# ISLE OF WIGHT DONKEY SANCTUARY CIO

England & Wales · Charity number 1159886

## Details

| | |
|---|---|
| **Other names** | ISLE OF WIGHT DONKEY SANCTUARY, IOWDS |
| **Status** | Registered |
| **Legal form** | CIO |
| **Registered** | 2015-01-09 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | Isle Of Wight Donkey Sanctuary<br>Lower Winstone Farm<br>St. Johns Road<br>Wroxall<br>Ventnor<br>PO38 3AA |
| **Phone** | 01983852693 |
| **Email** | info@iowdonkeysanctuary.org |
| **Website** | www.iowdonkeysanctuary.org |

## Activities

**Objects:** FOR THE BENEFIT OF THE PUBLIC TO RELIEVE THE SUFFERING OF DONKEYS AND OTHER EQUINE ANIMALS WHICH HAVE BEEN ABANDONED, ILL-TREATED OR NEGLECTED OR ARE OTHERWISE IN NEED OF CARE, SHELTER AND ATTENTION AND, IN PARTICULAR, TO PROVIDE AND MAINTAIN RESCUE HOMES OR OTHER FACILITIES FOR THE RECEPTION, CARE AND TREATMENT OF SUCH ANIMALS OR TO FIND SUITABLE NEW HOMES WHENEVER IT IS APPROPRIATE AND PRACTICAL TO DO SO.

**Activities:** The provide healthcare and welfare for abandoned, rescued and homeless donkeys.To educate children about the heritage and roles of donkeys.To support other charities through association with our donkeys.To provide the public with an opportunity to visit, learn and appreciate the animals in a natural, visitor-friendly environment.

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## Classification

- **How:** Provides Buildings/facilities/open Space
- **What:** Education/training, Animals
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

## Geography

- Isle Of Wight

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2024-12-31 | £2,100,681 | £2,221,577 | £4,124,075 | 43 |
| 2023-12-31 | £2,247,192 | £1,995,993 | £4,244,971 | 49 |
| 2022-12-31 | £2,164,053 | £1,677,309 | £3,993,772 | 35 |
| 2021-12-31 | £1,933,891 | £1,286,578 | £3,507,028 | 31 |
| 2020-12-31 | £1,441,414 | £797,317 | £2,859,715 | 25 |

## Trustees

| Name | Role | Appointed |
|---|---|---|
| Andrew Gordon Pattison | | 2023-09-19 |
| Dawn Finney | | 2021-10-01 |
| Elaine Maria Burtenshaw Co - Chair | | 2022-10-31 |
| Gavin Whitter | | 2025-12-18 |
| Janine Dyer Co - Chair | | 2022-11-16 |
| Jill Procter | | 2024-07-19 |
| Mark Alan Stratton | | 2024-10-29 |

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**ISLE OF WIGHT DONKEY SANCTUARY CIO**

England & Wales - Charity number 1159886

# Accounts



# The Isle of Wight Donkey Sanctuary CIO

Report of the Trustees and consolidated financial statements for the year ended 31 December 2024

Registered Charity Number: 1159886



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# Legal and Administrative Information

## Trustees

- **Elaine Maria Burtenshaw** (Co-Chair)
- **Janine Dyer** (Co-Chair)
- **Andrew Gordon Pattison**
- **Dawn Finney**
- **Jill Procter** (appointed 19 July 2024)
- **Mark Stratton** (appointed 29 October 2024)

## Registered Office

**Lower Winstone Farm**
St Johns Road
Wroxall
Ventnor
Isle of Wight
PO38 3AA

## Registered Charity

1159886

## CIO Registration

CE002608

## Accountant

**Stephen Humphreys FCCA**
SHMS Accountants Ltd
SHMS House
20 Little Park Farm Road
Fareham
PO15 5TD

## Independent Auditor

**Stuart Mackie FCA** (Senior Statutory Auditor)
MC Audit Limited
Station House
North Street
Havant
Hampshire
PO9 1QU

# Co-Chairs' Introduction

2024 brought significant progress for the Isle of Wight Donkey Sanctuary. At the heart of our work was the daily care of more than 120 rescue donkeys and ponies, many with complex health or behavioural needs. Alongside this, we welcomed a record number of visitors (almost 160,000) ensuring the sanctuary remains both a refuge for animals in need and one of the island's most accessible and well-loved attractions.

We also made steady improvements across the site. Four new shelters and better mud-management initiatives improved welfare for our herds, while upgrades at Poppy's Place strengthened the care we provide for older and more vulnerable donkeys. We expanded our community engagement too, with more than 2,500 people – from schoolchildren to care home residents – enjoying visits carefully tailored to their needs.

These achievements took place against a backdrop of real challenge. Rising staff and procurement costs, storm damage and flooding, together with essential site improvements, added pressure throughout the year. Veterinary costs also rose to over £116,000, reflecting the increasing needs of our ageing herd. While not a figure to celebrate, this underlines the seriousness of our commitment to every animal in our care.

Financially, consolidated income reduced to £2.1 million. This was largely due to a reduction in legacy gifts and general donations, which fell in line with national trends. As trustees, we recognise the need to diversify income, which is why our new three-year strategy places strong emphasis on innovation, new partnerships, and broadening supporter engagement.

Looking ahead, we remain focused on maintaining the highest standards of welfare, building a stronger and more sustainable funding base, and deepening the role the sanctuary plays in the local community.

None of this is possible without our staff and volunteers. Their passion and commitment make the sanctuary more than just a place of refuge for donkeys – they make it a place of welcome, learning, and connection for thousands of people each year.

**Elaine Burtenshaw and Janine Dyer**

**Co-Chairs of Trustees**

# Report of the Trustees

The Isle of Wight Donkey Sanctuary was founded in 1987 to provide lifelong care for donkeys and other equines in need. Our charitable purpose, as set out in our governing document, is to relieve the suffering of animals that have been abandoned, ill-treated, neglected, or are otherwise in need of care, shelter, and attention.

In 2023 we set out a clear mission – to provide refuge, new beginnings, and exceptional care for donkeys and other equines – and a vision to become a centre of excellence in donkey welfare while fostering deeper understanding and connection between people and their equine companions. This mission and vision now guide every aspect of our work.

The sections that follow set out our progress during 2024, the impact of our work on animal welfare and the wider community, and the financial performance and governance arrangements that underpin the charity.



# Summary of Progress in 2024

In 2024, we continued to balance the daily care of our donkeys with wider community impact.

Achievements included:

- **Receiving external validation of our high standards of equine welfare**, in a comprehensive review carried out by The Donkey Sanctuary (Sidmouth) – one of the world's leading authorities on donkey welfare.
- **Strengthening welfare facilities** with upgraded barns, four new shelters at Whiteley Bank and better mud management for safer paddock access and better hoof hygiene. Our older donkeys and those requiring extra care continued to benefit from new enrichment and adaptations at Poppy's Place, our dedicated facility for our more vulnerable equines.
- **Welcoming a record 158,753 visitors** – including almost 9,000 people in 293 coaches, with free guided tours to meet the donkeys and learn about their welfare.
- **Enabling wider participation for people with additional needs,** with more than 200 people – including those living with dementia, learning disabilities, and mental health conditions – enjoying specially tailored visits to the sanctuary to interact with our donkeys.
- **Extending our outreach work**, taking our donkeys to more care homes and hospices across the Island to bring joy to people unable to visit the sanctuary.
- **Expanding our schools programme** – hosting 66 school visits, enabling over 2,300 school children to learn about donkey welfare and develop empathy through direct interaction.

**We also maintained our commitment to free entry** – the only major visitor attraction on the Isle of Wight to do so. This reflects our belief that everyone, regardless of circumstances, should be able to connect with our animals and enjoy the sanctuary.

## Leadership

At the end of 2024, our Chief Executive, Susan McCall, stepped down to focus on developing her own farm and community enterprise. During her time with the sanctuary, she helped raise our profile, strengthen animal welfare practices, and increase visitor numbers. We thank her for her contribution and wish her every success in the future.

In her place, we appointed Stephen Tobitt as General Manager – a title chosen to better reflect the role's balance of operational oversight and close support for our management team. Stephen has over 30 years' senior leadership experience, including CEO and Finance Director roles within well-established UK organisations, where he grew revenues, strengthened operations, and led teams through change. His combination of commercial experience, values-led leadership, and hands-on approach gives us confidence he will continue to build the sanctuary's long-term sustainability and ensure it thrives in the years ahead.



# The Impact We Make

## Equine Welfare

Our sanctuary is home to over 120 donkeys and ponies, each cared for by a highly skilled equine welfare team and supported by dedicated volunteers.

Our herds span all ages, from youngsters to a steadily growing number of donkeys in their senior years. As a consequence, we are seeing more age-related medical issues. In 2024, this ageing profile led to a higher number of welfare-based end-of-life decisions, with over 70% involving geriatric animals already receiving the highest levels of pain relief. Other cases included severe colic impactions and congenital conditions that caused significant distress. These decisions are always taken with the animal's best interests at heart and only as a last resort - when all other treatment options have been explored and continued care would no longer prevent suffering or maintain quality of life.

While some long-term residents reached the end of their lives, others arrived in need of sanctuary and ongoing care. In 2024, we welcomed four new arrivals: **Daphne**, who had grown up in a loving family home but whose owners could no longer provide the care she needed; **Lulu**, who found it hard to adjust after losing her long-time companion; **Paddy and Murphy**, who both lost their mothers young – Paddy narrowly escaped the abattoir, and Murphy was hand-reared after his mother drowned. Despite these early challenges, they have become two of the most playful donkeys on site, delighting visitors and staff alike. Their former owners often come to visit them here.

## Ongoing Care

Caring for over 120 equines comes at a cost. In 2024, we spent £116,000 on veterinary care, more than 60% of our direct animal costs, which included specialist cases such as Poncho's complex sheath reconstruction, emergency colic surgery, and 140 dental treatments. Our farrier also carried out 634 routine hoof trims – substantial when you count that many hooves. On the island, we are supported by Vectis Equine Vets, and for specialist treatment we turn to Liphook Equine Hospital, ensuring the highest standard of care at all times.

## Training and Expertise

Behavioural training played a key role in improving welfare. Our equine welfare team undertook specialist courses, including clicker training, which helped Phoenix – our spirited mule – learn to stand calmly on cue, reducing stress during handling and treatment. By combining hands-on experience with behavioural science, the team now has the depth of expertise to embed these approaches across all herds and further strengthen the care we provide.

## External Validation

To ensure we continue to meet the highest standards, we also worked closely with The Donkey Sanctuary (Sidmouth), a world leader in donkey care. They carried out a full review of all our herds using the Equine Behavioural and Welfare Assessment Rating System (EARS), which confirmed improvements in animal condition, positive behaviours, and equine management – independent evidence of the quality of care we give to our donkeys.

## Strengthening Our Facilities for the Future

Caring for more than 120 donkeys and ponies requires constant attention to the land and buildings they rely on. With 55 acres and over 20 barns and shelters to maintain, upkeep is a year-round challenge – especially when storms and flooding cause unexpected damage. In 2024, we carried out significant works across the site, from repairing and upgrading barns and shelters to improving drainage and flood resilience.

A major focus remains our plan to create an on-site Equine Treatment Centre, a key step in our vision to be a centre of excellence in donkey welfare. Feasibility work moved forward in 2024, and the updated project is expected to begin by the end of 2025. The Centre will provide improved diagnostic facilities, more hygienic and comfortable conditions for sick animals, enhanced isolation areas, and a better working environment for our veterinary team. Funds raised during the initial 2023 appeal remain ring-fenced for this purpose, and further fundraising will be a priority as we move closer to making this much-needed facility a reality.

Investment in facilities such as the Equine Treatment Centre is not just about meeting today's needs; it is about safeguarding the highest standards of care for decades to come. This long-term approach – backed by strong governance and prudent financial management – gives supporters confidence that their contributions will create a lasting legacy for the animals who depend on us.

## Community Engagement

Although still a relatively new strand of our work, our community engagement programme is growing year by year and is becoming an increasingly important part of sanctuary life. Our Community Engagement Officer, partly funded through a renewed National Lottery grant, coordinates this work by building relationships with schools, care homes, and local charities, and tailoring visits to the needs of each group.

In 2024, more than 2,500 people took part in our programmes – including 66 school visits reaching 2,306 children, 16 community groups and 12 care home visits with our donkeys, bringing joy to older residents.

Each visit is carefully planned to benefit both participants and animals. Teachers highlight the educational value – "Our visit was really interactive and engaging. The class learnt a lot about donkeys, farming and nature. The children had an amazing time and it continued our learning."

For care home residents, the impact is often deeply personal:

- "Residents were so happy to see the donkeys – they brought real joy and lifted the day."
- "One resident shared memories of growing up with donkeys, something she had never spoken about before."

This growing programme is already creating stronger community links, and lays the foundation for wider partnerships in years ahead.

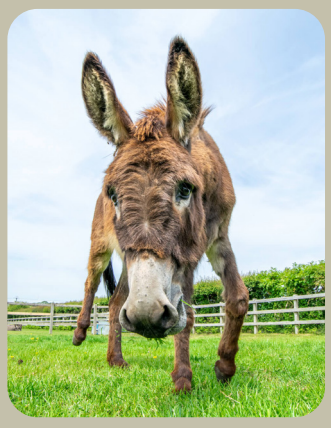
# Raising Our Funds

In 2024, our main sources of income continued to be legacies, donations, and virtual donkey adoptions. While income from donkey adoptions increased, general donations fell by around 18%, reflecting reduced discretionary spending among supporters. Onsite cash donations also declined, as more visitors arrived without physical money. In response, we installed additional contactless donation points to make giving easier.

A reduction in legacies also impacted total consolidated income which reduced to £2.1 million. However legacies still accounted for around 15% of our total income. We are deeply grateful for this support, but we also recognise that such dependency carries risks for the future.

Grants provided important additional funding, with over £67,000 received in the year, including support from DEFRA's Sustainable Farming Incentive (SFI) scheme to improve our land and pasture. A renewed National Lottery grant also continued to help fund our community engagement role and outreach activities.

To ensure long-term stability, the trustees agreed a new three-year strategy in 2024, which will guide how we diversify income and reduce our reliance on legacies. This strategy is outlined later in this report.









## Fundraising Best Practice

Alongside protecting and growing income, we remain committed to upholding the highest standards in how we fundraise. The charity is registered with the Fundraising Regulator and is a member of the Chartered Institute of Fundraising. We follow the Fundraising Regulator's Code of Fundraising Practice and ensure supporter data is protected, communication preferences are respected, and fundraising is neither intrusive nor targeted at vulnerable people.

All fundraising activity is managed in-house by our General Manager and fundraising team; no professional fundraisers were engaged during the year. Activities are planned and delivered in line with our fundraising strategy, with trustees providing oversight to ensure compliance with the Code and to safeguard the reputation of the sanctuary.

We monitor fundraising performance and supporter feedback closely, including activities carried out on the charity's behalf. Any concerns are reviewed promptly to ensure lessons are learned and standards are maintained. In line with regulatory requirements, we report any fundraising complaints in our annual return. We can confirm that no fundraising complaints were received during the year.

# Staff and Volunteers

The sanctuary runs on the combined efforts of a small but highly committed team. In 2024 we employed an average of 26 permanent staff, supported by nearly 100 volunteers. Staff roles span animal care, estates and maintenance, visitor engagement, fundraising, and administration.

Volunteers extend our reach in every area – from greeting visitors and facilitating adoptions, to helping in the café and shop, supporting the farm team, assisting with repairs, and even accompanying donkeys into the community. Their skills and commitment mean we can achieve far more than would otherwise be possible.

Ongoing training and development remained a priority in 2024. Staff took part in further training in donkey welfare best practice, customer service, cyber security, and health and safety – ensuring they are equipped to deliver high standards of care and an excellent visitor experience.

At the same time, staff costs and professional services remain a significant part of our expenditure – a reflection of both the scale and complexity of running the sanctuary and our ambition to be a centre of excellence in equine welfare. With costs under constant pressure, we regularly review staffing levels and external services to ensure they remain sustainable and cost-effective.



# Looking Ahead

The charity's priorities for the coming years remain clear: maintain the highest standards of donkey welfare, create more engaging and educational visitor experiences, strengthen our role in the local community, and build a broader, more sustainable income base. The need to diversify income was reinforced during 2024, and is a central part of our new three-year strategy.

Planned investment will focus on:

### Animal Welfare

- Continuing to strive for the highest standards ensuring best practice is embedded across the sanctuary.
- Investing in facilities that improve comfort, hygiene, and veterinary outcomes for our donkeys.

### Community Engagement

- Growing partnerships with schools, care homes, and community groups to expand outreach and ensure activities benefit both people and animals.
- Developing new programmes that help more people experience the wellbeing benefits of time with donkeys.

### Strengthening and Diversifying Income

- Expanding our virtual adoption scheme.
- Launching a charity lottery to create a renewable and stable income stream.
- Developing corporate partnerships with both local and national businesses.
- Building our digital presence to reach and inspire supporters across the UK and beyond, including those unable to visit in person.
- Investing in visitor facilities such as a new education centre and welcome hub, designed to enhance the visitor experience and grow onsite income.
- Pursuing innovation, including our collaboration with the University of Southampton to create a world-first donkey recognition app, helping visitors instantly learn each donkey's name and story.

### People Investment

- Ensuring the sanctuary is a great place to work and volunteer, where people feel valued and supported.
- Continuing to build the professionalism and skills of our team through mentoring, development, and training – strengthening both animal care and visitor experience.

Together, these priorities will help us safeguard the wellbeing of our donkeys, deepen our community impact, and secure the long-term sustainability of the sanctuary.



# Finance and Investment Policy

## Accounts for Year-End December 2024

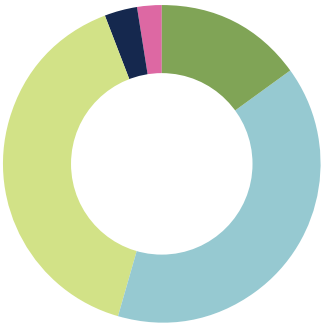
Our financial position at the end of 2024 remains stable, providing a strong platform for the delivery of our three-year strategy. Total consolidated income for the year was **£2,100,681**, with expenditure of **£2,221,577**, resulting in a full-year deficit of **£120,896**.

As in previous years, a significant proportion of our income came from legacies, along with adoptions, donations, and grant funding. Expenditure reflected the scale and scope of our work – from the daily care of over 120 equines, to maintaining our 55-acre site, delivering education and outreach programmes, and managing visitor facilities.

Our General Manager, with a strong background in financial leadership, plays a central role in maintaining cost control and ensuring value for money across all areas of the sanctuary's work. Our approach remains cautious but ambitious: investing where it will have the greatest long-term benefit for the animals and people we serve, while safeguarding the charity's future.

Our consolidated income for the year was **£2,100,681** detailed as follows:

- Legacies: **£320,112**
- Donations and adoptions including gift aid: **£827,305**
- Trading activities: **£833,862**
- Grants: **£67,110**
- Interest: **£52,292**



Our total expenses amounted to **£2,221,577** detailed as follows:

- Charitable activities: **£1,401,845**
- Raising funds: **£134,970**
- Other trading: **£684,762**

This results in a deficit of **£120,896**







## Income and Expenditure Analysis

In 2024, we experienced a reduction in income by £146,511 due to a decrease in donations and legacies. While we witnessed an increase in visitor footfall, it was evident that disposable income had diminished.

Throughout this period, we have capitalised on the higher interest rate by employing a spread of deposits across multiple UK-authorised and FSCS protected banks. This has maximised returns, while simultaneously aligning with our cash flow requirements and reserves policy.

Furthermore, we have invested in staff development and training, despite the increased costs associated with the minimum wage in 2024.

Additionally, we have allocated resources to enhance our governance, including compliance with health and safety regulations, IT security measures, and ongoing cyber and training initiatives.

## Reserves Policy

Our reserves policy is to hold unrestricted reserves at a level that provides security for at least 12 months of operating costs. At year-end, unrestricted reserves, excluding designated funds, stood at **£3,877,385**, which provides a strong buffer against future risks and uncertainties.

Total reserves, including restricted and designated funds, stood at **£4,124,075** at year-end. Designated funds of **£247,690** include supporter donations received for the Equine Treatment Centre, which will be used in accordance with donor intentions.

## Isle of Wight Donkey Sanctuary Limited

Our trading subsidiary, which operates the gift shop, online shop, and café, performed strongly in 2024, with turnover increasing on the previous year. Growth was supported by an improved café offer and a more distinctive retail range – from our own Isle of Wight Donkey Sanctuary gin, inspired by the hedgerows our donkeys enjoy, to high-quality seasonal products and more locally-made gifts.

Margins also improved, helped by careful supplier negotiations and more efficient staff scheduling, though inflationary pressures continued to add to the cost of sales.

Results for the year:

- Trading income: **£833,862**
- Total expenses: **£684,762**
- Net income: **£149,100**

This represented an improvement of more than 80% on the previous year's profit, reflecting both higher turnover and tighter cost control. All trading profits were donated to the charity, providing vital support for the daily care of our donkeys and underlining the importance of trading income within our wider funding mix.

## Trading Income: £833,862



Total expenses: **£684,762**

Net income: **£149,100**

## Overall Summary

During 2024, the sanctuary continued to balance the cost of delivering high standards of care with the need to strengthen governance, systems, and facilities for the future. Expenditure increased in most areas, reflecting higher wage costs, investment in welfare facilities, and ongoing improvements to processes and governance. These are deliberate steps to ensure the charity is well prepared to meet future challenges and can operate with greater resilience.

As a result, consolidated reserves at year end reduced slightly. However, the positive net worth on our balance sheet confirms that the charity remains a going concern. With steady income, prudent financial management, and a new three-year strategy focused on diversifying revenue, the trustees are confident that the sanctuary is in a stable position to sustain its work and plan ahead with confidence.



## Public Benefit

The trustees confirm they have had due regard to the Charity Commission's guidance on public benefit when planning the charity's activities. The impact and benefits of our work are described throughout this report; the following provides a summary:

- **Caring for animals in need** – we provide lifelong homes and high standards of care to donkeys and other equines, including many whose owners can no longer look after them, ensuring they remain safe, healthy, and valued.
- **Welcoming visitors, free of charge** – the sanctuary remains one of the island's only major attractions with no entry fee. This means everyone, regardless of circumstance, can spend time with the animals in a peaceful and accessible setting.
- **Education on site** – visitors, including many school groups, learn about donkey welfare through talks, activities and clear educational signage. Seeing our animals cared for in practice helps people understand what good welfare means.
- **Reaching people who cannot visit** – our donkeys visit care homes and the Isle of Wight hospice,, bringing comfort, joy and a special connection to people who are unable to come to the sanctuary.
- **Tailored group visits** – we welcome groups such as dementia societies and people with learning disabilities or mental health conditions, designing sessions around their needs.
- **Providing volunteering opportunities** – volunteers play meaningful roles across the sanctuary, gaining skills, meeting others and supporting a cause they value.
- **Caring for our site and environment** – we manage our land and pasture responsibly, supporting healthy habitats for our animals and protecting the wider environment. This includes work under DEFRA's Sustainable Farming Incentive to improve soil health, biodiversity, and sustainability.
- **Community support** – the sanctuary also plays a role as a social space for the island community. Our café and grounds provide a welcoming place where people can meet friends, find companionship, or simply enjoy the calm of being around animals. On Christmas Day, for example, we opened the café to offer free refreshments and company for those who might otherwise have been alone – a tradition we intend to continue.

## Risk Management

The trustees are responsible for overseeing risk management, with quarterly reviews forming part of our strategic review meetings. In addition, a monthly risk committee – chaired by the General Manager and attended by a trustee alongside key staff – ensures risks are monitored, recorded, and mitigated promptly. These processes form part of our wider governance framework.

## Governance – The Board of Trustees

The Isle of Wight Donkey Sanctuary is a Charitable Incorporated Organisation (CIO) governed by its constitution. Trustees are appointed for an initial three-year term and may serve up to six years in total, subject to reappointment. Recruitment is primarily through recommendations from trusted sources, with selection aimed at maintaining a balanced mix of skills, experience and perspectives.

Day-to-day management of the charity is delegated to the General Manager, who works closely with the senior management team. The trustees retain responsibility for setting strategy, approving budgets, monitoring performance, and ensuring compliance with all legal and regulatory requirements.

The pay and remuneration of key management personnel is reviewed and agreed by the trustees, taking into account market benchmarks, sector norms, and the charity's financial position.

The board meets monthly with the General Manager to review progress and address operational matters, and holds quarterly strategic review meetings to consider longer-term priorities and governance arrangements.

## Statement of Trustee Responsibilities

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). The law applicable to charities in England and Wales, including the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the trust deed, requires the trustees to prepare financial statements for each financial year that 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 these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charities 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 a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are also responsible for keeping adequate accounting records that show and explain the charity's transactions, disclose its financial position with reasonable accuracy at any time, and enable them to ensure that the accounts comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and ensuring they are used in accordance with its charitable purposes.

While these legal and financial responsibilities are central to our role, we know our work is only possible because of the many people who stand alongside us. The trustees would like to express their gratitude to everyone who makes our work possible:

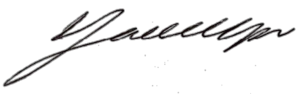
- Our dedicated staff, whose expertise and care underpin everything we do.
- The volunteers who give their time and energy to support our donkeys, our visitors, and our fundraising efforts.
- The donors, adopters, grant funders, and legacy givers whose generosity enables us to plan ahead with confidence.
- Our partners, supporters, and the local community, who help us continue to improve the lives of the animals in our care and share the importance of donkey welfare with a wider audience.

Thanks to this collective effort, the Isle of Wight Donkey Sanctuary continues to deliver on its mission, safeguard the welfare of donkeys and other equines, and give more people the chance to spend time with our animals and enjoy the sanctuary.

This report is approved by the Board of Trustees on the 24th October 2025 and signed on its behalf by:



**Elaine Burtenshaw**, Trustee



**Janine Dyer**, Trustee

## ISLE OF WIGHT DONKEY SANCTUARY CIO
## Registered Charity Number: 1159886
## Independent Auditor's Report to the Trustees

### Opinion

We have audited the financial statements of Isle of Wight Donkey Sanctuary and its subsidiaries for the year ended 31 December 2024 on pages 20 to 38, which comprise the Consolidated Statement of Financial Activities, the Consolidated Statement of Financial Position and Consolidated Statement of Cash Flows 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, including Financial Reporting Standard FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 group and parent 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 charitable company'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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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**
In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

**Responsibilities of trustees**
As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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 group and parent 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 group or parent 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 there under.

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:

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management’s assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues concerning legacy and donation income and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

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.

**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 group and the parent charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Stuart Mackie FCA (Senior Statutory Auditor)
for and on behalf of MC Audit Limited
Chartered Accountants
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Station House
North Street
Havant
Hampshire
PO9 1QU

Date: 27 October 2025

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Financial Activities**
**(Incorporating an income and expenditure account)**
**For the year ended 31 December 2024**

| | Notes | 2024 Unrestricted Funds £ | 2024 Restricted Funds £ | 2024 Total Funds £ | 2023 Total Funds £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | **2** | 1,214,527 | - | 1,214,527 | 1,436,352 |
| Other trading activities | **3** | 833,862 | - | 833,862 | 770,842 |
| Investment Income | **4** | 52,292 | - | 52,292 | 39,998 |
| **Total income** | | 2,100,681 | - | 2,100,681 | 2,247,192 |
| **Resources expended** | | | | | |
| Raising funds | **5** | 134,970 | - | 134,970 | 108,445 |
| Charitable activities | **5** | 1,401,845 | - | 1,401,845 | 1,197,973 |
| Other trading activities | **5** | 684,762 | - | 684,762 | 689,575 |
| **Total resources expensed** | | 2,221,577 | - | 2,221,577 | 1,995,993 |
| **Net incoming resources** | | (120,896) | - | (120,896) | 251,199 |
| **Reconciliation of funds** | | | | | |
| Total funds brought forward | | 4,244,971 | - | 4,244,971 | 3,993,772 |
| **Total funds carried forward** | | 4,124,075 | - | 4,124,075 | 4,244,971 |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movement in funds are disclosed in Note 21 to the financial statements.

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Financial Position**
**As at 31 December 2024**

| | Notes | The Group 2024 £ | The Group 2023 £ | The Charity 2024 £ | The Charity 2023 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **11** | 2,238,964 | 2,177,442 | 2,073,604 | 1,997,506 |
| Investments | **12** | - | - | 2 | 2 |
| | | 2,238,964 | 2,177,442 | 2,073,606 | 1,997,508 |
| **Current assets** | | | | | |
| Stocks | **15** | 68,380 | 57,919 | - | - |
| Debtors | **16** | 588,064 | 713,204 | 820,387 | 979,335 |
| Investments | **17** | 1,122,022 | 1,205,840 | 1,122,022 | 1,205,840 |
| Cash at bank and in hand | | 215,398 | 221,800 | 188,358 | 156,105 |
| | | 1,993,864 | 2,198,763 | 2,130,767 | 2,341,280 |
| **Current Liabilities** | | | | | |
| Creditors: amounts falling due within one year | **18** | 108,753 | 131,234 | 82,252 | 95,770 |
| **Net current assets** | | 1,885,111 | 2,067,529 | 2,048,515 | 2,245,510 |
| **Total assets less current liabilities** | | 4,124,075 | 4,244,971 | 4,122,121 | 4,243,018 |
| Creditors: amounts falling due after one year | | - | - | - | - |
| **Net assets** | | 4,124,075 | 4,244,971 | 4,122,121 | 4,243,018 |
| **Funds** | **21** | | | | |
| Unrestricted funds | | 4,124,075 | 4,244,971 | 4,122,121 | 4,243,018 |
| Restricted funds | | - | - | - | - |
| **Total Funds** | | 4,124,075 | 4,244,971 | 4,122,121 | 4,243,018 |

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the Trustees on 24 October 2025.

Elaine Burtenshaw
Co-Chair of Trustees

Janine Dyer
Co-Chair of Trustees

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Cash Flows**
**For the year ended 31 December 2024**

| | | The Group | | The Charity | |
|---|---|---|---|---|---|
| | | 2024 | 2023 | 2024 | 2023 |
| | Notes | £ | £ | £ | £ |
| **Cash flows from operating activities** | **22** | 43,310 | 78,166 | 77,113 | 108,468 |
| **Cash flows from investing activities** | | | | | |
| Interest receivable | | 52,292 | 39,998 | 52,292 | 39,998 |
| Purchase of tangible fixed assets | | (250,173) | (350,279) | (244,869) | (250,859) |
| Disposal of tangible fixed assets | | 64,351 | 1,350 | 63,900 | 1,350 |
| **Net cash provided by investing activities** | | (133,530) | (308,931) | (128,677) | (209,511) |
| **Change in cash and cash equivalents in the year** | | (90,220) | (230,765) | (51,564) | (101,043) |
| Cash and cash equivalents at the beginning of the year | | 1,427,640 | 1,658,405 | 1,361,944 | 1,462,987 |
| | | 1,337,420 | 1,427,640 | 1,310,380 | 1,361,944 |
| **Cash and cash equivalents:** | | | | | |
| Cash at bank and in hand | | 215,398 | 221,800 | 188,358 | 156,104 |
| Short term deposits (included in current asset investments) | | 1,122,022 | 1,205,840 | 1,122,022 | 1,205,840 |
| | | 1,337,420 | 1,427,640 | 1,310,380 | 1,361,944 |

## 1 Accounting policies

***Statutory Information***
The IOW Donkey Sanctuary CIO is a charitable incorporated organisation incorporated in England and Wales. The registered office address and principal place of business is: St Johns Road, Ventnor, Isle of Wight, PO38 3AA

***Basis of Preparation***
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(effective 1 January 2019) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.
These financial statements consolidate the results of the charity and its wholly-owned subsidiary The Isle of Wight Donkey Sanctuary Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charities' balance sheet.

***Public Benefit Entity***
The charity meets the definition of a public benefit entity under FRS 102.

***Going Concern***
The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.
The trustees are of the view that the immediate future of the Charity for the next 12 months is secure on the basis of confirmation of continuing income streams and fundraising activity to generate additional income streams. Accordingly, the financial statements have been prepared on the going concern basis.
The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

***Income***

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken at the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

***Interest Receivable***

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

***Fund Accounting***

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

***Expenditure and Irrecoverable VAT***

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

* Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
* Expenditure on charitable activities includes the costs if delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.
* Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged against the activity for which the expenditure was incurred.

***Allocation of Support Costs***

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

***Operating Leases***
Rental charges are charged on a straight line basis over the term of the lease.

***Tangible Fixed Assets***
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:
Freehold land and buildings: 2% Straight Line
Plant and equipment etc:. 10-25% Reducing Balance
Motor vehicles: 25% Reducing Balance
The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

***Investments in Subsidiaries***
Investments in subsidiaries are at cost.

***Debtors***
Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

***Cash and cash equivalents***
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of twelve months or less.

***Creditors and Provisions***
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

***Financial Instruments***
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## 2 Income from donations and legacies

| | 2024 £ | 2023 £ |
|---|---|---|
| Adopt a donkey scheme | 348,471 | 311,594 |
| Donations | 396,944 | 450,804 |
| Grants | 67,110 | 77,635 |
| Gift aid | 81,890 | 89,668 |
| Legacies | 320,112 | 506,651 |
| | 1,214,527 | 1,436,352 |

All income from donations and legacies, was attributable to unrestricted funds in 2024 and 2023

## 3 Income from other trading activities

| | 2024 £ | 2023 £ |
|---|---|---|
| Income from trading activities | 833,862 | 770,842 |
| | 833,862 | 770,842 |

All income from other trading activities, was attributable to unrestricted funds in 2024 and 2023.

## 4 Investment Income

| | 2024 £ | 2023 £ |
|---|---|---|
| Interest receivable | 52,292 | 39,998 |
| | 52,292 | 39,998 |

All income from investments was attributable to unrestricted funds in 2024 and 2023

## 5a Analysis of expenditure (current year)

| | Raising Funds | Charitable Activities | Other Trading Activities | Governance Costs | Support Costs | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Staff costs (note 7) | 29,209 | 640,255 | 208,418 | 17,324 | 52,187 | 947,393 |
| Direct Costs | 38,579 | 191,480 | 329,905 | - | - | 559,964 |
| Advertising | - | - | 178 | - | 33,435 | 33,613 |
| Bank charges | - | 12,751 | 8,456 | - | - | 21,207 |
| Depreciation | - | 107,511 | 18,222 | - | - | 125,733 |
| Loss/(gain) on disposal | - | (2,637) | 1,205 | | | |
| IT & Telephone costs | - | - | 3,969 | - | 37,301 | 41,270 |
| Legal and professional costs | - | 93,382 | 16,800 | - | - | 110,182 |
| Office and administration | - | - | - | - | 11,441 | 11,441 |
| Other costs | - | 66,827 | 13,793 | - | - | 80,620 |
| Premises costs | - | 182,520 | 83,629 | - | - | 266,149 |
| Travel and subsistence | - | 16,009 | 188 | - | - | 16,197 |
| Audit and accountancy | - | - | - | 9,240 | - | 9,240 |
| | 67,788 | 1,308,098 | 684,763 | 26,564 | 134,364 | 2,221,577 |
| Support costs | 67,182 | 67,182 | - | - | (134,364) | - |
| Governance costs | - | 26,564 | - | (26,564) | - | - |
| **Total expenditure** | **134,970** | **1,401,844** | **684,763** | **-** | **-** | **2,221,577** |

All expenses were attributable to unrestricted funds in 2024.

## 5b Analysis of expenditure (prior year)

| | Raising Funds | Charitable Activities | Other Trading Activities | Governance Costs | Support Costs | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Staff costs (note 7) | 56,423 | 556,449 | 250,456 | 12,210 | 3,480 | 879,018 |
| Direct Costs | - | 176,689 | 319,033 | - | - | 495,722 |
| Advertising | - | | 872 | - | 23,357 | 24,229 |
| Bank charges | - | 10,322 | 8,067 | - | - | 18,389 |
| Depreciation | - | 93,228 | 17,920 | - | - | 111,148 |
| Loss/(gain) on disposal | | (75) | - | | | |
| IT & Telephone costs | - | - | 2,433 | - | 22,903 | 25,336 |
| Legal and professional costs | 14,628 | 37,988 | 11,987 | - | | 64,603 |
| Office and administration | - | | - | - | 25,048 | 25,048 |
| Other costs | - | 58,098 | 21,756 | - | - | 79,854 |
| Premises costs | - | 169,597 | 56,683 | - | - | 226,280 |
| Travel and subsistence | - | 36,567 | 368 | - | - | 36,935 |
| Audit and accountancy | - | - | - | 9,506 | - | 9,506 |
| | 71,051 | 1,138,863 | 689,575 | 21,716 | 74,788 | 1,995,993 |
| Support costs | 37,394 | 37,394 | - | - | (74,788) | - |
| Governance costs | - | 21,716 | - | (21,716) | - | - |
| **Total expenditure** | **108,445** | **1,197,973** | **689,575** | **-** | **-** | **1,995,993** |

All expenses were attributable to unrestricted funds in 2023.

## 6 Net income/(expenditure)

| | 2024 | 2023 |
|---|---|---|
| | £ | £ |
| Net income/(expenditure) is stated after charging/(crediting): | | |
| Depreciation | 125,732 | 111,149 |
| (Profit)/loss on disposal of fixed assets | (1,432) | (75) |
| Auditor's remuneration | 6,840 | 7,106 |

## 7 Staff costs

| Number of employees<br>The average number of employees during the year was: | 2024<br>Number | 2023<br>Number |
|---|---|---|
| Farm Staff | 10 | 10 |
| Office Staff | 11 | 12 |
| Marketing | 1 | 0 |
| Fundraising Staff | 1 | 2 |
| Café Staff | 13 | 19 |
| Shop Staff | 4 | 3 |
| Estate Management | 3 | 3 |
| | 43 | 49 |

| Employment costs | 2024<br>£ | 2023<br>£ |
|---|---|---|
| Salaries and wages | 861,336 | 811,389 |
| Social security costs | 61,087 | 54,534 |
| Employer's contribution to defined contribution pension scheme. | 13,926 | 13,095 |
| Other employment benefits | 2,424 | - |
| Temporary staff | 8,620 | - |
| | 947,393 | 879,018 |

The number of employees whose employee benefits (excluding employer pension contributions) exceeded £60,000 was:
One employee in the £60,001 – £70,000 band (2023 – none).

No trustee received any remuneration or reimbursement of expenses in the year (2023: Nil)

Key Management Personnel
The total employment benefits, including employer pension contributions, of the key management personnel were £129,222 (2023 – £130,225).

Key management personnel comprise three individuals.
* Susan McCall – Chief Executive (Resigned December 2024)
* Julia Newton – Senior Farm & Training Manager (Resigned October 2024)
* Stephen Tobitt – Management Consultant (Freelance Consultant from December 2024)

Stephen Tobitt – Management Consultant (engaged as a freelance consultant from December 2024; consultancy costs are not included within the employment costs disclosed in Note 7).

## 8 Retirement benefit scheme

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

| Pension costs | 2024<br>£ | 2023<br>£ |
|---|---|---|
| Employer's pension cost | 13,926 | 13,095 |
| | 13,926 | 13,095 |

## 9 Related party transactions

There are no donations from related parties which are outside the normal course of business.

The charity has taken advantage of the exemptions in FRS102, from disclosing transactions with other members of the group.

## 10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The charity's trading subsidiary, The Isle of Wight Donkey Sanctuary Ltd, gift aids available profits to the parent charity. Its charge to corporation tax in the year was £nil (2023: £nil).

## 11 Tangible fixed assets

| Group and charity | Land and buildings | Plant and machinery etc | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| At 1 January 2024 | 2,102,647 | 581,792 | 51,304 | 2,735,743 |
| Additions | 59,953 | 135,333 | 54,887 | 250,173 |
| Disposals | - | (88,526) | (11,474) | (100,000) |
| At 31 December 2024 | 2,162,600 | 628,599 | 94,717 | 2,885,916 |
| **Depreciation** | | | | |
| At 1 January 2024 | 328,380 | 197,506 | 32,415 | 558,301 |
| Charge for the year | 41,168 | 77,970 | 6,594 | 125,732 |
| On disposals | - | (29,753) | (7,328) | (37,081) |
| At 31 December 2024 | 369,548 | 245,723 | 31,681 | 646,952 |
| **Net book value** | | | | |
| At 31 December 2024 | 1,793,052 | 382,876 | 63,036 | 2,238,964 |
| At 31 December 2023 | 1,774,267 | 384,286 | 18,889 | 2,177,442 |

| Charity | Land and buildings | Plant and machinery etc | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| At 1 January 2024 | 2,102,645 | 359,427 | 51,304 | 2,513,376 |
| Additions | 59,953 | 130,029 | 54,887 | 244,869 |
| Disposals | - | (86,624) | (11,474) | (98,098) |
| At 31 December 2024 | 2,162,598 | 402,832 | 94,717 | 2,660,147 |
| **Depreciation** | | | | |
| At 1 January 2024 | 328,378 | 155,077 | 32,415 | 515,870 |
| Charge for the year | 41,168 | 59,747 | 6,594 | 107,509 |
| On disposals | - | (29,508) | (7,328) | (36,836) |
| At 31 December 2024 | 369,546 | 185,316 | 31,681 | 586,543 |
| **Net book value** | | | | |
| At 31 December 2024 | 1,793,052 | 217,516 | 63,036 | 2,073,604 |
| At 31 December 2023 | 1,774,267 | 204,350 | 18,889 | 1,997,506 |

Totals in this note may not sum precisely due to rounding to the nearest £.

## 12 Investments

**Charity**

| | Subsidiary Undertakings | |
|---|---|---|
| | **2024** | **2023** |
| | **£** | **£** |
| **Cost and net book value at 1 January and 31 December** | 2 | 2 |

Details of the subsidiary undertakings are set out below:

| | County of Incorporation | % Held |
|---|---|---|
| The Isle of Wight Donkey Sanctuary Limited | England | 100 |

The charity's investment is in respect of it's wholly owned subsidiary, The Isle of Wight Donkey Sanctuary Limited, a company which operates trading activities for the charity by operating a café and gift shop. The Isle of Wight Donkey Sanctuary Limited is a company registered in England.

## 13 Subsidiary undertaking

The charity owns the whole of the issued share capital of The Isle of Wight Donkey Sanctuary Limited, a company registered in England. The company number is 03020657. The registered office address is SHMS House, 20 Little Park Farm Road, Fareham, Hampshire, United Kingdom, PO15 5TD.

The subsidiary is used for non-primary purpose trading activities, in the form of operating a café and gift shop. All activities have been consolidated on a line by line basis on the statement of financial activities. Available profits are distributed to the parent charity.

| **Summary of subsidiary results** | **2024** **£** | **2023** **£** |
|---|---|---|
| Turnover | 833,861 | 770,842 |
| Cost of sales | (329,904) | (319,033) |
| Gross profit | 503,957 | 451,809 |
| Administrative expenses | (354,861) | (370,541) |
| Other operating income | 3 | - |
| Profit on ordinary activities | 149,099 | 81,268 |
| Deed of covenant to parent undertaking | (149,099) | (81,268) |
| Profit for the financial year | - | - |
| The aggregate of assets, liabilities and funds was: | | |
| Assets | 263,804 | 309,287 |
| Liabilities | (261,849) | (307,332) |
| Funds | 1,955 | 1,955 |

Amounts owed to/from parent undertaking are shown in note 16

## 14 Parent Charity

The parent charity's gross income and the results for the year are disclosed as follows:

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| Gross incoming resources | 1,415,919 | 1,557,619 |
| Result for the year | (120,894) | 251,196 |

Result for the year includes a donation from subsidiary undertaking of £149,099 (2023: £81,268)

## 15 Stocks

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2024<br>£ | 2023<br>£ | 2024<br>£ | 2023<br>£ |
| Stocks held for other trading activities | 68,380 | 57,919 | - | - |
| | 68,380 | 57,919 | - | - |

Stocks held are used within the charity's trading subsidiary and used solely for trading activities

## 16 Debtors: amount falling due within one year

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2024<br>£ | 2023<br>£ | 2024<br>£ | 2023<br>£ |
| Other Debtors | 1,932 | 2,847 | 1,932 | 2,500 |
| Prepayments | 28,273 | 30,165 | 24,958 | 25,773 |
| Amounts due from group undertakings | - | - | 235,928 | 271,870 |
| Accrued income | 26,708 | 33,892 | 26,708 | 33,892 |
| Trade Debtors | 290 | 1,000 | - | - |
| Legacies receivable | 530,861 | 645,300 | 530,861 | 645,300 |
| | 588,064 | 713,204 | 820,387 | 979,335 |

## 17 Current asset investments

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2024<br>£ | 2023<br>£ | 2024<br>£ | 2023<br>£ |
| Short term deposits | 1,122,022 | 1,205,840 | 1,122,022 | 1,205,840 |
| | 1,122,022 | 1,205,840 | 1,122,022 | 1,205,840 |

Investments in short term deposits have an original maturity of 12 months or less. At the balance sheet date the average maturity of the deposits was 4 months. The average interest rate was 4.63%.

## 18 Creditors: amounts falling due within one year

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | £ | £ | £ | £ |
| Trade creditors | 52,619 | 79,946 | 43,953 | 62,918 |
| Taxation and social security | 25,390 | 25,792 | 12,491 | 15,734 |
| Other creditors | 1,811 | 5,855 | 68 | 1,966 |
| Accrued expenses | 27,942 | 17,165 | 25,329 | 13,735 |
| Credit Card | 991 | 2,476 | 411 | 1,417 |
| | 108,753 | 131,234 | 82,252 | 95,770 |

## 19 Analysis of group net assets between funds (current year)

| | General unrestricted | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Net assets | 4,124,075 | - | 4,124,075 |
| | 4,124,075 | - | 4,124,075 |

## 20 Analysis of group net assets between funds (prior year)

| | General unrestricted | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Net assets | 4,244,971 | - | 4,244,971 |
| | 4,244,971 | - | 4,244,971 |

## 21a Movements in funds (current year)

| | As at 1 Jan 2024 | Income & Gains | Expenses & Losses | Transfers between funds | As at 31 Dec 2024 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | |
| General | 3,998,281 | 2,099,681 | 2,221,577 | - | 3,876,385 |
| Designated funds - Equine Treatment Centre Fund | 246,690 | 1,000 | - | - | 247,690 |
| **Restricted funds** | - | - | - | - | - |
| **Total funds** | 4,244,971 | 2,100,681 | 2,221,577 | - | 4,124,075 |

There were no restricted funds in 2024.

**Equine Treatment Centre Fund**
At 1 January 2024, designated funds comprised £246,690 in respect of the Equine Treatment Centre. A donation of £1,000 was received in the year and there were no expenditures or transfers relating to the designation during the year. Accordingly, at 31 December 2024 the designated fund balance remained £247,690.

Revised planning permission was granted in June 2024 for a smaller, less complex facility. Before proceeding, a review was undertaken to assess whether costs could be reduced further by converting existing barn space for treatment use and constructing a separate rehabilitation barn. This assessment was completed in early 2025, and the decision made to proceed with the build using a revised, more flexible internal layout.

## 21b Movements in funds (prior year)

| | As at 1 Jan 2023 | Income & Gains | Expenses & Losses | Transfers between funds | As at 31 Dec 2023 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | |
| General | 3,743,772 | 2,247,192 | 1,992,683 | - | 3,998,281 |
| Designated funds - Equine Treatment Centre Fund | 250,000 | | 3,310 | - | 246,690 |
| **Restricted funds** | - | - | - | - | - |
| **Total funds** | 3,993,772 | 2,247,192 | 1,995,993 | - | 4,244,971 |

There were no restricted funds in 2023.

**Equine Treatment Centre Fund**
Funds of £250,000 were designated in 2022 in respect of the building and fitout of an Equine Clinic. Following a comprehensive feasibility study being completed, the original plans were revised, necessitating an application for a variation in planning permission and significantly delaying the project. Some initial planning costs were incurred in 2023 in relation to planning etc. as part of this process.

## 22 Reconciliation of net income to net cash flow from operating activities

| | 2024 £ | 2023 £ |
|---|---|---|
| **Net income for the reporting period** | (120,896) | 251,199 |
| Adjustments for: | | |
| Depreciation charges | 125,732 | 111,149 |
| (Profit)/Loss on disposal of fixed assets | (1,432) | (75) |
| Interest receivable | (52,292) | (39,998) |
| (Increase)/Decrease in stocks | (10,461) | (20,165) |
| (Increase)/Decrease in debtors | 125,140 | (278,682) |
| Increase/(Decrease) in creditors | (22,481) | 54,738 |
| **Net cash provided by operating activities** | 43,310 | 78,166 |

## 23 Comparatives for the statement of financial activities

| | 2023 Unrestricted Funds £ | 2023 Restricted Funds £ | 2023 Total Funds £ | 2022 Total Funds £ |
|---|---|---|---|---|
| **Income from:** | | | | |
| Donations and legacies | 1,436,352 | - | 1,436,352 | 1,470,145 |
| Other trading activities | 770,842 | - | 770,842 | 691,365 |
| Investment Income | 39,998 | - | 39,998 | 2,543 |
| **Total incoming resources** | 2,247,192 | - | 2,247,192 | 2,164,053 |
| **Resources expended** | | | | |
| Raising funds | 108,445 | - | 108,445 | 114,525 |
| Charitable activities | 1,197,973 | - | 1,197,973 | 974,981 |
| Other trading activities | 689,575 | - | 689,575 | 587,803 |
| **Total resources expensed** | 1,995,993 | - | 1,995,993 | 1,677,309 |
| **Net Income** | 251,199 | - | 251,199 | 486,744 |
| **Reconciliation of funds** | | | | |
| Total funds brought forward | 3,993,772 | | 3,993,772 | 3,507,028 |
| **Total funds carried forward** | 4,244,971 | - | 4,244,971 | 3,993,772 |

There were no restricted funds in 2022.

## 24 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

| | Equipment | |
|---|---|---|
| | **2024** | **2023** |
| | **£** | **£** |
| Less than one year | 1,164 | 1,997 |
| More than one year | - | 1,164 |
| | 1,164 | 3,161 |

## 25 Capital commitments

At the balance sheet date, the group had no capital commitments.

## 26 Controlling party

The charity is controlled by its trustees

## 27 Material Legacies

Legacy income is recognised as incoming resources when the charity has received the legacy, or when both the receipt and the amount can be reliably estimated and are considered probable. As of 31 December 2024, the charity had no legacies for which the amount or likelihood of receipt could not be determined. Consequently, there are no material legacies to report as of 31 December 2024.




Isle of Wight Donkey Sanctuary CIO

Registered Charity number 1159886

**ISLE OF WIGHT DONKEY SANCTUARY CIO**

England & Wales - Charity number 1159886

# Accounts

Registered Charity Number: 1159886

# ISLE OF WIGHT DONKEY SANCTUARY CIO

## REPORT OF THE TRUSTEES AND CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2023

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
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**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Legal and Administrative Information**

**Trustees**
Andrew Gordon Pattison (Appointed 19 Sep 2023)
Colin Ward (Resigned)
Dawn Finney
Elaine Maria Burtenshaw
Janine Dyer
Jill Procter (Appointed 19 Jul 2024)

**Registered office**
Lower Winstone Farm
St. Johns Road
Wroxall
Ventnor
Isle of Wight
England
PO38 3AA

**Registered charity number**
1159886

**Registered company number**
CE002608

**Accountant**
Stephen Humphreys FCCA
SHMS Accountants Ltd
SHMS House
20 Little Park Farm Road
Fareham
PO15 5TD

**Independent Auditor**
Stuart Mackie FCA (Senior Statutory Auditor)
Morris Crocker Limited
Station House
North Street
Havant
Hampshire
PO9 1QU

# REPORT OF THE TRUSTEES

# Objectives and activities

In February 2023, the sanctuary appointed Susan McCall as the new Chief Executive, succeeding the outgoing Charity Manager who dedicated eleven successful years to the role. Susan brings extensive experience from her leadership roles in several charities, most notably the Ride High Equine Charity in Milton Keynes, where she specialized in fostering interactions between equines and individuals with additional needs.

We have set out a clear vision for the sanctuary, aligned with our mission, and developed a three-year strategy to deliver it. Our **Mission** is to provide refuge, exceptional care, and new beginnings for donkeys and other equines in need. Our **Vision** is to become the centre of excellence in donkey welfare, dedicated to not only providing the best possible care but also fostering a deeper connection and understanding between people and our equine companions.

# Donkey welfare improvements

Our donkeys are at the forefront of everything we do. We provide a safe and nurturing environment, ensure regular health checks, and prioritise their emotional and social needs by offering ample space, enrichment, and opportunities to socialise with other equines. Each donkey has a customised care plan tailored to their specific welfare needs, including diet plans, monthly weigh-ins, body-scoring and conditioning, medical care, bedding, grooming, exercise, and training. We have 119 Donkeys, 15 Ponies and 2 Mules.

We take pride in the individual little touches we provide for each herd, such as warming up food for elderly donkeys, using herbal tea in their water to encourage better hydration, providing specialised bedding options for our Extra Care herd, and providing freshly steamed hay for those with respiratory issues. These are just a few examples of our commitment to give the very best care to our donkeys.

We have developed Poppy's Place into a dedicated care centre for our Special Care donkeys, who have complex health needs, ensuring a safe environment where they have the freedom to roam and enjoy enhanced stabling. The Barn provides ample indoor space for shelter during wet weather and shade during hot days. Additionally, there are paddock areas in front of and behind the barn, allowing for grazing and sunbathing.

## Enhanced facilities for medical treatment

In late 2022, we embarked on a fundraising journey to establish an equine clinic, and thanks to generous donations, we raised £125,000.

However, in the Spring of 2023, due to economic factors such as high inflation, the cost-of-living crisis, and ever-increasing operating costs, we decided to pause and conduct further feasibility studies. We wanted to ensure that our plans were making the best use of funds. Consequently, we decided to repurpose an existing structure to rehouse the Equine Treatment Centre, significantly reducing construction costs.

We now plan to construct an equine rehabilitation barn on the original planning site, including an isolation barn at the perimeter. This will enable us to provide the highest level of care for equines requiring isolation for medical treatment or observation.

## Strengthening our equine welfare knowledge

We are dedicated to continued learning and improvement through an ongoing training program for our Equine Welfare team, equipping them with the necessary experience, tools and support. We have collaborated with local veterinary experts and the Donkey Sanctuary at Sidmouth, who have shared their extensive knowledge and enhanced learning programs for both staff and volunteers.

All our Equine Welfare Team are now enrolled in the Donkey Academy. All this training has led to significant improvements in donkey care. This enhanced understanding of social dynamics and donkey behaviour has resulted in harmonious herds, reducing stress and promoting better health.

# Improving the sanctuary environment

During 2023, our core objectives were to enhance the environment for our donkeys, staff, and visitors by implementing measurable improvements in estate management and operational efficiencies.

We initiated projects to optimise layout, enrich paddocks, improve grazing and pasture conditions, and implement a mud-management program. These efforts have already resulted in cleaner, more hygienic shelters and paddocks and will help to prevent serious hoof problems caused by excessive mud.

Additionally, we have created two new paddocks, providing an extra five acres of grazing land. This expansion will help us support the nutritional needs of our growing donkey population and ensure sustainable paddock grazing, allowing us to rotate grazing areas and maintain optimal pasture conditions

# Education and community therapy

We continue to foster a deeper understanding of donkeys and their needs by offering enhanced educational programs and resources for visitors, schools, and the wider community. Our guided tours, activities, and educational materials highlight the importance of equine welfare and engage our visitors. These programs offer opportunities for direct interaction, adoption initiatives, and storytelling that bring to life the journey of our equines and the impact of our work.

Our commitment to community engagement also extends to providing support for community groups and those in need of special care. In 2023, we hosted visits from veteran groups, dementia support groups and other local community organisations.

Each visit is carefully tailored to meet the specific needs of the participants, offering an experience that adds significant value. Additionally, we bring our donkeys to care homes, hospices, and other facilities whose residents cannot visit the sanctuary, allowing them to experience the therapeutic benefits from interacting with our donkeys. These outreach efforts foster emotional connections and enhance the well-being of individuals, demonstrating the positive impact of our work beyond the sanctuary grounds.

We are immensely grateful to have received a National Lottery grant, which allows us to employ a community engagement officer. This support enables us to further our ongoing community work and extend the benefits of our sanctuary to even more people.

## Our staff and volunteers

We employ over 40 staff members and have over 80 dedicated volunteers. Together they ensure that all our equines receive exceptional care every day of the year. Their hard work also allows us to welcome over 120,000 visitors annually to the sanctuary and provide ongoing support to our donors and supporters.

## Our governance

We have made significant strides in improving our operations, focusing on stronger governance in finance, HR, and day-to-day procedures. Comprehensive processes for health and safety, as well as safeguarding, are now firmly in place. Additionally, we have invested in enhanced cybersecurity measures and provided specialised IT security training for all staff.

## Our donkey fostering scheme

Some donkeys who find refuge with us are better suited to a quieter, more private environment. Our foster scheme helps these donkeys find permanent foster homes away from the sanctuary. This might involve fostering out a pair of bonded donkeys or joining an existing donkey at the foster home as their companion. Each donkey is carefully matched to an environment that best suits their needs, allowing us to provide a more flexible and personalised approach to equine welfare.

All routine costs are covered by their foster guardians, while we ensure excellent welfare standards are maintained through regular visits and update reports. To date, we have successfully rehomed our first three donkeys, each of whom is thriving in their smaller group environment.

## Veterinary care

We continue to work very closely with our local veterinary practice, holding regular care meetings and using 'live' medication boards to ensure rigorous treatment protocols are upheld. These boards are updated daily based on the latest veterinary advice, ensuring each donkey receives the most appropriate care promptly.

In 2023, we forged strong relationships and close collaboration with The Donkey Sanctuary in Sidmouth, renowned for their world-class veterinary care. Their vets schedule regular visits to our site, sharing their extensive knowledge with our equine welfare team and local vets to promote the health and welfare of our equines. We greatly appreciate their continued support.

Additionally, we maintain a close partnership with Liphook Equine Hospital, which provides specialised support and treatment for our equines requiring more complex operations and procedures that cannot be performed on the island. A prime example of this collaboration is Theo's case. Theo, suffering from severe colic, was urgently transferred to Liphook for surgery, accompanied by his best friend, Noah.

Multiple operations and emergency blood transfusions, facilitated by our team and supported by donor donkeys, saved Theo's life. This story highlights the critical role of our veterinary partners in ensuring the well-being of our donkeys.

# Finance and investment policy

**Accounts for year-end December 2023**

We are grateful for the continued support and commitment from our donors, supporters and adopters. Our consolidated income for the year was £2,247,192, broken down as follows:

- Legacies £506,652
- Donations/adoptions £929,701
- Trading Activities from our shop and cafe £770,842
- Interest £39,998

Our total expenses amounted to £1,995,993, detailed as follows:

- Charitable activities £1,197,973
- Raising funds £108,445
- Other trading £689,575

This results in a surplus of £251,199

**Reserves Policy**

Our reserves policy aims to meet the day-to-day operations of the sanctuary. The trustees acknowledge that a significant portion of our income comes from legacies. Historically, we have aimed to cover daily expenses without relying on legacies. However, due to rising costs and increased investment in staff, we will continue to recognise readily available funds to meet our daily commitments. This policy is reviewed regularly.

Total assets, including fixed assets and designated funds, stand at £4,244,971.

## Income and Expenditure Analysis

In 2023, we experienced a slight reduction in income primarily due to decreased legacies, which reduced from £579,553 to £506,652. However, most of this shortfall was offset by increased funds from other sources. Additional income was generated from cash reserves, capitalising on higher interest rates from short- term and instant access accounts. We mitigated risks by spreading deposits across multiple UK-authorised banks to ensure protection under the £85k FSCS cover, managing deposits to maximise returns in line with our cash flow projections and reserves policy.

Expenditure increased sharply due to the cost-of-living crisis and inflation. To accommodate the rise in visitor numbers, we invested in staff to enhance safety and support our growth.

## Isle of Wight Donkey Sanctuary Limited

Our trading company, which includes a gift shop, online shop and café, reported:

- Trading income £770,842
- Total Expense £689,574
- Net income £81,268

Despite increased turnover in 2023, the cost of sales and staffing also rose. The café has since improved its offerings, significantly increasing margins, and the shop has seen higher turnover and margins.

**Overall Summary**

- Consolidated reserves at the year-end: £4,244,971
- Expenditure was higher in 2023 due to cautious and controlled measures during the pandemic.
- Visitor numbers increased significantly over the past 12 months, leading to investments in staff, procedures, and site improvements to strengthen the charity for future challenges.

The positive net worth in our balance sheet confirms that the charity remains a going concern.

# Future plans

In 2023, we experienced changes in management and trustees, following a consolidation of our position after the COVID pandemic. With the significant increase in operational expenditure and investment in additional staff and procedures, 2024 will mark the implementation of our strategic three-year plan.

The Trustees and Chief Executive Officer have dedicated time to developing our next strategic plan, which will guide the charity from 2024 to 2027. Our key focus areas include:

- Donkey Care and Welfare – continue to invest in the care and welfare of our equines while improving site infrastructure. As part of our efforts to improve equine welfare, we will continue to look at further opportunities for extending our fostering scheme.
- Visitor Experience – elevate the visitor experience by enhancing interactive and educational elements, improving facilities, and providing exceptional customer service to create memorable and engaging visits.
- Fundraising – strengthen fundraising efforts, particularly our adoption scheme, by enhancing communication and engagement with our supporters, ensuring they feel valued and connected to our mission.
- Community Engagement – support and expand community engagement programs.
- Staff Development – implement individual development programs to enhance equine knowledge among our staff.
- Volunteer Integration – increase our focus on volunteer integration, communication, and ensure a safe and inclusive environment for all.
- IT and Communications – further integrate our IT systems, providing enhanced communications, and providing ongoing cyber-crime training.
- Governance – conduct a benefits and governance review to underpin the running of the charity.

# Risks

The Trustees oversee risk management for the charity, with quarterly reviews conducted during strategy review meetings. We have enhanced and improved audit and assurance activities, including operational and financial controls, and established robust internal controls for cash management. Monthly Trustee Meetings continue to refine management accounts, financial data, and monthly budget reviews.

- Internal Audits and Controls – comprehensive internal audits and controls have been established, with full reviews pending completion.
- Cybersecurity – we have implemented both awareness and cyber-crime training, along with ongoing testing, to mitigate risks, particularly concerning financial transactions.
- Staffing – continuity of management and succession-planning remain challenging. We have development plans and ongoing monthly training for staff, particularly on the yard, but recruitment continues to be an issue.
- Business Continuity and Resilience – a new three-year strategy has been developed and implemented, with quarterly reviews to measure progress against set goals.
- Health and Safety – annual reviews and policies are in place, with ongoing improvements to ensure a safe environment.
- Safeguarding – policies for safeguarding staff and volunteers have been established but need to be fully implemented across the organisation.
- Reputation Management – we have made improvements in communication and actively monitor reviews to mitigate the impact of any negative media.

## Board of Trustees

Trustees are appointed for a 3-year term and can seek re-election to a maximum of 9 years. Trustees meet monthly with the CEO to discuss ongoing matters and ensure smooth operation. Additional, strategic review meetings are held quarterly to evaluate the governance practices and ensure adherence to best practices.

## Statement of trustee responsibilities

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). The law applicable to charities in England and Wales, including 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 that 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 these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe the methods and principles in the Charity SORP.
- Make judgments 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 a going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees would like to extend their heartfelt thanks to our committed staff and volunteers, as well as the generosity of our supporters. Together, they enable us to keep our donkeys happy and healthy, allowing us to continue our mission and make a significant impact on both our equines and the community.

This report end approved by the trustees on the 15th of October 2024 and signed on its behalf by:



Dawn Finney, Trustee
Isle of Wight Donkey Sanctuary



Janine Dyer, Trustee

## ISLE OF WIGHT DONKEY SANCTUARY CIO
## Registered Charity Number: 1159886
## Independent Auditor's Report

### Opinion

We have audited the financial statements of Isle of Wight Donkey Sanctuary and its subsidiaries for the year ended 31 December 2023 on pages 22 to 40, which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets and Cashflow Statements 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, including Financial Reporting Standard FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 group and parent 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group or parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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**
In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

**Responsibilities of trustees**
As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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 group and parent 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 group or parent 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 there under.

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:

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues concerning legacy and donation income and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

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.

**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 group and the parent charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Stuart Mackie

Stuart Mackie FCA (Senior Statutory Auditor)
for and on behalf of Morris Crocker Limited
Chartered Accountants
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Station House
North Street
Havant
Hampshire
PO9 1QU

Date: 18/10/2024

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Financial Activities**
**(Incorporating an income and expenditure account)**
**For the year ended 31 December 2023**

| | Notes | 2023 Unrestricted Funds £ | 2023 Restricted Funds £ | 2023 Total Funds £ | 2022 Total Funds £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 2 | 1,436,352 | - | 1,436,352 | 1,470,145 |
| Other trading activities | 3 | 770,842 | - | 770,842 | 691,365 |
| Investment Income | 4 | 39,998 | - | 39,998 | 2,543 |
| **Total income** | | 2,247,192 | - | 2,247,192 | 2,164,053 |
| **Resources expended** | | | | | |
| Raising funds | 5 | 108,445 | - | 108,445 | 114,525 |
| Charitable activities | 5 | 1,197,973 | - | 1,197,973 | 974,981 |
| Other trading activities | 5 | 689,575 | - | 689,575 | 587,803 |
| **Total resources expensed** | | 1,995,993 | - | 1,995,993 | 1,677,309 |
| **Net incoming resources** | | 251,199 | - | 251,199 | 486,744 |
| **Reconciliation of funds** | | | | | |
| Total funds brought forward | | 3,993,772 | - | 3,993,772 | 3,507,028 |
| **Total funds carried forward** | | 4,244,971 | - | 4,244,971 | 3,993,772 |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movement in funds are disclosed in Note 21 to the financial statements.

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Financial Position**
**As at 31 December 2023**

| | Notes | The Group 2023 £ | The Group 2022 £ | The Charity 2023 £ | The Charity 2022 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 11 | 2,177,442 | 1,939,587 | 1,997,506 | 1,841,148 |
| Investments | 12 | - | - | 2 | 2 |
| | | 2,177,442 | 1,939,587 | 1,997,508 | 1,841,150 |
| **Current assets** | | | | | |
| Stocks | 15 | 57,919 | 37,754 | - | - |
| Debtors | 16 | 713,204 | 434,522 | 979,335 | 734,090 |
| Investments | 17 | 1,205,840 | - | 1,205,840 | - |
| Cash at bank and in hand | | 221,800 | 1,658,405 | 156,105 | 1,462,986 |
| | | 2,198,763 | 2,130,681 | 2,341,280 | 2,197,076 |
| **Current Liabilities** | | | | | |
| Creditors: amounts falling due within one year | 18 | 131,234 | 76,496 | 95,770 | 46,406 |
| **Net current assets** | | 2,067,529 | 2,054,185 | 2,245,510 | 2,150,670 |
| **Total assets less current liabilities** | | 4,244,971 | 3,993,772 | 4,243,018 | 3,991,820 |
| Creditors: amounts falling due after one year | | - | - | - | - |
| **Net assets** | | 4,244,971 | 3,993,772 | 4,243,018 | 3,991,820 |
| **Funds** | 21 | | | | |
| Unrestricted funds | | 4,244,971 | 3,993,772 | 4,243,018 | 3,991,820 |
| Restricted funds | | - | - | - | - |
| **Total Funds** | | 4,244,971 | 3,993,772 | 4,243,018 | 3,991,820 |

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the Trustees on 15th October 2024

Dawn Finney

Janine Dyer

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Cash Flows**
**For the year ended 31 December 2023**

| | Notes | The Group 2023 £ | The Group 2022 £ | The Charity 2023 £ | The Charity 2022 £ |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | 22 | 78,166 | 211,812 | 108,468 | 243,998 |
| **Cash flows from investing activities** | | | | | |
| Interest receivable | | 39,998 | 2,543 | 39,998 | 2,543 |
| Purchase of tangible fixed assets | | (350,279) | (275,102) | (250,859) | (229,108) |
| Disposal of tangible fixed assets | | 1,350 | 24,052 | 1,350 | 24,050 |
| **Net cash provided by investing activities** | | (308,931) | (248,507) | (209,511) | (202,515) |
| **Change in cash and cash equivalents in the year** | | (230,765) | (36,695) | (101,043) | 41,483 |
| Cash and cash equivalents at the beginning of the year | | 1,658,405 | 1,695,100 | 1,462,987 | 1,421,504 |
| | | 1,427,640 | 1,658,405 | 1,361,944 | 1,462,987 |
| **Cash and cash equivalents:** | | | | | |
| Cash at bank and in hand | | 221,800 | 1,658,405 | 156,104 | 1,462,987 |
| Short term deposits (included in current asset investments) | | 1,205,840 | - | 1,205,840 | - |
| | | 1,427,640 | 1,658,405 | 1,361,944 | 1,462,987 |

## 1 Accounting policies

***Statutory Information***
The IOW Donkey Sanctuary CIO is a charitable incorporated organisation incorporated in England and Wales. The registered office address and principal place of business is: Lower Winstone Farm, Wroxall, Ventor, PO38 3AA

***Basis of Preperation***
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(effective 1 January 2019) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.
These financial statements consolidate the results of the charity and its wholly-owned subsidiary The Isle of Wight Donkey Sanctuary Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charities' balance sheet.

***Public Benefit Entity***
The charity meets the definition of a public benefit entity under FRS 102.

***Going Concern***
The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.
The trustees are of the view that the immediate future of the Charity for the next 12 months is secure on the basis of confirmation of continuing income streams and fundraising activity to generate additional income streams. Accordingly, the financial statements have been prepared on the going concern basis.
The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

***Income***
Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.
Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probably that the income will be received and the amount can be measured reliably and is not deferred.
For legacies, entitlement is taken at the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.
Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

***Interest Receivable***
Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

***Fund Accounting***
Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.
Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

***Expenditure and Irrecoverable VAT***
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.
Expenditure is classified under the following activity headings:
* Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
* Expenditure on charitable activities includes the costs if delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.
* Other expenditure represents those items not falling into any other heading.
Irrecoverable VAT is charged against the activity for which the expenditure was incurred.

***Allocation of Support Costs***
Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.
Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

***Operating Leases***
Rental charges are charged on a straight line basis over the term of the lease.

***Tangible Fixed Assets***
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:
Freehold land and buildings: 2% Straight Line
Plant and equipment etc:. 10-25% Reducing Balance
Motor vehicles: 25% Reducing Balance
The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

***Investments in Subsidiaries***
Investments in subsidiaries are at cost.

***Debtors***
Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

***Cash and cash equivalents***
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of twelve months or less.

***Creditors and Provisions***
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

***Financial Instruments***
The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## 2 Income from donations and legacies

| | 2023 £ | 2022 £ |
|---|---|---|
| Adopt a donkey scheme | 311,594 | 238,842 |
| Donations | 528,439 | 559,216 |
| Gift aid | 89,668 | 92,535 |
| Legacies | 506,651 | 579,552 |
| | 1,436,352 | 1,470,145 |

All income from donations and legacies, was attributable to unrestricted funds in 2023 and 2022

## 3 Income from other trading activities

| | 2023 £ | 2022 £ |
|---|---|---|
| Income from trading activities | 770,842 | 691,365 |
| | 770,842 | 691,365 |

All income from other trading activities, was attributable to unrestricted funds in 2023 and 2022.

## 4 Investment Income

| | 2023 £ | 2022 £ |
|---|---|---|
| Interest receivable | 39,998 | 2,543 |
| | 39,998 | 2,543 |

All income from investments was attributable to unrestricted funds in 2023 and 2022

## 5a Analysis of expenditure (current year)

| | Raising Funds | Charitable Activities | Other Trading Activities | Governance Costs | Support Costs | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Staff costs (note 7) | 56,423 | 556,449 | 250,456 | 12,210 | - | 875,538 |
| Direct Costs | - | 176,689 | 319,033 | - | - | 495,722 |
| Advertising | - | - | 872 | - | 26,837 | 27,709 |
| Bank charges | - | 10,322 | 8,067 | - | - | 18,389 |
| Depreciation | - | 93,153 | 17,920 | - | - | 111,073 |
| IT & Telephone costs | - | - | 2,433 | - | 22,903 | 25,336 |
| Legal and professional costs | 14,628 | 37,988 | 11,987 | - | - | 64,603 |
| Office and administration | - | - | - | - | 25,048 | 25,048 |
| Other costs | - | 58,098 | 21,756 | - | - | 79,854 |
| Premises costs | - | 169,597 | 56,683 | - | - | 226,280 |
| Travel and subsistence | - | 36,567 | 368 | - | - | 36,935 |
| Audit and accountancy | - | - | - | 9,506 | - | 9,506 |
| | 71,051 | 1,138,863 | 689,575 | 21,716 | 74,788 | 1,995,993 |
| Support costs | 37,394 | 37,394 | - | - | (74,788) | - |
| Governance costs | - | 21,716 | - | (21,716) | - | - |
| **Total expenditure** | **108,445** | **1,197,973** | **689,575** | **-** | **-** | **1,995,993** |

All expenses were attributable to unrestricted funds in 2023.

## 5b Analysis of expenditure (prior year)

| | Raising Funds | Charitable Activities | Other Trading Activities | Governance Costs | Support Costs | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Staff costs (note 7) | 26,498 | 392,391 | 229,541 | 12,334 | - | 660,764 |
| Direct Costs | - | 170,126 | 288,325 | - | - | 458,451 |
| Advertising | - | | - | - | 38,057 | 38,057 |
| Bank charges | - | 9,667 | 9,871 | - | - | 19,538 |
| Depreciation | - | 67,573 | 7,200 | - | - | 74,773 |
| IT & Telephone costs | - | - | 3,005 | - | 33,207 | 36,212 |
| Legal and professional costs | 31,700 | 13,162 | 8,113 | - | | 52,975 |
| Office and administration | - | | - | - | 41,391 | 41,391 |
| Other costs | - | 46,925 | 15,763 | - | - | 62,688 |
| Premises costs | - | 170,417 | 25,985 | - | - | 196,402 |
| Travel and subsistence | - | 27,798 | - | - | - | 27,798 |
| Audit and accountancy | - | - | - | 8,260 | - | 8,260 |
| | 58,198 | 898,059 | 587,803 | 20,594 | 112,655 | 1,677,309 |
| Support costs | 56,327 | 56,328 | - | - | (112,655) | - |
| Governance costs | - | 20,594 | - | (20,594) | - | - |
| **Total expenditure** | **114,525** | **974,981** | **587,803** | **-** | **-** | **1,677,309** |

All expenses were attributable to unrestricted funds in 2022.

## 6 Net income/(expenditure)

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Net income/(expenditure) is stated after charging/(crediting): | | |
| Depreciation | 111,149 | 79,338 |
| (Profit)/loss on disposal of fixed assets | (75) | (4,565) |
| Auditor's remuneration | 7,106 | 5,860 |

## 7 Staff costs

| **Number of employees**<br>The average number of employees during the year was: | **2023**<br>**Number** | **2022**<br>**Number** |
|---|---|---|
| Farm Staff | 10 | 9 |
| Office Staff | 12 | 7 |
| Fundraising Staff | 2 | 2 |
| Café Staff | 19 | 13 |
| Shop Staff | 3 | 2 |
| Estate Management | 3 | 2 |
| | 49 | 35 |

| **Employment costs** | **2023** | **2022** |
|---|---|---|
| | £ | £ |
| Salaries and wages | 807,909 | 612,032 |
| Social security costs | 54,534 | 39,186 |
| Employer's contribution to defined contribution pension scheme. | 13,095 | 9,546 |
| | 875,538 | 660,764 |

There were no employees whose annual remuneration was £60,000 or more.

The charity trustees were neither paid or received any benefits from employment during the year (2022: £Nil).

Payments totalling £1,135, were made to Colin Ward during the year, as reimbursement of expenses incurred on behalf of the charity. Reimburments of £74 were made to Colin in 2022.

The total employment benefits including employer pension contributions of the key management personnel were £130,225. (2022 - £80,055). Key management personnel comprises of 4 staff.

* Susan McCall - Chief Executive (Appointed March 2023)
* Derek Needham - Charity Manager (Resigned August 2023)
* Jill Dubery - Finance & HR Administrator (Resigned September 2023)
* Julia Newton - Senior Farm & Training Manager

## 8 Retirement benefit scheme

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

| Pension costs | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Employer's pension cost | 13,095 | 9,546 |
| | 13,095 | 9,546 |

## 9 Related party transactions

There are no donations from related parties which are outside the normal course of business.

The charity has taken advantage of the exemptions in FRS102, from disclosing transactions with other members of the group.

During the year, wages of £20,233 were paid to Mr S Ward.(2022: £15,979)
Mr S Ward is deemed to be a related party to the trustee, Mr C Ward.

## 10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The charity's trading subsidiary, The Isle of Wight Donkey Sanctuary Ltd, gift aids available profits to the parent charity. Its charge to corporation tax in the year was £nil (2022: £nil).

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Notes to the Financial Statements**

## 11 Tangible fixed assets

| Group and charity | Land and buildings | Plant and machinery etc | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| At 1 January 2023 | 1,986,990 | 350,570 | 51,304 | 2,388,864 |
| Additions | 115,655 | 234,624 | - | 350,279 |
| Disposals | - | (3,402) | - | (3,402) |
| At 31 December 2023 | 2,102,645 | 581,792 | 51,304 | 2,735,741 |
| **Depreciation** | | | | |
| At 1 January 2023 | 288,814 | 134,345 | 26,118 | 449,277 |
| Charge for the year | 39,564 | 65,287 | 6,297 | 111,148 |
| On disposals | - | (2,126) | - | (2,126) |
| At 31 December 2023 | 328,378 | 197,506 | 32,415 | 558,299 |
| **Net book value** | | | | |
| At 31 December 2023 | 1,774,267 | 384,286 | 18,889 | 2,177,442 |
| At 31 December 2022 | 1,698,176 | 216,225 | 25,186 | 1,939,587 |

| Charity | Land and buildings | Plant and machinery etc | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| At 1 January 2023 | 1,986,990 | 227,623 | 51,304 | 2,265,917 |
| Additions | 115,655 | 135,204 | - | 250,859 |
| Disposals | - | (3,400) | - | (3,400) |
| At 31 December 2023 | 2,102,645 | 359,427 | 51,304 | 2,513,376 |
| **Depreciation** | | | | |
| At 1 January 2023 | 288,814 | 109,837 | 26,118 | 424,769 |
| Charge for the year | 39,564 | 47,366 | 6,297 | 93,227 |
| On disposals | - | (2,126) | - | (2,126) |
| At 31 December 2023 | 328,378 | 155,077 | 32,415 | 515,870 |
| **Net book value** | | | | |
| At 31 December 2023 | 1,774,267 | 204,350 | 18,889 | 1,997,506 |
| At 31 December 2022 | 1,698,176 | 117,786 | 25,186 | 1,841,148 |

## 12 Investments

**Charity**

| | Subsidiary Undertakings 2023 £ | Subsidiary Undertakings 2022 £ |
|---|---|---|
| **Cost and net book value at 1 January and 31 December** | 2 | 2 |

Details of the subsidiary undertakings are set out below:

| | County of Incorporation | % Held |
|---|---|---|
| The Isle of Wight Donkey Sanctuary Limited | England | 100 |

The charity's investment is in respect of it's wholly owned subsidiary, The Isle of Wight Donkey Sanctuary Limited, a company which operates trading activities for the charity by operating a café and gift shop. The Isle of Wight Donkey Sanctuary Limited is a company registered in England.

## 13 Subsidiary undertaking

The charity owns the whole of the issued share capital of The Isle of Wight Donkey Sanctuary Limited, a company registered in England. The company number is 03020657. The registered office address is SHMS House, 20 Little Park Farm Road, Fareham, Hampshire, United Kingdom, PO15 5TD.

The subsidiary is used for non-primary purpose trading activities, in the form of operating an cafe and gift shop. All activities have been consolidated on a line by line basis on the statement of financial activities. Available profits are distributed to the parent charity.

| **Summary of subsidiary results** | 2023 £ | 2022 £ |
|---|---|---|
| Turnover | 770,842 | 691,365 |
| Cost of sales | (319,033) | (288,324) |
| Gross profit | 451,809 | 403,041 |
| Administrative expenses | (370,541) | (299,478) |
| Other operating income (inc. government grants) | - | - |
| Profit on ordinary activities | 81,268 | 103,563 |
| Deed of covenant to parent undertaking | (81,268) | (103,563) |
| Profit for the financial year | - | - |
| The aggregate of assets, liabilities and funds was: | | |
| Assets | 309,287 | 332,569 |
| Liabilities | (307,332) | (330,614) |
| Funds | 1,955 | 1,955 |

Amounts owed to/from parent undertaking are shown in note 16

## 14 Parent Charity

The parent charity's gross income and the results for the year are disclosed as follows:

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Gross incoming resources | 1,557,619 | 1,576,252 |
| Result for the year | 251,196 | 486,744 |

Result for the year includes a donation from subsidiary undertaking of £81,268 (2022: £103,248)

## 15 Stocks

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Stocks held for other trading activities | 57,919 | 37,754 | - | - |
| | 57,919 | 37,754 | - | - |

Stocks held are used within the charity's trading subsidiary and used solely for trading activities

## 16 Debtors: amount falling due within one year

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Other Debtors | 2,847 | 29,213 | 2,500 | 29,213 |
| Prepayments | 30,165 | 19,872 | 25,773 | 19,384 |
| Amounts due from group undertakings | - | - | 271,870 | 300,516 |
| Accrued income | 33,892 | 10,679 | 33,892 | 10,679 |
| Trade Debtors | 1,000 | 460 | - | - |
| Legacies receivable | 645,300 | 374,298 | 645,300 | 374,298 |
| | 713,204 | 434,522 | 979,335 | 734,090 |

## 17 Current asset investments

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Short term deposits | 1,205,840 | - | 1,205,840 | - |
| | 1,205,840 | - | 1,205,840 | - |

Investments in short term deposits have an original maturity of 12 months or less. At the balance sheet date the average maturity of the deposits was 3 months. The average interest rate was 4.58%.

## 18 Creditors: amounts falling due within one year

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Trade creditors | 79,946 | 38,671 | 62,918 | 23,042 |
| Taxation and social security | 25,792 | 23,342 | 15,734 | 10,628 |
| Other creditors | 5,855 | 1 | 1,966 | - |
| Accrued expenses | 17,165 | 12,338 | 13,735 | 10,639 |
| Credit Card | 2,476 | 2,144 | 1,417 | 2,097 |
| | 131,234 | 76,496 | 95,770 | 46,406 |

## 19 Analysis of group net assets between funds (current year)

| | General unrestricted | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Net assets | 4,244,971 | - | 4,244,971 |
| | 4,244,971 | - | 4,244,971 |

## 20 Analysis of group net assets between funds (prior year)

| | General unrestricted | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Net assets | 3,993,772 | - | 3,993,772 |
| | 3,993,772 | - | 3,993,772 |

## 21a Movements in funds (current year)

| | As at 1 Jan 2023 | Income & Gains | Expenses & Losses | Transfers between funds | As at 31 Dec 2023 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | |
| General | 3,743,772 | 2,247,192 | 1,992,683 | - | 3,998,281 |
| Designated funds - Equine Clinic | 250,000 | - | 3,310 | - | 246,690 |
| **Restricted funds** | - | - | - | - | - |
| **Total funds** | 3,993,772 | 2,247,192 | 1,995,993 | - | 4,244,971 |

There were no restricted funds in 2023.

**Equine Clinic Fund**
Funds of £250,000 were designated in 2022 in respect of the build and fit of an Equine Clinic. A comprehensive feasibility study has now been undertaken and this has resulted in the original plans being revised. Due to escalating costs, it has now been decided that an existing barn will be repurposed into a Equine Treatment Centre, significantly reducing the constructions costs of this project. In additional, a barn will be constructed as an equine rehabilitation barn. Furthermore, we aim to establish an isolation barn at the site's perimeter, ensuring we can provide the very best care for equines requiring isolation for medical treatment or observation. Some initial planning costs were incurred in 2023 in relation to planning etc.

## 21b Movements in funds (prior year)

| | As at 1 Jan 2022 | Income & Gains | Expenses & Losses | Transfers between funds | As at 31 Dec 2022 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | |
| General | 3,507,028 | 2,164,053 | (1,677,309) | (250,000) | 3,743,772 |
| Designated funds - Equine Clinic | | | | 250,000 | 250,000 |
| **Restricted funds** | - | - | - | - | - |
| **Total funds** | 3,507,028 | 2,164,053 | (1,677,309) | - | 3,993,772 |

There were no restricted funds in 2022.

## 22 Reconciliation of net income to net cash flow from operating activities

| | 2023 £ | 2022 £ |
|---|---|---|
| **Net income for the reporting period** | 251,199 | 486,744 |
| Adjustments for: | | |
| Depreciation charges | 111,149 | 79,338 |
| (Profit)/Loss on disposal of fixed assets | (75) | (4,565) |
| Interest receivable | (39,998) | (2,543) |
| (Increase)/Decrease in stocks | (20,165) | (11,411) |
| (Increase)/Decrease in debtors | (278,682) | (276,843) |
| Increase/(Decrease) in creditors | 54,738 | (58,908) |
| **Net cash provided by operating activities** | 78,166 | 211,812 |

## 23 Comparatives for the statement of financial activities

| | 2022 Unrestricted Funds £ | 2022 Restricted Funds £ | 2022 Total Funds £ | 2021 Total Funds £ |
|---|---|---|---|---|
| **Income from:** | | | | |
| Donations and legacies | 1,470,145 | - | 1,470,145 | 1,389,357 |
| Other trading activities | 691,365 | - | 691,365 | 544,501 |
| Investment Income | 2,543 | - | 2,543 | 33 |
| **Total incoming resources** | 2,164,053 | - | 2,164,053 | 1,933,891 |
| **Resources expended** | | | | |
| Raising funds | 114,525 | - | 114,525 | 65,601 |
| Charitable activities | 974,981 | - | 974,981 | 792,439 |
| Other trading activities | 587,803 | - | 587,803 | 428,538 |
| **Total resources expensed** | 1,677,309 | - | 1,677,309 | 1,286,578 |
| **Net Income** | 486,744 | - | 486,744 | 647,313 |
| **Reconciliation of funds** | | | | |
| Total funds brought forward | 3,507,028 | | 3,507,028 | 2,859,715 |
| **Total funds carried forward** | 3,993,772 | - | 3,993,772 | 3,507,028 |

There were no restricted funds in 2021

## 24 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

| | Equipment | |
|---|---|---|
| | 2023 | 2022 |
| | £ | £ |
| Less than one year | 1,997 | 1,997 |
| More than one year | 1,164 | 3,161 |
| | 3,161 | 5,158 |

## 25 Capital commitments

At the balance sheet date, the group had no capital commitments.

At the previous reporting date, the group had capital commitments of £57,499, in relation to groundworks on the site, which were completed in 2023.

## 26 Controlling party

The charity is controlled by its trustees

## 27 Material Legacies

Legacy income is recognised as incoming resources when the charity has received the legacy, or when both the receipt and the amount can be reliably estimated and are considered probable. As of 31 December 2023, the charity had no legacies for which the amount or likelihood of receipt could not be determined. Consequently, there are no material legacies to report as of 31 December 2023.

**ISLE OF WIGHT DONKEY SANCTUARY CIO**

England & Wales - Charity number 1159886

# Accounts

Registered Charity Number: 1159886

# ISLE OF WIGHT DONKEY SANCTUARY CIO

## REPORT OF THE TRUSTEES AND CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2022

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
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**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Legal and Administrative Information**

**Trustees**
Colin Ward
Dawn Finney
Elaine Maria Burtenshaw
Janine Dyer
Michael Spencer (Resigned 18/01/2023)
Rev. Keith Adlam (Resigned 10/04/2023)
Heather Humby MBE (Resigned 28/07/2022)

**Registered office**
Lower Winstone Farm
St. Johns Road
Wroxall
Ventnor
Isle of Wight
England
PO38 3AA

**Registered charity number**
1159886

**Registered company number**
CE002608

**Accountant**
Stephen Humphreys FCCA
SHMS Accountants Ltd
SHMS House
20 Little Park Farm Road
Fareham
PO15 5TD

**Independent Auditor**
Paul Underwood FCCA (Senior Statutory Auditor)
Morris Crocker Limited
Station House
North Street
Havant
Hampshire
PO9 1QU

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Report of the Trustees**

**Introduction**
The trustees present their report with the financial statements of the charity for the year ended 31 December 2022. 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).

**Structure, Governance & Management**
The charity is a CIO Foundation, registered on the 9th of January 2015.

**Governing Document**
The governing document is a constitution based on the charity commission's model for a CIO

**Recruitment and appointment of new trustees**
Trustees are appointed for a 3-year term and can seek re-election to a maximum of 9 years.

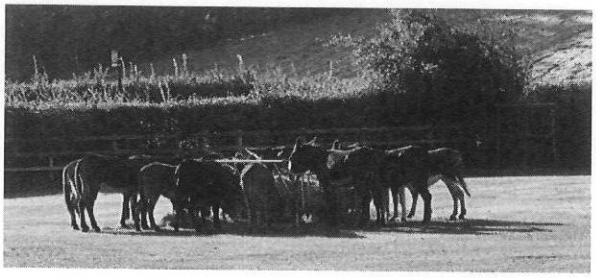
Organisation structure
The organisational structure of the charity is made up of a board of trustees and one chief executive. Major decisions are taken by the trustees (e.g. major capital expenditure, changes to key policies), and day to day operational decisions by the managers, with support as appropriate.

The current trustees and their main responsibilities are as follow:

Mr Colin Ward - Estate and Health and Safety.
Ms Elaine Burtenshaw – Farm and Animal Welfare, Volunteers, and Safeguarding
Ms Janine Dyer – Media, Fundraising, and Visitor Services
Mrs.Dawn Finney – Finance, Governance, and Leadership Development

**Induction and training of new trustees**
Induction of a trustee takes place at an interview before their appointment, and at their initial trustees meeting. Copies of Charity Commission literature and information about the charity are provided according to the sanctuary's policy on the recruitment of new trustees. The charity will arrange training for trustees where necessary.

**Key management remuneration**
In setting appropriate levels of remuneration for key management personnel, the trustees consider rates of pay for equivalent positions. This is done by observing job advertisements and speaking informally to trustees in other organisations.



## Financial Review

### Charity

We would like to begin by thanking everyone for their continued support and ongoing commitment to the charity. Our financial review for 2022 is as follows:
- The accounts for 2022 show consolidated income of £2,164,053 and expenses totalling £1,667,309, which generated a surplus of funds of £486,744 this year.

- The charity continues to report an increase of assets, with the charity's fixed assets increasing by £137,486 and the current assets increasing by £288,855.

- Charity income continues to increase, with social media improvements having continued to improve donations and sanctuary footfall. Electronic card payment donation devices have also supported the increase in the capture of on-site donations, as society moves towards a more cash-less position.

- Expenditure continues to rise, due to the increased number of donkeys which are housed at the sanctuary and also due to worldwide inflationary pressures.

- In 2022 we increased our capacity to produce hay on our own land, not only reducing our carbon footprint, but also reducing our feed costs by £9,540.

- Legacy income increased once again in 2022, rising to £579,553. Whilst the charity aims to operate using only non-legacy income, legacies continue to significantly support the charity's strategy and allow it to plan and undertake capital improvements throughout the site.

### Trading Subsidiary

- The trading subsidiary results show an increase in trading income of £172,583 in 2022.

- Trading expenses also increased in 2022, increasing by £159,264.

- When excluding government grants and disposal losses, the trading subsidiary generated similar profits in 2021 and 2022. All profits that are generated by the trading subsidiary, continue to be gifted to the charity for the use of charitable purposes.

- With the recent improvements to Cafe now complete, it was decided to start making improvements to the shop, which began towards the late stages in 2022. Such improvements are now complete and we hope that these improvement will show improved financial results for the trading subsidiary in 2023.

### Financial Summary

- The level of consolidated cash reserves in the charity at the end of 2022 totalled £1,658,405, reducing slightly from last years' figure of £1,695,100.

- The charity retains over a year's worth of annual expenditure (£1,100,000) in its unrestricted reserves.

- The cash reserves alone dictate that the charity is a going concern and this is further supported by the increased level of total funds held by the group.

## Objectives and Activities

In 2022 we built on our core activity which remains the same as previous years, a robust welfare regime with a continued focus on improving animal welfare whilst remaining safe and secure. We continued to build and improve foundations, providing training and enhanced monitoring, ensuring a healthy and happy environment for all our Donkeys.

Core objectives for 2022 were to strengthen foundations for the future of animal welfare, committed staff, passionate volunteers, partners, and our suppliers, and to build on our local community work.

In 2022, we welcomed Molly, who came to us having lost her bonded friend. She was refusing to go into her stable, eat, or move around her paddock due to her loss. Her owners became worried as she refused to interact and kept trying to escape. Once she arrived at the Sanctuary, with new friends and interacting in a small group, it didn't take her long to find a new firm friend in Pinto. She has settled so well, we are now looking to train her to be involved with our visitor inter-active activity programme.

It was becoming obvious that we needed to consider improving our farm facilities for both the donkeys and staff and therefore we are pleased to report the completion of a new large stable/barn facility. This allows us to easily house an additional herd of twenty or so donkeys and if necessary, that number could be a increased a little. A long-term supporter helped in the finance of this facility and therefore we named the barn after their recently deceased donkey, 'Busby'.

It was also realised that the conditions for the staff and volunteers was poor especially when they were trying to complete office work. This can get quite complex with write ups of veterinary visits, planning worming of a herd of 115 donkeys, and 23 ponies, farrier visits and the necessary updates of each donkey's medical record and where appropriate their passport.

We therefore moved the workshop out of the feed room area and converted that area into a small farm office. This gave us a two-person office and some added comfort for the farm manager and deputies.

Farm facilities were further upgraded by surveying our fences and agreeing to replace the rotten posts and rails. Whilst doing this we also added stock fencing to the inside of each paddock, this prevents the donkeys chewing the fences, a major cause of replacement needs.

Animal welfare improvements continued with far more emphasis placed on the condition of our Donkeys whereby we regularly body condition score each animal, giving them an individual RAG rating, building a holistic report for each animal and herd.

We have had ongoing issues with succession planning, where the Charity Manager had decided after eleven dedicated years, it was now time to retire. This brought about various discussions, do we replace with a Charity Manager or a Chief Executive. The latter would imply increased costs but may bring in persons with additional skills and experience. Much discussion took place, prior to advertising initially for a Charity Manager, but in the knowledge that the title would reflect the skill set of the successful candidate.

In house improvements took place with a new database to support greater integration for donations and adoptions. We also replaced the retiring Business Manager with a Finance Officer who had worked in a more computer-based environment. This brought about changes to working practises, better recording of finances and the start of updating processes that will be continued into 2023.

We had continued improvement in our conservation area with the wildlife meadows. Our Estates Manager engaged with the Wildlife organisations on the island and in taking their suggestions and advice changed the order of ground maintenance in such areas that encourage wildlife. This work is ongoing as much of the change is seasonal and subject to additional surveys. The area we are planning to use for our community engagement.

In 2022 we were awarded two Gold and a Silver at the Red Funnel Annual Awards, winning Best Large Attraction, Best Place to take Dogs and Runner Up in the Best Café award on the Isle of Wight. This came after winning Best Rural Tourism Business and Best Overall Rural Business at The Royal County Show Rural Awards Day. We should not forget that in 2022 we also received the Trip Advisor Travellers Choice Award, and we are especially proud to receive a High-Quality Standard, and to be accepted onto the Human Equine Interaction Register which is an approval standard of our therapy and community work, whilst our current grading by the National Equine Welfare Council is 'outstanding' in 2022.

We also created a Donkey rehoming programme, as capacity was high. This involves rehoming new donkeys in the local area, as some of these Donkeys are used to more individual attention and do not integrate well into a herd, therefore enhancing their welfare, all routine costs are then taken up by their foster guardians.

**Vet Care**

We have put in place quarterly VET care meetings to improve communications and animal welfare. Further integration with our VETs using live medication board consolidating this position.

We work closely with Liphook Equine Hospital to support facilities required in house and in the future.

**Supporters**

Continued growth in supporters represented by increased adoptions not only on site but via our online platform.

**Education and Community Therapy**

We received a national lottery grant to employ a community engagement officer to further progress the ongoing community work we continue to put in place. We visit local care homes, schools and community groups. Enhancing the lives of residents at these facilities.

**Visitor Numbers**

We have seen a continued uplift in numbers on the site, with the continued improvement of onsite parking and stewarding, this has been reflected in donation uplift income and our trip advisor and google reviews remaining at the outstanding level.

**Future Targets**

We are continuing to invest in Donkey Care and welfare whilst improving the site infrastructure.

Support and continue community engagement programs.

IT integration and communications ongoing improvements

Benefits and governance review to underpin the running of the charity.

Cyber-crime training

Increased focus on volunteer integration, communication and making the charity a safe and inclusive environment for all.

Continued improvement and upgrade of new rehoming scheme

Development of staff with individual development programs to improve equine knowledge.

**Public Benefit**

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The trustees refer to public benefit throughout this

**Risk Management**

The trustees have identified the following risks and introduced the following safeguards to mitigate these risks:

- Audit and assurance actives, including operational and financial controls need improving and these are in our plans and objectives at monthly meetings. We are continuing to improve management accounts and monthly budget reviews.

- Internal audits, controls are not measured, and this will be improved in 2023 with improvements ongoing.

- Cyber risks - both awareness training and cyber-crime to be implemented and monitored in the future to mitigate the risk.

- Staff – continuity of management and succession planning – improvements to be made on in house staff development, whilst maintaining a recruitment strategy

- Business continuity and resilience – improved strategy

- Health and Safety Infrastructure – Annual reviews, and policies in place, ongoing improvements

- Safeguarding – needs addressing will be implemented in 2023.

- Reputation – improvements in good communications and impact on negative media, mitigated by close monitoring of reviews.

**Statement of Trustees' Responsibilities**

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).

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.

In so far as the trustees are aware:

* there is no relevant audit information of which the charity's auditors are unaware; and
* the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on 9th October 2023 and signed on its behalf by:

**Dawn Finney**

**Colin Ward**

## ISLE OF WIGHT DONKEY SANCTUARY CIO
## Registered Charity Number: 1159886
## Independent Auditor's Report

Opinion
We have audited the financial statements of Isle of Wight Donkey Sanctuary and its subsidiaries for the year ended 31 December 2022 on pages 12 to 29, which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets and Cashflow Statements 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, including Financial Reporting Standard FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 group and parent 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
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group or parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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**
In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

**Responsibilities of trustees**
As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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 group and parent 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 group or parent 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 there under.

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:

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues concerning legacy and donation income and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

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.

**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 group and the parent charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Underwood (Senior Statutory Auditor)
for and on behalf of Morris Crocker Limited
Chartered Accountants
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Station House
North Street
Havant
Hampshire
PO9 1QU

Date: 12 October 2023

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Financial Activities**
**(Incorporating an income and expenditure account)**
**For the year ended 31 December 2022**

| | Notes | 2022 Unrestricted Funds £ | 2022 Restricted Funds £ | 2022 Total Funds £ | 2021 Total Funds £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 2 | 1,470,145 | - | 1,470,145 | 1,389,357 |
| Other trading activities | 3 | 691,365 | - | 691,365 | 544,501 |
| Investment Income | 4 | 2,543 | - | 2,543 | 33 |
| **Total income** | | 2,164,053 | - | 2,164,053 | 1,933,891 |
| **Resources expended** | | | | | |
| Raising funds | 5 | 114,525 | - | 114,525 | 65,601 |
| Charitable activities | 5 | 974,981 | - | 974,981 | 792,439 |
| Other trading activities | 5 | 587,803 | - | 587,803 | 428,538 |
| **Total resources expensed** | | 1,677,309 | - | 1,677,309 | 1,286,578 |
| **Net incoming resources** | | 486,744 | - | 486,744 | 647,313 |
| **Reconciliation of funds** | | | | | |
| Total funds brought forward | | 3,507,028 | - | 3,507,028 | 2,859,715 |
| **Total funds carried forward** | | 3,993,772 | - | 3,993,772 | 3,507,028 |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movement in funds are disclosed in Note 20 to the financial statements.

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Financial Position**
**As at 31 December 2022**

| | Notes | The Group 2022 £ | The Group 2021 £ | The Charity 2022 £ | The Charity 2021 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 11 | 1,939,587 | 1,763,310 | 1,841,148 | 1,703,662 |
| Investments | 12 | - | - | 2 | 2 |
| | | 1,939,587 | 1,763,310 | 1,841,150 | 1,703,664 |
| **Current assets** | | | | | |
| Stocks | 15 | 37,754 | 26,343 | - | - |
| Debtors | 16 | 434,522 | 157,679 | 734,090 | 486,717 |
| Cash at bank and in hand | | 1,658,405 | 1,695,100 | 1,462,986 | 1,421,504 |
| | | 2,130,681 | 1,879,122 | 2,197,076 | 1,908,221 |
| **Current Liabilities** | | | | | |
| Creditors: amounts falling due within one year | 17 | 76,496 | 135,404 | 46,406 | 106,809 |
| **Net current assets** | | 2,054,185 | 1,743,718 | 2,150,670 | 1,801,412 |
| **Total assets less current liabilities** | | 3,993,772 | 3,507,028 | 3,991,820 | 3,505,076 |
| Creditors: amounts falling due after one year | | - | - | - | - |
| **Net assets** | | 3,993,772 | 3,507,028 | 3,991,820 | 3,505,076 |
| **Funds** | 20 | | | | |
| Unrestricted funds | | 3,993,772 | 3,507,028 | 3,991,820 | 3,505,076 |
| Restricted funds | | - | - | - | - |
| **Total Funds** | | 3,993,772 | 3,507,028 | 3,991,820 | 3,505,076 |

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the Trustees on 9th October 2023

Dawn Finney

Colin Ward

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Cash Flows**
**For the year ended 31 December 2022**

| | Notes | The Group 2022 £ | The Group 2021 £ | The Charity 2022 £ | The Charity 2021 £ |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | 21 | 211,812 | 846,343 | 243,998 | 694,462 |
| **Cash flows from investing activities** | | | | | |
| Interest receivable | | 2,543 | 33 | 2,543 | 33 |
| Purchase of tangible fixed assets | | (275,102) | (229,262) | (229,108) | (229,262) |
| Disposal of tangible fixed assets | | 24,052 | 19,089 | 24,050 | 19,089 |
| **Net cash provided by investing activities** | | (248,507) | (210,140) | (202,515) | (210,140) |
| **Change in cash and cash equivalents in the year** | | (36,695) | 636,203 | 41,483 | 484,322 |
| Cash and cash equivalents at the beginning of the year | | 1,695,100 | 1,058,897 | 1,421,504 | 937,182 |
| | | 1,658,405 | 1,695,100 | 1,462,987 | 1,421,504 |
| **Cash and cash equivalents at the end of the year** | | 1,658,405 | 1,695,100 | 1,462,987 | 1,421,504 |

## 1 Accounting policies

### a) Statutory Information

The IOW Donkey Sanctuary CIO is a charitable incorporated organisation incorporated in England and Wales. The registered office address and principal place of business is: Lower Winstone Farm, Wroxall, Ventor, PO38 3AA

### b) Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(effective 1 January 2019) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary The Isle of Wight Donkey Sanctuary Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charities' balance sheet.

### c) Public Benefit Entity

The charity meets the definition of a public benefit entity under FRS 102.

### d) Going Concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees are of the view that the immediate future of the Charity for the next 12 months is secure on the basis of confirmation of continuing income streams and fundraising activity to generate additional income streams. Accordingly, the financial statements have been prepared on the going concern basis.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) **Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probably that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken at the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) **Interest Receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) **Fund Accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

h) **Expenditure and Irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs if delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged against the activity for which the expenditure was incurred.

**i) Allocation of Support Costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

**j) Operating Leases**

Rental charges are charged on a straight line basis over the term of the lease.

**k) Tangible Fixed Assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Freehold land and buildings: | 2% Straight Line |
| Plant and equipment etc:. | 10-25% Reducing Balance |
| Motor vehicles: | 25% Reducing Balance |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**l) Investments in Subsidiaries**

Investments in subsidiaries are at cost.

**m) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**n) Cash at Bank and in Hand**

Cash at bank and in hand includes cash held on deposit or in a current account.

**o) Creditors and Provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**p) Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## 2 Income from donations and legacies

| | 2022 £ | 2021 £ |
|---|---|---|
| Adopt a donkey scheme | 238,842 | 185,500 |
| Donations | 559,216 | 562,025 |
| Government funding | - | 10,933 |
| Gift aid | 92,535 | 67,811 |
| Legacies | 579,552 | 563,088 |
| | 1,470,145 | 1,389,357 |

All income from donations and legacies, was attributable to unrestricted funds in 2022 and 2021

## 3 Income from other trading activities

| | 2022 £ | 2021 £ |
|---|---|---|
| Income from trading activities | 691,365 | 518,782 |
| Other operating income, including government grants | - | 25,719 |
| | 691,365 | 544,501 |

All income from other trading activities, was attributable to unrestricted funds in 2022 and 2021.

## 4 Investment Income

| | 2022 £ | 2021 £ |
|---|---|---|
| Interest receivable | 2,543 | 33 |
| | 2,543 | 33 |

All income from investments was attributable to unrestricted funds in 2022 and 2021.

## 5a Analysis of expenditure (current year)

| | Raising Funds | Charitable Activities | Other Trading Activities | Governance Costs | Support Costs | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Staff costs (note 7) | 26,498 | 392,391 | 229,541 | 12,334 | - | 660,764 |
| Direct Costs | - | 170,126 | 288,325 | - | - | 458,451 |
| Advertising | - | - | - | - | 38,057 | 38,057 |
| Bank charges | - | 9,667 | 9,871 | - | - | 19,538 |
| Depreciation | - | 67,573 | 7,200 | - | - | 74,773 |
| IT & Telephone costs | - | - | 3,005 | - | 33,207 | 36,212 |
| Legal and professional costs | 31,700 | 13,162 | 8,113 | - | - | 52,975 |
| Office and administration | - | - | - | - | 41,391 | 41,391 |
| Other costs | - | 46,925 | 15,763 | - | - | 62,688 |
| Premises costs | - | 170,417 | 25,985 | - | - | 196,402 |
| Travel and subsistence | - | 27,798 | - | - | - | 27,798 |
| Audit and accountancy | - | - | - | 8,260 | - | 8,260 |
| | 58,198 | 898,059 | 587,803 | 20,594 | 112,655 | 1,677,309 |
| Support costs | 56,327 | 56,328 | - | - | (112,655) | - |
| Governance costs | - | 20,594 | - | (20,594) | - | - |
| **Total expenditure** | **114,525** | **974,981** | **587,803** | **-** | **-** | **1,677,309** |

All expenses were attributable to unrestricted funds in 2022.

## 5b Analysis of expenditure (prior year)

| | Raising Funds | Charitable Activities | Other Trading Activities | Governance Costs | Support Costs | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Staff costs (note 7) | 16,010 | 295,805 | 166,058 | 13,815 | - | 491,688 |
| Direct Costs | - | 152,059 | 194,736 | - | - | 346,795 |
| Advertising | - | | - | - | 28,655 | 28,655 |
| Bank charges | - | 6,825 | 7,323 | - | - | 14,148 |
| Depreciation | - | 63,131 | 27,677 | - | - | 90,808 |
| IT & Telephone costs | - | - | 712 | - | 3,658 | 4,370 |
| Legal and professional costs | 19,483 | 9,521 | 6,238 | - | | 35,242 |
| Office and administration | - | | - | - | 27,903 | 27,903 |
| Other costs | - | 18,979 | 9,232 | - | - | 28,211 |
| Premises costs | - | 162,401 | 16,562 | - | - | 178,963 |
| Travel and subsistence | - | 31,635 | - | - | - | 31,635 |
| Audit and accountancy | - | - | - | 8,160 | - | 8,160 |
| | 35,493 | 740,356 | 428,538 | 21,975 | 60,216 | 1,286,578 |
| Support costs | 30,108 | 30,108 | - | - | (60,216) | - |
| Governance costs | - | 21,975 | - | (21,975) | - | - |
| **Total expenditure** | **65,601** | **792,439** | **428,538** | **-** | **-** | **1,286,578** |

All expenses were attributable to unrestricted funds in 2021.

## 6 Net income/(expenditure)

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Net income/(expenditure) is stated after charging/(crediting): | | |
| Depreciation | 79,338 | 70,438 |
| (Profit)/loss on disposal of fixed assets | (4,565) | 20,370 |
| Auditor's remuneration | 5,860 | 5,760 |

## 7 Staff costs

| Number of employees<br>The average number of employees during the year was: | 2022<br>Number | 2021<br>Number |
|---|---|---|
| Farm Staff | 9 | 13 |
| Office Staff | 7 | 7 |
| Fundraising Staff | 2 | 1 |
| Café Staff | 13 | 8 |
| Shop Staff | 2 | 2 |
| Estate Management | 2 | 0 |
| | 35 | 31 |

| Employment costs | 2022<br>£ | 2021<br>£ |
|---|---|---|
| Salaries and wages | 612,032 | 460,704 |
| Social security costs | 39,186 | 24,320 |
| Employer's contribution to defined contribution pension scheme. | 9,546 | 6,664 |
| | 660,764 | 491,688 |

There were no employees whose annual remuneration was £60,000 or more.

The charity trustees were neither paid or received any benefits from employment during the year (2021: £Nil).

Payments totalling £74, were made to Colin Ward during the year, as reimbursement of expenses incurred on behalf of the charity. Reimburments of £72 were made to Colin in 2021.

The total employment benefits including employer pension contributions of the key management personnel were £80,055. (2021 - £77,491). Key management personnel comprises of 3 staff.

* Derek Needham - Charity Manager
* Jill Dubery - Finance & HR Administrator
* Julia Newton - Senior Farm & Training Manager

## 8 Retirement benefit scheme

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

| Pension costs | 2022<br>£ | 2021<br>£ |
|---|---|---|
| Employer's pension cost | 9,546 | 6,664 |
| | 9,546 | 6,664 |

## 9 Related party transactions

There are no donations from related parties which are outside the normal course of business.

The charity has taken advantage of the exemptions in FRS102, from disclosing transactions with other members of the group.

During the year, wages of £15,979 were paid to Mr S Ward.(2021: £14,756)
Mr S Ward is deemed to be a related party to the trustee, Mr C Ward.

## 10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The charity's trading subsidiary, The Isle of Wight Donkey Sanctuary Ltd, gift aids available profits to the parent charity. Its charge to corporation tax in the year was £nil (2021: £nil).

## 11 Tangible fixed assets

| Group and charity | Land and buildings | Plant and machinery etc | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| At 1 January 2022 | 1,832,966 | 265,707 | 51,304 | 2,149,977 |
| Additions | 154,024 | 121,078 | - | 275,102 |
| Disposals | - | (36,215) | - | (36,215) |
| At 31 December 2022 | 1,986,990 | 350,570 | 51,304 | 2,388,864 |
| **Depreciation** | | | | |
| At 1 January 2022 | 253,518 | 115,426 | 17,723 | 386,667 |
| Charge for the year | 35,296 | 35,647 | 8,395 | 79,338 |
| On disposals | - | (16,728) | - | (16,728) |
| At 31 December 2022 | 288,814 | 134,345 | 26,118 | 449,277 |
| **Net book value** | | | | |
| At 31 December 2022 | 1,698,176 | 216,225 | 25,186 | 1,939,587 |
| At 31 December 2021 | 1,579,448 | 150,281 | 33,581 | 1,763,310 |

| Charity | Land and buildings | Plant and machinery etc | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| At 1 January 2022 | 1,832,966 | 188,752 | 51,304 | 2,073,022 |
| Additions | 154,024 | 75,084 | - | 229,108 |
| Disposals | - | (36,213) | - | (36,213) |
| At 31 December 2022 | 1,986,990 | 227,623 | 51,304 | 2,265,917 |
| **Depreciation** | | | | |
| At 1 January 2022 | 253,518 | 98,119 | 17,723 | 369,360 |
| Charge for the year | 35,296 | 28,446 | 8,395 | 72,137 |
| On disposals | - | (16,728) | - | (16,728) |
| At 31 December 2022 | 288,814 | 109,837 | 26,118 | 424,769 |
| **Net book value** | | | | |
| At 31 December 2022 | 1,698,176 | 117,786 | 25,186 | 1,841,148 |
| At 31 December 2021 | 1,579,448 | 90,633 | 33,581 | 1,703,662 |

## 12 Investments

**Charity**

| | Subsidiary Undertakings | |
|---|---|---|
| | 2022 | 2021 |
| | £ | £ |
| **Cost and net book value at 1 January and 31 December** | 2 | 2 |

Details of the subsidiary undertakings are set out below:

| | County of Incorporation | % Held |
|---|---|---|
| The Isle of Wight Donkey Sanctuary Limited | England | 100 |

The charity's investment is in respect of it's wholly owned subsidiary, The Isle of Wight Donkey Sanctuary Limited, a company which operates trading activities for the charity by operating a café and gift shop. The Isle of Wight Donkey Sanctuary Limited is a company registered in England.

## 13 Subsidiary undertaking

The charity owns the whole of the issued share capital of The Isle of Wight Donkey Sanctuary Limited, a company registered in England. The company number is 03020657. The registered office address is
SHMS House, 20 Little Park Farm Road, Fareham, Hampshire, United Kingdom, PO15 5TD.

The subsidiary is used for non-primary purpose trading activities, in the form of operating an cafe and gift shop. All activities have been consolidated on a line by line basis on the statement of financial activities. Available profits are distributed to the parent charity.

| **Summary of subsidiary results** | 2022 £ | 2021 £ |
|---|---|---|
| Turnover | 691,365 | 518,782 |
| Cost of sales | (288,324) | (194,736) |
| Gross profit | 403,041 | 324,046 |
| Administrative expenses | (299,478) | (233,802) |
| Other operating income (inc. government grants) | - | 25,719 |
| Profit on ordinary activities | 103,563 | 115,963 |
| Deed of covenant to parent undertaking | (103,563) | (125,132) |
| Profit for the financial year | - | (9,169) |
| The aggregate of assets, liabilities and funds was: | | |
| Assets | 332,569 | 360,216 |
| Liabilities | (330,614) | (358,261) |
| Funds | 1,955 | 1,955 |

Amounts owed to/from parent undertaking are shown in note 16

## 14 Parent Charity

The parent charity's gross income and the results for the year are disclosed as follows:

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Gross incoming resources | 1,576,252 | 1,514,522 |
| Result for the year | 486,744 | 656,483 |

Result for the year includes a donation from subsidiary undertaking of £103,248 (2021: £125,132)

## 15 Stocks

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Stocks held for other trading activities | 37,754 | 26,343 | - | - |
| | 37,754 | 26,343 | - | - |

Stocks held are used within the charity's trading subsidiary and used solely for trading activities

## 16 Debtors: amount falling due within one year

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Other Debtors | 29,213 | 23,130 | 29,213 | 23,124 |
| Prepayments | 19,872 | 20,938 | 19,384 | 20,317 |
| Amounts due from group undertakings | - | - | 300,516 | 329,665 |
| Accrued income | 10,679 | 32,640 | 10,679 | 32,640 |
| Trade Debtors | 460 | - | - | - |
| Legacies receivable | 374,298 | 80,971 | 374,298 | 80,971 |
| | 434,522 | 157,679 | 734,090 | 486,717 |

## 17 Creditors: amounts falling due within one year

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Trade creditors | 38,671 | 98,996 | 23,042 | 84,672 |
| Taxation and social security | 23,342 | 22,294 | 10,628 | 9,701 |
| Other creditors | 1 | 185 | - | 152 |
| Accrued expenses | 12,338 | 13,929 | 10,639 | 12,284 |
| Credit Card | 2,144 | - | 2,097 | - |
| | 76,496 | 135,404 | 46,406 | 106,809 |

## 18 Analysis of group net assets between funds (current year)

| | General unrestricted | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Net assets | 3,993,772 | - | 3,993,772 |
| | 3,993,772 | - | 3,993,772 |

## 19 Analysis of group net assets between funds (prior year)

| | General unrestricted | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Net assets | 3,507,028 | - | 3,507,028 |
| | 3,507,028 | - | 3,507,028 |

## 20a Movements in funds (current year)

| | As at 1 Jan 2022 | Income & Gains | Expenses & Losses | Transfers between funds | As at 31 Dec 2022 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | |
| General | 3,507,028 | 2,164,053 | 1,677,309 | (250,000) | 3,743,772 |
| Designated funds - Equine Clinic | | | | 250,000 | 250,000 |
| **Restricted funds** | - | - | - | - | - |
| **Total funds** | 3,507,028 | 2,164,053 | 1,677,309 | - | 3,993,772 |

There were no restricted funds in 2022.

**Designated funds - Equine Clinic**

Funds of £250,000 were designated in 2022, (2021 £nil) in respect of the build and fit of an Equine Clinic, due to commence in October 2023.

## 20b Movements in funds (prior year)

| | As at 1 Jan 2021 | Income & Gains | Expenses & Losses | Transfers between funds | As at 31 Dec 2021 |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Unrestricted funds** | | | | | |
| General | 2,859,715 | 1,933,891 | (1,286,578) | - | 3,507,028 |
| **Restricted funds** | - | - | - | - | - |
| **Total funds** | 2,859,715 | 1,933,891 | (1,286,578) | - | 3,507,028 |

There were no restricted funds in 2021.

## 21 Reconciliation of net income to net cash flow from operating activities

| | 2022 £ | 2021 £ |
|---|---|---|
| **Net income for the reporting period** | 486,744 | 647,313 |
| Adjustments for: | | |
| Depreciation charges | 79,338 | 70,438 |
| (Profit)/Loss on disposal of fixed assets | (4,565) | 20,370 |
| Interest receivable | (2,543) | (33) |
| (Increase)/Decrease in stocks | (11,411) | (3,758) |
| (Increase)/Decrease in debtors | (276,843) | 96,312 |
| Increase/(Decrease) in creditors | (58,908) | 15,701 |
| **Net cash provided by operating activities** | 211,812 | 846,343 |

## 22 Comparatives for the statement of financial activities

| | 2021 Unrestricted Funds £ | 2021 Restricted Funds £ | 2021 Total Funds £ | 2020 Total Funds £ |
|---|---|---|---|---|
| **Income from:** | | | | |
| Donations and legacies | 1,389,357 | - | 1,389,357 | 1,198,560 |
| Other trading activities | 544,501 | - | 544,501 | 242,790 |
| Investment Income | 33 | - | 33 | 65 |
| **Total incoming resources** | 1,933,891 | - | 1,933,891 | 1,441,415 |
| **Resources expended** | | | | |
| Raising funds | 65,601 | - | 65,601 | 41,025 |
| Charitable activities | 792,439 | - | 792,439 | 543,633 |
| Other trading activities | 428,538 | - | 428,538 | 212,660 |
| **Total resources expensed** | 1,286,578 | - | 1,286,578 | 797,318 |
| **Net Income** | 647,313 | - | 647,313 | 644,097 |
| **Reconciliation of funds** | | | | |
| Total funds brought forward | 2,859,715 | | 2,859,715 | 2,215,618 |
| **Total funds carried forward** | 3,507,028 | - | 3,507,028 | 2,859,715 |

There were no restricted funds in 2021

## 23 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

| | Equipment | |
|---|---|---|
| | 2022 | 2021 |
| | £ | £ |
| Less than one year | 1,997 | 1,997 |
| More than one year | 3,161 | 5,158 |
| | 5,158 | 7,155 |

## 24 Capital commitments

At the balance sheet date, the group had a constructive commitment to complete groundworks on the site, which were completed in 2023. At the reporting date, the charity had committed £57.499 towards the completion of this project.

At the previous reporting date, the group had construction commitements of £50,000, in relation to the building of the new donkey barn which was completed in 2022.

## 25 Controlling party

The charity is controlled by its trustees

## 26 Material Legacies

Legacy income is only including as incoming resources where the legacy has been received or both the receipt and the amount is probable. As at 31 December 2022 the charity had been notified of the following legacies which have not been recognised as income within these accounts:

An estate where the charity is entitled to 10% of the residual estate, although interim payments of £26,400 have already been received.

**ISLE OF WIGHT DONKEY SANCTUARY CIO**

England & Wales - Charity number 1159886

# Accounts

Registered Charity Number: 1159886

# ISLE OF WIGHT DONKEY SANCTUARY CIO

## REPORT OF THE TRUSTEES AND CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2021

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
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**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Legal and Administrative Information**

**Trustees**
Michael Spencer
Colin Ward
Rev. Keith Adlam
Dawn Finney
Heather Humby MBE

**Registered office**
Lower Winstone Farm
St. Johns Road
Wroxall
Ventnor
Isle of Wight
England
PO38 3AA

**Registered charity number**
1159886

**Accountant**
Stephen Humphreys FCCA
SHMS Accountants Ltd
SHMS House
20 Little Park Farm Road
Fareham
PO15 5TD

**Independent Auditor**
Paul Underwood FCCA (Senior Statutory Auditor)
Morris Crocker Limited
Station House
North Street
Havant
Hampshire
PO9 1QU

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Report of the Trustees**

**Introduction**
The trustees present their report with the financial statements of the charity for the year ended 31 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).

**Structure, Governance & Management**
The charity is a CIO Foundation, registered on the 9th of January 2015.

**Governing document**
The governing document is a constitution based on the charity commission model for a CIO.

**Recruitment and appointment of new trustees**
The appointment and recruitment of new trustees is by personal recommendation by existing trustees. The sanctuary has a written policy setting out the process of recruitment and induction of new trustees.

**Organisation structure**
The organisational structure of the charity is made up of a board of trustees and two managers.
Major decisions are taken by the trustees (e.g. major capital expenditure, changes to key policies), and day to day operational decisions by the managers, with support as appropriate.

The current trustees and their main responsibilities are as follow:

Mr Colin Ward - Responsibilities include Health & Safety, Safeguarding, Buildings and Site
Mr Keith Adlam - Responsibilities include Personnel, Community, Finance.
Mr Michael Spencer - Responsibilities include Isle of Wight Donkey Sanctuary Ltd
Ms. Heather Humby - Responsibilities include Charity Governance and Council Liasson.
Ms. Dawn Finney - Responsibilities include Animal Welfare.

**Induction and training of new trustees**
Induction of a trustee takes place at an interview before their appointment, and at their initial trustees meeting. Copies of Charity Commission literature and information about the charity are provided according to the sanctuary's policy on the recruitment of new trustees. The charity had arranged training for trustees where necessary.

**Key management remuneration**
In setting appropriate levels of remuneration for key management personnel, the trustees consider rates of pay for equivalent positions. This is done by observing job advertisements and speaking informally to trustees in other organisations.

**Financial Review**

**Charity**
- The accounts in 2021 were robust, and a strong surplus was in place by the end of the year. The charity raised consolidated income of £1,933,887 with expenses totalling £1,286,574.

- The charity has a policy of trying to meet its expenses with non-legacy income. In 2021 this was achieved. £826,269 of voluntary, non-legacy income was raised giving a surplus of £31,771, using the non-legacy criteria.

- The rise in charity income was again due to the strong sense of 'giving' that was present throughout the Covid Pandemic. Online income continued to increase through adoptions and donations via PayPal and Just Giving. This income was stimulated significantly by the new Online Fundraiser's Social Media inputs, including the concept of 'Welfare Wednesdays', which gave viewers a weekly look at all the welfare work undertaken on the farm and which regularly drew over 10,000 hits.

- Once the site opened, in line with National Pandemic Policy, on April 12th (outside areas only) donations continued to increase. Card payment donations were particularly high throughout the summer.

- Expenditure began to rise after the first lockdown. The charity 's Covid planning meant that expenditure was kept to a minimum, but after lockdown, more routine work was authorised as income streams began to open up again. Vets' fees rose by 15%, Farrier bills increased by over 35 % whilst feed and hay costs increased by 67%. The sanctuary began to make its own hay in 2021 as a means of offsetting these high feed costs.

- Legacy income reached £563,088 in 2021. This income was retained for Capital Projects which were begun at the end of 2021. These planned projects, some of which overlapped into 2022, are included under the development plan section of this report

**Trading Subsidiary**

- The trading company for the charity endured a difficult year again with the continuation of Covid restrictions for the first three and a half months of the year. The onsite shop, Browse and Brays and the onsite Café, Grazers Café, were only able to open with 'outdoor service' from April 12th, though this service increased from May 23rd into a full indoor offering. Grazer's café has yet to have a full trading year since its construction in 2020.

- Turnover of the Limited Company in 2021 totalled £518,780 with expenditure of £428,533

- In common with other traders on the Isle of Wight, the Limited Company benefitted from large numbers of tourists in 2021 because of the inability of people to holiday abroad. The number of transactions which went through the Limited Company more than doubled those in 2020.

**Financial Summary**

- The amount of consolidated cash reserves in the charity at the end of 2021 totalled £1,695,101, up from £1,058,897 in 2020, led primarily by legacy and online income. Charity expenditure was cautious and controlled because of the uncertainty of the ending of pandemic restrictions.

- The charity retains over a year's worth of annual expenditure (£850,000) in its reserves.

- The cash reserves alone dictate that the charity is a going concern.

**Objectives and activities**

**Rescue and Welfare**

-The year began with the sanctuary having 104 donkeys but by the end of 2021 the sanctuary had 120 donkeys. 2 groups of donkeys, 16 in total, were rescued from slaughterhouses in France and began new lives on the island. This captured the public imagination about our welfare work, and significant income was raised for their care and welfare.

-Expertise and loose knit partnerships were put in place with the Flicka Foundation and Pour L'Amour des Anes in Brittany.

- A new welfare regime was put in place on site, to ensure continued improvement to animal health. A new Senior Manager was tasked with improving welfare processes. Additional training was provided for farm staff, new daily protocols were put in place, additional monitoring and reviewing of each donkey's needs was put in place, new machinery such as paddock sweepers were purchased to ensure better field cleaning and changes to animal husbandry were made ensuring the donkeys ate more natural foods and spent more time active time outside. The emphasis was on 'wellness' rather than dealing with illness and the result was that 2021 saw the best year for donkey welfare for some considerable time.

- The sanctuary re-joined the National Equine Welfare Council, and as a result was subject to an annual inspection of its facilities and practices. The NEC found that the conditions for the animals and the care and expertise of the staff and volunteers were outstanding.

- Towards the end of the year, it became clear that more donkeys were needing homes. Owners were under the financial pressure of reduced family budgets and animals of all varieties were being abandoned -it was expected that there would be a continuing rise in the number of donkey abandonments.

**Therapy**

- Restrictions on therapy visits were still in place because of the Covid pandemic. A small number of outside 'garden' visits were made by our donkeys. Inver House in Bembridge offered to play a training role for our therapy donkeys when restrictions were lifted, and therapy work could re-start.

Education

- All aspects of education work were negatively affected by Covid restrictions. No education interactive packages took place, though during the school summer holidays some limited grooming activities were permitted.

**Visitor Numbers**

- Visitor numbers throughout July and August were the highest on record. Consideration had been given to a booking system for the site, but previous experience of this had not been positive. It was therefore agreed to retain the existing 'come when you would like' system. The sanctuary participated in Visit England's Good to Go scheme. Additional preparations were put in place, such as extra car parking, a one-way system round the site, new signage, additional stewarding, but there were times when it was so busy that it was difficult for the sanctuary to function effectively. Nonetheless donation income reflected the increased number of visitors, whilst reviews of the sanctuary on Trip Advisor and Google were outstanding.

**Personnel**

- Significant changes were made to the Finance and Fundraising elements of the charity. The Business Manager retired, and the sanctuary was unable to recruit a suitable replacement. 2 administrators were appointed, one to oversee business and finance, one to be responsible for donations. These joined the existing senior administrator who is responsible for adoption and gift aid funding

- A new Manager for social media and Online Fundraising was appointed.

- A significant consultancy appointment was made in the form of a high value fundraiser and grant application expert. Throughout the year the charity made a number of successful bids to animal welfare trusts which helped to support the charity through the Covid periods when income was restricted.

**Development Plan and Future Targets**

-The Trustees reviewed the charity development plan (2019-2024) at the annual meeting in January. The key targets in the 5-year plan were ;

1- Improve the likelihood of donkey rescue by creating a donkey owners engagement programme. Achieve a target of 150 animals in the sanctuary by 2024.

**OUTCOME**- It was felt that the sanctuary's work with the Donkey Breed Society, the New Forest Agristers, speaking to groups on and off the island, setting up viable partnerships and publicising our welfare work on social media and our website has meant that this target was reached by the end of 2021.

2- Review an annual infrastructure development programme to meet the welfare needs of the animals and the requirements of our visitors.

**OUTCOME** -At the end of 2021 the site had 26 paddocks, 15 field shelters,4 barns and a 'health suite' for the donkeys. Visitor walkways, new toilets, new hospitality facilities had all been introduced. Building of a new barn was underway.

3- Increase revenue generation programmes to achieve £1,000,000 income per annum.

**OUTCOME** -The restructure of the financial services element of the sanctuary and the appointment of a high value fundraiser with grant application expertise has enabled the charity to access higher levels of income than in previous years. Better online fundraising capability and a clearer focus on site of the need to achieve funding levels have all contributed to the funding target being reached for the second year in a row in 2021.

4- Continue to develop equine welfare programmes.

**OUTCOME**- Donkey Welfare was at its highest level at the sanctuary. No donkeys were lost in 2021, better review processes and record keeping were put in place,5 new highly qualified staff were brought into the sanctuary, new Yard Managers appointed and new training for staff introduced. External agencies such as the NEWC, Vectis Equine Vets and the Donkey Sanctuary Welfare Officer commented on the outstanding welfare and care given to our donkeys.

5- Develop Community Engagement Programmes

**OUTCOME** – Despite the impact of the pandemic, the sanctuary maintained its community development work, by engaging visitors on site with our welfare programmes and by delivering talks to community groups across the island. This work meant that the charity was successful in becoming a Community Charity of the Year for the second time in 5 years at the Shanklin branch of our local Co-op.

6- Improving hospitality.

**OUTCOME** - Grazer's café is now fully operational and, in addition to regular visitors, it has hosted a range of island community groups. The success of the café has led to an increase in

7 - Improving Expertise by developing working partnerships.
In 2021 the sanctuary maintained its informal relationship with the Flicka Foundation and with Pour L'Amour des Anes in France.

OUTCOME - Shared expertise was developed on areas such as the care of young donkeys, the use of eye treatments and additional donkeys, came to the sanctuary.

Work started on 2 other key aspects of the Development Plan ;

8 - Development of a Communications Strategy.

**OUTCOME**- was to include the building of a new website and identify a Social Media Strategy which reached 25,000 followers on a variety of platforms.

9 - Create a Performance Management Strategy

**OUTCOME** – Roll out Performance Management Training to all managers and provide a Performance Management process that all staff take part in during Spring/Summer 2022. This will identify training and development opportunities for all staff.

**Planned Capital Projects to support the development plan objectives**

**Infrastructure to support animal welfare**
- Construction of Busby's B - £200,000
- Building 4 new field shelters - £25,000
- Creation of 3 new paddocks - £15,000
- Re fencing most paddocks and walkways - £20,000
- Purchase of new All Terrain vehicle for the farm - £11,000
- Building a new concrete ramp to the farmyard - £10,000
- Placing a new filtration tank on site - £15,000

**Infrastructure to support the communications strategy**
- Building a new website - £20,000
- Installing a new Broadband Line - £12,000
- Installing wi-fi to all areas of the farm - £15,000

**Infrastructure to support hospitality**
- Purchase of new friers
- Purchase of hot and cold grab and go cabinets
- Purchase of additional tables/chairs

Total - £30,000

**Public Benefit**
The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The trustees refer to public benefit throughout this report.

**Risk Management**
The trustees have identified the principle risks to the charity and document these on a risk management table. This risk table is reviewed at each trustees meeting. The principle risks include:

* Financial Risk - mitigated by monthly management accounts, budget reviews and a robust fraud policy.
* Animal Health Risk - mitigated by a strong bio security and animal welfare policy
* Staffing Risk - mitigated by in house staff development, educational links and a clear recruitment strategy.
* Risk of lack of visitors - mitigated by a strong online presence, ensuring donations can still be made in the event of a site closure
* Reputational Risk - mitigated by weekly monitoring of reviews and reports.
* Infrastructure Safety Risk - mitigated by regular health and safety reviews.

The trustees also ensure that any new potential risks are identified and mitigated as soon as these arise. In 2021 the sanctuary was the target of a protracted reputational risk by the pursuit of a complaint by an animal rights organization. The complaint was investigated and found to be fallacious, but the potential of reputational risk was significant.

**Statement of Trustees' Responsibilities**
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).

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.

In so far as the trustees are aware:

* there is no relevant audit information of which the charity's auditors are unaware; and
* the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on 20-09-22 and signed on its behalf by:

**Mr Colin Ward**

**Rev. Keith Adlam**

## ISLE OF WIGHT DONKEY SANCTUARY CIO
## Registered Charity Number: 1159886
## Independent Auditor's Report

### Opinion

We have audited the financial statements of Isle of Wight Donkey Sanctuary and its subsidiaries for the year ended 31 December 2021 on pages 11 to 32, which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets and Cashflow Statements 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, including Financial Reporting Standard FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 group and parent 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group or parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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**
In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

**Responsibilities of trustees**
As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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 group and parent 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 group or parent 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 there under.

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:

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues concerning legacy and donation income and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

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.

**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 group and the parent charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Underwood (Senior Statutory Auditor)
for and on behalf of Morris Crocker Limited
Chartered Accountants
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Station House
North Street
Havant
Hampshire
PO9 1QU

Date: 30 September 2022

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Financial Activities**
**(Incorporating an income and expenditure account)**
**For the year ended 31 December 2021**

| | Notes | 2021 Unrestricted Funds £ | 2021 Restricted Funds £ | 2021 Total Funds £ | 2020 Total Funds £ |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 2 | 1,389,357 | - | 1,389,357 | 1,198,560 |
| Other trading activities | 3 | 544,501 | - | 544,501 | 242,790 |
| Investment Income | 4 | 33 | - | 33 | 65 |
| **Total income** | | 1,933,891 | - | 1,933,891 | 1,441,415 |
| **Resources expended** | | | | | |
| Raising funds | 5 | 65,601 | - | 65,601 | 41,025 |
| Charitable activities | 5 | 792,439 | - | 792,439 | 543,633 |
| Other trading activities | 5 | 428,538 | - | 428,538 | 212,660 |
| **Total resources expensed** | | 1,286,578 | - | 1,286,578 | 797,318 |
| **Net incoming resources** | | 647,313 | - | 647,313 | 644,097 |
| **Reconciliation of funds** | | | | | |
| Total funds brought forward | | 2,859,715 | - | 2,859,715 | 2,215,618 |
| **Total funds carried forward** | | 3,507,028 | - | 3,507,028 | 2,859,715 |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movement in funds are disclosed in Note 20 to the financial statements.

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Financial Position**
**As at 31 December 2021**

| | Notes | The Group 2021 £ | The Group 2020 £ | The Charity 2021 £ | The Charity 2020 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 11 | 1,763,310 | 1,643,945 | 1,703,662 | 1,556,619 |
| Investments | 12 | - | - | 2 | 2 |
| | | 1,763,310 | 1,643,945 | 1,703,664 | 1,556,621 |
| **Current assets** | | | | | |
| Stocks | 15 | 26,343 | 22,585 | - | - |
| Debtors | 16 | 157,679 | 253,991 | 486,717 | 470,739 |
| Cash at bank and in hand | | 1,695,100 | 1,058,897 | 1,421,504 | 937,182 |
| | | 1,879,122 | 1,335,473 | 1,908,221 | 1,407,921 |
| **Current Liabilities** | | | | | |
| Creditors: amounts falling due within one year | 17 | 135,404 | 119,703 | 106,809 | 115,949 |
| **Net current assets** | | 1,743,718 | 1,215,770 | 1,801,412 | 1,291,972 |
| **Total assets less current liabilities** | | 3,507,028 | 2,859,715 | 3,505,076 | 2,848,593 |
| Creditors: amounts falling due after one year | 18 | - | - | - | - |
| **Net assets** | | 3,507,028 | 2,859,715 | 3,505,076 | 2,848,593 |
| **Funds** | 20 | | | | |
| Unrestricted funds | | 3,507,028 | 2,859,715 | 3,505,076 | 2,848,593 |
| Restricted funds | | - | - | - | - |
| **Total Funds** | | 3,507,028 | 2,859,715 | 3,505,076 | 2,848,593 |

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the Trustees on 20-09-22.

Mr Colin Ward

Rev. Keith Adlam

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Cash Flows**
**For the year ended 31 December 2021**

| | Notes | The Group 2021 £ | The Group 2020 £ | The Charity 2021 £ | The Charity 2020 £ |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | 21 | 846,343 | 687,657 | 694,462 | 547,205 |
| **Cash flows from investing activities** | | | | | |
| Interest receivable | | 33 | 65 | 33 | 65 |
| Purchase of tangible fixed assets | | (229,262) | (508,970) | (229,262) | (451,815) |
| Disposal of tangible fixed assets | | 19,089 | 600 | 19,089 | 600 |
| **Net cash provided by investing activities** | | (210,140) | (508,305) | (210,140) | (451,150) |
| **Change in cash and cash equivalents in the year** | | 636,203 | 179,352 | 484,322 | 96,055 |
| Cash and cash equivalents at the beginning of the year | | 1,058,897 | 879,545 | 937,182 | 841,127 |
| | | 1,695,100 | 1,058,897 | 1,421,504 | 937,182 |
| **Cash and cash equivalents at the end of the year** | | 1,695,100 | 1,058,897 | 1,421,504 | 937,182 |

## 1 Accounting policies

### a) Statutory Information

The IOW Donkey Sanctuary CIO is a charitable incorporated organisation incorporated in England and Wales. The registered office address and principal place of business is: Lower Winstone Farm, Wroxall, Ventor, PO38 3AA

### b) Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(effective 1 January 2019) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary The Isle of Wight Donkey Sanctuary Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charities' balance sheet.

### c) Public Benefit Entity

The charity meets the definition of a public benefit entity under FRS 102.

### d) Going Concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees are of the view that the immediate future of the Charity for the next 12 months is secure on the basis of confirmation of continuing income streams and fundraising activity to generate additional income streams. Accordingly, the financial statements have been prepared on the going concern basis.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) **Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probably that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken at the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) **Interest Receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) **Fund Accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

h) **Expenditure and Irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs if delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged against the activity for which the expenditure was incurred.

i) **Allocation of Support Costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

j) **Operating Leases**

Rental charges are charged on a straight line basis over the term of the lease.

k) **Tangible Fixed Assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Freehold land and buildings: | 2% Straight Line |
| Plant and equipment etc:. | 10-25% Reducing Balance |
| Motor vehicles: | 25% Reducing Balance |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

l) **Investments in Subsidiaries**

Investments in subsidiaries are at cost.

m) **Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

n) **Cash at Bank and in Hand**

Cash at bank and in hand includes cash held on deposit or in a current account.

o) **Creditors and Provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) **Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## 2 Income from donations and legacies

| | 2021 £ | 2020 £ |
|---|---|---|
| Adopt a donkey scheme | 185,500 | 175,500 |
| Donations | 562,025 | 353,484 |
| Government funding | 10,933 | 18,543 |
| Gift aid | 67,811 | 47,656 |
| Legacies | 563,088 | 603,377 |
| | 1,389,357 | 1,198,560 |

All income from donations and legacies, was attributable to unrestricted funds in 2021.
(Restricted funds of £18,543 in 2020)

## 3 Income from other trading activities

| | 2021 £ | 2020 £ |
|---|---|---|
| Income from trading activities | 518,782 | 209,457 |
| Other operating income, including government grants | 25,719 | 33,333 |
| | 544,501 | 242,790 |

All income from other trading activities, was attributable to unrestricted funds in 2021.
(Restricted funds of £21,999 in 2020)

## 4 Investment Income

| | 2021 £ | 2020 £ |
|---|---|---|
| Interest receivable | 33 | 65 |
| | 33 | 65 |

All income from investments was attributable to unrestricted funds in 2021 and 2020.

## 5a Analysis of expenditure (current year)

| | Raising Funds | Charitable Activities | Other Trading Activities | Governance Costs | Support Costs | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Staff costs (note 7) | 16,010 | 295,805 | 166,058 | 13,815 | - | 491,688 |
| Direct Costs | - | 152,059 | 194,736 | - | - | 346,795 |
| Advertising | - | - | - | - | 28,655 | 28,655 |
| Bank charges | - | 6,825 | 7,323 | - | - | 14,148 |
| Depreciation | - | 63,131 | 27,677 | - | - | 90,808 |
| IT & Telephone costs | - | - | 712 | - | 3,658 | 4,370 |
| Legal and professional costs | 19,483 | 9,521 | 6,238 | - | - | 35,242 |
| Office and administration | - | - | - | - | 27,903 | 27,903 |
| Other costs | - | 18,979 | 9,232 | - | - | 28,211 |
| Premises costs | - | 162,401 | 16,562 | - | - | 178,963 |
| Travel and subsistence | - | 31,635 | - | - | - | 31,635 |
| Audit and accountancy | - | - | - | 8,160 | - | 8,160 |
| | 35,493 | 740,356 | 428,538 | 21,975 | 60,216 | 1,286,578 |
| Support costs | 30,108 | 30,108 | - | - | (60,216) | - |
| Governance costs | - | 21,975 | - | (21,975) | - | - |
| **Total expenditure** | **65,601** | **792,439** | **428,538** | **-** | **-** | **1,286,578** |

All expenses were attributable to unrestricted funds in 2021.

## 5b Analysis of expenditure (prior year)

| | Raising Funds | Charitable Activities | Other Trading Activities | Governance Costs | Support Costs | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Staff costs (note 7) | 17,697 | 244,947 | 94,717 | 10,815 | - | 368,176 |
| Direct Costs | - | 115,279 | 86,110 | - | - | 201,389 |
| Advertising | - | | - | - | 15,988 | 15,988 |
| Bank charges | - | 8,351 | 4,808 | - | - | 13,159 |
| Depreciation | - | 57,397 | 5,727 | - | - | 63,124 |
| IT & Telephone costs | - | - | 820 | - | 6,790 | 7,610 |
| Legal and professional costs | - | 6,646 | 5,622 | - | | 12,268 |
| Office and administration | - | | - | - | 23,878 | 23,878 |
| Other costs | - | 17,047 | 6,070 | - | - | 23,117 |
| Premises costs | - | 43,154 | 8,702 | - | - | 51,856 |
| Travel and subsistence | - | 8,509 | 84 | - | - | 8,593 |
| Audit and accountancy | - | - | - | 8,160 | - | 8,160 |
| | 17,697 | 501,330 | 212,660 | 18,975 | 46,656 | 797,318 |
| Support costs | 23,328 | 23,328 | - | - | (46,656) | - |
| Governance costs | - | 18,975 | - | (18,975) | - | - |
| **Total expenditure** | **41,025** | **543,633** | **212,660** | **-** | **-** | **797,318** |

Of the total expenditure, £745,362 was unrestricted and £41,263 was restricted.

| 6 | **Net income/(expenditure)** | **2021** | **2020** |
|---|---|---|---|
| | | **£** | **£** |
| | Net income/(expenditure) is stated after charging/(crediting): | | |
| | Depreciation | 70,438 | 50,954 |
| | Profit/loss on disposal of fixed assets | 20,370 | 12,172 |
| | Auditor's remuneration | 5,760 | 5,760 |

**7 Staff costs**

| **Number of employees** | **2021** | **2020** |
|---|---|---|
| The average number of employees during the year was: | **Number** | **Number** |
| Farm Staff | 13 | 11 |
| Office Staff | 7 | 5 |
| Fundraising Staff | 1 | 1 |
| Café Staff | 8 | 5 |
| Shop Staff | 2 | 2 |
| Retail management Staff | 0 | 1 |
| | 31 | 25 |

| **Employment costs** | **2021** | **2020** |
|---|---|---|
| | **£** | **£** |
| Salaries and wages | 460,704 | 345,952 |
| Social security costs | 24,320 | 17,280 |
| Employer's contribution to defined contribution pension scheme. | 6,664 | 4,944 |
| | 491,688 | 368,176 |

There were no employees whose annual remuneration was £60,000 or more.

The charity trustees were neither paid or received any benefits from employment during the year (2020: £Nil).

A payment of £72, was made to Colin Ward during the year, as a reimbursement of travel costs incurred on behalf of the charity. No expenses payments were made to trustees in 2020.

The total employment benefits including employer pension contributions of the key management personnel were £77,491. (2020 - £47,401). Key management personnel comprises of 4 staff:

* Derek Needham - Charity Manager
* Carol Foote - Business Manager & Legacy Officer (Resigned June 2021)
* Jill Dubery - Finance & HR Administrator (Appointed May 2021)
* Julia Newton - Senior Farm & Training Manager

## 8 Retirement benefit scheme

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

| Pension costs | 2021<br>£ | 2020<br>£ |
|---|---|---|
| Employer's pension cost | 6,664 | 4,944 |
| | 6,664 | 4,944 |

## 9 Related party transactions

There are no donations from related parties which are outside the normal course of business.

The charity has taken advantage of the exemptions in FRS102, from disclosing transactions with other members of the group.

During the year, wages of £14,756 were paid to Mr S Ward.(2020: £13,630)
Mr S Ward is deemed to be a related party to the trustee, Mr C Ward.
No other payments were made to trustees or related parties during 2021.

## 10 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The charity's trading subsidiary, The Isle of Wight Donkey Sanctuary Ltd, gift aids available profits to the parent charity. Its charge to corporation tax in the year was £nil (2020: £nil).

## 11 Tangible fixed assets

| Group and charity | Land and buildings | Plant and machinery etc | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| At 1 January 2021 | 1,716,006 | 261,100 | 25,692 | 2,002,798 |
| Additions | 119,927 | 69,025 | 40,310 | 229,262 |
| Disposals | (2,967) | (64,418) | (14,698) | (82,083) |
| At 31 December 2021 | 1,832,966 | 265,707 | 51,304 | 2,149,977 |
| **Depreciation** | | | | |
| At 1 January 2021 | 220,469 | 118,559 | 19,825 | 358,853 |
| Charge for the year | 33,086 | 28,014 | 9,338 | 70,438 |
| On disposals | (37) | (31,147) | (11,440) | (42,624) |
| At 31 December 2021 | 253,518 | 115,426 | 17,723 | 386,667 |
| **Net book value** | | | | |
| At 31 December 2021 | 1,579,448 | 150,281 | 33,581 | 1,763,310 |
| At 31 December 2020 | 1,495,537 | 142,541 | 5,867 | 1,643,945 |

| Charity | Land and buildings | Plant and machinery etc | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| At 1 January 2021 | 1,716,006 | 148,767 | 25,692 | 1,890,465 |
| Additions | 119,927 | 69,025 | 40,310 | 229,262 |
| Disposals | (2,967) | (29,038) | (14,698) | (46,703) |
| At 31 December 2021 | 1,832,966 | 188,754 | 51,304 | 2,073,024 |
| **Depreciation** | | | | |
| At 1 January 2021 | 220,469 | 93,552 | 19,825 | 333,846 |
| Charge for the year | 33,086 | 21,387 | 9,338 | 63,811 |
| On disposals | (37) | (16,818) | (11,440) | (28,295) |
| At 31 December 2021 | 253,518 | 98,121 | 17,723 | 369,362 |
| **Net book value** | | | | |
| At 31 December 2021 | 1,579,448 | 90,633 | 33,581 | 1,703,662 |
| At 31 December 2020 | 1,495,537 | 55,215 | 5,867 | 1,556,619 |

## 12 Investments

**Charity**

| | Subsidiary Undertakings | |
|---|---|---|
| | 2021 | 2020 |
| | £ | £ |
| **Cost and net book value at 1 January and 31 December** | 2 | 2 |

Details of the subsidiary undertakings are set out below:

| | County of Incorporation | % Held |
|---|---|---|
| The Isle of Wight Donkey Sanctuary Limited | England | 100 |

The charity's investment is in respect of it's wholly owned subsidiary, The Isle of Wight Donkey Sanctuary Limited, a company which operates trading activities for the charity by operating a café and gift shop. The Isle of Wight Donkey Sanctuary Limited is a company registered in England.

## 13 Subsidiary undertaking

The charity owns the whole of the issued share capital of The Isle of Wight Donkey Sanctuary Limited, a company registered in England. The company number is 03020657. The registered office address is
SHMS House, 20 Little Park Farm Road, Fareham, Hampshire, United Kingdom, PO15 5TD.

The subsidiary is used for non-primary purpose trading activities, in the form of operating an cafe and gift shop. All activities have been consolidated on a line by line basis on the statement of financial activities. Available profits are distributed to the parent charity.

| **Summary of subsidiary results** | 2021 £ | 2020 £ |
|---|---|---|
| Turnover | 518,782 | 209,457 |
| Cost of sales | (194,736) | (86,110) |
| Gross profit | 324,046 | 123,347 |
| Administrative expenses | (233,802) | (126,550) |
| Other operating income (inc. government grants) | 25,719 | 33,333 |
| Profit on ordinary activities | 115,963 | 30,130 |
| Deed of covenant to parent undertaking | (125,132) | (35,857) |
| Profit for the financial year | (9,169) | (5,727) |
| The aggregate of assets, liabilities and funds was: | | |
| Assets | 360,216 | 237,814 |
| Liabilities | (358,261) | (226,690) |
| Funds | 1,955 | 11,124 |

Amounts owed to/from parent undertaking are shown in note 16

## 14 Parent Charity

The parent charity's gross income and the results for the year are disclosed as follows:

| | 2021 £ | 2020 £ |
|---|---|---|
| Gross incoming resources | 1,514,522 | 1,234,482 |
| Result for the year | 656,483 | 649,824 |

Result for the year includes a donation from subsidiary undertaking of £125,132 (2020: £35,857)

## 15 Stocks

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Stocks held for other trading activities | 26,343 | 22,585 | - | - |
| | 26,343 | 22,585 | - | - |

Stocks held are used within the charity's trading subsidiary and used solely for trading activities

## 16 Debtors: amount falling due within one year

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Other Debtors | 23,130 | 9,368 | 23,124 | 3,511 |
| Prepayments | 20,938 | 15,946 | 20,317 | 15,615 |
| Amounts due from group undertakings | - | - | 329,665 | 222,936 |
| Accrued income | 32,640 | 9,681 | 32,640 | 9,681 |
| Legacies receivable | 80,971 | 218,996 | 80,971 | 218,996 |
| | 157,679 | 253,991 | 486,717 | 470,739 |

## 17 Creditors: amounts falling due within one year

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Trade creditors | 98,996 | 12,749 | 84,672 | 9,635 |
| Taxation and social security | 22,294 | 6,773 | 9,701 | 6,773 |
| Other creditors | 185 | - | 152 | - |
| Accrued expenses | 13,929 | 10,909 | 12,284 | 10,269 |
| Bank loan | - | 89,272 | - | 89,272 |
| | 135,404 | 119,703 | 106,809 | 115,949 |

## 18 Analysis of group net assets between funds (current year)

| | General unrestricted | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Net assets | 3,507,028 | - | 3,507,028 |
| | 3,507,028 | - | 3,507,028 |

## 19 Analysis of group net assets between funds (prior year)

| | General unrestricted | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Net assets | 2,859,715 | - | 2,859,715 |
| | 2,859,715 | - | 2,859,715 |

## 20a Movements in funds (current year)

| | As at 1 Jan 2021 | Income & Gains | Expenses & Losses | As at 31 Dec 2021 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Total Unrestricted funds** | 2,859,715 | 1,933,891 | 1,286,578 | 3,507,028 |
| **Restricted funds** | - | - | - | - |
| **Total funds** | **2,859,715** | **1,933,891** | **1,286,578** | **3,507,028** |

There were no restricted funds in 2021.

## 20b Movements in funds (prior year)

| | As at 1 Jan 2020 £ | Income & Gains £ | Expenses & Losses £ | As at 31 Dec 2020 £ |
|---|---|---|---|---|
| **Total Unrestricted funds** | 2,215,618 | 1,441,415 | 797,318 | 2,859,715 |
| **Restricted funds** | | | | |
| Government funding - Charitable activities | - | 18,543 | 18,543 | - |
| Government funding - Other trading activities | - | 21,999 | 21,999 | - |
| The Donkey Sanctuary - Rehoming costs | - | 825 | 825 | - |
| **Total funds** | **2,215,618** | **1,482,782** | **838,685** | **2,859,715** |

## 21 Reconciliation of net income to net cash flow from operating activities

| | 2021 £ | 2020 £ |
|---|---|---|
| **Net income for the reporting period** | 647,313 | 644,097 |
| Adjustments for: | | |
| Depreciation charges | 70,438 | 50,953 |
| (Profit)/Loss on disposal of fixed assets | 20,370 | 12,172 |
| Interest receivable | (33) | (65) |
| (Increase)/Decrease in stocks | (3,758) | 1,467 |
| (Increase)/Decrease in debtors | 96,312 | (53,621) |
| Increase/(Decrease) in creditors | 15,701 | 32,654 |
| **Net cash provided by operating activities** | 846,343 | 687,657 |

## 22 Comparatives for the statement of financial activities

| | 2020 Unrestricted Funds £ | 2020 Restricted Funds £ | 2020 Total Funds £ | 2019 Total Funds £ |
|---|---|---|---|---|
| **Income from:** | | | | |
| Donations and legacies | 1,198,560 | 19,368 | 1,217,928 | 922,806 |
| Raising funds | - | - | - | 10,307 |
| Other trading activities | 242,790 | 21,999 | 264,789 | 249,941 |
| Investment Income | 65 | - | 65 | 4,025 |
| **Total incoming resources** | 1,441,415 | 41,367 | 1,482,782 | 1,187,079 |
| **Resources expended** | | | | |
| Raising funds | 41,025 | - | 41,025 | 41,729 |
| Charitable activities | 212,660 | 19,368 | 232,028 | 571,884 |
| Other trading activities | 543,633 | 21,999 | 565,632 | 219,716 |
| **Total resources expensed** | 797,318 | 41,367 | 838,685 | 833,329 |
| **Net Income** | 644,097 | - | 644,097 | 353,750 |
| **Reconciliation of funds** | | | | |
| Total funds brought forward | 2,215,618 | | 2,215,618 | 1,861,868 |
| **Total funds carried forward** | 2,859,715 | - | 2,859,715 | 2,215,618 |

There were no restricted funds in 2019

## 23 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

| | Equipment | |
|---|---|---|
| | 2021 | 2020 |
| | £ | £ |
| Less than one year | 1,997 | 1,997 |
| More than one year | 5,158 | 7,155 |
| | 7,155 | 9,152 |

## 24 Capital commitments

At the balance sheet date, the group had a constructive commitment to complete the building of the new donkey barn, which was completed in 2022. At the reporting date, the charity had committed £50,000 towards the completion of the project.

There were no capital commitment in 2020.

## 25 Controlling party

The charity is controlled by its trustees

## 26 Material Legacies

Legacy income is only including as incoming resources where the legacy has been received or both the receipt and the amount is probable. As at 31 December 2021 the charity had been notified of the following legacies which have not been recognised as income within these accounts:

An estate where the charity is entitled to 3.13% of the residual estate.

An estate where the charity is entitled to 1/3rd of the residual estate.

**ISLE OF WIGHT DONKEY SANCTUARY CIO**

England & Wales - Charity number 1159886

# Accounts

Registered Charity Number: 1159886

# ISLE OF WIGHT DONKEY SANCTUARY CIO

## REPORT OF THE TRUSTEES AND CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2020

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
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**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Legal and Administrative Information**

**Trustees**
Mr Alexander Strong
Mr Colin Ward
Rev. Keith Adlam
Mr Mike Spence

**Registered office**
Lower Winstone Farm
St. Johns Road
Wroxall
Ventnor
Isle of Wight
England
PO38 3AA

**Registered charity number**
1159886

**Accountant**
Stephen Humphreys FCCA
SHMS Accountants Ltd
4 Talisman Business Centre
Duncan Road
Park Gate
Southampton
SO31 7GA

**Independent Auditor**
Paul Underwood FCCA (Senior Statutory Auditor)
Morris Crocker Limited
Station House
North Street
Havant
Hampshire
PO9 1QU

## ISLE OF WIGHT DONKEY SANCTUARY CIO
## Registered Charity Number: 1159886
## Report of the Trustees

### Introduction
The trustees present their report with the financial statements of the charity for the year ended 31 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).

### Structure, Governance & Management
The charity is a CIO Foundation, registered on the 9th of January 2015.

### Governing document
The governing document is a constitution based on the charity commission model for a CIO.

### Recruitment and appointment of new trustees
The appointment and recruitment of new trustees is by personal recommendation by existing trustees. The sanctuary has a written policy setting out the process of recruitment and induction of new trustees.

### Organisation structure
The organisational structure of the charity is made up of a board of trustees and two managers.
Major decisions are taken by the trustees (e.g. major capital expenditure, changes to key policies), and day to day operational decisions by the managers, with support as appropriate.

The current trustees and their main responsibilities are as follow:

Mr Colin Ward - Responsibilities include Health & Safety, Safeguarding, Buildings and Site
Mr Keith Adlam - Responsibilities include Personnel, Community, Finance.
Mr Michael Spencer -Responsibilities include Isle of Wight Donkey Sanctuary Ltd
Mr Alex Strong -Responsibilities include Financial Reporting and Governance.

Mr Strong resigned in June 2021 and was replaced by Ms. Heather Humby

### Induction and training of new trustees
Induction of a trustee takes place at an interview before their appointment, and at their initial trustees meeting. Copies of Charity Commission literature and information about the charity are provided according to the sanctuary's policy on the recruitment of new trustees. The charity had arranged training for trustees where necessary.

**Key management remuneration**
In setting appropriate levels of remuneration for key management personnel, the trustees consider rates of pay for equivalent positions. This is done by observing job advertisements and speaking informally to trustees in other organisations.

**Financial Review**
Despite the loss of onsite income, caused by the closure of the site during the pandemic, the charity coped well during these challenging circumstances. The charity raised consolidated income of £1.44 million during the year.

The charity has a strategy of trying to meet its expenses with non-legacy income; in 2020 this objective was achieved. In addition to strong legacy income, the charity, in common with many other charities across the UK, benefitted from a renewal of a strong sense of 'giving' by the general population during the pandemic. This was represented in a large rise in online donations and in donkey adoptions.

The trading company for the charity, the Isle of Wight Donkey Sanctuary Ltd, endured a difficult year of openings and closures. Nonetheless the company achieved a turnover of £220,790 with expenditure of £190,660. The opening of a new onsite café in August 2020 made some difference to the financial position of the charity during the summer months, but it is full potential is yet to be realized as the raft of Covid measures meant that there were restrictions on the number of tables that could be laid out, restrictions on service processes and eventually further lockdown closures during the autumn and winter of 2020.

The amounts of consolidated cash reserves in the charity at the end of 2020 were £1,058,897, a rise from £879,545 in 2019. The charity retains over a year's worth of annual expenditure in its reserves. It has achieved surpluses in every year since 2013. Because of both statements, the charity is a going concern for the next 12 months.

**Covid Emergency**
2020 will always be known as the year of the pandemic, and in common with lots of charities it tested the resourcefulness and management of the Isle of Wight Donkey Sanctuary.

The Sanctuary was open from January-March, closed from April to the beginning of July, open for the summer through until the end of October, closed throughout November and open for weekends in December! All the closures were based on Central Government lockdown information and resulted in the sanctuary being open for 214 days in the year rather than the usual 363!

The Management team put in place an agreed Coronavirus Action Plan, which resulted in a 12-month course of action, reviewed every 3 months by the staff and Trustees.

The strategy for the Covid year was to.

* Plan for increased abandonments of donkeys as the pandemic led to people unable to afford their animals.
* Focus clearly on, and ensure the public were aware of, our rescue and welfare role, which they could continue to support through donations and online engagement.
* Increase our Social Media engagement to 3 times a week offering, giving people the opportunity to comment and then to adopt or donate.
* Open when we could! None of the UK donkey sanctuaries opened in 2020 after lockdown in March- the charity decided that it had to show the public it could 'pay its own way' when it could.
* Utilize the government Job Retention Grants and make effective use of the furlough scheme where possible. (All shop and café staff were furloughed; some office staff were furloughed)
* Operate the farm teams in separate Covid safe bubbles so that the animals could be safeguarded at all costs.
* Review with the staff every 3 months how progress through the pandemic was taking place.

The strategy proved to be effective. Donations were strong throughout the pandemic, but the sanctuary was extremely fortunate that significant legacies were given in 2020 to ensure additional infrastructure spending in 2021 to benefit the donkeys.

**Objectives and Activities**

**Rescue and welfare**
Although the year began badly with the loss of 6 donkeys who were old, but were favourites of the public, by the time 2020 came to an end the total numbers in the sanctuary had risen from 94 to 104, with 10 more donkeys waiting to arrive for the start of 2021. A group of 5 from, originally from Ireland were rescued, followed by a group of 4 and then one delightful miniature donkey. A strong relationship was made with a sanctuary in Brittany, Pour L'Amour des Anes. This led to the saving of 10 donkeys from a slaughterhouse in France, and their eventual rescue to the Isle of Wight. It is intended that this link be maintained for the sanctuary, to facilitate training and experience for the staff and to support donkey welfare and rescue.

**Education**
60 school trips, a whole series of college activities and a raft of work experience (ranging from local schools to University Veterinary schools) were all cancelled during the Covid lockdown. The sanctuary reverted to putting educational materials online and we began the process of online family interaction with sanctuary quizzes, 'Welfare Wednesdays' material and lots of creative writing about donkey heritage and 'my favourite donkey'. A new link with the IOW College to develop catering trainees was under consideration in 2020 as part of the development of the new café.

**General Public and Visitors**
The sanctuary opening months have been described in the introduction. A shift in emphasis for the public onsite was made, to ensure Covid safety and to give the public access to as many areas of the site as possible. A one-way information trail around the whole site was trialled (it was so successful that it has been formalized in 2021) and the public enjoyed the opportunity to get around the whole site and get a real insight into the work that we do. This replaced all the sanctuary's interactive activities, which were not compliant with Covid safety

**Achievements and Performance**
The charity maintained it is performance throughout 2020 despite the impact of the global pandemic. The number of beneficiaries (donkeys) increased with 10 additional rescues. Facilities for the beneficiaries improved with the addition of 5 further field shelters in 2020 and the full opening of a new stable block, Poppy's Place. Visitor improvements to the site included the provision of a one-way trail and most importantly the sanctuary's first café, in a converted barn. The charity's community activities were curtailed due to the various lockdowns in 2020, and Covid safety measures meant that the number of volunteers on site had to be restricted, as the charity had to operate in Covid 'safety bubbles. The sanctuary maintained a link to the schools it serves by the provision of interactive educational materials.

The charity's financial situation remained stable throughout the year, though the way it achieves its income has changed, in that more online income was achieved at the expense of onsite donations.

**Future Strategy**
The sanctuary will be replacing its Senior Management Team in 2021 as they reach retirement.
The charity is in the third year of its 5-year action plan, and this has been reviewed and modified by the Trustee group.
Staffing roles have been reconsidered and an identifiable fundraising team has been created with specific responsibilities ranging from High Value and Corporate, to Grants, Online and Individual engagement.
A new risk register for the forthcoming year has been created and additional policies on 'Going Concern' and on the Management of Fraud have been approved.
A new Trustee has agreed to join the Trustees Board in summer 2021.
New facilities for the farm have been agreed and planning permission has been sought for a new barn (achieved in July 2021)
The public will benefit from a signage scheme, a new information trail and additional access to the farm.
The sanctuary is hoping to maximize the potential of the café and initial group bookings for events, meetings etc. are most encouraging.
The sanctuary will continue to seek informal partnerships with other relevant organizations.

**Public Benefit**
The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The trustees refer to public benefit throughout this report.

**Risk Management**
The trustees have identified the principle risks to the charity and document these on a risk management table. This risk table is reviewed at each trustees meeting. The principle risks include:

* Financial Risk - mitigated by monthly management accounts, budget reviews and a robust fraud policy.
* Animal Health Risk - mitigated by a strong bio security and animal welfare policy
* Staffing Risk - mitigated by in house staff development, educational links and a clear recruitment strategy.
* Risk of lack of visitors - mitigated by strong a online presence.
* Reputational Risk - mitigated by weekly monitoring of reviews and reports.
* Infrastructure Safety Risk - mitigated by regular health and safety reviews.

The trustees also ensure that any new potential risks are identified and mitigated as soon as these arise.

**Statement of Trustees' Responsibilities**
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).

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.

In so far as the trustees are aware:

* there is no relevant audit information of which the charity's auditors are unaware; and
* the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

**Mr Colin Ward**

**Rev. Keith Adlam**

## ISLE OF WIGHT DONKEY SANCTUARY CIO
## Registered Charity Number: 1159886
## Independent Auditor's Report

### Opinion
We have audited the financial statements of Isle of Wight Donkey Sanctuary and its subsidiaries for the year ended 31 December 2020 on pages 11 to 29, which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets and Cashflow Statements 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, including Financial Reporting Standard FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 group and parent 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
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group or parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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**
In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

**Responsibilities of trustees**
As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they 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 group and parent 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 group or parent 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 there under.

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:

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues concerning legacy and donation income and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income at £34,700. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality of £31,200.

Substantive audit tests were designed after assessing and testing systems and controls. The systems and controls which have been designed to act as a preventative measure against fraud and error were operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.
Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

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.

**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 group and the parent charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Underwood (Senior Statutory Auditor)
for and on behalf of Morris Crocker Limited
Chartered Accountants
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Station House
North Street
Havant
Hampshire
PO9 1QU

Date: 8 September 2021

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Financial Activities**
**(Incorporating an income and expenditure account)**
**For the year ended 31 December 2020**

| | Notes | 2020 Unrestricted Funds £ | 2020 Restricted Funds £ | 2020 Total Funds £ | 2019 Total Funds £ as restated |
|---|---|---|---|---|---|
| **Income from:** | | | | | |
| Donations and legacies | 2 | 1,179,192 | 19,368 | 1,198,560 | 922,806 |
| Raising funds | 3 | - | - | - | 10,307 |
| Other trading activities | 4 | 220,790 | 21,999 | 242,789 | 249,941 |
| Investment Income | 5 | 65 | - | 65 | 4,025 |
| **Total income** | | 1,400,047 | 41,367 | 1,441,414 | 1,187,079 |
| **Resources expended** | | | | | |
| Raising funds | 6 | 41,025 | - | 41,025 | 41,729 |
| Charitable activities | 6 | 524,265 | 19,368 | 543,633 | 571,884 |
| Other trading activities | 6 | 190,660 | 21,999 | 212,659 | 219,716 |
| **Total resources expensed** | | 755,950 | 41,367 | 797,317 | 833,329 |
| **Net incoming resources** | | 644,097 | - | 644,097 | 353,750 |
| **Reconciliation of funds** | | | | | |
| Total funds brought forward | | 2,215,618 | - | 2,215,618 | 1,861,868 |
| **Total funds carried forward** | | 2,859,715 | - | 2,859,715 | 2,215,618 |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movement in funds are disclosed in Note 22 to the financial statements. No restricted funds were received in 2019.

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Financial Position**
**As at 31 December 2020**

| | Notes | The Group 2020 £ | The Group 2019 £ as restated | The Charity 2020 £ | The Charity 2019 £ as restated |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 12 | 1,643,945 | 1,198,700 | 1,556,619 | 1,162,801 |
| Investments | 13 | - | - | 2 | 2 |
| | | 1,643,945 | 1,198,700 | 1,556,621 | 1,162,803 |
| **Current assets** | | | | | |
| Stocks | 16 | 22,585 | 24,052 | - | - |
| Debtors | 17 | 253,991 | 200,370 | 470,739 | 270,380 |
| Cash at bank and in hand | | 1,058,897 | 879,545 | 937,182 | 841,127 |
| | | 1,335,473 | 1,103,967 | 1,407,921 | 1,111,507 |
| **Current Liabilities** | | | | | |
| Creditors: amounts falling due within one year | 18 | 119,703 | 54,358 | 115,949 | 42,850 |
| **Net current assets** | | 1,215,770 | 1,049,609 | 1,291,972 | 1,068,657 |
| **Total assets less current liabilities** | | 2,859,715 | 2,248,309 | 2,848,593 | 2,231,460 |
| Creditors: amounts falling due after one year | 19 | - | 32,691 | - | 32,691 |
| **Net assets** | | 2,859,715 | 2,215,618 | 2,848,593 | 2,198,769 |
| **Funds** | 22 | | | | |
| Unrestricted funds | | 2,859,715 | 2,215,618 | 2,848,593 | 2,198,769 |
| Restricted funds | | - | - | - | - |
| **Total Funds** | | 2,859,715 | 2,215,618 | 2,848,593 | 2,198,769 |

The accompanying notes form an integral part of the financial statements.

The financial statements were approved by the Trustees on 6 Sept 2021

Mr Colin Ward

Rev. Keith Adlam

**ISLE OF WIGHT DONKEY SANCTUARY CIO**
**Registered Charity Number: 1159886**
**Consolidated Statement of Cash flows**
**For the year ended 31 December 2020**

| | Notes | The Group 2020 £ | The Group 2019 £ as restated | The Charity 2020 £ | The Charity 2019 £ as restated |
|---|---|---|---|---|---|
| **Cash flows from operating activities** | **24** | 687,657 | 245,306 | 547,205 | 243,112 |
| **Cash flows from investing activities** | | | | | |
| Interest receivable | | 65 | 4,025 | 65 | 4,025 |
| Purchase of tangible fixed assets | | (508,970) | (177,714) | (451,815) | (175,108) |
| Disposal of tangible fixed assets | | 600 | 7,680 | 600 | 7,680 |
| **Net cash provided by investing activities** | | (508,305) | (166,009) | (451,150) | (163,403) |
| **Change in cash and cash equivalents in the year** | | 179,352 | 79,297 | 96,055 | 79,709 |
| Cash and cash equivalents at the beginning of the year | | 879,545 | 800,248 | 841,127 | 761,418 |
| | | 1,058,897 | 879,545 | 937,182 | 841,127 |
| **Cash and cash equivalents at the end of the year** | | 1,058,897 | 879,545 | 937,182 | 841,127 |

## 1 Accounting policies

### a) Statutory Information

The IOW Donkey Sanctuary CIO is a charitable incorporated organisation incorporated in England and Wales. The registered office address and principal place of business is: Lower Winstone Farm, Wroxall, Ventor, PO38 3AA

### b) Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)(effective 1 January 2019) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary The Isle of Wight Donkey Sanctuary Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charities' balance sheet.

### c) Public Benefit Entity

The charity meets the definition of a public benefit entity under FRS 102.

### d) Going Concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees are of the view that the immediate future of the Charity for the next 12 months is secure on the basis of confirmation of continuing income streams and fundraising activity to generate additional income streams. Accordingly, the financial statements have been prepared on the going concern basis.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**e) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probably that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken at the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**f) Interest Receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**g) Fund Accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

**h) Expenditure and Irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs if delivering services and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged against the activity for which the expenditure was incurred.

**i) Allocation of Support Costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

**j) Operating Leases**

Rental charges are charged on a straight line basis over the term of the lease.

**k) Tangible Fixed Assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings: 2% Straight Line
Plant and equipment etc:. 10-25% Reducing Balance
Motor vehicles: 25% Reducing Balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

**l) Investments in Subsidiaries**

Investments in subsidiaries are at cost.

**m) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**n) Cash at Bank and in Hand**

Cash at bank and in hand includes cash held on deposit or in a current account.

**o) Creditors and Provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**p) Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

## 2 Income from donations and legacies

| | 2020 £ | 2019 £ as restated |
|---|---|---|
| Adopt a donkey scheme | 175,500 | 133,750 |
| Donations | 353,484 | 296,827 |
| Government funding | 18,543 | - |
| Gift aid | 47,656 | 20,965 |
| Legacies | 603,377 | 471,264 |
| | 1,198,560 | 922,806 |

Government funding includes £18,543, in 2020, of government grants which relate to the Coronavirus Job Retention Scheme, this has been recorded within restricted income. No government grants were received in 2019.

Donations includes £825, in 2020, which was received from The Donkey Sanctuary (Charity 264818), This donation was received as a reimbursement of costs which were incurred as a result of temporarily homing a donkey associated with the above charity. This donation has been recorded within restricted income.

## 3 Income from raising funds

| | 2020 £ | 2019 £ |
|---|---|---|
| Raffle income | - | 10,307 |
| | - | 10,307 |

All income from raising funds was attributable to unrestricted funds in 2019.

No raffle was undertaken in 2020, due to the Coronavirus pandemic.

## 4 Income from other trading activities

| | 2020 £ | 2019 £ |
|---|---|---|
| Income from trading subsidiary | 209,456 | 249,941 |
| Government funding | 33,333 | - |
| | 242,789 | 249,941 |

Government funding includes £21,999, in 2020, which relates to the Coronavirus Job Retention Scheme, this has been recorded within restricted income. No government grants were received in 2019.

## 5 Investment Income

| | 2020 £ | 2019 £ |
|---|---|---|
| Interest receivable | 65 | 4,025 |
| | 65 | 4,025 |

All income from investments was attributable to unrestricted funds in 2020 and 2019.

## 6a Analysis of expenditure (current year)

| | Raising Funds | Charitable Activities | Other Trading Activities | Governance Costs | Support Costs | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Staff costs (note 8) | 17,697 | 244,947 | 94,717 | 10,815 | - | 368,176 |
| Direct Costs | - | 115,279 | 86,109 | - | - | 201,388 |
| Advertising | - | - | - | - | 15,988 | 15,988 |
| Bank charges | - | 8,351 | 4,808 | - | - | 13,159 |
| Depreciation | - | 57,397 | 5,727 | - | - | 63,124 |
| IT & Telephone costs | - | - | 820 | - | 6,790 | 7,610 |
| Legal and professional costs | - | 6,646 | 5,622 | - | - | 12,268 |
| Office and administration | - | - | - | - | 23,878 | 23,878 |
| Other costs | - | 17,047 | 6,070 | - | - | 23,117 |
| Premises costs | - | 43,154 | 8,702 | - | - | 51,856 |
| Travel and subsistence | - | 8,509 | 84 | - | - | 8,593 |
| Audit and accountancy | - | - | - | 8,160 | - | 8,160 |
| | 17,697 | 501,330 | 212,659 | 18,975 | 46,656 | 797,317 |
| Support costs | 23,328 | 23,328 | - | - | (46,656) | - |
| Governance costs | - | 18,975 | - | (18,975) | - | - |
| **Total expenditure** | **41,025** | **543,633** | **212,659** | **-** | **-** | **797,317** |

Of the total expenditure, £745,362 was unrestricted and £41,263 was restricted.

## 6b Analysis of expenditure (prior year)

| | Raising Funds | Charitable Activities | Other Trading Activities | Governance Costs | Support Costs | Total |
|---|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ | £ |
| Staff costs (note 8) | 14,600 | 269,993 | 76,951 | 11,700 | - | 373,244 |
| Direct Costs | 1,550 | 124,510 | 110,345 | - | - | 236,405 |
| Advertising | - | | 200 | - | 21,068 | 21,268 |
| Bank charges | - | 4,630 | 5,547 | - | - | 10,177 |
| Depreciation | - | 40,643 | 4,835 | - | - | 45,478 |
| IT & Telephone costs | - | - | 786 | - | 3,809 | 4,595 |
| Legal and professional costs | - | 9,162 | 4,500 | - | | 13,662 |
| Office and administration | - | | - | - | 26,281 | 26,281 |
| Other costs | - | 11,919 | 4,366 | - | - | 16,285 |
| Premises costs | - | 55,370 | 11,699 | - | - | 67,069 |
| Travel and subsistence | - | 15,978 | 487 | - | - | 16,465 |
| Audit and accountancy | - | - | - | 2,400 | - | 2,400 |
| | 16,150 | 532,205 | 219,716 | 14,100 | 51,158 | 833,329 |
| Support costs | 25,579 | 25,579 | - | - | (51,158) | - |
| Governance costs | - | 14,100 | - | (14,100) | - | - |
| **Total expenditure** | **41,729** | **571,884** | **219,716** | **-** | **-** | **833,329** |

Of the total expenditure, £883,329 was unrestricted and £0 was restricted.

| 7 | **Net income/(expenditure)** | **2020** | **2019** |
|---|---|---|---|
| | | **£** | **£** |
| | Net income/(expenditure) is stated after charging/(crediting): | | |
| | Depreciation | 50,954 | 45,316 |
| | Profit/loss on disposal of fixed assets | 12,172 | 160 |
| | Auditor's remuneration | 5,760 | - |

**8 Staff costs**

| **Number of employees** | **2020** | **2019** |
|---|---|---|
| The average number of employees during the year was: | **Number** | **Number** |
| Farm Staff | 11 | 11 |
| Office Staff | 5 | 6 |
| Fundraising Staff | 1 | 1 |
| Café Staff | 5 | 2 |
| Shop Staff | 2 | 1 |
| Retail management Staff | 1 | 2 |
| | 25 | 23 |

| **Employment costs** | **2020** | **2019** |
|---|---|---|
| | **£** | **£** |
| Salaries and wages | 345,952 | 350,837 |
| Social security costs | 17,280 | 18,606 |
| Employer's contribution to defined contribution pension scheme. | 4,944 | 3,801 |
| | 368,176 | 373,244 |

There were no employees whose annual remuneration was £60,000 or more.

The charity trustees were neither paid, received any benefits from employment, nor were they paid any expenses by the charity in the year (2019: £nil).

The total employment benefits including employer pension contributions of the key management personnel were £47,402. (2019 - £51,336)

## 9 Retirement benefit scheme

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

| Pension costs | 2020<br>£ | 2019<br>£ |
|---|---|---|
| Employer's pension cost | 4,944 | 3,801 |
| | 4,944 | 3,801 |

## 10 Related party transactions

There are no donations from related parties which are outside the normal course of business.

The charity has taken advantage of the exemptions in FRS102, from disclosing transactions with other members of the group.

During the year, Wages of £13,630 were paid to Mr S Ward.(2019: £12,987)
Mr S Ward is deemed to be a related party to the trustee, Mr C Ward.

## 11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The charity's trading subsidiary, The Isle of Wight Donkey Sanctuary Ltd, gift aids available profits to the parent charity. Its charge to corporation tax in the year was £nil (2019: £nil).

## 12 Tangible fixed assets

| Group and charity | Land and buildings | Plant and machinery etc | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| At 1 January 2020 | 1,289,052 | 211,177 | 25,692 | 1,525,921 |
| Additions | 440,825 | 68,145 | - | 508,970 |
| Disposals | (13,871) | (18,222) | - | (32,093) |
| At 31 December 2020 | 1,716,006 | 261,100 | 25,692 | 2,002,798 |
| **Depreciation** | | | | |
| At 1 January 2020 | 196,454 | 112,898 | 17,869 | 327,221 |
| Charge for the year | 26,823 | 22,175 | 1,956 | 50,954 |
| On disposals | (2,808) | (16,514) | - | (19,322) |
| At 31 December 2020 | 220,469 | 118,559 | 19,825 | 358,853 |
| **Net book value** | | | | |
| At 31 December 2020 | 1,495,537 | 142,541 | 5,867 | 1,643,945 |
| At 31 December 2019 | 1,092,598 | 98,279 | 7,823 | 1,198,700 |

| Charity | Land and buildings | Plant and machinery etc | Motor vehicles | Total |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Cost** | | | | |
| At 1 January 2020 | 1,289,052 | 155,533 | 25,692 | 1,470,277 |
| Additions | 440,825 | 10,990 | | 451,815 |
| Disposals | (13,871) | (17,756) | | (31,627) |
| At 31 December 2020 | 1,716,006 | 148,767 | 25,692 | 1,890,465 |
| **Depreciation** | | | | |
| At 1 January 2020 | 196,454 | 93,153 | 17,869 | 307,476 |
| Charge for the year | 26,823 | 16,631 | 1,956 | 45,410 |
| On disposals | (2,808) | (16,232) | - | (19,040) |
| At 31 December 2020 | 220,469 | 93,552 | 19,825 | 333,846 |
| **Net book value** | | | | |
| At 31 December 2020 | 1,495,537 | 55,215 | 5,867 | 1,556,619 |
| At 31 December 2019 | 1,092,598 | 62,380 | 7,823 | 1,162,801 |

## 13 Investments

| Charity | Subsidiary Undertakings 2020 £ | Subsidiary Undertakings 2019 £ |
|---|---|---|
| **Cost and net book value at 1 January and 31 December** | 2 | 2 |

Details of the subsidiary undertakings are set out below:

| | County of Incorporation | % Held |
|---|---|---|
| The Isle of Wight Donkey Sanctuary Limited | England | 100 |

The charity's investment is in respect of it's wholly owned subsidiary, The Isle of Wight Donkey Sanctuary Limited, a company which operates trading activities for the charity by operating a café and gift shop. The Isle of Wight Donkey Sanctuary Limited is a company registered in England.

## 14 Subsidiary undertaking

The charity owns the whole of the issued share capital of The Isle of Wight Donkey Sanctuary Limited, a company registered in England. The company number is 03020657. The registered office address is 4 Talisman Business Centre, Duncan Road, Park Gate, Southampton, England, SO31 7GA.

The subsidiary is used for non-primary purpose trading activities, in the form of operating an cafe and gift shop. All activities have been consolidated on a line by line basis on the statement of financial activities. Available profits are distributed to the parent charity.

| **Summary of subsidiary results** | 2020 £ | 2019 £ |
|---|---|---|
| Turnover | 209,456 | 249,941 |
| Cost of sales | (86,109) | (110,345) |
| Gross profit | 123,347 | 139,596 |
| Administrative expenses | (126,550) | (109,371) |
| Government Funding | 33,333 | - |
| Profit on ordinary activities | 30,130 | 30,225 |
| Deed of covenant to parent undertaking | (35,857) | (32,449) |
| Profit for the financial year | (5,727) | (2,224) |
| The aggregate of assets, liabilities and funds was: | | |
| Assets | 237,814 | 98,918 |
| Liabilities | (226,690) | (82,067) |
| Funds | 11,124 | 16,851 |

Amounts owed to/from parent undertaking are shown in note 17

## 15 Parent Charity

The parent charity's gross income and the results for the year are disclosed as follows:

| | 2020 | 2019 |
|---|---|---|
| | £ | £ |
| | | as restated |
| Gross incoming resources | 1,234,482 | 969,587 |
| Result for the year | 649,824 | 355,974 |

Result for the year includes a donation from subsidiary undertaking of £35,857 (2019: £30,449)

## 16 Stocks

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Stocks held for other trading activities | 22,585 | 24,052 | - | - |
| | 22,585 | 24,052 | - | - |

Stocks held are used within the charity's trading subsidiary and used solely for trading activities

## 17 Debtors: amount falling due within one year

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| | | as restated | | as restated |
| Other Debtors | 9,368 | 14,398 | 3,511 | 14,398 |
| Prepayments | 15,946 | 4,224 | 15,615 | 3,675 |
| Amounts due from group undertakings | - | - | 222,936 | 70,559 |
| Accrued income | 9,681 | 2,216 | 9,681 | 2,216 |
| Legacies receivable | 218,996 | 179,532 | 218,996 | 179,532 |
| | 253,991 | 200,370 | 470,739 | 270,380 |

## 18 Creditors: amounts falling due within one year

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Trade creditors | 12,749 | 22,708 | 9,635 | 18,913 |
| Taxation and social security | 6,773 | 11,382 | 6,773 | 6,190 |
| Other creditors | - | 12,239 | - | 10,618 |
| Accrued expenses | 10,909 | 2,350 | 10,269 | 1,450 |
| Bank loan | 89,272 | 5,679 | 89,272 | 5,679 |
| | 119,703 | 54,358 | 115,949 | 42,850 |

As at the end of 2019, the total bank loans due were £38,370 (£5,679 within 1 year, £32,691 due more than 1 year). Due to the level of funds held within the charity this loan was repaid in full in September 2020. In April 2020 an additional loan of £200,000 was obtained, to support the Barn conversion project. Given the level of funds held by the charity, several large repayments were made against this loan in 2020. The balance of this loan has subsequently been settled in March 2021.

## 19 Creditors: amounts falling due after one year

| | The Group | | The Charity | |
|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 |
| Bank loan | - | 32,691 | - | 32,691 |
| | - | 32,691 | - | 32,691 |

Please refer to the note 18 for further information regarding bank loans.

## 20 Analysis of group net assets between funds (current year)

| | General unrestricted | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| Net assets | 2,859,715 | - | 2,859,715 |
| | 2,859,715 | - | 2,859,715 |

## 21 Analysis of group net assets between funds (prior year)

| | General unrestricted | Restricted funds | Total funds |
|---|---|---|---|
| | £ | £ | £ |
| | as restated | | as restated |
| Net assets | 2,215,618 | - | 2,215,618 |
| | 2,215,618 | - | 2,215,618 |

## 22a Movements in funds (current year)

| | As at 1 Jan 2020 | Income & Gains | Expenses & Losses | As at 31 Dec 2020 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Total Unrestricted funds** | 2,215,618 | 1,400,047 | 755,950 | 2,859,715 |
| **Restricted funds** | | | | |
| Government funding - Charitable activities | - | 18,543 | 18,543 | - |
| Government funding - Other trading activities | - | 21,999 | 21,999 | - |
| The Donkey Sanctuary - Rehoming costs | - | 825 | 825 | - |
| **Total funds** | **2,215,618** | **1,441,414** | **797,317** | **2,859,715** |

The narrative to explain the purpose of each fund is given in note 23

## 22b Movements in funds (prior year)

| | As at 1 Jan 2019 £ as restated | Income & Gains £ as restated | Expenses & Losses £ | As at 31 Dec 2019 £ as restated |
|---|---|---|---|---|
| **Total Unrestricted funds** | 1,861,868 | 1,187,079 | 833,329 | 2,215,618 |
| **Total funds** | **1,861,868** | **1,187,079** | **833,329** | **2,215,618** |

No restricted funds were received in 2019

## 23 Purposes of restricted funds

**Government funding - Charitable activities**
Being monies received from HMRC in relation to the Coronavirus Job Retention Scheme to reimburse staff costs during the covid-19 pandemic.

**Government funding - Other trading activities**
Being monies received from HMRC in relation to the Coronavirus Job Retention Scheme to reimburse staff costs during the covid-19 pandemic.

**The Donkey Sanctuary - Rehoming costs**
Being the money received from, The Donkey Sanctuary, as reimbursement of costs associated with temporarily rehoming a donkey associated with this charity.

## 24 Reconciliation of net income to net cash flow from operating activities

| | 2020 £ | 2019 £ as restated |
|---|---|---|
| **Net income for the reporting period** | 644,097 | 353,750 |
| Adjustments for: | | |
| Depreciation charges | 50,953 | 45,316 |
| (Profit)/Loss on disposal of fixed assets | 12,172 | 160 |
| Interest receivable | (65) | (4,025) |
| (Increase)/Decrease in stocks | 1,467 | (7,380) |
| (Increase)/Decrease in debtors | (53,621) | (132,176) |
| Increase/(Decrease) in creditors | 32,654 | (10,339) |
| **Net cash provided by operating activities** | 687,657 | 245,306 |

## 25 Comparatives for the statement of financial activities

| | 2019 Unrestricted Funds £ as restated | 2019 Restricted Funds £ | 2019 Total Funds £ as restated | 2018 Total Funds £ |
|---|---|---|---|---|
| **Income from:** | | | | |
| Donations and legacies | 922,806 | - | 922,806 | 600,677 |
| Raising funds | 10,307 | - | 10,307 | 15,626 |
| Other trading activities | 249,941 | - | 249,941 | 222,299 |
| Investment Income | 4,025 | - | 4,025 | 3,693 |
| **Total incoming resources** | 1,187,079 | - | 1,187,079 | 842,295 |
| **Resources expended** | | | | |
| Raising funds | 41,729 | - | 41,729 | 14,600 |
| Charitable activities | 219,716 | - | 219,716 | 503,671 |
| Other trading activities | 571,884 | - | 571,884 | 191,999 |
| **Total resources expensed** | 833,329 | - | 833,329 | 710,270 |
| **Net Income** | 353,750 | - | 353,750 | 132,025 |
| **Reconciliation of funds** | | | | |
| Total funds brought forward | 1,861,868 | | 1,861,868 | 1,729,843 |
| **Total funds carried forward** | 2,215,618 | - | 2,215,618 | 1,861,868 |

There were no restricted funds in 2018

## 26 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

| | Equipment | |
|---|---|---|
| | 2020 | 2019 |
| | £ | £ |
| Less than one year | 1,997 | - |
| More than one year | 7,155 | |
| | 9,152 | - |

## 27 Capital commitments

At the balance sheet date, the group had committed to £nil (2019: £nil)

## 28 Controlling party

The charity is controlled by its trustees

## 29 Prior year adjustments

| Statement of changes in charitable funds | The Charity | |
|---|---|---|
| | 2020 | 2019 |
| | £ | £ |
| Total funds Bfwd | 2,198,769 | 1,842,794 |
| Net incoming resources for the year | 649,824 | 176,443 |
| Prior year adjustment (note a) | - | 179,532 |
| Total funds Cfwd | 2,848,593 | 2,198,769 |

| | The Group | |
|---|---|---|
| | 2020 | 2019 |
| | £ | £ |
| Total funds Bfwd | 2,215,618 | 1,861,868 |
| Net incoming resources for the year | 644,097 | 174,218 |
| Prior year adjustment (note a) | - | 179,532 |
| Total funds Cfwd | 2,859,715 | 2,215,618 |

Note A: Legacies receivable - prior year adjustment

The financial statements have been restated to incorporate the impact of an omission of legacies which were receivable as at 31/12/2019. Amounts received during 2020, have since been identified as relating to 2019 and updated accordingly. This change has resulted in an increase of net incoming resources to the charity for 2019 as stated above.

| Summary of the prior year accounting impact | 2019 |
|---|---|
| | £ |
| Increase in debtors - legacies receivable | 179,532 |

## 30 Material Legacies

Legacy income is only including as incoming resources where the legacy has been received or both the receipt and the amount is probable. As at 31 December 2020 the charity had been notified of the following legacies which have not been recognised as income within these accounts:

An estate where the charity is entitled to 1/5th share, on 70% of the residual estate.

An estate where the charity is entitled to 1/8th of the residual estate.

An estate where the charity is entitled to 1/4th of the residual estate.