

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021
FOR
SAFE HAVEN FOR DONKEYS IN THE HOLY LAND**

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Chartered Accountants and Statutory Auditors
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SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

	Page
Report of the Trustees	1 to 9
Report of the Independent Auditors	10 to 12
Statement of Financial Activities	13
Balance Sheet	14
Notes to the Financial Statements	15 to 22
Detailed Statement of Financial Activities	23

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

The trustees present their report with the financial statements of the charity for the year ended 31st December 2021. 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 Niall Duffy - Chair of Trustees

Firstly, a big thank you to our supporters for helping the charity weather the covid storm in 2021. I'm delighted to inform you that whilst much of life was on hold in the UK, our essential work in the Occupied Palestinian Territories continued to make a positive impact on working donkeys and horses.

Because our charity works across international borders, using communication software like Skype, Zoom and Teams has been a necessity for many years. So, our Trustee meetings have continued throughout the pandemic, despite the travel restrictions, to enable the board to make key strategic decisions on the future of Safe Haven.

As we mentioned in last year's report, we have continued to build a reserve fund to help us provide for both the animals in our care and those that rely on the mobile clinics, when the economy takes a downturn. That decision has proved to be extremely prudent due to the events that unfolded in Europe at the end of 2021 and resulting impact on the global economy. Exchange rates are a good example of how our expenses can increase significantly as a result of an economic downturn. Thankfully, we are in a much better position now to safeguard the animals in our care, certainly in the short term, when disaster strikes.

We have also been busy building funds for some of the projects we want to get off the ground in 2022 in addition to replacing equipment we know is coming to the end of its life - the sanctuary tractor being a good example.

As any other charity, the board review risks at each Trustee meeting and in 2021 we were able to address some outstanding issues. In addition to our reserves policy, which I've mentioned above, we have also addressed our failing database, updated staff policies and procedures and taken steps to ensure the charity continues to comply with all the financial regulations surrounding its day to day running.

Finally, in 2021 we were able to welcome two new Trustees onto the board - one who has experience in veterinary science and another with substantial business experience at director level. We are always looking for new Trustees, especially those that can fill the gaps in experience needed to operate the charity to best effect.

Once again, thank you to all our supporters who make this all possible. 2022 will be an exciting time for the charity as we move forward with some of the much-needed projects which help us reach more donkeys and horses in need of our care.

Update from Andy Foxcroft - Chief Executive Director

Despite the unexpected barriers placed in our way during 2021, Safe Haven for Donkeys has continued to deliver and grow thanks to the support of our donors, who share our ambition to improve the welfare of working donkeys and horses in the Middle East. Thank you!

As we reported last year, our ambitions in 2021 were to deliver a number of projects, some related to stabilising the organisation after years of financial uncertainty, and others focused on delivering better animal welfare. Covid continued to restrict travel so I was unable to get out to Israel and the West Bank until the start of 2022. Fortunately, that didn't prevent us taking many of the projects forward and we were able to make progress in several areas.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

I'll start with the organisational one first. In 2021 we updated our database which was pretty much falling over and didn't have the functionality to help us raise money through our website. All transactions needed to be manually processed and, as our donor numbers grow, this puts the team under more and more pressure. The new database and integration with the website (which is nearly complete) will cost us less than £10,000. I've been involved in database upgrades in both the public and not-for-profit sectors and the sums involved were eye-watering. At Safe Haven for Donkeys, we were able to take advantage of 'off-the-shelf' software which needed very little adaptation to make it work for us although it will save us both time and money as a result of more efficient processing of information and better integration with other software. As with any project of this type, there are always glitches although our amazing team in the office were able to resolve these fairly quickly.

Our Hebron mobile clinic, which we hoped to get started in 2021, is now up and running and growing. This means that we now have two teams operating in the West Bank, one covering the north and another the south. Travelling between the two areas is not easy which is why we needed two teams. Both consist of vets and farriers who travel around each area delivering veterinary and farrier treatments to all working donkeys and horses. The animals are vital to families and communities who rely on them for farming, construction and transport. The availability and cost of local vets and farriers is beyond the means of most which is why the service Safe Haven offers is so vital. Educating owners helps us to prevent a lot of the issues our team see every day from reoccurring. But, there are many villages and towns. I was lucky enough to shadow both teams during a recent visit and I was so impressed with what they do in conditions which are, at the very least, challenging. Typically, both teams will treat over 1000 donkeys and horses each month.

Whilst I've seen the work we do is vital in raising the animal welfare standards, I've been concerned that we are not able to measure the results in a meaningful way. We know through experience on the ground that when our teams go back to areas they don't see the same level of injury they had to treat initially. This suggests the information we pass on to the owners is used to the benefit of their animals. We also know that if we stop going to an area, the seriousness of the injuries will increase. In 2021, we developed a proposal for some research to be conducted in conjunction with a university based in the West Bank. The main focus of the research will be on how our intervention helps to improve animal welfare standards in the short term and how we can change attitudes towards working equids in the longer term through education. This project will start at the beginning of 2022.

Finally, and as I've highlighted previously, the sanctuary in Israel is too small for the resident herd of mainly donkeys and a couple of horses. During 2021 we have developed options for either extending and renovating the current site or identifying an alternative site. Both options have benefits and issues to overcome although our decision will be based on what is best for the donkeys. By the end of 2022 we expect to have made significant progress on this project and I look forward to reporting on this in our next annual report.

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 2021

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 2021, the Holyland Donkeys Trust was caring for on average 200 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 on average 30 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, at the end of 2021 we added a second mobile clinic vehicle to reach downs and villages in the southern part of the Palestinian Territories.

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. There is also a part time CEO on a self-employed basis.

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 2021, 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 2022, we hope to expand 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 (NEWC). The UK Operations Director is a member of the Donkey Breed Society, the Institute of Fundraising and the Institute of Legacy Management. Safe Haven has recently joined the Working Animal Alliance (WAA), The Federation of Horses in Education and Therapy International (HETI) and the National Council for Voluntary Organisations (NVCO). In 2021, staff members attended the NEWC and World Horse Welfare (WHW) annual conferences where there was an opportunity to engage with delegates from other equine charities and organisations involved in equine welfare.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

FINANCIAL REVIEW

Financial position

As at 31 December 2021, the charity had available unrestricted reserves of £815,570 plus £7,800 restricted towards the building of a quarantine area at the sanctuary in Israel, £2,500 restricted towards the purchase of a tractor and £31,064 restricted towards the new mobile clinic in the Hebron area. A proportion of these unrestricted reserves will be used towards the new projects the charity plans to implement in 2022.

The Directors are aware that these funds alone are not enough to cover the charity's planned expenditure for 2022 and so a robust fundraising strategy has been put into place to ensure that future income continues to increase. This includes continuing to engage the services of a dedicated freelance fundraising consultant to increase income and number of donors on the charity's database.

Year 2021 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".

We have continued to make progress towards implementing our 5-year strategic plan and achieved the following to date:

- Opened a new mobile clinic in the West Bank to enable us to reach more working donkeys and horses in need of veterinary care
- Developed a research project in the West Bank to examine how our work improves animal welfare standards which will be delivered in the next 18 months
- Continued to deliver training on the ground to owners and professionals to create more awareness of the needs of working donkeys and horses
- Launched a Hebrew website to help us raise awareness of our work and generate funds locally
- Commenced an animal assisted interaction (AAI) programme with a partner organisation at our sanctuary in Israel
- Continue to rehome donkeys in Palestine and Israel although only where we are completely satisfied that it is in the best interests of the animals

Year 2022 Onwards

The Directors of the UK charity have continued to monitor every aspect of the Holy Land Donkey Trust's work in Israel and the Donkeys Trust Co's work in the Palestinian Territories during the past year. The five-year strategic plan continues to be implemented.

Donkey and Horse Welfare

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 2022 we will continue to expand our activities 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 from the north because of the road networks and political nature of the country. We will equip our new team in Hebron with modern veterinary tools and a vehicle to enable this.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

Upgrading the Sanctuary

Now that travel restrictions have eased, we will progress our plan to either upgrade the existing sanctuary in Israel or find a new location. Over the course of the 2021, we have been able to examine the possibility of extending the current site by adding a new pasture and shelter for 30 to 40 donkeys. This will create more space for the herd especially in the winter months when they have to spend a lot of time under cover due the rain. If we are able to achieve this, it would be preferable to moving to a new site which will be more costly and disruptive for the herd.

New Nablus facility

Our current clinic in Nablus looks after a number of donkeys that have been abandoned by their owners. Many are foals which were found on the roadside. Our vet, Dr Rakan, who manages the clinic, rehomes as many as he can after carefully vetting the new owners. He also visits each new home regularly to check on the welfare of the animals that have been placed. However, we still have a number of donkeys resident at the clinic which doesn't provide enough space for their needs. In 2022 we will identify a new location for the donkeys and provide them with a guardian to look after their needs 24 hours a day.

Research

The research project will get underway in 2022 starting with some work around the people and communities who use our services in the West Bank. Through this section we hope to better understand why working equids are so important to the local economy, what the main barriers are to providing care and crucially, how Safe Haven can help to provide more information to improve welfare. The next phase will look more closely at the impact of our mobile clinics on the long-term welfare of animals. All of this will inform our future strategy and ensure we focus our resources to maximum effect.

Volunteers

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

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 2021 averaged just under £86,000 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, up to a planned maximum of nine months. This reserves level takes into account the charity's long-term responsibility toward the rescued animals in the case of its sister organisations in Israel and the Palestinian Territories.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

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 or at new location;
- to replace an aging tractor essential for the day to day running of the sanctuary;
- to increase fundraising efforts in Israel in order to move HLDLT towards long term self-sufficiency

Donkeys Trust Co:

- to expand our work in the West Bank, especially in the south, to ensure we reach more working donkeys and horses
- to identify new locations to operate mobile clinics
- to locate new premises for the donkeys living at the Nablus clinic
- to carry out research to help us understand the impact of our work and how we can bring about long-term improvement to animal welfare through education

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
- To produce a new strategic plan for 2023 onwards

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 2021.

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.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

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:

- CEO (part time on a self-employed basis)
- 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 (Nablus and mobile clinic north of the Palestinian Territories)
- Clinic Manager (mobile clinic south of the Palestinian Territories)
- Farriers x 3 (2 Nablus and 1 Hebron)
- 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. With the permission of the Charity Commission, Mr Andrew Foxcroft resigned as a Trustee and took up the part time role of CEO on a self-employed basis for a period of two years from April 2021.

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 2021, 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, GCVO.

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.

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.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2021

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

N Duffy (appointed October 2017 - Chair)
A Foxcroft (appointed October 2017, resigned April 2021)
A Ratnayake (appointed January 2022)
L Rimington (appointed July 2015)
G Russell (appointed March 2015)
M Steel (appointed March 2021, resigned June 2022)

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"

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.

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021**

TRUSTEES' RESPONSIBILITY STATEMENT - continued

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 17/08/2022 and signed on its behalf by:

Niall Duffy
N Duffy - 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 2021 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 2021 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.

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

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.

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.

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
178-180 Church Road
Hove, East Sussex
BN3 2DJ

Date: *18th August 2022*

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,031,938	40,302	1,072,240	1,263,157
Other trading activities	3	7,891	-	7,891	8,241
Total		1,039,829	40,302	1,080,131	1,271,398
 EXPENDITURE ON					
Raising funds	4	362,735	-	362,735	316,579
Charitable activities	5				
Donkey sanctuary		414,716	9,237	423,953	430,353
Total		777,451	9,237	786,688	746,932
 NET INCOME		262,378	31,065	293,443	524,466
 RECONCILIATION OF FUNDS					
Total funds brought forward		539,805	15,368	555,173	30,707
 TOTAL FUNDS CARRIED FORWARD		802,183	46,433	848,616	555,173

The notes form part of these financial statements

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

BALANCE SHEET 31ST DECEMBER 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	10	1,699	-
CURRENT ASSETS			
Stocks	11	1,260	329
Debtors	12	6,800	10,028
Cash at bank and in hand		857,072	608,626
		865,132	618,983
CREDITORS			
Amounts falling due within one year	13	(18,215)	(63,810)
NET CURRENT ASSETS		846,917	555,173
TOTAL ASSETS LESS CURRENT LIABILITIES		848,616	555,173
NET ASSETS		848,616	555,173
FUNDS	16		
Unrestricted funds		802,183	539,805
Restricted funds		46,433	15,368
TOTAL FUNDS		848,616	555,173

The financial statements were approved by the Board of Trustees and authorised for issue on ~~17 AUGUST 2022~~ and were signed on its behalf by:


N Duffy - Trustee

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

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 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.

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

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2021

1. ACCOUNTING POLICIES - continued

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 for 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

	2021 £	2020 £
Legacies	168,533	375,026
Grants and donations	903,707	888,131
	<u>1,072,240</u>	<u>1,263,157</u>

3. OTHER TRADING ACTIVITIES

	2021 £	2020 £
Sale of merchandise	7,891	8,241

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2021

4. RAISING FUNDS

Raising donations and legacies

	2021	2020
	£	£
Staff costs	99,883	75,768
Rent, rates and insurance	12,553	14,117
Telephone	2,618	1,992
Postage & stationery	84,828	63,853
Sundries	2,526	1,940
Travel	2,515	1,380
Fundraising	128,276	129,135
Other office expenses	18	39
Depreciation	849	186
Interest payable and similar charges	22,060	19,682
	<u>356,126</u>	<u>308,092</u>

Other trading activities

	2021	2020
	£	£
Purchases	<u>6,609</u>	<u>8,487</u>
Aggregate amounts	<u>362,735</u>	<u>316,579</u>

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6)	Support costs (see note 7)	Totals
	£	£	£
Donkey sanctuary	<u>407,502</u>	<u>16,451</u>	<u>423,953</u>

6. GRANTS PAYABLE

	2021	2020
	£	£
Donkey sanctuary	<u>407,502</u>	<u>419,943</u>

During the year the charity paid grants to Holyland Donkeys Trust, a charity with trustees in common, of £407,502 (2020: £419,943).

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2021

7. SUPPORT COSTS

	Governance costs
	£
Donkey sanctuary	<u><u>16,451</u></u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

During the year Andrew Foxcroft, a trustee, was paid £24,000 for acting as the Charity's interim CEO. The Charity has paid due regard to the Charity Commission guidance on payments to trustees when undertaking this transaction.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2021 nor for the year ended 31st December 2020.

9. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	97,416	73,312
Other pension costs	2,467	2,456
	<u><u>99,883</u></u>	<u><u>75,768</u></u>

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

	2021	2020
	3	3
UK staff	<u><u>3</u></u>	<u><u>3</u></u>

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 2021

10. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1st January 2021	8,645
Additions	2,548
Disposals	(281)
At 31st December 2021	<u>10,912</u>
DEPRECIATION	
At 1st January 2021	8,645
Charge for year	849
Eliminated on disposal	(281)
At 31st December 2021	<u>9,213</u>
NET BOOK VALUE	
At 31st December 2021	<u>1,699</u>
At 31st December 2020	<u>-</u>

11. STOCKS

	2021 £	2020 £
Stocks for fundraising	<u>1,260</u>	<u>329</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	-	177
Other debtors	3,844	7,769
Prepayments	2,956	2,082
	<u>6,800</u>	<u>10,028</u>

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2021

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank loans and overdrafts (see note 14)	341	50,000
Social security and other taxes	1,670	1,650
Other creditors	347	6,598
Accruals and deferred income	15,857	5,562
	<u>18,215</u>	<u>63,810</u>

14. LOANS

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year on demand:		
Bank overdrafts	341	-
Bank loans	-	50,000
	<u>341</u>	<u>50,000</u>

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fixed assets	1,699	-	1,699	-
Current assets	818,699	46,433	865,132	618,983
Current liabilities	(18,215)	-	(18,215)	(63,810)
	<u>802,183</u>	<u>46,433</u>	<u>848,616</u>	<u>555,173</u>

16. MOVEMENT IN FUNDS

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	539,805	262,378	802,183
Restricted funds			
Equipment Fund	15,368	-	15,368
Hebron Fund	-	31,065	31,065
	<u>15,368</u>	<u>31,065</u>	<u>46,433</u>
TOTAL FUNDS	<u>555,173</u>	<u>293,443</u>	<u>848,616</u>

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2021

16. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,039,829	(777,451)	262,378
Restricted funds			
Hebron Fund	40,302	(9,237)	31,065
TOTAL FUNDS	<u>1,080,131</u>	<u>(786,688)</u>	<u>293,443</u>

Comparatives for 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>

Comparative 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>

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

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021**

17. RELATED PARTY DISCLOSURES

During the period the charity paid grants totalling £407,502 (2020: £419,943) 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).

SAFE HAVEN FOR DONKEYS IN THE HOLY LAND

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Legacies	168,533	375,026
Grants and donations	903,707	888,131
	<u>1,072,240</u>	<u>1,263,157</u>
Other trading activities		
Sale of merchandise	7,891	8,241
	<u>7,891</u>	<u>8,241</u>
Total incoming resources	1,080,131	1,271,398
EXPENDITURE		
Raising donations and legacies		
Wages	97,416	73,312
Pensions	2,467	2,456
Rent, rates and insurance	12,553	14,117
Telephone	2,618	1,992
Postage & stationery	84,828	63,853
Sundries	2,526	1,940
Travel	2,515	1,380
Fundraising	128,276	129,135
Other office expenses	18	39
Computer equipment	849	186
Bank & credit card charges	22,060	19,682
	<u>356,126</u>	<u>308,092</u>
Other trading activities		
Purchases	6,609	8,487
	<u>6,609</u>	<u>8,487</u>
Charitable activities		
Grants to Israel	407,502	419,943
	<u>407,502</u>	<u>419,943</u>
Support costs		
Governance costs		
Consultancy fees	1,650	350
Accountancy and legal fees	14,801	10,060
	<u>16,451</u>	<u>10,410</u>
Total resources expended	786,688	746,932
Net income	293,443	524,466

This page does not form part of the statutory financial statements