

REGISTERED CHARITY NUMBER: 1083468

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020
FOR
SAFE HAVEN FOR DONKEYS IN THE HOLY LAND**

Parkers
Chartered Accountants and Statutory Auditors
178-180 Church Road
Hove, East Sussex
BN3 2DJ

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

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SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

The trustees present their report with the financial statements of the charity for the year ended 31st December 2020. The trustees have adopted the provisions of 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) (effective 1 January 2019).

Foreword from Andy Foxcroft - Chair of the Board of Trustees

Our main priority during 2020 has been to secure Safe Haven's finances to enable the charity to look after the 200 unwanted donkeys in its care in Israel and to continue the vital mobile clinic in the West Bank for years to come.

In a setting where both Brexit and Covid 19 have caused significant challenges for all charities, Safe Haven has had to struggle with fluctuating exchange rates which can significantly increase the cost of delivering our field services. Through continued implementation of our long-term fundraising strategy and with a strong focus on making sure that every penny we earn counts, Safe Haven has been able to build a reserve fund to better manage the uncertainty of exchange rates and recession.

In 2020, Safe Haven's Trustees agreed a Reserves Policy that has set a reserves target at 6 months operating costs.

We are so grateful for the enthusiasm shown by our supporters to enable us to work towards this challenging financial goal whilst at the same time, continuing to operate our mobile veterinary clinic in the West Bank.

Our incredible veterinary team has continued to operate the clinic in the northern region of the West Bank despite the impact of the pandemic which saw many other services stop during several periods of lock down. Delivery of veterinary treatment to sick and injured working donkeys and horses became even more important when communities became isolated.

The mobile clinic has the capability to reach up to 1,000 working animals each month, providing them with veterinary treatment, hoof care and dental care. Education helps to prevent the injuries from reoccurring and allows the team to move on to new areas. We know that the welfare of working donkeys and horses has improved dramatically in those parts of the West Bank that the team has regularly visited. We also know that there are many other towns and villages that we need to reach.

In 2020, we created a new team to visit areas in the southern part of the West Bank that our Nablus team cannot visit easily due to the time it takes to travel there. Unfortunately, due to the pandemic, they are still waiting for lockdown to end so they can start the project although we hope it will be up and running in 2021.

The sanctuary in Israel has taken in several abandoned donkeys in 2020 like the one below rescued from the Negev area and which was filmed by a local news team.

Some of our resident donkeys do find new homes which makes space for donkeys in need of some loving care and attention to get them back in good condition.

Israel has the perfect weather for donkeys 10 months of the year, although climate change has seen more and heavier rain appear in winter and, as we all know, donkeys do not like rain. During periods of wet weather, the donkeys are housed in purpose-built shelters to prevent their hooves becoming soft. Whilst we ensure that the care of the animals is first rate and do everything we can to keep the numbers constant, the sanctuary's shelters are a bit small now for its 200 resident donkeys and horses. During 2021, we hope to develop plans to identify potential sites for a new sanctuary which will allow the donkeys more space both inside and out and to build a much-needed visitor centre and provide community services that will maximise local fundraising.

Some of you may be aware that this is not a new ambition as we have attempted the move previously although, due to either veterinary restrictions or lack of funding, we have not progressed the move. This time, we are determined to ensure we have every eventuality covered to make sure the move goes ahead - but only if we find the right location.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

A new sanctuary will provide the foundation Safe Haven needs to develop its strategic plan with more projects focused on equine husbandry education, visitor numbers and services to the community, all which we hope to develop over the next few years.

Finally in 2020, like many other equine welfare charities, we have been keeping a watchful eye on the developments of the donkey skin trade which is resulting in the slaughter of up to 4 million donkeys a year in Africa, which could result in their extinction in the continent and thus a possible expansion into the Middle East. The skin is used to make a 'beauty' product for the traditional Chinese medicine trade. In Kenya, over a quarter of a million donkeys were slaughtered in 2020 and the 'trade' has resulted in criminal gangs stealing donkeys from owners who rely heavily on them to provide a living. At the end of 2020, Safe Haven commissioned an investigation into the effects of a government ban and found that it had been breached by 3 of the 4 main slaughterhouses. The ban, brought in during 2019, has since been overturned in the courts which means the slaughter of up to 500 donkeys a day in each slaughterhouse will resume. We will continue to work with other charities to stop this vile trade which has affected donkey populations worldwide and to monitor any mass movement of donkeys in Israel or the West Bank which could mean the start of this problem in those areas.

Donkeys being taken by pickup truck to one of the 4 donkey slaughterhouses in Kenya.

As the world starts the journey back to normality, our work in the West Bank will be ever more important as working donkeys and horses will yet again be called upon to aid that process. We are determined to reach more working animals in 2021 but we can only do that with the generous donations of our supporters who have helped to achieve more than we could have imagined over the past year. Thank you!

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity are the provision of care and protection of donkeys and mules in the State of Israel and the Palestinian National Authority (or their successors in name and sovereignty).

Mission:

- to promote the importance of basic welfare of donkeys, and wherever possible to teach compassion to achieve long-term changes for the better;
- to obtain a smallholding of land for shelter and protection, and provide a rescue centre where we can care for donkeys that are abandoned and for those that require special attention;
- to ensure that any animal found abandoned on highways will be safely transported to the rescue centre, where they will be guaranteed to live free from the burdens of toil, stress and suffering, or until they can be safely re-homed into a non-working retired environment;
- to castrate all male donkeys in our care wherever possible and to promote the importance of this practice;
- to be able to give a humane end to severe and distressing cases where the animal is considered by a qualified veterinarian, to be suffering unnecessarily and to have no quality of life;
- to keep an up to date record of every animal in our care;
- to work together with other animal welfare organisations and supporters, in order to combine the mutual efforts and hasten an end to suffering and cruelty to animals, and ensure that all parties are fully informed of our progress.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Trustees of Safe Haven for Donkeys in the Holy Land approved the transfer of funds to Israel and the Palestinian Territories to support the increasing work undertaken by the not-for-profit organisation the "Holy Land Donkeys Trust" and the Palestinian Territories "Donkeys Trust Co"

By the end of December 2020, the Holyland Donkeys Trust was caring for around 195 donkeys, mules and horses at the sanctuary at Moshav Gan Yoshiyya, located between the Israel towns of Netanya and Hadera and only a few miles from the Palestinian border. There are also around 25 animals being cared for at the Donkeys Trust Co's clinic in the Palestinian city of Nablus until they can legally be transported across the border into Israel or an alternative home can be found. These numbers have continued to rise as unwanted/abandoned donkeys are rescued from both Israel and the Palestinian Territories. All donkeys at the sanctuary and the Nablus clinic receive regular veterinary care, vaccinations, visits from the farrier and undergo regular dental check-ups. Donkeys are only ever euthanized if, in the opinion of our veterinary surgeon and ratified by the Directors of the Holyland Donkeys Trust in Israel and Donkeys Trust Co in the Palestinian Territories, their quality of life is sufficiently low to warrant this.

The Nablus clinic continues to be extremely busy, particularly on Thursdays when the nearby donkey market is in operation. The team also hold regular veterinary outreach clinics in various locations in the Palestinian Territories using a mobile clinic vehicle. In addition to free veterinary treatment, working equines are offered vaccinations, shoeing and dental work. The charity's team also repair harnesses and head collars, or provide new ones at a nominal charge, as ill-fitting equipment is so often the cause of wounds. Education is an important part of the project and the Nablus clinic has hosted veterinary students from the nearby university as well as visits by children from local schools and refugee camps. The Nablus team can reach up to 1000 donkeys a month in this way Staff and Trustees are confident that the overall welfare of working equids in the region has improved as a direct result of Safe Haven's intervention. This is supported by evidence that clearly shows a reduced number of treatments required on return visits to each area. As a result, we will strive to add new towns and villages in the southern regions of the country to those currently visited.

In the UK, costs have been kept as low as possible, with the only employees being a full time Operations Director who handles the day to day running of the charity in the UK including fundraising, PR and administration, a Social Media Officer who looks after the charity's social media interactions and a part time Administration Assistant who deals with banking donations and thank you letters.

One of the major items of expenditure in the UK is the production and mailing out of the charity's quarterly newsletter but as mentioned below, the newsletter is also one of the major income generators for the charity. The percentage of the three organisations' income (Safe Haven for Donkeys in the Holy Land, the Holyland Donkeys Trust and Donkeys Trust Co) spent on direct care of working animals in Israel and the Palestinian Territories is increasing year on year. During 2020, we have continued to reduce costs at the sanctuary without compromising our animal welfare standards. We have achieved this through negotiations with current suppliers to find more cost-effective ways of providing their goods or re-tendering services to ensure we are getting best value for money. Rehoming donkeys to carefully selected homes in the Palestinian Territories and Israel is also a way to reduce costs whilst providing the animals with greater environmental enrichment. During 2020, we hope to expend this part of our work which will also help to create space for working animals in desperate need of sanctuary.

Relationships with other charities

The charity is a member of the National Equine Welfare Council. The UK Operations Director is a member of the Donkey Breed Society, the Institute of Fundraising and the Institute of Legacy Management.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

FINANCIAL REVIEW

Financial position

As at 31 December 2020, the charity had available unrestricted reserves of £539,805 plus £15,368 restricted towards the building of a quarantine area at the sanctuary in Israel.

The Directors are aware that these funds alone are not enough to cover the charity's planned expenditure for 2020 and so a robust fundraising strategy has been put into place to ensure that future income continues to increase. This includes engaging the services of a dedicated freelance fundraising consultant to increase income and number of donors on the charity's database.

Year 2020 review

Following a clean audit of the 2016/17, 2018 and 2019 accounts thanks to the implementation of more stringent financial processes in Israel and the Palestinian Territories, the Directors of the Holyland Donkeys Trust and the Directors of Safe Haven for Donkeys in the Holy Land have continued to ensure that these procedures remain rigorous and are strictly enforced.

In July 2016, a "not for profit company for the public benefit" was set up in Israel, known as the Holyland Donkeys Trust. This type of company, which has similar tax status to a charity, is strictly controlled by the Israeli authorities.

Although the Holyland Donkeys Trust is based in Israel, with Israeli and UK directors, the UK directors appointed by Safe Haven for Donkeys in the Holy Land have the controlling votes regarding the overall policies and running of the Israeli company.

A company has also been set up in the Palestinian Territories to allow for direct payment of wages to staff and funds to suppliers, this is known as the "Donkeys Trust Co".

Year 2020 Onwards

The Directors of the UK charity have been continuing to monitor every aspect of the Holy Land Donkeys Trust's work in Israel and the Donkeys Trust Co's work in the Palestinian Territories during the past year. A five year plan has been formulated to increase the amount of work carried out in the Palestinian Territories in particular. It is hoped in the long term to rehome many of the donkeys at the sanctuary in Israel to prevent overcrowding and release funds towards activities with working equids.

We know that there is so much more to do in the Palestinian Territories and beyond to support working donkeys and horses and the communities that they serve. Changing mindsets around animal husbandry is one of the biggest challenges our teams face although there is a very clear indication that the current model of delivering services is making a positive and lasting impact to animal welfare. Therefore, during 2020 we will identify new locations in the West Bank where working animals need our help. This is likely to be in the southern part of the country which is difficult to access because of the road networks and political nature of the country.

We are also aiming to find a new location for the sanctuary in Israel which will offer even more space and greater environmental enrichment for the animals. The current sanctuary, whilst it has served us well over the last 20 years and provided a safe haven for hundreds of animals in desperate need, is lacking in stimulation from a donkey's perspective. A new sanctuary will ideally provide a hilly scrubland allowing the donkeys more space to roam in search for food and which is more akin to their natural habitat. Israel has the perfect climate and environment for this purpose. Whilst there will be costs to set the new sanctuary up, the ongoing expenditure will remain the same.

Safe Haven is very fortunate to have a specialist donkey vet who volunteers her services. We aim to take advantage of this with quarterly visits to the sanctuary to support our local veterinary team in ensuring that the resident animals are receiving the best possible care.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

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Finally, we aim to replace our supporter database during 2020 as our current system is unable to fully integrate with modern technology. There are many excellent, low value offerings out there which will enable us to link our activities on the web, social media and the more traditional ways of communicating. Whilst this will inevitably cost to set up, it will reduce much of the current administrative burden of managing the database. Freeing up this time will enable the team to communicate with supporters more hopefully generating additional income to expand the vital animal welfare work in the Palestinian Territories.

Effectiveness of fundraising activities

The whole of the charity's income is derived from fundraising activities. The main focus is fundraising from individuals, the community and grant-making trusts. The UK Operations Director has responsibility for fundraising from grant-giving trusts, encouraging supporters to consider leaving legacies, liaising with major donors, attending events, PR (press releases, giving talks to local groups etc), organising events, liaising with major donors, setting up of volunteer fundraising groups and fundraising on social media and producing the charity's newsletter. The Social Media Officer has day to day responsibility for social media.

Total income for 2020 averaged just over £108,000 per month, the bulk of which was from legacies, donations received following the distribution of quarterly newsletters, and donations as a result of Facebook activities. There were also donations from grant-making trusts, proceeds from events and donations and general marketing activities.

Reserves policy

The Directors operate a reserve policy which they consider appropriate to ensure, barring unforeseen circumstances, the continued ability of the charity to meet its objectives. The charity aims to maintain, as far as it is possible, a minimum of free reserves equivalent to at least six months expenditure coverage.

FUTURE PLANS

After a very busy period, in which the amount of work being carried out in towns and villages across Israel and the Palestinian Territories increased, priorities for the year ahead are:

Holy Land Donkeys Trust:

- to secure the sanctuary's future at its present site;
- to rehome donkeys from the sanctuary to free up space;
- to increase fundraising efforts in Israel in order to move HLDT towards long term self-sufficiency;

Donkeys Trust Co:

- to continue to expand education projects in order to bring about long-term changes in the way that working equines are treated in the region;
- to undertake a review of the permanent clinic in Nablus and the clinics carried out by the mobile unit to ensure that maximum value for money is achieved at the same time as achieving maximum effectiveness;

Safe Haven for Donkeys in the Holy Land:

- to increase fundraising and PR in the UK to better support the Israeli and Palestinian Territories organisations' work with equids in desperate need

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Safe Haven for Donkeys in the Holy Land is an unincorporated trust, constituted under a Trust Deed dated 15th March 2000 as amended by Trustees Resolution dated 30th May 2000 and four Supplemental Deeds dated 24th February 2001, 8th October 2005, 22nd February 2008, 20th May 2016 and 26th June 2018. The charity's sole corporate trustee is Safe Haven for Donkeys in the Holy Land Trustee Limited.

In Israel, a not for profit company, the Holyland Donkeys Trust, was set up in July 2016 into which all the non-UK assets have been transferred. Although this company is still controlled by the UK charity, it complies with all necessary Israeli laws. In addition to the greater control this provides over activities in Israel, it has also unlocked the necessary tax advantages and the ability to fundraise in Israel.

There is also a limited company known as the Donkeys Trust Co in the Palestinian Territories.

Due to strict financial controls being in place both organisations have had successful independent audits that meet legal requirements for the period January to December 2020.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

The limited company "Safe Haven for Donkeys in the Holy Land Trustee Limited" became sole corporate trustee of the charity in September 2016. The charity is therefore governed by the volunteer Directors of the limited company, and new members are elected by existing Directors. Directors receive induction training on being elected to the Board and continued training on an ongoing basis through the charity's Director meetings.

Organisational structure

In the UK, the charity is run by the Directors of Safe Haven for Donkeys in the Holy Land Trustee Limited. The charity's aims are fulfilled by making grants to the Israeli not for profit company the Holyland Donkeys Trust (HLDT). The Directors of Safe Haven for Donkeys in the Holy Land Trustee Limited are also Directors of HLDT. HLDT has three additional Directors - Wendy Ahl (the charity's UK Operations Director), Mr Mohamad Mussa and Dr Abed Zidan. Additionally, in April 2017, a third limited company Holyland Donkeys Trust (West Bank) was set up to allow for direct payment of salaries to West Bank staff. Its Directors are Mr Haytam Massad and Mr Omary Bader, accountant and lawyer to the Holyland Donkeys Trust.

The Board of Directors of Safe Haven for Donkeys in the Holy Land Trustee Limited is supported by the following members of UK staff:

- UK Operations Director (full time)
- Social Media Officer (full time)
- Administration Assistant (part time)

In Israel, the Directors of the Holyland Donkeys Trust are supported by the following staff:

- Israel Operations Director (full time)
- 3 Sanctuary/outreach workers (Israel)

In the Palestinian Territories, the Directors of the Donkeys Trust Co are supported by the following staff:

- Clinic Manager
- Farrier
- Various ad hoc staff as necessary, such as veterinary surgeons, farrier and casual site workers

The charity's interim Chief Executive, Mr Timothy Wass, left the charity at the end of 2019. His duties are currently divided between the UK Operations Director and Israel Operations Director with oversight from the Directors of Safe Haven for Donkeys in the Holy Land Trustee Limited.

The Directors hold regular meetings to agree the broad strategy and areas of activity for the charity in Israel and the UK. There is an Israeli Management Team in place that is in regular contact with the Directors of both Safe Haven for Donkeys in the Holy Land Trustee Limited and the Holyland Donkeys Trust on all operational and financial matters.

There are a number of volunteers who give their time either at the sanctuary or in Israel or to help with fundraising in the UK and the Directors remain extremely grateful to all of these. The Mid Sussex Volunteer Fundraising Group was set up at the beginning of 2005 and Director George Russell and his wife have regularly been running events in the Berkshire/Wiltshire area since 2005. It is hoped to continue to expand the number of volunteers both in Israel and the UK in the years ahead.

At the end of 2020, Safe Haven for Donkeys in the Holy Land had seven patrons: the Rt. Hon the Earl of Stockton, the Rt. Hon Ann Widdecombe DSG, Julie Burchill, Anthony Head, Peter Egan, Kay Burley and Desmond Lynam OBE. Additionally, it has a Royal patron, Her Royal Highness Princess Alexandra, The Hon Lady Ogilvy, KG, GCMG.

The charity has registered with the Fundraising Regulator in order to demonstrate its commitment to best practice of standards in fundraising. Additionally, the UK Operations Director is a diploma-level member of the Institute of Fundraising.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

Major risks to which the charity has been exposed have been reviewed and systems established to mitigate those risks. The charity has a risk management policy and a risk register which is reviewed at each meeting of the Directors of Safe Haven for Donkeys in the Holy Land Trustee Limited.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1083468

Principal address

Unit 23 More House Farm Business Centre
Ditchling Road
Wivelsfield
Haywards Heath
West Sussex
RH17 7RE

Trustees

A Foxcroft (Chair - appointed October 2017)
N Duffy (appointed October 2017)
L Rimington (appointed July 2015)
G Russell (appointed March 2015)
M Steel (appointed March 2021)

In September 2016, the Charity Commission gave permission for the newly registered limited company Safe Haven for Donkeys in the Holy Land Trustee Limited (10191425) to become the sole Corporate Trustee of the charity. The former Trustees of the charity are now Directors of Safe Haven for Donkeys in the Holy Land Trustee Limited although they continue to be known as Trustees to our donors for continuity purposes to avoid confusion.

Auditors

Parkers
Chartered Accountants and Statutory Auditors
178-180 Church Road
Hove, East Sussex
BN3 2DJ

Bankers

HSBC plc
125 Church Road
Hove
East Sussex
BN3 2AN

TRUSTEES' RESPONSIBILITY STATEMENT

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

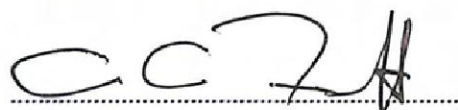
TRUSTEES' RESPONSIBILITY STATEMENT - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 6th August 2021 and signed on its behalf by:



A Foxcroft - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity and industry, we identified that the principal risks of non-compliance with laws and regulations related to the charity commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to donations and legacies, where there may be incentive for manipulation of overstated donations and legacies. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations including journal entries which inflated the Company's results for the period with unusual offset entries and journal entries impacting work in progress with unusual offset entries to detect any unusual capitalisation of costs.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
SAFE HAVEN FOR DONKEYS IN THE HOLY LAND**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Parkers

Parkers

Chartered Accountants and Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

178-180 Church Road

Hove, East Sussex

BN3 2DJ

Date: 6th August 2021

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	Notes	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,263,157	-	1,263,157	808,454
Other trading activities	3	8,241	-	8,241	7,252
Total		1,271,398	-	1,271,398	815,706
EXPENDITURE ON					
Raising funds	4	316,579	-	316,579	225,176
Charitable activities	5				
Donkey sanctuary		430,353	-	430,353	831,427
Total		746,932	-	746,932	1,056,603
NET INCOME/(EXPENDITURE)		524,466	-	524,466	(240,897)
RECONCILIATION OF FUNDS					
Total funds brought forward		15,339	15,368	30,707	271,604
TOTAL FUNDS CARRIED FORWARD		539,805	15,368	555,173	30,707

The notes form part of these financial statements

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

BALANCE SHEET 31ST DECEMBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	11	-	186
CURRENT ASSETS			
Stocks	12	329	1,331
Debtors	13	10,028	6,675
Cash at bank and in hand		608,626	91,746
		<u>618,983</u>	<u>99,752</u>
CREDITORS			
Amounts falling due within one year	14	(63,810)	(69,231)
NET CURRENT ASSETS		<u>555,173</u>	<u>30,521</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>555,173</u>	<u>30,707</u>
NET ASSETS		<u>555,173</u>	<u>30,707</u>
FUNDS	17		
Unrestricted funds		539,805	15,339
Restricted funds		15,368	15,368
TOTAL FUNDS		<u>555,173</u>	<u>30,707</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 6th August 2021 and were signed on its behalf by:



.....
A Foxcroft - Trustee

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The trustees note the contingent liabilities, particularly with regard to the possible liability relating to the ongoing HMRC compliance check into the use of funds as charitable expenditure of approximately £200,000. The trustees believe that they are close to settling a reduced amount with HMRC but are also confident that this contingent liability does not affect the going concern status of the charity as significant donations and legacies have been received since the year end.

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated life.

Fixtures, fittings and equipment	25% on reducing balance
Motor vehicles	25% on reducing balance
Computer equipment	33% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES - continued

Fund accounting

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Grants and donations

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Tax reclaims on donations and gifts

Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate. Contractual income and performance related grants are only included in the SOFA once the related goods and services have been delivered.

Gifts in kind

Gifts in kind are accounted from at a reasonable estimate of their value to the charity or the amount actually realised.

Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the Trustees Annual Report.

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Legacies	375,026	176,302
Grants and donations	888,131	632,152
	<hr/>	<hr/>
	1,263,157	808,454
	<hr/>	<hr/>

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020**

3. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Sale of merchandise	<u>8,241</u>	<u>7,252</u>

4. RAISING FUNDS

Raising donations and legacies

	2020	2019
	£	£
Staff costs	75,768	82,138
Rent, rates and insurance	14,117	14,235
Telephone	1,992	7,063
Postage & stationery	63,853	23,401
Sundries	1,940	13,832
Travel	1,380	11,445
Fundraising	129,135	56,206
Other office expenses	39	835
Depreciation	186	313
Interest payable and similar charges	19,682	9,890
	<u>308,092</u>	<u>219,358</u>

Other trading activities

	2020	2019
	£	£
Purchases	<u>8,487</u>	<u>5,818</u>
Aggregate amounts	<u>316,579</u>	<u>225,176</u>

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
Donkey sanctuary	<u>419,943</u>	<u>10,410</u>	<u>430,353</u>

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2020

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020	2019
	£	£
HMRC settlement	-	22,396

7. GRANTS PAYABLE

	2020	2019
	£	£
Donkey sanctuary	419,943	749,166

During the year the charity paid grants to Holyland Donkeys Trust, a charity with trustees in common, of £419,943 (2019: £749,166).

8. SUPPORT COSTS

	Governance costs
	£
Donkey sanctuary	10,410

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 nor for the year ended 31st December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2020 nor for the year ended 31st December 2019.

10. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	73,312	79,842
Other pension costs	2,456	2,296
	75,768	82,138

The average monthly number of employees during the year was as follows:

	2020	2019
	3	3
UK staff		

No employees received emoluments in excess of £60,000.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2020**

11. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1st January 2020 and 31st December 2020	<u>8,645</u>
DEPRECIATION	
At 1st January 2020	8,459
Charge for year	<u>186</u>
At 31st December 2020	<u>8,645</u>
NET BOOK VALUE	
At 31st December 2020	<u>-</u>
At 31st December 2019	<u>186</u>

12. STOCKS

	2020	2019
	£	£
Stocks for fundraising	<u>329</u>	<u>1,331</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	177	650
Other debtors	7,769	4,882
Prepayments	<u>2,082</u>	<u>1,143</u>
	<u>10,028</u>	<u>6,675</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loans and overdrafts (see note 15)	50,000	748
Other loans (see note 15)	-	30,000
Social security and other taxes	1,650	1,616
Other creditors	6,598	1,851
Accruals and deferred income	<u>5,562</u>	<u>35,016</u>
	<u>63,810</u>	<u>69,231</u>

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2020

15. LOANS

An analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year on demand:		
Bank overdrafts	-	748
Bank loans	50,000	-
Other loans	-	30,000
	<u>50,000</u>	<u>30,748</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	2020 Total funds £	2019 Total funds £
Fixed assets	-	-	-	186
Current assets	603,615	15,368	618,983	99,752
Current liabilities	(63,810)	-	(63,810)	(69,231)
	<u>539,805</u>	<u>15,368</u>	<u>555,173</u>	<u>30,707</u>

17. MOVEMENT IN FUNDS

	At 1/1/20 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	15,339	524,466	539,805
Restricted funds			
Equipment Fund	15,368	-	15,368
TOTAL FUNDS	<u>30,707</u>	<u>524,466</u>	<u>555,173</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,271,398	(746,932)	524,466
TOTAL FUNDS	<u>1,271,398</u>	<u>(746,932)</u>	<u>524,466</u>

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2020

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	At 31/12/19 £
Unrestricted funds			
General fund	256,236	(240,897)	15,339
Restricted funds			
Equipment Fund	15,368	-	15,368
TOTAL FUNDS	<u>271,604</u>	<u>(240,897)</u>	<u>30,707</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	809,706	(1,050,603)	(240,897)
Restricted funds			
Equipment Fund	1,000	(1,000)	-
Mobile Clinic Fund	5,000	(5,000)	-
	<u>6,000</u>	<u>(6,000)</u>	<u>-</u>
TOTAL FUNDS	<u>815,706</u>	<u>(1,056,603)</u>	<u>(240,897)</u>

The equipment fund is due to several donations from several donors which were specifically earmarked for the purchase of equipment in Israel.

The mobile clinic fund is due to donations from two separate donors to pay for a new mobile clinic on The West Bank.

The Donkey Feed Fund was as a result of one donation which was restricted for expenditure on donkey feed.

18. RELATED PARTY DISCLOSURES

During the period the charity paid grants totalling £419,943 (2019: £749,166) to Holyland Donkeys Trust a not-for-profit company registered in Israel and Donkeys Trust Co a not-for-profit company registered in the Palestinian Territories. Both entities have directors in common with Safe Haven for Donkeys In the Holy Land Trustee Limited (the corporate trustee of Safe Haven for Donkeys In the Holy Land).

At the year end the charity owed £nil (2019: £30,000) to Mr G Russell, a trustee.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	2020 £	2019 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Legacies	375,026	176,302
Grants and donations	888,131	632,152
	<u>1,263,157</u>	<u>808,454</u>
Other trading activities		
Sale of merchandise	8,241	7,252
	<u>8,241</u>	<u>7,252</u>
Total incoming resources	<u>1,271,398</u>	<u>815,706</u>
EXPENDITURE		
Raising donations and legacies		
Wages	73,312	79,842
Pensions	2,456	2,296
Rent, rates and insurance	14,117	14,235
Telephone	1,992	7,063
Postage & stationery	63,853	23,401
Sundries	1,940	13,832
Travel	1,380	11,445
Fundraising	129,135	56,206
Other office expenses	39	835
Computer equipment	186	313
Bank & credit card charges	19,682	9,890
	<u>308,092</u>	<u>219,358</u>
Other trading activities		
Purchases	8,487	5,818
Charitable activities		
HMRC settlement	-	22,396
Grants to Israel	419,943	749,166
	<u>419,943</u>	<u>771,562</u>
Support costs		
Governance costs		
Consultancy fees	350	33,887
Accountancy and legal fees	10,060	25,978
	<u>10,410</u>	<u>59,865</u>
Total resources expended	<u>746,932</u>	<u>1,056,603</u>
Net income/(expenditure)	<u><u>524,466</u></u>	<u><u>(240,897)</u></u>

This page does not form part of the statutory financial statements

