare Improvement Scheme (DWIS) provides the scope to assist owners of donkeys in the community, it continued in its third year throughout 2019. The scheme was designed to encourage owners to accept our support in having their stallion and colt donkeys castrated; to reduce indiscriminate breeding. The scheme also provides donkey care support for the owners of welfare compromised animals whose donkeys were potential candidates for relinquishment or seizure, by offering treatments such as farrier, feed, dental, and worming.

The review of the DWIS that was initiated in Q4 and will provide clear direction to move forward by establishing if a dependency culture has been created, anecdotally it appears that the same animals are returning for free or subsidised care for a third year and the owners have not taken responsibility for the welfare of their animals.

3. Human-Donkey Interactions

Over 65,000 visitors spent time at the open farm in Knockardbane in 2019. The farm is open to the public daily. Supporters can see first-hand how their donations are helping donkeys in the Charity's care. Free admission and parking with a small visitor centre selling donkey related goods. There is an opportunity sign up for a newsletter, or to adopt a donkey to support our work.

The Charity benefits from its Quality Time Volunteer (QTV) programme, with over 25 QTV's regularly volunteering on our farms where they focus their time on interacting with the donkeys for mutual benefit.

The Donkey Sanctuary (Ireland) Company Limited by Guarantee
For the year ended 31 December 2019

Trustees' report (continued)

The Charity continues to contribute to local tourism and the local economic viability of the area and supports local collaboration with other charities whom assist people with additional needs and donkey human interactions are organised on a weekly basis.

The Charity attended major external events across the country including the high profile National Ploughing Championship and the Royal Dublin Horse Show increasing the profile of the Donkey and raising awareness of the work we do.

The Charity organises an outreach project involving trips to schools, nursing homes and other communities with two donkeys. This provides interaction opportunities for those whom may not be able to come to North Cork to view the facilities or donkeys themselves.

For more details of the Donkey Sanctuary Ireland's activities please visit its website:
www.thedonkeysanctuary.ie

2020 Strategy

In 2020 the Donkey Sanctuary, Ireland will be in transition, led by a new Country Manager and a restructured senior leadership team. Focus will be on development of an income generation strategy that will deliver a sustainable operating model, with support from The Donkey Sanctuary.

Financial review

Since the introduction of the Donkey Welfare Improvement Scheme (now referred to as Supporting Donkeys in Situ) in early 2017 the number of relinquishments has fallen from a 2016 number of 332 to an annual average of 134 over the past three years, a 60% reduction. This has allowed increased financial resources to be directed towards ensuring many more donkeys and mules are able to have a good life. Over the past three years we have increased our Guardian homes by almost 50% and in 2019 added additional Donkey Welfare Advisors to support this effort.

Our fundraising activities in 2019 have increased donation income by 11% and as part of our strategic review identified the need to update our fundraising model to further increase our donation and legacy income and hence reduce the level of income from our parent Charity. The revised leadership team will take this forward.

The Charity continues to be reliant on the generosity of its supporters and the voluntary income they donate to help the Charity work towards achieving its vision of a world where donkeys and mules live free from suffering and their contribution to humanity is fully valued. The Charity is extremely thankful to everyone who continues to support it.

During the year we focused strongly on our fundraising activities and local donation income was ahead of the previous year at €950k (2018 - €854k). Legacy income continues to be a very important source of income for the Charity and we were immensely grateful again with bequests amounting to €435k (2018 - €584k).

Our operational expenditure remained in line with the previous year at €4.65m (2018 - €4.65m). The Charity invested a further €98k to improve essential facilities with further investment deferred due to the strategic review being undertaken.

A review of both the income and expenditure was undertaken covering the calendar years 2020 and 2021 based on assumptions resulting in a worst case scenario arising from the Covid-19 pandemic.

It is important to state the charity's income is generated through various campaigns, appeals, events and visitor engagements. While many of these are affected by the impact of the pandemic, the effect

The Donkey Sanctuary (Ireland) Company Limited by Guarantee

For the year ended 31 December 2019

Trustees' report *(continued)*

on others can be minimal. A reduction in expenditure directly linked to campaigns and events cancelled is assumed in the review.

The main impacts are considered to fall within quarter two to quarter four of 2020 with operations back to forecast by early 2021 due to the nature of the business.

Our projections on a worst case scenario indicate a loss of income in 2020 of €428k partly offset by linked expenditure savings of €350k leaving a shortfall against our original forecast of €78k and for 2021 an income loss of €108k (principally external grants) with expenditure savings of just €12k, generating a further shortfall of €96K. These additional funds would need to be covered by the Donkey Sanctuary UK, who support the work of the Donkey Sanctuary Ireland.

Farms and new arrivals are currently full with 898 donkeys and mules while holding bases and emergency liveries have 292 donkeys and mules giving at total of 1,190 excluding guardian homes. The assumption in the forecast is that this number will rise by 120 by quarter 2 of 2021 to 1,310 and remain at that level for the remainder of 2021.

The trustees have confidence that the charity has adequate resources to continue in operational existence for the foreseeable future. They continue to adopt the going concern basis in preparing the financial statements.

Reserves

The trustees operate a reserves policy, which they consider appropriate to ensure, barring unforeseen circumstances, the continued ability of The Donkey Sanctuary (Ireland) Company Limited by Guarantee to meet its objectives. The charity is dependent on funding from the parent Charity for its continued activities, however, the trustees are supporting its activities in developing local funding sources.

At 31 December 2019 the charity had General Funds of €417,149 being its accumulated unrestricted reserves excluding amounts designated to fixed assets and restricted funds. The trustees do not have a target to hold reserves because the activities of the charity are mainly funded by the parent Charity and it has committed to providing ongoing support.

Structure, governance and management

The trustees are fully aware of their responsibilities for ensuring that the Charity has an appropriate system of managerial, administrative and financial controls. The major risks to which the Charity is exposed as identified by the trustees have been reviewed and systems or procedures have been established to manage those risks. A key component of these controls is the risk assessment programme which was transferred from The Donkey Sanctuary's Irish branch upon incorporation. The risk register is reviewed by the trustees at each trustees' meeting.

The Group also employs Internal Auditors whose role is to assess the risks faced by the group including whether the internal systems and controls are being adhered to throughout the organisation, as it continues to expand throughout the world. The Internal Auditors have a direct reporting line to the trustees of The Donkey Sanctuary Trustee Limited but for day-to-day administration and direction, report to the Head of Governance in the UK.

The Donkey Sanctuary (Ireland) Company Limited by Guarantee
For the year ended 31 December 2019

Trustees' report (*continued*)

Public benefit

The trustees confirm that they have complied with the relevant parts of the Act to have due regard to public benefit guidance in determining the activities undertaken by the charity.

The trustees are satisfied that the aims and objectives of the charity being a focus on the rescue and rehoming of donkeys and mules in need meet the public benefit requirements.

Directors/Trustees and secretary

The directors/trustees and secretary who held office during the year and up to the date of signing the report were as follows:

D Healy
R Polden
L Edwards (resigned 30th April 2020)
K Nacey (appointed 26th May 2020)
M Cronin (appointed 9th July 2020)
T Kirby (appointed 9th July 2020)
D McCarthy (appointed 9th July 2020)
Philip Merrills Dearn (appointed 9th July 2020)
A Stenner-Evans (Secretary)

Accounting records

The trustees believe that they have complied with the requirements of Section 281 of the Companies Act, 2014 with regard to maintaining adequate accounting records by employing accounting personnel with appropriate expertise and by providing adequate resources to the financial function. The books of account of the charity are maintained at Lis Carroll, Mallow, Co Cork, Ireland.

Relevant audit information

The directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the company's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the company's statutory auditors are unaware.

Auditor

In accordance with Section 383 of the Companies Act, 2014, the auditor, KPMG LLP will continue in office.

On behalf of the board

KB Nacey

K Nacey
Director/Trustee

Dennis Healy
D Healy
Director/Trustee

Date: 9th July 2020

The Donkey Sanctuary (Ireland) Company Limited by Guarantee
For the year ended 31 December 2019

Trustees' report

The trustees (who are directors for the purpose of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* including the requirements of the Charities Statement of Recommended Practice.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company and of its profit or loss for that year. In preparing these financial statements, the directors are required to:

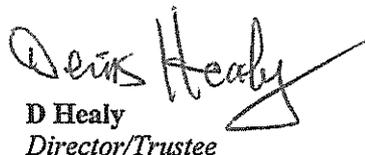
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The trustees are also responsible for preparing a trustees' report that complies with the requirements of the Companies Act 2006.

On behalf of the board



K Nacey
Director/Trustee



D Healy
Director/Trustee

Date: 9th July 2020

Independent auditor's report to the members of The Donkey Sanctuary (Ireland)
Company Limited by Guarantee

1 Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Donkey Sanctuary (Ireland) Company Limited by Guarantee ('the Company') for the year ended 31st December 2019, which comprise the Statement of Financial Activities, the Balance Sheet and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* including the requirements of the Charities Statement of Recommended Practice.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31st December 2019 and of its deficit for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* including the requirements of the Charities Statement of Recommended Practice; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ((ISAs (Ireland))) 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 Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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.

We have nothing to report on going concern

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least twelve months from the date of approval of the financial statements. We have nothing to report in these respects.

Other information

The trustees are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Trustees' 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, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

The Donkey Sanctuary (Ireland) Company Limited by Guarantee
For the year ended 31 December 2019

Independent auditor's report to the members of The Donkey Sanctuary (Ireland)
Company Limited by Guarantee *(continued)*

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information;

- we have not identified material misstatements in the trustees' report;
- in our opinion, the information given in the trustees' report is consistent with the financial statements;
- in our opinion, the trustees' report has been prepared in accordance with the Companies Act 2014.

Opinions on other matters prescribed by the Companies Act 2014

We have obtained all the information and explanations, which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of trustees' remuneration and transactions required by Sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement set out on page 7, the Trustees are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the 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 they either intend to liquidate the 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 (Ireland) 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

The Donkey Sanctuary (Ireland) Company Limited by Guarantee
For the year ended 31 December 2019

Independent auditor's report to the members of The Donkey Sanctuary (Ireland)
Company Limited by Guarantee (continued)

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ian J Brokenshire
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Regus, 4th Floor
Salt Quay House
6 North East Quay
Plymouth
PL4 0HP

Ian Brokenshire

16 September 2020

The Donkey Sanctuary (Ireland) Company Limited by Guarantee
For the year ended 31 December 2019

Statement of financial activities (including income and expenditure)
For the year ended 31 December 2019

	<i>Note</i>	Unrestricted Funds 2019 €	Restricted Funds 2019 €	Total Funds 2019 €	Prior Year Total Funds 2018 €
Income and endowments:					
Donations and legacies	2	4,482,723	50,000	4,532,723	4,758,520
Total income		<u>4,482,723</u>	<u>50,000</u>	<u>4,532,723</u>	<u>4,758,520</u>
Expenditure on:					
Raising funds	3	(175,133)	-	(175,133)	(203,322)
Rescue and rehoming	4	(4,476,472)	-	(4,476,472)	(4,451,210)
Total expenditure		<u>(4,651,605)</u>	<u>-</u>	<u>(4,651,605)</u>	<u>4,654,532</u>
Net income/(expenditure)		(168,882)	50,000	(118,882)	103,988
Other gains and losses		(2,044)	-	(2,044)	(105)
Net movements in funds		(170,926)	50,000	(120,926)	103,883
Total funds brought forward		<u>1,052,016</u>	<u>-</u>	<u>1,052,016</u>	<u>948,133</u>
Total funds carried forward	12	<u><u>881,090</u></u>	<u><u>50,000</u></u>	<u><u>931,090</u></u>	<u><u>1,052,016</u></u>

*All of the activities relate to continuing operations.
The accompanying notes form an integral part of the financial statements.*

K B Nacey

K Nacey
Director/Trustee

Dennis Healy

D Healy
Director/Trustee

Date: 9th July 2020

The Donkey Sanctuary (Ireland) Company Limited by Guarantee
 For the year ended 31 December 2019

Balance sheet as at 31 December 2019

	Note	2019		2018	
		€	€	€	€
Fixed assets					
Tangible assets	8		463,941		485,522
Current assets					
Stocks	9	83,307		128,910	
Debtors	10	110,969		551,731	
Cash at bank and in hand		506,200		324,570	
			<u>700,476</u>	<u>1,005,211</u>	
Creditors: amounts falling due within one year	11	<u>(233,327)</u>		<u>(438,717)</u>	
Net current assets			467,149		566,494
Total assets less current liabilities			<u>931,090</u>		<u>1,052,016</u>
Net assets			<u>931,090</u>		<u>1,052,016</u>
The funds of the charity:					
Designated funds	12		513,941		485,522
General fund	12		417,149		566,494
			<u>931,090</u>		<u>1,052,016</u>

On behalf of the board

K B Nacey

K Nacey
 Director/Trustee

Dennis Healy

D Healy
 Director/Trustee

Date: 9th July 2020

Notes to the Financial Statements

1 Significant accounting policies

The charity was incorporated in Ireland on 21 January 2011 as a company limited by way of guarantee and not having a share capital under the Companies Act 2014. The liability of the members is limited to €1 per member. The charity was registered as a charity with the Office of the Revenue Commissioners on 13 April 2011.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

(a) Basis of preparation

These financial statements have been prepared under the historical cost convention and are in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('the SORP'), the Charities Act 2009 and the Companies Act 2014.

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The trustees have prepared cash flow forecasts through until 31 December 2021 from the date of approval of these financial statements which indicate that, taking account of severe but plausible downsides which include the impact of COVID 19, the company will have sufficient funds to meet its liabilities as they fall due for that period.

Those forecasts are dependent on The Donkey Sanctuary (registered charity in the UK, charity number 264818) providing additional financial support during that period. The Donkey Sanctuary has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 18 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

The charity has taken advantage of the exemptions included within FRS 102 not to disclose transactions with members of the Donkey Sanctuary group. In addition as the charity is included in the consolidated financial statements of the Donkey Sanctuary it has taken the exemption from preparing its own statement of cash flows.

(b) Income

Income is included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy:

- Donations from supporters represent the amounts receivable by the charity from donors during the period. Gift aid on donations is accounted for on an accruals basis.
- Charitable activities income represents the grants receivable from The Donkey Sanctuary for undertaking the core activities of rescue and rehoming.

Notes to the Financial Statements

- Legacy income is recognised when it is probable that it will be received. Receipt is normally probable when:
 - there has been grant of probate;
 - the executors have established that there are sufficient assets in the estate, after settling any liabilities, to pay the legacy; and
 - any conditions attached to the legacy are either within the control of the charity or have been met.
- Fundraising income represents other fundraising activities carried out by the charity to generate incoming resources which will be used to undertake its charitable activities.

(e) Expenditure

Expenditure is included on an accruals basis and incorporates provisions for known liabilities where a legal or constructive obligation existed at the balance sheet date that would commit the charity to that expenditure. The purchase of goods and services has been treated as expenditure once the supplier has delivered the goods or performed the service.

- Expenditure on raising funds includes all costs incurred in raising funds to be used for the charity's charitable purposes.
- Expenditure on charitable activities includes all costs incurred in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including applicable support costs.
- Governance costs relate to costs associated with the constitutional and statutory requirements of the charity.

(d) Taxation

By virtue of its charitable activity the charity has been granted exemption in accordance with the provisions of Section 207 (as applied to companies by Section 76) Section 609 (Capital Gains Tax) and Section 226 (Deposit Interest Retention Tax) of the Taxes Consolidation Act 1997. This exemption extends to the income and property of the charity.

(e) Post retirement benefits - defined contribution scheme

The charity operates a defined contribution pension scheme. The amount charged to the statement of financial activities represents the contributions payable to the scheme in respect of the accounting period.

(f) Stocks

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on normal selling price, less any further costs expected to be incurred to completion and disposal.

(g) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation.

The charge for depreciation is calculated to write down the cost or valuation of tangible fixed assets to their estimated residual values by equal annual instalments over their expected useful lives which are as follows:

Notes to the Financial Statements

Plant and machinery	-	20% written down value
Motor vehicles/Tractors	-	20 - 33.33% written down value
Fixtures and fittings	-	20% written down value

Provision is also made for any impairment of tangible fixed assets.

(h) Fund accounting

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the charity's objects. If part of an unrestricted fund is earmarked for a particular project it may be designated as a separate fund, but the designation has an administrative purpose only, and does not legally restrict the trustees' discretion to apply the fund.

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified as a restricted fund. Restricted funds are those where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose.

Transfers between funds – these may arise when there is a release of restricted funds to unrestricted funds or charges are made from the unrestricted fund to other funds.

2 Income

	Unrestricted funds €	Restricted funds €	Total 2019 €	Total 2018 €
Donations	744,749	50,000	794,749	724,122
Legacies	435,213	-	435,213	583,727
Ex gratia funding - Department of Agriculture, Food and the Marine	155,000	-	155,000	130,000
Other external grants	500	-	500	-
Grant from Donkey Sanctuary UK	3,147,261	-	3,147,261	3,320,671
	<u>4,482,723</u>	<u>50,000</u>	<u>4,532,723</u>	<u>4,758,520</u>

The Donkey Sanctuary UK provides a grant to the charity for the performance of rescue and rehoming activities.

The Donkey Sanctuary received ex gratia funding of €155,000 (2018 - €130,000) from The Department of Agriculture, Food and the Marine. This funding enabled the sanctuary to continue to expand on our Donkey Welfare Improvement Scheme the purpose of which is offering alternatives to relinquishment and implementing initiatives to reduce the number of unwanted foals being born outside of its farms. The full amount of this grant was recognised in income in the financial year.

3 Expenditure on raising funds

	Year ended 31-Dec-19 €	Year ended 31-Dec-18 €
Fundraising activities	175,133	203,322
	<u>175,133</u>	<u>203,322</u>

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Notes to the Financial Statements

4 Expenditure

	Direct staff costs €	Other direct costs €	Support costs €	Total 2019 €	Total 2018 €
Fundraising activities	74,583	67,358	33,192	175,133	203,322
Rescue and rehoming	1,566,801	1,816,090	1,093,581	4,476,472	4,451,210
Expenditure in support of activities	640,437	486,336	(1,126,773)	-	-
	<u>2,281,821</u>	<u>2,369,784</u>	<u>-</u>	<u>4,651,605</u>	<u>4,654,532</u>

Included within other direct costs are audit fees in relation to the year of €7,562 (2018 - €7,823).

5 Trustees' remuneration

	Year ended 31-Dec-19 €	Year ended 31-Dec-18 €
Remuneration and other emoluments	-	-
	<u>-</u>	<u>-</u>

Two of the trustees (2018 – two) are unpaid and provide their time and expertise on a voluntary basis. The third trustee is an employee of The Donkey Sanctuary (UK). Their services are paid for by The Donkey Sanctuary (UK) however the portion attributable to their services to The Donkey Sanctuary (Ireland) Company Limited by Guarantee is not separately identifiable. The ultimate parent company of both is the Donkey Sanctuary Trustee Limited.

Emoluments include salary and benefits in kind but exclude pension scheme contributions

6 Staff numbers and costs

The average number of persons employed by the charity during the period was 62 (2018: 62).

The aggregate payroll costs of these persons were as follows:

	Year ended 31-Dec-19 €	Year ended 31-Dec-18 €
Wages and salaries	1,940,666	1,879,875
Social security costs	211,218	202,146
Other pension costs	129,937	121,837
	<u>2,281,821</u>	<u>2,203,858</u>

There was one employee whose emoluments amounted to between € 80,000 and €90,000.

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Notes to the Financial Statements

7 Taxation

By virtue of its charitable activity the charity has been granted exemption in accordance with the provisions of Section 207 (as applied to companies by Section 76) Section 609 (Capital Gains Tax) and Section 266 (Deposit Interest Retention Tax) of the Taxes Consolidation Act 1997. This exemption, which applies to Income Tax / Corporation Tax, Capital Gains Tax and Deposit Interest Retention Tax, extends to the income and property of the charity.

8 Tangible fixed assets

	Tangible assets under construction €	Motor Vehicles / Tractors €	Equipment, fixtures and fittings €	Total €
<i>Cost</i>				
At beginning of period	2,279	369,219	529,850	901,348
Additions	107	82,271	15,655	98,033
Disposals	-	(16,160)	(70,237)	(86,397)
At end of period	2,386	435,330	475,268	912,984
<i>Depreciation</i>				
At beginning of period	-	145,978	269,847	415,825
Charge for the period	-	51,938	53,319	105,257
Disposals	-	(13,493)	(58,546)	(72,039)
At end of period	-	184,423	264,620	449,043
<i>Net book value</i>				
At 31 December 2019	2,386	250,907	210,648	463,941
At 31 December 2018	2,279	223,240	260,003	485,522

9 Stocks

	Year Ended 31-Dec-19 €	Year Ended 31-Dec-18 €
Stock of feed, straw and bedding	41,801	97,040
Veterinary supplies and equipment	41,506	31,870
	83,307	128,910

The value of stocks charged to the Statement of Financial Activities during the year was €577,558 (2018 - €555,012). This cost has been allocated to the rescue and rehoming expenditure category.

The Donkey Sanctuary (Ireland) Company Limited by Guarantee
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Notes to the Financial Statements

10 Debtors

	Year Ended 31-Dec-19	Year Ended 31-Dec-18
	€	€
Amounts owed by group undertakings	56,082	39,526
Other debtors	-	2,827
Prepayments and accrued income	3,155	2,917
Residual legacies	51,732	506,461
	<u>110,969</u>	<u>551,731</u>

The amounts owed by group undertakings are non-interest bearing and are payable on demand.

11 Creditors: amounts falling due within one year

	Year Ended 31-Dec-19	Year Ended 31-Dec-18
	€	€
Amounts owed to group undertakings	-	51,381
Trade payables	73,463	145,708
Other taxation and social security	42,123	45,313
Accruals	103,598	181,910
Other creditors	14,143	14,405
	<u>233,327</u>	<u>438,717</u>

12 Funds of the charity

Analysis of movements in funds

	Balance at 01.01.2019	Incoming Resources	Outgoing resources	Transfers	Balance at 31.12.2019
	€	€	€	€	€
Restricted income funds	-	50,000	-	-	50,000
Unrestricted income funds					
Designated income funds	485,522	-	(1,187)	(20,394)	463,941
General income fund	566,494	4,482,723	(4,652,462)	20,394	417,149
	<u>1,052,016</u>	<u>4,532,723</u>	<u>(4,653,649)</u>	<u>-</u>	<u>931,090</u>

The fixed assets designated funds represents funds provided by The Donkey Sanctuary to fund capital investment in the charity as opposed to operational costs.

	Balance at 01.01.2019	Incoming Resources	Outgoing resources	Transfers	Balance at 31.12.2019
	€	€	€	€	€
Restricted funds					
Buildings	-	50,000	-	-	50,000
	<u>-</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>

Notes to the Financial Statements

13 Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost for the year represents contributions payable by the charity to the scheme and amounted to € 129,937 (2018: €121,837).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

14 Capital commitments

The charity had no capital or other commitments as at 31 December 2019 or 31 December 2018.

15 Related party transactions

The charity defines its related parties as its Key Management Personnel and entities that are part of the group headed by The Donkey Sanctuary. The charity has taken the exemption from disclosing transactions which are included in the consolidated accounts of The Donkey Sanctuary. The charity defines its Key Management Personnel as its Directors/Trustees. Details of their remuneration are included in note 5.

There were no related party transactions in the current or preceding period that require disclosure.

16 Ultimate parent undertaking and parent undertakings of larger groups

The charity's ultimate parent undertaking is The Donkey Sanctuary Trustee Limited, a Company registered in the United Kingdom and sole corporate Trustee of The Donkey Sanctuary, an unincorporated charity registered in the United Kingdom. The address of its principal place of business is The Donkey Sanctuary, Sidmouth, Devon, EX10 0NU.

The largest and smallest group in which the results of the charity are consolidated is that headed by The Donkey Sanctuary.

The consolidated financial statements of the Donkey Sanctuary are available to the public and may be obtained from the Charity Commission of England and Wales website or the address shown above.

17 Approval of financial statements

The trustees approved these financial statements on 9th July 2020.

