

STICHTING THE DONKEY SANCTUARY NEDERLAND

DIRECTORS' REPORT AND FINANCIAL STATEMENTS 2022

STICHTING THE DONKEY SANCTUARY NEDERLAND

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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, 2022 and the statement of income and expenditure for the period ended December 31, 2022 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 9th 2023

Van Noort Gassler & Co
On behalf of,



M.F.A. Bosters AA

DIRECTORS' REPORT

STICHTING THE DONKEY SANCTUARY NEDERLAND

The Directors present their report and financial statements for the year ended 31 December 2022.

General information

Stichting The Donkey Sanctuary Nederland was incorporated on June 3, 2010. It is a Foundation registered in The Netherlands whose registered office is Polarisavenue 83 I, 2132 JH HOOFDORP, 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
Mr K .Nacey Resigned: 3rd November 2022

Principal activities

Stichting The Donkey Sanctuary Nederland (STDSN) is a subsidiary of the UK-based, international animal welfare charity, The Donkey Sanctuary, which was established in 1969 by Dr Elisabeth Svensden, MBE. The principal activities of STDSN are:

- i) to raise funds for and support the worldwide projects and entities connected to The Donkey Sanctuary
- ii) 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.
- iii) to inform the public in the broadest sense of the word on all situations mentioned under (ii) above

Review of activity

This report covers the activity of the Stichting for the year ended 31 December 2022.

In 2010 The Donkey Sanctuary established a subsidiary in the Netherlands, Stichting The Donkey Sanctuary Nederland, (STDSN) 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.

2022 has been a year of recovering from the challenges faced as a result of the pandemic. It was 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 2021 regarding the funding model, STDSN 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 2022 the net donations transferred to The Donkey Sanctuary UK were €966,575.

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Fundraising activities in The Netherlands

During the 2022 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. In 2022 we highlighted two key campaigns to our supporters, the first was an update on our progress in the donkey skin trade where we intensified our campaign to end the cruel and largely unregulated international trade in donkey skins, more information on the campaign is included in the Trustees Report of our parent The Donkey Sanctuary. We also shared the story about Dolly, a mare who was rescued as part of a group of 14 Donkeys who were living in appalling conditions. Dolly was covered in lice and had overgrown twisted hooves which made it incredibly painful for her to walk. It was later discovered that Dolly was pregnant, so it was a great relief to the rescue team that the Donkey Sanctuary were able to save both Dolly and her beautiful foal Daphne.

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

Capital and Reserves

From January 2022 STDSN has been self-funding, a sum of approximately one month's expenditure being held in reserve to cover on-going expenditure.

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 2022 Trustee Report and Accounts.

Financial Performance

The financial performance of the STDSN accorded with the Directors' expectations and the net donations raised in 2022 continue to be strong during what has been another challenging year for many charities.

STDSN generated income from its fundraising activities of EUR 1,543,539 during the year (2021 EUR 1,530,704) and due to providing its own funding as detailed above, received nil funding from its parent company (2021 EUR 578,941)

Total expenditure for the year was EUR 1,500,722 (2021 - EUR 2,109,645, reduced to EUR 1,530,704 when adjusted to remove DS-UK funding)) which included expenditure in connection with the Stichting's charitable activities of EUR 1,041,144 (2021 EUR 1,651,315 and EUR 1,072,374 after adjusting) and EUR 218,005 fundraising expenditure (2021 - EUR 223,993). Charitable expenditure for the year included grant funding to its parent charity The Donkey Sanctuary to support international donkey care and welfare projects.

Future activities

STDSN 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;
- Online banner advertising;
- Telemarketing reactivation of lapsed donors

STICHTING THE DONKEY SANCTUARY NEDERLAND

Budget for 2023

The budget for 2023 is targeted to raise donations of €1.4 Million and expenditure totalling €1.06M, leaving a net contribution of €340K, 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.

Financial

The total charitable expenditure in relation to total income is 67,5% (2021: 78,3%, this would be 70.1% if STDSN had also been also been self-funded in 2021).

The total of costs of fundraising in relation to the total income is 14,1% (2021: 10,6%, this would be 14.6% if STDSN STDSN had been self funded in 2021)

Approval of the Board

This report was approved by the board on 8th June 2023 and signed on its behalf by:

Director

A handwritten signature in blue ink, appearing to be 'J. Jansen', is written over a light blue rectangular background.

FINANCIAL STATEMENTS 2022

STICHTING THE DONKEY SANCTUARY NEDERLAND

BALANCE SHEET AS AT DECEMBER 31, 2022

		December 31, 2022			December 31, 2021	
ASSETS		€	€		€	€
Current assets						
- Residual Legacies Receivable	I		115,829			85,329
- Cash at bank	II		131,150			300,984
Total of assets			<u>246,979</u>			<u>386,313</u>
EQUITY AND LIABILITIES						
Equity and reserves						
- Other reserves	III		50,000			7,183
Current liabilities	IV		<u>196,979</u>			<u>379,130</u>
Total of equity and liabilities			<u>246,979</u>			<u>386,313</u>

STICHTING THE DONKEY SANCTUARY NEDERLAND

STATEMENT OF INCOME AND EXPENDITURE FOR THE PERIOD ENDED DECEMBER 31, 2022

INCOME		2022 Realized		2022 Budgeted		2021 Realized	
		€	€	€	€	€	€
Income from fundraising							
Mailing actions	V		1,543,539		1,505,510		1,530,704
Other income	VI		-		-		578,941
Total of income			1,543,539		1,505,510		2,109,645
EXPENDITURES							
Spend on objectives	VII						
Gifts to international donkey care & welfare projects		923,757		761,713		1,530,704	
Education		117,387		138,192		120,611	
			1,041,144		899,905		1,651,315
Cost of fundraising			218,005		256,642		223,993
Cost of management and administration	VIII		241,573		238,733		234,337
Total of expenditures			1,500,722		1,395,280		2,109,645
Surplus/(Deficit)			42,817		110,230		-
Destination of results							
Addition to or retraction from							
Other reserves			42,817		110,230		-
Total of destination of results			42,817		110,230		-

STICHTING THE DONKEY SANCTUARY NEDERLAND

CASH FLOW STATEMENT 2022

	2022		2021	
	€	€	€	€
CASH FLOW FROM OPERATIONAL ACTIVITIES				
Surplus/(Deficit)		42,817		-
Changes in:				
- receivables	(30,500)		69,170	
- current liabilities	<u>(182,151)</u>	<u>(212,651)</u>	<u>11,433</u>	<u>80,603</u>
Net cash inflow (outflow)		<u>(169,834)</u>		<u>80,603</u>
Opening balance of cash		300,984		220,381
Closing balance of cash		131,150		300,984
Changes in cash during the period		<u>(169,834)</u>		<u>80,603</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 2022

	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	-	-	-	-	-	923,757	-	923,757
Education	-	-	-	-	-	117,387	-	117,387
Cost of fundraising	218,005	-	-	-	-	-	-	218,005
Cost of management and administration	-	-	-	197,490	-	-	44,083	241,573
Total 2022	218,005	-	-	197,490	-	1,041,144	44,083	1,500,722
Budgeted 2022	256,642	-	-	193,954	-	899,905	44,779	1,395,280
Total 2021	223,993	-	-	193,216	-	1,651,315	41,121	2,109,645

	2022 Realised	2022 Budgeted	* 2021 Realised
Percentage of total charitable expenditure in relation to total income	67.5%	59.8%	70.1%
Percentage of cost of fund-raising in relation to total income	14.1%	17.0%	14.6%

* 2021 figures adjusted to compare with 2022- removing the grant funding sent by DS-UK to cover expenditure

STICHTING THE DONKEY SANCTUARY NEDERLAND

NOTES TO THE BALANCE SHEET

CURRENT ASSETS

I DEBTORS

- Residual Legacies Receivable	115,829	85,329
	<u>115,829</u>	<u>85,329</u>

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

II Cash at bank

	December 31, 2022	December 31, 2021
ABN AMRO Bank N.V current account	129,767	146,849
ABN AMRO Bank N.V business account	1,383	154,135
Current accounts ABN AMRO	<u>131,150</u>	<u>300,984</u>

EQUITY AND RESERVES

III Equity and reserves

The reserves have the following functions	Balance at January 1, 2022	Total of (Deficit) / Surplus	Balance at December 31, 2022
Other Reserves	7,183	42,817	50,000
	<u>7,183</u>	<u>42,817</u>	<u>50,000</u>

LIABILITIES

IV Current liabilities

Accounts payable	December 31, 2022	December 31, 2021
Intercompany account The Donkey Sanctuary (UK)	160,050	199,225
Accruals	36,929	179,905
	<u>196,979</u>	<u>379,130</u>

Accruals	December 31, 2022	December 31, 2021
Compilation Fee	2,783	2,800
Bills to be paid	34,146	177,105
	<u>36,929</u>	<u>179,905</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 2022 the foundation received legacies totalling EUR 262,814 (2021: EUR 170,342). Within the legacy figure for 2022 are estimated values for legacies that have been notified, but not received during the year totalling €77,000.

VI Other income

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

EXPENDITURES

VII Spend on objectives

In 2022 the foundation spent a total of EUR 1,041,144 on its charitable objectives (2021: EUR 1,651,315 and €1,072,374 without the grant funding). The total of educational costs (providing information and raising awareness about international donkey care and welfare) on these objectives is 11.3% (2021: 11.2% after adjusting for the grant funding).

VIII Cost of management and administration	2022 Realised	2022 Budgeted	2021 Realised
Consultancy Fees	87,120	87,120	87,120
Document Management & Storage	69,740	68,172	67,934
Bank Charges	36,590	38,520	38,027
Compilation and audit fees	2,633	2,750	2,777
Postal charges	2,733	2,019	1,060
Other professional fees	4,040	142	136
Office Support costs	38,717	40,010	37,283
	<u>241,573</u>	<u>238,733</u>	<u>234,337</u>

Employees

In 2022 there were no employees working for the foundation (2021: nil).