

STICHTING THE DONKEY SANCTUARY NEDERLAND

DIRECTORS' REPORT AND FINANCIAL STATEMENTS 2023

STICHTING THE DONKEY SANCTUARY NEDERLAND

Contents

	Page
Accountants' compilation report	4
Directors' report	6
Balance sheet	10
Statement of income and expenses	11
Cash flow statement	12
Basis of preparation	13
Division of expenditures	14
Notes to the balance sheet	15
Notes to the income and expense	16

STICHTING THE DONKEY SANCTUARY NEDERLAND

ACCOUNTANTS' COMPILATION REPORT

ACCOUNTANT'S COMPILATION REPORT

To: Stichting The Donkey Sanctuary Nederland
Polarisavenue 83i
2132 JH Hoofddorp

The financial statements of Stichting The Donkey Sanctuary Nederland at Haarlemmermeer have been compiled by us using the information provided by you. The financial statements comprise the balance sheet as at December 31, 2023 and the statement of income and expenditure for the period ended December 31, 2023 with the accompanying explanatory notes. These notes include a summary of the accounting policies which have been applied.

This compilation engagement has been performed by us in accordance with Dutch law, including the Dutch Standard 4410, 'Compilation engagements', which is applicable to accountants. The standard requires us to assist you in the preparation and presentation of the financial statements in accordance with the Guidance for annual reporting 650 "Fundraising Institutions" of the Dutch Accounting Standards Board. To this end we have applied our professional expertise in accounting and financial reporting.

In a compilation engagement, you are responsible for ensuring that you provide us with all relevant information and that this information is correct.

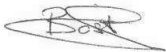
Therefore, we have conducted our work, in accordance with the applicable regulations, on the assumption that you have fulfilled your responsibility. To conclude our work, we have read the financial statements as a whole to consider whether the financial statements as presented correspond with our understanding of Stichting The Donkey Sanctuary Nederland. We have not performed any audit or review procedures which would enable us to express an opinion or a conclusion as to the fair presentation of the financial statements.

During this engagement we have complied with the relevant ethical requirements prescribed by the 'Verordening Gedrags- en Beroepsregels Accountants' (VGBA, Dutch Code of Ethics). You and other users of these financial statements may therefore assume that we have conducted the engagement in a professional, competent and objective manner and with due care and integrity and that we will treat all information provided to us as confidential.

For further information on the nature and scope of a compilation engagement and the VGBA we refer you to www.nba.nl/uitleg-samenstellingsverklaring.

Heemstede, June 6th 2024

Van Noort Gassler & Co
On behalf of,



M.F.A. Bosters AA

DIRECTORS' REPORT

The Directors present their report and financial statements for the year ended 31 December 2023.

Goal, mission, vision

Stichting The Donkey Sanctuary Nederland is a subsidiary of the UK-based, international animal welfare charity, The Donkey Sanctuary, which was established in 1969 by Dr Elisabeth Svendsen, MBE. In 2023 the Donkey Sanctuary launched its new organisational strategy 2023 – 2027 - Our mission - improving the lives of donkeys every day. We will continue to support and share world-leading veterinary, behavioural, and environmental science and the wisdom of people who live and work alongside donkeys all over the world. We are also determined to share the rich benefits of our single species focus. Side by side with partner organisations, NGOs, supporters, and governments, we will demonstrate how seeing the world from a donkey's perspective can help people, communities, and the environment to heal and flourish even in the most challenging of circumstances. Our vision – A world where every donkey has a good quality of life.

The principal activities of Stichting The Donkey Sanctuary Nederland are:

- i) to raise funds for and support the worldwide projects and entities connected to The Donkey Sanctuary to care for, protect and safeguard donkeys needing care as a result of illness, neglect, poor treatment, poor living conditions, wrong use or other strange conditions harming the general welfare of donkeys as well as to prevent and combat cruelty and the suffering of donkeys across the World.
- ii) to inform the public in the broadest sense of the word on all situations mentioned under (ii) above

In 2010 The Donkey Sanctuary established a subsidiary in the Netherlands, Stichting The Donkey Sanctuary Nederland, with the dual purpose of improving understanding in the plight of donkeys and mules in that country, and contributing to the fundraising for The Donkey Sanctuary's worldwide sanctuaries and projects.

Most important risks and uncertainties

A risk assessment has been performed during the preparation of this report and the Financial Statements. The risk assessment undertaken

- i) A review of the risks faced by Stichting The Donkey Sanctuary Nederland during the reporting period, post period-end and in the future;
- ii) Establishment of systems and procedures to mitigate those risks; and
- iii) Implementation of procedures designed to minimise any potential impact on Stichting The Donkey Sanctuary Netherlands should those risks materialise.

Principle Risks and Uncertainties

Risk	Mitigating action
Cyber risk: A failure to ensure and maintain appropriate information security protocols to protect the charity from cyber-attack. A growing dependency on digital systems and the move to hybrid working has altered risk profiles. At the same time, cybersecurity threats are growing and are outpacing society's ability to effectively prevent or respond to them.	Cyber-crime is the leading method of committing fraud and the impact of most cyber incidents results from human error in response to an attack. Most of The Donkey Sanctuary (TDS) cyber initiatives have, to date, been reactive, this reactive stance is common across the Charity sector. However, as cyber-crime becomes ever more sophisticated, there now needs to be a more proactive strategy to mitigate current and future Cyber risk, which is why TDS are embarking on Cyber Essentials Plus accreditation as endorsed by the National Cyber Security Centre.
Financial risk: A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due and the active management of debtors and creditors to ensure there is sufficient working capital for the Stichting Donkey Sanctuary Netherlands to maintain day to day activities.	The Donkey Sanctuary operates a robust financial infrastructure including regular reforecasting and cash flow evaluations that incorporate future cash flow needs and reserves updates across the group to ensure all subsidiary entities carry sufficient working capital to meet day to day needs.

Realisation of the goals

It has been economically challenging during 2023 with a cost of living crisis affecting many countries. It was therefore decided to continue a prudent approach with our fund-raising, our main focus being on our current supporters and a limited spend on donor recruitment campaigns.

Following a review by the Directors in 2022 regarding the funding model, Stichting The Donkey Sanctuary Netherlands is now funding its own fund-raising activities with sufficient funds being held in reserve to cover the required cashflow. Previously, the parent charity provided funding to cover the costs of fundraising, management and administration. Net donations are transferred across to the Donkey Sanctuary UK in order to progress the charitable objectives through funding education and worldwide donkey care and welfare projects. In 2023 the net donations transferred to The Donkey Sanctuary UK were EUR 773,671, (2022: EUR 923,757). Net donations are lower in 2023 due to a higher proportion of residual legacies, these totalled EUR 365k compared to EUR 116k in 2022.

During 2023 year the Stichting has continued to raise funds in the Netherlands to support international donkey care and welfare projects via its parent The Donkey Sanctuary in the UK. During 2023 our supporters were updated on a number of issues, including the rescue of 6 donkeys from Wales, who were in very poor condition, severely underweight, with overgrown hooves and with no shelter. The donkeys' field contained hazards that posed a threat to their safety, including rusty cars, a trailer, machinery parts and wires strewn across the ground. The donkey Sanctuary was able to remove these donkeys and start their rehabilitation. Sadly, Will, a 16 year old donkey was in a very poor condition with irreversible damage to his feet and despite all efforts, it was decided the kindest course of action for Will was to put him to sleep.

A second update to supporters gave an overview of our work to help working donkeys in Afghanistan through our partner DCA, The Dutch Committee for Afghanistan. We are working in three provinces identified by the DCA as having the highest risk of poor welfare for donkeys: Badakshan, Takhar and Bamyán. Through the project, we aim to build compassion for donkeys among donkey owners and improve farming practices. We also aim to improve the animal health and welfare system, improve access to good, affordable veterinary services, improve government policies around donkey welfare and ensure better donkey shelters and facilities. In the initial phase, we are working to directly benefit 2,000 working donkeys through more than 1,300 owners, who will be educated on best welfare practices.

As the good practices we teach spread through donkey-owning communities, we hope thousands more donkeys will benefit indirectly in the future.

The funds generously donated by our supporters in the Netherlands are contributing to these fundamental areas of work; the welfare of donkeys in our care across Europe, helping us to support working donkeys and their communities internationally, as well as raising awareness of the trade in donkey skins.

Financial policy and financial results

From January 2022 Stichting The Donkey Sanctuary Nederland has been self-funding, a sum that covers the balance of residual legacies plus operational spend of one month is held in reserves. The Donkey Sanctuary group aims to maintain its reserves based on an agile and forward-thinking model that recognises the specific reserves needed to fund its 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 – full details of the reserves can be found in The Donkey Sanctuary 2023 Trustee Report and Accounts.

The financial performance of the Stichting The Donkey Sanctuary Nederland accorded with the Directors' expectations and the net donations raised in 2023 continue to be strong despite the on-going challenging economic situation. Stichting The Donkey Sanctuary Nederland generated income from its fundraising activities of EUR 1,645,551 during the year (2022 EUR 1,543,539).

Total expenditure for the year was EUR 1,312,968 (2022: EUR 1,500,722), which included expenditure in connection with the Stichting's charitable activities of EUR 882,372 (2022: EUR 1,041,144) and EUR 201,873 fundraising expenditure (2022: EUR 218,005). Charitable expenditure for the year included grant funding to its parent charity The Donkey Sanctuary to support international donkey care and welfare projects.

The total charitable expenditure in relation to total income is 53,6% (2022: 67,5%). The total of costs of fundraising in relation to the total income is 12,3% (2022: 14,1%)

Governance

Group structure

Stichting The Donkey Sanctuary Nederland was incorporated on June 3, 2010. It is a Foundation registered in The Netherlands whose registered office is Polarissavenue 83 I, 2132 JH HOOFFDORP, The Netherlands. The foundation commenced its charitable activities on February 1, 2011 and operates as a subsidiary undertaking of The Donkey Sanctuary, a UK registered charity (registered charity number 264818) and its sole corporate trustee, The Donkey Sanctuary Trustee Limited (UK registered Company number 07328588) both have their registered office at Slade House Farm, Sidmouth, EX10 0NU, United Kingdom.

Board and directors

The Directors who held office during the year and up to the date of signing the report were as follows:

- Mrs. M.J. Steele (Chair)
- Mr. C. Young (Treasurer & Company Secretary)
- Mrs. Z. Norris - Retired 12th October 2023
- Mr James Searle - Appointed 12th October 2023
- Mrs. Cheryl Martin - Appointed 12th October 2023

Communication with stakeholders

Stichting The Donkey Sanctuary Nederland maintains consistent communications with its diverse stakeholders, staff members and donkey owners. This engagement is facilitated through various channels, such as personalised written appeals and newsletters for supporters.

Expected course of business

Stichting The Donkey Sanctuary Nederland will continue to grow its supporter base and raise funds in the Netherlands to support international donkey care and welfare projects through a combination of the following activities:

- Donor recruitment via written appeals to potential and existing supporters;
- Newsletters with information about the charity's activities;
- Telemarketing
- Face 2 Face Marketing Campaign

The budget for 2024 is targeted to raise donations of €1.4 Million and expenditure totalling €947k, leaving a net contribution of €462K, as we look to invest in increasing our supporter database, having put acquisition fund-raising substantially on hold for the past 2-3 years. The budget is revised 3 times throughout the year.

Corporate social responsibility

As a responsible and professional organisation Stichting The Donkey Sanctuary Nederland its charitable activities are conducted with transparency, integrity, equality and respect. Wherever possible Stichting The Donkey Sanctuary Nederland will promote good environmental practices and review its practices to make improvements.

Approval of the Board

This report was approved by the board on 23rd May 2024 and signed on its behalf by:

Chris Young

Director

STICHTING THE DONKEY SANCTUARY NEDERLAND

FINANCIAL STATEMENTS 2023

STICHTING THE DONKEY SANCTUARY NEDERLAND

BALANCE SHEET AS AT DECEMBER 31, 2023

		December 31, 2023		December 31, 2022	
		€	€	€	€
ASSETS					
Current assets					
- Residual Legacies Receivable	I		364,954		115,829
- Cash at bank	II		213,560		131,150
Total of assets			<u>578,514</u>		<u>246,979</u>
EQUITY AND LIABILITIES					
Equity and reserves					
- Other reserves	III		382,583		50,000
Current liabilities	IV		<u>195,931</u>		<u>196,979</u>
Total of equity and liabilities			<u>578,514</u>		<u>246,979</u>

STICHTING THE DONKEY SANCTUARY NEDERLAND

STATEMENT OF INCOME AND EXPENDITURE FOR THE PERIOD ENDED DECEMBER 31, 2023

INCOME		2023 Realized		2023 Budgeted		2022 Realised	
		€	€	€	€	€	€
Income from fundraising							
Mailing actions	V		1,645,551		1,441,527		1,543,539
Total of income			<u>1,645,551</u>		<u>1,441,527</u>		<u>1,543,539</u>
EXPENDITURES							
Spend on objectives	VI						
Gifts to international donkey care & welfare projects		773,671		385,766		923,757	
Education		<u>108,701</u>		273,971		<u>117,387</u>	
			882,372		659,737		1,041,144
Cost of fundraising			201,873		508,802		218,005
Cost of management and administration	VII		<u>228,723</u>		<u>272,987</u>		<u>241,573</u>
Total of expenditures			<u>1,312,968</u>		<u>1,441,527</u>		<u>1,500,722</u>
Surplus/(Deficit)			<u>332,583</u>		<u>-</u>		<u>42,817</u>
Destination of results							
Addition to or retraction from Other reserves			332,583		-		42,817
Total of destination of results			<u>332,583</u>		<u>-</u>		<u>42,817</u>

STICHTING THE DONKEY SANCTUARY NEDERLAND

CASH FLOW STATEMENT 2023

	2023		2022	
	€	€	€	€
CASH FLOW FROM OPERATIONAL ACTIVITIES				
Surplus/(Deficit)		332,583		42,817
Changes in:				
- receivables	(249,125)		(30,500)	
- current liabilities	<u>(1,048)</u>		<u>(182,151)</u>	
		<u>(250,173)</u>		<u>(212,651)</u>
Net cash inflow (outflow)		<u>82,410</u>		<u>(169,834)</u>
Opening balance of cash		131,150		300,984
Closing balance of cash		213,560		131,150
Changes in cash during the period		<u>82,410</u>		<u>(169,834)</u>

STICHTING THE DONKEY SANCTUARY NEDERLAND

BASIS OF PREPARATION

Statement of compliance

The financial statements have been prepared in accordance with the Guidance for annual reporting 650 "Fundraising Institutions" of the Dutch Accounting Standards Board.

Functional and presentation currency

These financial statements are presented in Euro, which is the charity's functional currency.

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currencies at exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate of the transaction.

Estimates

In applying the principles and policies for drawing up the financial statements, the management of the Foundation makes different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Assets and liabilities

All assets and liabilities are stated at nominal values, except when stated otherwise.

Assets in use for objectives or in use for the operations

There are no assets in use for objectives, all of the assets are used for the operations.

Receivables

Receivables are valued at historical cost, if necessary, less a provision for bad debts, which is determined by an assessment of individual items.

Income and expenses

Income and expenses are recognized in the period to which they relate on an accrual basis.

Taxation

There are no taxes calculated because the foundation is exempted for income tax and value added tax.

STICHTING THE DONKEY SANCTUARY NEDERLAND

DIVISION OF EXPENDITURES 2023

	Fundraising, publicity and communication	Personnel costs	Establishment costs	Administration costs	Depreciation and amortization	Cost of charitable activities	Other	Total
Spend on charitable objectives								
Gifts to donkey projects	-	-	-	-	-	773,671	-	773,671
Education	-	-	-	-	-	108,701	-	108,701
Cost of fundraising	201,873	-	-	-	-	-	-	201,873
Cost of management and administration	-	-	-	174,479	-	-	54,244	228,723
Total 2023	201,873	-	-	174,479	-	882,372	54,244	1,312,968
Budgeted 2023	508,802	-	-	226,279	-	659,737	46,708	1,441,526
Total 2022	218,005	-	-	200,452	-	1,041,144	41,121	1,500,723

	2023 Realised	2023 Budgeted	2022 Realised
Percentage of total charitable expenditure in relation to total income	53.6%	45.8%	67.5%
Percentage of cost of fund-raising in relation to total income	12.3%	35.3%	14.1%

STICHTING THE DONKEY SANCTUARY NEDERLAND

NOTES TO THE BALANCE SHEET

CURRENT ASSETS

I DEBTORS	December 31, 2023	December 31, 2022
- Residual Legacies Receivable	364,954	115,829
	<u>364,954</u>	<u>115,829</u>

These are estimated amounts based on the legacy notifications that are received for each Estate.

II Cash at bank	December 31, 2023	December 31, 2022
ABN AMRO Bank N.V current account	207,630	129,767
ABN AMRO Bank N.V business account	5,930	1,383
Current accounts ABN AMRO	<u>213,560</u>	<u>131,150</u>

EQUITY AND RESERVES

III Equity and reserves

The reserves have the following functions	Balance at January 1, 2023	Total of (Deficit) / Surplus	Balance at December 31, 2023
Other Reserves	50,000	332,583	382,583
	<u>50,000</u>	<u>332,583</u>	<u>382,583</u>

LIABILITIES

IV Current liabilities

Accounts payable	December 31, 2023	December 31, 2022
Intercompany account The Donkey Sanctuary (UK)	163,720	160,050
Accruals	32,210	36,929
	<u>195,931</u>	<u>196,978</u>

Accruals	December 31, 2023	December 31, 2022
Compilation Fee	2,904	2,800
Bills to be paid	29,306	34,129
	<u>32,210</u>	<u>36,929</u>

STICHTING THE DONKEY SANCTUARY NEDERLAND

NOTES TO THE INCOME AND EXPENDITURES

INCOME

V Mailing actions

This income is related to income from direct mail actions from private individuals. In 2023 the foundation received legacies totalling EUR 429,933 (2022: EUR 262,814). Within the legacy figure for 2023 are estimated values for legacies that have been notified, but not received during the year totalling EUR 364,954. (2022: EUR 115,829)

From 2022, Stichting Donkey Sanctuary Nederland is self-funding, generating income to cover all costs and fund-raising expenditure.

EXPENDITURES

VI Spend on objectives

In 2023 the foundation spent a total of EUR 882,372 on its charitable objectives (2022: EUR 1,041,144). The total of educational costs (providing information and raising awareness about international donkey care and welfare) on these objectives is 12.3% (2023: 11.3%).

VII	Cost of management and administration	2023 Realised	2023 Budgeted	2022 Realised
	Consultancy Fees	87,120	91,475	87,120
	Document Management & Storage	64,208	89,604	69,740
	Bank Charges	22,701	45,000	36,590
	Compilation and audit fees	2,904	3,500	2,633
	Postal charges	2,037	1,208	2,733
	Other professional fees	450	200	4,040
	Office Support costs	49,303	42,000	38,717
		<u>228,723</u>	<u>272,987</u>	<u>241,573</u>

Employees

In 2023 there were no employees working for the foundation (2022: nil).