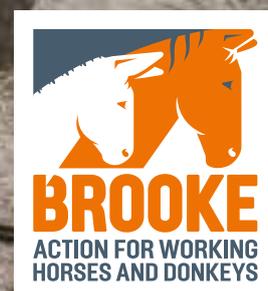
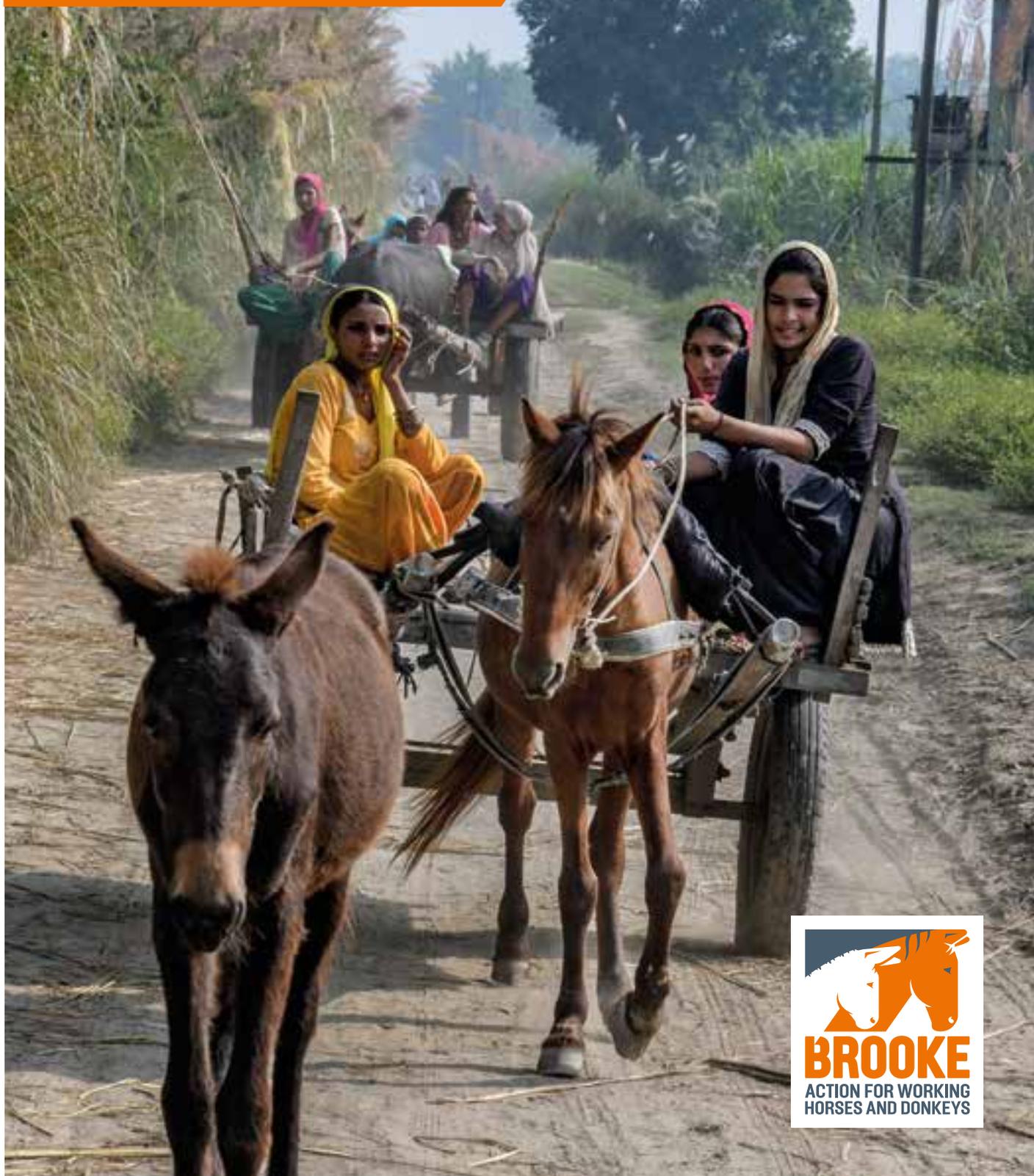


ANNUAL REPORT & ACCOUNTS

2018/19



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WELCOME TO BROOKE



CEO'S INTRODUCTION

I never fail to be moved and impressed by the impact Brooke makes. We work at every level to make a tangible difference to working horses, donkeys and mules, exposing hidden problems, identifying root causes and finding lasting solutions.

In order to better address the scale of need within our cause, in 2016, we launched a bold new five-year strategy to deliver the twin goals of achieving sustainable improvement and global reach. Enabled by a substantial shift in the way we plan to achieve those aims, our progressive approach is one I'm very proud of and has earned us a place at the forefront of our field.

Much of our ground-breaking work takes place behind the scenes. Three years ago, we played a pivotal role in influencing the UN to extend its definition of "livestock" to include animals who work to produce and distribute food, as well as those that provide it directly. This means the working horses, donkeys and mules we help now benefit from the policies and laws which help protect animals like cows, sheep and chickens.

We opened up opportunities to benefit the lives of working equines still further. In 2017 we were granted Special Consultative Status with the United Nations (UN) Economic and Social Council (ECOSOC). This status gives Brooke new opportunities to share our expertise and influence how policies are shaped and implemented.

In 2018, we updated our Theory of Change, which underpins Brooke's work, to reflect an approach more aligned to international development practices. At the heart of our model is the recognition that the welfare of working horses, donkeys and mules depends on thriving communities of owners and stronger animal health systems, positioning our work more clearly within the international development context, supporting our strategic goal of reaching more animals by working in partnership.

Acknowledging the critical role of people in the lives of their animals, Brooke continues to forge more partnerships with development organisations and foster further links with professional animal health networks. We are also placing a greater emphasis on empowering people in communities to promote and encourage better animal welfare among their neighbours.

In ways like these, Brooke is delivering historic and lasting positive change to the lives of working horses, donkeys and mules and to the owners who depend on their hard labour for their own livelihoods. Together, we are making their vital and often unrecognised contribution – visible and valued to communities, government and global institutions.

Because our approach works, it's spreading from owner to owner, village to village, country to country – a ripple effect that is felt around the world. Thank you for all your support and for joining us on this life-changing journey.

Petra Ingram
International Chief Executive

THE CHALLENGE

Right now, an estimated 100 million working equines worldwide are transporting goods to market, working in the construction, agriculture and waste management industries, and operating as taxis. Our research shows that although they are often families' only source of income, it's common for them to endure poor welfare because of problems which are often preventable.

They are often abused, neglected and forced to toil in unimaginably difficult conditions. To make matters worse, their capacity to support the communities dependant on them is severely undermined because working horses, donkeys and mules are overlooked and "invisible".

When an animal is sick or dies, people lose a vital asset, plunging them deeper into poverty. Brooke's work has expanded considerably over the past five years. Currently we are reaching only around 2% of the animals who need us – so our focus is to increase reach and deliver greater value to the animals and their owners through a sustainable approach.

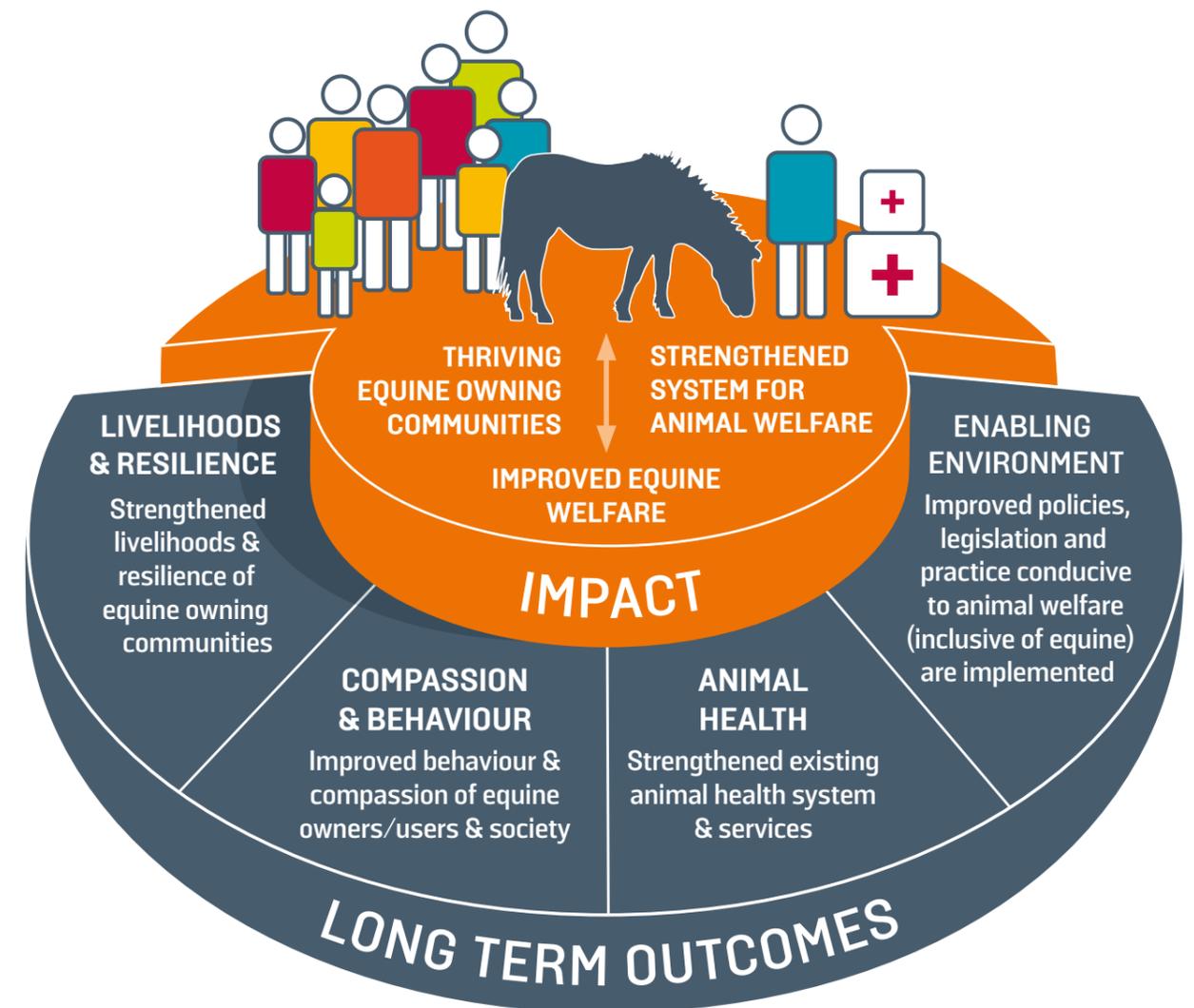
OUR MISSION

TO TRANSFORM THE LIVES OF VULNERABLE WORKING HORSES, DONKEYS AND MULES AROUND THE WORLD. WE RELIEVE THEIR IMMEDIATE SUFFERING AND CREATE LASTING CHANGE BY WORKING WITH PEOPLE, COMMUNITIES AND ORGANISATIONS.

OUR VISION

A WORLD IN WHICH WORKING HORSES, DONKEYS AND MULES ARE FREE FROM SUFFERING.

OUR THEORY OF CHANGE

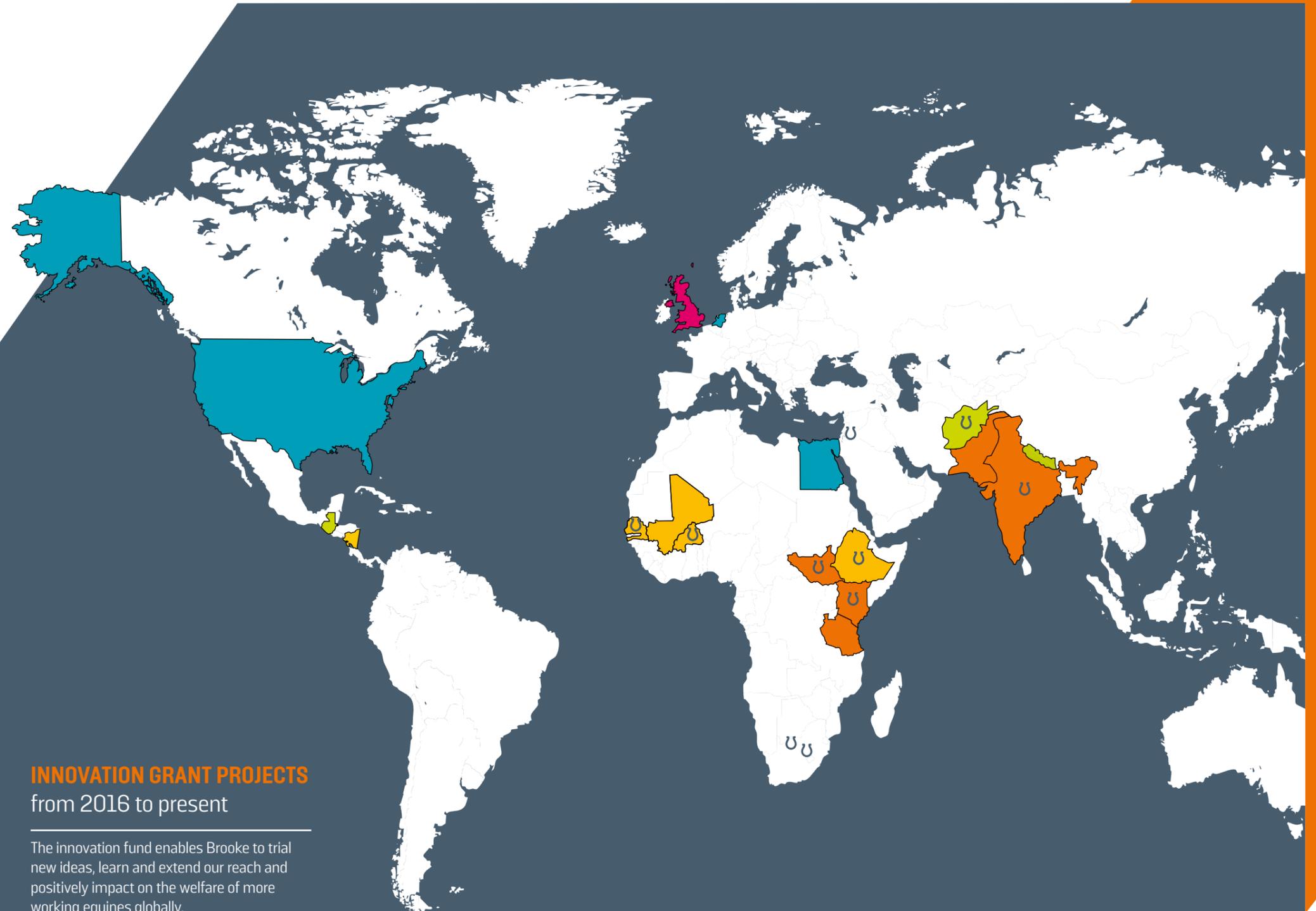


Sustainable improvements to equine welfare depend on recognising the complex relationship between working horses, donkeys and mules, the communities who own them and the wider system they coexist in. Brooke believes change to human behaviour needs to happen at all levels, in order to transform the lives of equines and the communities that rely on them.

If an equine-owning community is equipped with the knowledge, skills, resources and agency to realise its rights, build resilience and support its households, it will thrive. When improved healthcare systems are coupled with an increased demand for quality services, and laws that ensure they're put into practice, we build a strong animal welfare system. Only when these conditions are fulfilled will the needs of both people and animals be adequately met.

WHERE WE WORK

Brooke is a global organisation, with established branches, affiliates and sister organisations in ten countries and regions. We work extensively beyond the borders of our key countries, through partnerships and projects.



HQ
UK

AFFILIATES

Brooke East Africa
Brooke India
Brooke Pakistan

BRANCHES

Brooke Ethiopia
Brooke West Africa
Brooke Central America

SISTER ORGANISATIONS

Brooke Hospital for Animals Egypt
Brooke Hospital for Animals Netherlands
Brooke USA

CONTRACT PARTNERS

DCA – Afghanistan
(Dutch Committee for Afghanistan)
Afghanaid – Afghanistan
ESAP – Guatemala
(Equinos Sanos para el Pueblo)
AHTCS – Nepal
(Animal Health Training and Consultancy Service)

INNOVATION GRANT PROJECTS from 2016 to present

The innovation fund enables Brooke to trial new ideas, learn and extend our reach and positively impact on the welfare of more working equines globally.



Afghanistan	Lesotho
Burkina Faso	Palestine
Ethiopia	Senegal
India	South Africa
Kenya	South Sudan

OUR VALUES GUIDE OUR WORK WORLDWIDE
WE ARE PROUD TO BE BROOKE. WE ARE
RESOURCEFUL, SHARE NEW IDEAS AND HELP
EACH OTHER SUCCEED. TOGETHER WE MAKE
CHANGE HAPPEN.

HIGHLIGHTS OF THE YEAR

1,679,612

working horses, donkeys and mules directly worked with

1,094,857

equine owners directly worked with

7,000

brick kilns worked in

3,900

animal health providers mentored

8,500

communities worked with

62

community fundraising groups

98%

of Brooke supporters are either satisfied or very satisfied with their experience as a Brooke supporter

90,232

Brooke Supporters

12,900

NEW Brooke supporters

453

pieces of media coverage

4

peer reviewed papers published

5

research presentations delivered



INDIA

- 877 engagements to ensure medical supply shops stock equine medicines
- 749 joint meetings held between Equine Welfare Groups

NEPAL

- South Asia Regional Workshop held on environment, child and bonded labour and animal welfare in brick kilns

PAKISTAN

- 515 brick kilns worked in reaching 9,000 equine animals
- 702,657 equine animals benefit from inclusion in livestock policy in Khyber Pakhtunkhwa province

AFGHANISTAN

- 10,135 new equine owners worked with
- New partnership with Afghanaid launched

GUATEMALA

- 24,000 livestock animals and 1,590 families supported via emergency response to the Fuego volcano eruption

NICARAGUA

- Role of working equines in climate change agenda promoted to Central American Parliament

SENEGAL

- 13 farriers training sessions delivered
- £860 is the average value equivalent of paid and unpaid work carried out by equine animals each year

EGYPT

- 200 brick kilns worked in

KENYA

- 9,345 members of National Network on Donkey Owners supported to tackle the donkey hide trade
- 8 inter-school donkey care clubs held

ETHIOPIA

- 268 Community animators trained
- New equine welfare service and training centre opened in Oromia region

A Masai woman with a young donkey in the Turkana region of Kenya.

HOW DID WE DO?

BROOKE IS COMMITTED TO DELIVERING ITS 2016-21 STRATEGIC GOALS OF SUSTAINABLE IMPROVEMENT AND GLOBAL REACH

PROGRESS TOWARDS OUR OVERARCHING GOALS

Sustainable improvement

Our first goal is to create sustainable change. By replacing free services that can foster dependency with a more holistic approach, we aim to deliver lasting welfare improvements for equines, and the communities that depend on them. We do this by encouraging compassion and changing behaviour. At the same time, we work to strengthen health systems and change policies locally, nationally and globally.

In 2018/19, we commissioned several independent evaluations of our work. One¹ assessment of Brooke India projects showed evidence of sustainable outcomes included improved husbandry practices; increased demand for local health providers and farriers; establishment of women's welfare groups and one-stop centres, connecting owners with service providers.

In Pakistan, Brooke has been improving the welfare of many more animals than we could help directly by training and mentoring local vets, paravets and farriers. Our work covers 500 brick kilns, allowing us to reach more than 9,000 equines. An evaluation in 2019 found that first aid kits and equine facilities were well maintained, observing owners' willingness to pay for service as "one good indication of the sustainability of this aspect of Brooke Pakistan's approach". It goes on to describe this as "encouraging", given that free treatment had been discontinued, and adds that "equine welfare has improved substantially over the past 18 months".

Brooke is demonstrably improving sustainability and we are confident that over time, our multi-dimensional approach will lead to lasting change for working equines worldwide.

Global reach

Our second goal is to reach more working horses, donkeys and mules via our branches, affiliates and independent partner organisations (see the table below) and through collaborations with a further 50 local or regional partners.

We work with communities over a number of years, according to need. In 2017/18² we reached more countries than previously. This year, we expanded further, delivering direct impact to more than 1.5 million working equines. Working in approximately 8,500 communities we influenced the behaviour of over one million owners, benefitting many more equines as a result. We are also improving skills and benefiting animals by mentoring 3,900 animal service providers in the communities where we work and beyond.

¹ www.thebrooke.org/sites/default/files/Downloads/Executive-summary-Brooke-india-evaluation.pdf

² Reach is defined as estimated number of equines belonging to owners and users participating in structured, regular community engagement activities that include a follow-up system directly organised or sponsored by Brooke.





ANNUAL FIGURES

Raising awareness of Brooke among remote communities in Afghanistan

2018/19

Entity	Reach/animals	Owners	Animal service providers ³	No. Communities ⁴	No. Brick kilns
Branches & Affiliates					
Central America (B)	-	-	-	-	-
Ethiopia (B)	449,681	360,157	329	330	-
West Africa (B)	61,329	40,886	173	437	-
East Africa (A) ⁵	401,800	173,400	388	20	-
India (A)	414,833	241,842	2,500	6,564	7,602
Pakistan (A)	79,045	70,168	267	485	515
Partners					
AHTCS (Nepal)	3,437	1,375	28	19	45
DCA (Afghanistan)	82,825	25,271	439	697	321
ESAP (Guatemala)	588	413	23	20	-
BHA-Egypt	186,074	181,342	90	191	200
TOTAL	1,679,612	1,094,857	4,237	8,763	8,683

³ This includes farriers, so the number of animal health service providers is 3,900 (vets and paravets).

⁴ Communities are defined by the country office and their definition does vary per local context – the definition has changed in Afghanistan, which is more in line with the other countries, hence the reduction from 2017/18.

⁵ East Africa has estimated number of equines reached for the four-year period.

The importance of partnerships

Supporting our strategic goal of global reach, working in partnership promotes the inclusion of equines in a wider range of development interventions, where they might otherwise be ignored.

Modelling good practice in international development, Brooke is forging more and deeper strategic partnerships. In 2017, Brooke invited other equine welfare charities to form the International Coalition for Working Equids (ICWE). Enabling our ambitions in global animal health, the coalition's main aim is to support the implementation of OIE standards for working equid welfare throughout its 182 member countries. This year, we handed over the chair to World Horse Welfare. We have committed to running further implementation workshops, as part of the coalition.

The significant new partnership commencing this year include working with Afghanaid and Eclasio Senegal. With Afghanaid we aim to integrate working equine welfare into an existing livelihoods project in Daykundi province.

The aim is to improve the health and productivity of livestock owned by 4,000 farmers by 2022. Working with Eclasio will raise awareness in 8,000 Senegalese households of the importance of equine welfare in social, economic and environmental issues. Recognising that sustainable changes for equine welfare go hand-in-hand with economic security, we are also working to enable these households to make sustainable improvements to their livelihoods through innovative pilot projects.

We continue to increase the visibility of South Asia's brick kiln industry via our existing lead role in the consortium of international NGOs collectively advocating for human, environmental and animal issues within the extensive brick kiln industry.

Academic and innovation partnerships have helped us to pioneer new ways of working. Examples range from the Mentor in my Pocket app, developed with Strathclyde University, which supports our Animal Health Mentoring Framework (see page 17) and Innades, a partnership supporting women in Burkino Faso to improve their market gardens, boosting both animal nutrition and livelihoods.

PROGRESS ON OUR 2018/19 PRIORITIES

In 2018/19, following two transformative years when we developed our new Theory of Change, Brooke identified five priorities:

- 1/ Deliver high quality programmes
- 2/ Increase our external visibility on working equids and One Welfare⁶
- 3/ Increase and future-proof our income
- 4/ Improve governance and compliance, particularly for GDPR
- 5/ Achieve cohesion as a strategically aligned global team

1 / HIGH QUALITY PROGRAMMES

ANIMAL HEALTH SYSTEMS

In the belief that for services to be sustainable they should be locally owned and managed, most of Brooke's work shifted away from free treatment several years ago. To meet our sustainability criteria, services must also be affordable, accessible, available, acceptable and of good quality. This concept guides our animal health work and is relevant to other animal health and welfare service providers too.

Sustainable drug funds

Often, animal health workers do not have access to good quality drugs and vaccines. Sustainable drug funds allow members to treat local animals with safe and affordable drugs, purchased from wholesalers and distributed by a lead vet. We have supported these funds in Ethiopia and Senegal, where they have been transformational, as equine owner Wakeyo Guye from Siraro Woreda, Ethiopia observes:

"The equines used to suffer a lot and died from minor and treatable diseases... Animal health practitioners now have the necessary medicines and treatments to give to the animals. The time spent in finding the drugs for our animals and the money we used to spend has minimised".

Animal health worker Habib Hadeto identifies other benefits:

"We have started to get equine specific drugs... It has also initiated the community to avoid traditional practices and seek for the service".

In Senegal, Dr Diop, a vet for Brooke partner UGAN in Sokone, has observed a huge difference in animal welfare since he set up the sustainable drug fund;

"Brooke has been able to help paravets work together, and the fund ensures access to quality drugs, meaning paravets can give better care to the animals".

⁶ www.onewelfareworld.org/



Brooke's Animal Health Mentoring Framework is increasingly recognised as a gold standard in veterinary training.

Animal Health Mentoring Framework

Our Animal Health Mentoring Framework, which supports the provision of a high quality, professional animal healthcare service, was scaled up this year to cover all Brooke programmes throughout India and Pakistan.

Gaps in training, support or resources may make it difficult for vets and paravets to deal with the challenges of their daily practice. Brooke's unique Animal Health Mentoring Framework supports the continuous professional development of animal health practitioners (AHPs) and can be applied in any location and to any livestock species. Based on Brooke's Veterinary Competence Framework, it is increasingly recognised as a gold standard in veterinary training.

The Animal Health Mentoring Framework also allows collection of data to assess progression in competence of animal health providers (AHP). Overall, we are seeing an increase in competence of AHPs in both countries, and a significant increase in the competence of practitioners providing services in the challenging work environments of brick kilns.

Key findings this year include:

- Throughout Brooke India programmes the percentage of Good and Outstanding AHPs increased from 31% to 45%
- In Brooke India's Migratory Brick Kiln programme the percentage of Good and Outstanding AHPs increased from 27% to 66%, and percentage of Outstanding increased from 0% to 21%
- Throughout Brooke Pakistan programmes the percentage of Good and Outstanding AHPs increased from 2% to 25%
- In Brooke Pakistan's workplace communities e.g. fairs and markets, the percentage of Good and Outstanding AHPs increased from 0% to 36%

OVER
3,900

The number of animal health providers Brooke currently mentors in their day-to-day practice.



Fatou, a rare female farrier, trained by Brooke in Senegal

Farriery

The competence of farriers has also progressed significantly this year, reducing the suffering caused by hoof problems. We recruited a practising farrier to develop our global Farriery Mentoring Framework and create training resources.

Training farriers is an important element of our holistic approach. In Senegal, where there is no farriery school or professional farriery sector, Brooke West Africa worked with World Horse Welfare and the Ministry of Livestock to deliver an intensive nine-week farriery course.

A follow-up programme will ensure that the services of newly trained farriers meet the minimum quality standards. By passing on their expertise, certified practitioners will help to build a farriery sector in Senegal, promoting economic development.

Female farrier Fatou Torre highlights what her occupation means to her:

"Now I can lift the foot of a horse, and work properly without any help, especially when it comes to shoeing... What really gives me contentment is the horses from my neighbourhood that are brought to my house for trimming and the owners go back satisfied".

£5.5m

The total spend on animal health. Referred to in our accounts as "direct intervention".



A farrier trained by Brooke India

Working with school children is fundamental to creating compassionate attitudes towards animals.

BEHAVIOUR CHANGE AND COMPASSION

INTRODUCTION

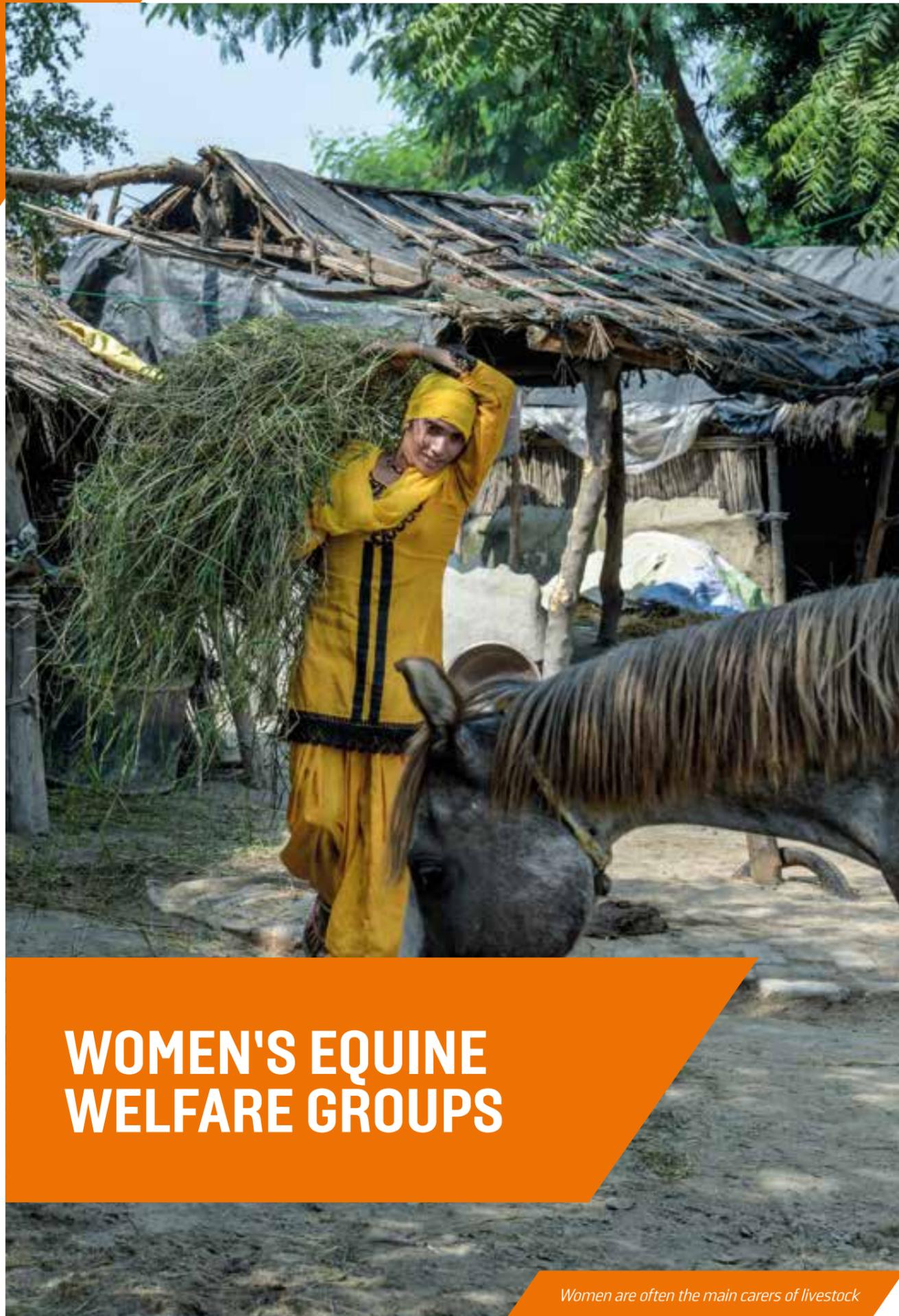
Our work with communities to unlock their compassion for animals lies at the heart of all we do. As the decision-makers and carers for their animals, owners and their families make the biggest long-term difference to their health and wellbeing.

We understand the drivers for behaviour change and work at all levels to spark those changes. This includes sharing equine knowledge and skills (building capability), encouraging a change in attitudes, beliefs, and habits (increasing motivation) and improving resources (increasing opportunity).

A core aspect of our work across 8,500 communities globally, is to train "change agents" to champion good equine welfare, from wound management to grooming and harnessing. A collective action approach is also illustrated by our work with over 6,000 communities in India, where we have established a sustainable network of equine welfare groups, associations and animal resource centres, which expand the economic and social opportunities available to their members.

Examples include, group savings through collective bargaining to drive down costs and accessing loans or government schemes enabling owners to better care for themselves and their animals.





WOMEN'S EQUINE WELFARE GROUPS

Women are often the main carers of livestock

WOMEN'S EQUINE WELFARE GROUPS

Equine welfare groups (EWG) are most effective when we bring together women – the invisible caregivers to animals. Our research⁸ shows working horses, donkeys and mules are valuable to women; they reduce daily chores and provide vital family income. These benefits are compromised by poor animal welfare. Improving women's animal caregiving skills can reduce fatigue, disease, hoof problems and improve body condition.

Our work with women's equine welfare groups⁹ in India is set to benefit around 12,000 female owners and improve the welfare of about 30,000 working horses, donkeys and mules by 2021. The groups not only improve equine wellbeing by increasing welfare skills; they also help women to access training and financial resources – through groups savings and loans – boost confidence and broaden opportunities to raise income through government grants to set up small businesses. For example, this year Brooke India established linkage between 379 women's EWGs, totalling 3,376 members, with the Government's National Rural Livelihood Mission. Increasing women's skills and earning potential benefits the wider family, as research shows that women invest significantly more towards family healthcare, education and quality of life, contributing towards the thriving communities necessary for sustainable improvement in equine welfare.

The secretary of women's Association of Equine Welfare Groups in Lucknow told us, "Apart from monthly contribution from members our EWG, we have multiple sources of income, including annual contributions from 13 women EWGs, 5% of income from farrier and hair clipper, interest income from loan to members. We are planning to start a new business on toy making and bangle making to further increase the income".

CASE STUDIES

How women's equine welfare groups help

Bhagwan Dev, whose husband works in a brick kiln supported by Brooke, is a long-standing member of the Ujala equine welfare association in India. The women boost their income by making decorative head collars and hoof picks to sell locally and recently set up a village shop. Brooke has supported the women to set up a savings account, which members can borrow from at low interest rates. To date, the 10 members have saved the equivalent of £1,500 and earned £500 in interest

"There are so many benefits to having an account," says Bhagwan, "We have even used the money to buy a community member a new horse and cart. Before if someone's horse died, they would have to borrow money from private money lenders, but now we don't have to depend upon them".

Since attending Brooke training sessions, Bhagwan knows how to identify and treat colic, glanders and tetanus and now hosts the village's community engagement sessions, formerly run by Brooke, where she passes on her knowledge:

"It is my duty to help people who cannot diagnose their equine's diseases and I can show them how to use the first aid kit to treat their animal... Before Brooke we were using harmful practices, like putting blue dye or engine oil on our horse's wounds. But now every group has a first aid kit. We were unaware of equine illnesses, but now we can notice symptoms and tell the difference between diseases. Also, before Brooke no one knew about tetanus and our animals died, but now we make sure all our animals are vaccinated".

⁸ www.thebrooke.org/sites/default/files/Advocacy-and-policy/Invisible-helpers-voices-from-women.pdf

⁹ Around 1,582 in 2018/19

Brooke has also helped the group to get government support to set up small businesses:

"Before Brooke, we only worked in our homes but now we can go anywhere and speak to anyone and we are confident that we can convey our problems to them... Before Brooke, people were often unemployed because their animals were suffering from disease. But now their animals are healthy, they can work and earn good money for their families... we have money in our hands for the first time and we are not dependent on others. We have the freedom to use the money however we want to help our community. Now we can improve our standard of living".

Bhagwan says that the group members support each other and set a good example to other groups. Her membership has helped her appreciate the value of her animals, that her husband depends on to work in the brick kiln and that they also hire out to take local children to school:

"For me my animals are like my God, because my horses are the main source of my money and with the money I buy food for my family".

Brooke-supported women's groups in East Africa have also achieved great success.

In Mwingi, in the Kitale area of Kenya, 16 donkey-owning groups with a membership of around 500 were supported by our local partner to set up an affordable fund. This generated the equivalent of around £7,500 to meet household needs and provide better care for the community's donkeys. They also organise regular donkey welfare clinics where animals are checked and treated by local service providers. The groups have raised the social status and influence of women considerably. They are not only appreciated more for their contribution to their communities, but also have greater power to buy and own land and other assets.

A young mother from the Kamara women's group, supported by a Brooke partner in Kenya, is benefiting from a business idea for welfare friendly equine products. When Monicah bought a donkey to earn money to support her baby she noticed how animals were suffering from tethering wounds. She now earns an income making comfortable ropes from locally available materials.



Women around the world rely on working livestock to support their households. Lucy, who participated in Brooke's Household Economy Analysis told us "My child eats, dresses and lives off income from my donkey".

COMPASSIONATE HANDLING

Encouraging compassion has been a key area of work this year. Humane handling fosters better welfare, as our global humane handling project demonstrates. It has been particularly successful in Guatemala, where we work with local partner ESAP, who supported communities to improve handling practices with 50 animals, including 26 foals, in 15 communities. Following initial training and rehabilitation, findings are being compiled in a manual to help inform future projects.

Cuervo, a horse in the community of Agujitas in Jalapa, Guatemala, had lived in the wild until he was bought and subjected to terrible abuse. As was a common traditional practice, Cuervo was tied to a tree and starved in an attempt to tame him for work. ESAP persuaded the owners to allow them to work with them and Cuervo, to demonstrate that humane handling methods could be more effective. After two and a half months, through careful rehabilitation, the horse could be touched and haltered. The owner could approach and walk with Cuervo and he was learning to become familiar with other animals.

Meanwhile, across Central America, Brooke has started to research the links between violence against equines and violence against women in macho cultures, with a view to reducing it.



COMPASSIONATE HANDLING FOR LIFE

Developing compassion in young people

Working with school children is fundamental to creating more compassionate attitudes towards animals. As well as changing the way they care for animals, children can also influence their parents. This is an important feature of our work in East Africa where, in collaboration with the Ministry of Education, we aim to improve the attitude of 700 children to their donkeys by 2021.

In 2018/19 we delivered two key projects.

- A new animal welfare category in Kenya's national music festivals was introduced and sponsored by Brooke, with the theme "all citizens to embrace a culture of care towards animals, especially donkeys". This provided Brooke East Africa with a rare opportunity to reach schools nationally and meet the country's president to discuss donkey welfare and slaughter during the award ceremony.
- Brooke developed an entertaining educational TV show for children – airing in 2019 – designed to promote social and behavioural changes in children across East Africa.¹⁰

£7.5m

The total spend on behaviour change and compassion. Referred to in our accounts as "prevention of welfare problems".

¹⁰ Link to the production: https://drive.google.com/a/ubongo.org/file/d/1IISF_VVhGAngpAEg6znm-DQT9rLuWEem/view?usp=drive_web

INFLUENCING FOR IMPROVED ANIMAL WELFARE

INTRODUCTION

Welfare-friendly laws and policies need to be introduced and implemented at global, regional, national and local levels to achieve a sustainable improvement in equine welfare.

A key component of our work is making sure equines are taken into account in relevant existing policies and recognised within the Sustainable Development Goal indicators in the longer term. Brooke's widespread presence means we are well placed to advise on the implementation of policies and our work in the past year should be viewed in this context. For example, since the inclusion of horses, donkeys and mules in policies, animal owners in India are now being compensated for the death or injury of their animals, helping to safeguard their income.



Key achievements globally, regionally and nationally

To support our aim to influence UN processes and ensure the recognition of working livestock as a sustainable development issue, we launched Invisible Livestock in February. This policy brief describes how working livestock contribute in the context of the Sustainable Development Goals and is being shared globally and nationally, to help ensure that working equines feature in policy.

As part of our Specialised Consultative Status with the UN's Food and Agriculture Organisation, our CEO, Petra Ingram, delivered a Meet our Partners webinar to a highly engaged audience from the organisation in November 2018. This generated extensive contacts for collaboration, and we continue to engage the organisation with our advocacy plans and activities.

In Pakistan, the cabinet for Khyber Pakhtunkhwa province approved a livestock policy which includes equines, which will benefit 702,657 equines in the province.

In India all states are now active in the identification and action on glanders. Brooke India's equine expertise is used by the Central and State Government in various advisory/working groups for equine related issues. Due to action taken by Brooke India in advocating for increased compensation, glanders cases are no longer being hidden by owners.

Our Nepalese partners Animal Health Training and Consultancy Service (AHTCS) influenced the 10th General Assembly of Federation of Nepal Brick Industries to adopt their animal welfare directives. This created a major opportunity to promote equine welfare, as the directives make them morally bound to make positive changes to the kilns' infrastructure and environment.

Donkey hide trade

The donkey hide trade – a critical focus for Brooke – is reaching crisis point. Unsustainable demand and legal and illegal cross-border trade is decimating donkey populations, particularly in East Africa. In West Africa the cross-border transportation of animals in appalling conditions has probably contributed to the equine influenza outbreak, causing the deaths of thousands more donkeys.

A key objective is to ensure the issue is on the radar of international influencers. In November, our CEO Petra Ingram and other representatives from our advocacy and animal welfare teams attended the Animal Welfare Intergroup (the European Parliament body dedicated to animal protection and conservation) in Strasbourg. Brooke was able to provide critical information about the trade to MEPs with the power to change EU policy and to influence their counterparts around the world. A follow-up is expected in late 2019.

In 2018/19 we also engaged with the UN's Food and Agriculture Organisation, as already mentioned particularly in West Africa, issued a statement at the OIE, and began preparing for a discussion at the General Assembly later in 2019. We spoke about the issue at the Commonwealth Veterinary Conference and distributed a questionnaire at the African Union Inter-African Bureau for Animal Resources.

Sharing intelligence and research through the Donkey Network – a coalition of animal welfare and academic organisations – is also fostering our understanding of the global trade, with a view to tackling its impact in the long term, as is our work with the International Coalition for Working Equids (ICWE), which we established in 2017.

At a local level, we are strengthening the capacity of communities to take care of their animals. In East Africa, we supported competitions to protect donkeys and worked with communities to build low-cost shelters. We have also strengthened the capacity of partners in the Alliance of Donkey Welfare Organisations to lobby against illegal slaughter and theft. Meanwhile, increased collaborations between Brooke East Africa's partners and other development and conservation organisations are engaging governments on the donkey hide trade and raising awareness in the mainstream media.



Working with Brooke partner ESAP, the National Coordination for Disaster Reduction protocols included animals for the first time

Disaster Management Plans – helping communities adapt to climate shocks

Central America is highly vulnerable to climatic shocks. Brooke Central America has been seeking the inclusion of working equines into the climate change agenda, highlighting their contribution to livelihoods and their importance for "resilient" communities. The Brooke team based in Nicaragua were invited by the Central American Parliament and United Nations Development Programme to speak at a Forum held in Guatemala to prepare for the United Nations Climate Change Conference in December 2018.

Brooke Central America was also accepted as a member of the civil society climate change alliance, comprising local and international NGOs working on national and international advocacy. Through this alliance, Brooke has succeeded in ensuring working equines are more visible and starting to be included on a broader platform of climate change advocacy.

The work Brooke Central America has been doing with the Nicaraguan government to include livestock in the emergency risk reduction and disaster response planning has caught the attention of CEPREDENAC

the specialized institution of the Central American Integration System for natural disaster prevention, mitigation and response. The Governments of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama are all active members, so the Brooke team has been discussing with CEPREDENAC how our current work can leverage change across the entire region.

Another important step for the region is in Guatemala. Following a year of extensive influencing work by Brooke's partner ESAP, the National Coordination for Disaster Reduction of Guatemala officially launched an agreed protocol for the care of animals in disasters in March 2019. As it is uncommon for equines to be included in national disaster response plans, this is a historic moment for animals, which highlights the impact of long-term advocacy. ESAP has also been accepted as part of the country's humanitarian team. The unprecedented decision to include an animal welfare organisation is a true testament to our partner's vision and achievements.

Brick kilns

To go beyond the 8,500 brick kiln Brooke currently works in, this year we reignited a strong partnership with human and environmental NGOs to influence improvements in South Asia's brick kilns. Together with the International Labour Organisation, SAIEVAC and Donkey Sanctuary, we convened a multi-disciplinary group to address the interdependent issues of working animal welfare, child and bonded labour, and the environmental impacts of the largely unregulated brick kiln industry. This shared agenda enables more stakeholders to benefit and has attracted more organisations including the Brick Kiln Federations and Owners Associations, International Union for the Conservation of Nature, WWF and Action Aid to develop collective policy asks and build momentum for realistic change.

We are now using the report to create a roadmap for action. This includes working with the Donkey Sanctuary to co-fund a coordinator, based in Nepal. The scale and the complexity of the issues need dedicated focus and will bolster our current efforts to ensure that those with the power to change conditions are being jointly approached with small step solutions.



£1.8m

The total spend on influencing for improved animal welfare.



Waste collection donkeys in Karachi, Pakistan.

Research

We commission research to continually improve our expertise and understanding of key issues. Our findings, such as those detailed below, inform field work, advocacy and communications.

Brooke Pakistan launched a waste management policy brief at an event in April, attended by government ministries, international NGOs and members of the public. Brooke will continue to push for new laws ensuring OIE standards for working equids, better health and safety training for waste collectors and improved access to clean water, health, sanitation and education for all involved. The research behind the brief, carried out in a neighbourhood of Karachi, found that waste collection was the primary source of income for 89% of donkey owners interviewed. The majority (83%) said that if their donkey died, they would have to buy another or face starvation.

In Senegal, a report focusing on raising the visibility and economic value of working equids was published. The launch was supported by the President and the Minister of Livestock. In East Africa, our research focussed on the impacts of the donkey hide trade on people and animals. A substantial multi-year research project into the debilitating disease Epizootic Lymphangitis, SPANA and Wellcome Trust, has started in Ethiopia.

As we move into 2019/20, we are developing a strategic evidence agenda to guide the direction of evidence across the organisation to inform our impact, decision-making, visibility and fundraising ambitions.

2 / INCREASE OUR EXTERNAL VISIBILITY ON WORKING EQUINES AND ONE WELFARE

Our second priority for 2018/19 was to increase awareness of the role of working equines in developing countries amongst our target professional audiences – in particular the international development community.

We launched our improved, peer-reviewed Theory of Change across a range of digital channels and at events globally, with an emphasis on the international development approaches we have adopted. The first strand of our strategic communications – positioning the welfare of working horses, donkeys and mules as a valuable aspect of sustainable development – was introduced from this perspective.

Invisible Livestock, our policy brief highlighting the contribution of working equine animals to the Sustainable Development Goals, was launched on social media, prompting a lively debate from stakeholders worldwide.

We developed a virtual reality film featuring a family with a horse, living and working in a Pakistan brick kiln. This allowed interested parties at every level to immerse themselves in a working environment that would otherwise be impossible to imagine. As well as using it at many supporter events, we engaged international development audiences at the BOND conference, Commonwealth Veterinary Association Conference in India and at the OIE General Assembly, attended by chief veterinary officers from around the world.

We invested further in communications by recruiting a new global communications manager, to drive forward our engagement with stakeholders from animal health and welfare and international development. As part of ICWE we have continued to ensure there is focus on equine welfare and the capacity to deliver it, as we lead the way in ensuring that OIE standards for working equid welfare are implemented.

Overall, we achieved record-breaking awareness of the issues we work to address this year. 41% of the UK public confirmed that they were aware of welfare problems for working horses, ponies and donkeys overseas; and 36% reported considerable concern about the welfare of these working animals (Charity Awareness Monitor, March 2019).

Championing One Welfare, Brooke co-hosted a workshop in Nepal to tackle human and animal welfare, and environmental issues in South Asia's brick kilns. Representatives from South Asia Initiative to End Violence against Children, Action Aid Nepal, The Global Fairness Initiative, the International Centre for Integrated Mountain Development (ICIMOD), Animal Nepal, International Labour Organisation Nepal, Action Aid, WWF Pakistan and IUCN Pakistan, as well as our own partner in Nepal, AHTCS, attended. Most importantly, the Brick Kiln Owner Federations of India, Pakistan and Nepal came and shared their commitment to work with the forum.

£0.5m

The total spend on research



Brooke is expanding its work in Afghanistan via a new partnership with AfghanAid.

3 / INCREASE AND FUTURE-PROOF OUR INCOME

Our third priority is to increase and future-proof our income. Our fundraising activities performed well within a challenging fundraising environment and changing public perceptions of charities. In total, we raised £20.8m with a cost to income ratio of 35%, against our target of £21.6m income and 32% cost to income ratio. Our cost to income ratio of 35% was 3 percentage points higher than our target as a result of receiving lower legacy income that was affected by a slowing down of the housing market.

Our Every Horse Remembered campaign ran throughout 2018 as part of the national World War One centenary commemorations. New fundraising offers to engage and donate were trialed throughout the campaign, including recruiting new donors via digital channels and social media, our inaugural Christmas Carol Service and our very popular MyHackathon participation event ran for its second year. At the end of Every Horse Remembered, 20% of the UK population stated that they had heard of the campaign, indicating its reach and memorability. Overall brand awareness is at an all-time high of 25% among the general public and 29% among our key audience. The greatest growth in awareness is among the 25 to 34 year old age bracket, and trust remains high at 68% (NFP Charity Awareness Monitor). All of which bode well for future income.

Our legacy activities to support a step change in the scale of recruitment of legacy pledgers all out-performed their target, as did our engagement and income from philanthropic supporters. Extensive mapping of the UK Trust landscape has been undertaken, identifying up to 74 Trusts to approach in future. Income from Brooke USA and Brooke Netherlands exceeded target and, as always we extend huge thanks to both our sister organisations. Our plans for in-country restricted fundraising also progressed with the appointment of a Project Development Manager in both Brooke East Africa and Brooke West Africa, and additional work at Brooke Pakistan.

Internally, as well as concluding a root and branch revision of our Gift Aid systems and processes, there are several other key projects underway to maximize our income and our ability to fundraise in future. Significant progress continues with our major Customer Relationship Management database project. During the course of this year we introduced data analysis and campaign automation tools, together with staff training and development with a view to greatly increasing our digital engagement with new and existing supporters next year. To ensure strategic alignment and accountability in our fundraising materials, we commissioned an extensive piece of work to map our programmatic work onto our theory of change and identify the themes in our work with most appeal to our existing fundraising audiences. This important piece of work will deliver a framework for all fundraising communications and provides the basis for testing the appeal of Brooke's work with our next generation of supporters.

4 / IMPROVE GOVERNANCE AND COMPLIANCE, PARTICULARLY FOR GDPR

Preparing for GDPR and our compliance with this new data protection regulation is our fourth priority. We took significant steps to ensure compliance was embedded in all relevant business processes, staff and trustees responsibilities and contracts with third party suppliers to meet the legislation which became effective on May 25th 2018. Further detail on this is included in the Fundraising and Data Standards section below. Maintaining on-going compliance remains a priority for everyone.

In addition we also carried out independent programme performance evaluations in Brooke India and Brooke Pakistan as well as an internal process evaluation in Brooke East Africa. These generated significant learning for the organisation and recommendations will be embedded in future plans. The India evaluation was published on our website and the other performance evaluations will be published following internal review.

We started work on our Code of Conduct which will complement the safeguarding policy and provide a framework within which all staff, trustees and partners will be expected to work. We have engaged branches and affiliates on improving international governance and an updated International Scheme of Delegation will be rolled out in 2019/20.

We strengthened our due diligence across UK managed partnerships including reporting for our new partners AfghanAid and Eclasio. We also carried out a governance assessment, improved our international governance approach and developed a new governance manual which will be rolled out in 2019/20.

We recruited six new trustees with diverse skills and experience who will join the board in 2019-20 when others retire at the end of their term. This will further strengthen the board and provide an excellent body of expertise to govern and steer the organisation in the future.

5 / ACHIEVE COHESION AS A STRATEGICALLY ALIGNED GLOBAL TEAM

A mid-term review of our strategy showed that we were achieving our objectives in the transformational phase of our five-year strategy, but that the final two years needed refocusing, to better align to our new Theory of Change. In order to deliver our fifth priority of achieving cohesion as a strategically aligned global team, we developed our ambitious, two-year Global Plan which provides a framework for focus and clear direction.

In addition to the Global Plan we introduced more collaborative cross organisational reviews and increased the focus on measuring results from our work on the ground. We also adapted our Monitoring, Evaluation, Accountability and Learning (MEAL) framework, to align to the Global Plan. This ensures primary focus on delivery of our mission by placing country results front and centre. These results – as well as income, compliance and other indicators have been included in an improved Board of Trustees dashboard. New tools to measure livelihoods and policy change are also in development, building on existing tools that measure animal welfare, owner behaviour and mentoring of animal health services. All monitoring data will be collected in our field data collection tool 'BrookeCheck'.

This year we introduced our first global staff survey. Results showed a high level of engagement (81% in the UK). There were some areas we can improve on so a series of facilitated sessions were run and action plans put in place, with a view to making improvements over the next two years.

We created a dedicated team to strengthen global leadership. The Global Leadership Team, which is made up of our International CEO and her Directors together with our Country and Regional Directors based in our programme countries, together will ensure we build collective responsibility, mutual accountability and cohesion to deliver greater impact. Team meetings will be held at least three times a year, with a particular focus on monitoring performance and maintaining a culture that prioritises issues such as safeguarding vulnerable people and embracing diversity and inclusion.

Our multi-functional global groups and communities of practice include our International Research Group, Global Health Exchange, Monitoring and Evaluation, Information and communication communities and an Animal Welfare Ethical Review Body (AWERB), continue to flourish, enabling greater sharing and mutual ownership, demonstrating our commitment to best practice throughout the organisation.

We also approved our gender equality policy, which we will start to put into practice in 2019/20, following sensitisation and a gender audit using international standards.

LOOKING AHEAD



OUR 2019/21 GLOBAL PLAN

In 2018/19 we made good progress towards our goals of global reach and sustainable improvement, but challenges remain. Our Global Plan can be summarised as follows; the need to embed the holistic approach in our Theory of Change whilst tackling issues such as the donkey hide trade, which causes great suffering to animals and is devastating to the livelihoods of people living in poverty.

Our Global Plan also recognises how issues like drought, food insecurity and exploitative industries put additional pressure on equine-owning communities, causing further animal suffering. Our approach ensures we have the resilience to respond to ongoing global challenges and their impact on equines and communities.

By 2021, the results we aim to achieve are:

- strengthened livelihoods and increased resilience in equine-owning communities
- improved behaviour towards animals
- strengthened animal health services through external investment and greater competence of animal health practitioners and associated systems

These will be made possible through:

- greater visibility of and influence over working equine welfare - with specific issues advocated on
- the expansion and mobilisation of partnerships, to extend reach and increase sustainability
- the generation and sharing of evidence and insight to determine impact, inform decision-making, and support fundraising and awareness ambitions

Underpinning our plans, we need to ensure:

- we diversify and maintain current levels of giving, to future-proof our income
- our people are united in a common culture and embrace innovation and learning as part of a strategically-aligned and high-performing global team
- strategic investment in technology provides solutions to support the priorities of the global organisation
- we deliver our shared learning and shared communications agendas

We will also focus on:

- embedding our organisational approach to gender equality
- implementing a cross-organisational project management approach
- maintaining compliance, including safeguarding
- improving international governance





In the year to come, we will build on our existing work and plan to realise our goals in the following specific ways.

LIVELIHOODS AND RESILIENCE PROGRAMMES

A more strategic approach to boosting livelihoods will address the linked needs of working equines and the communities who depend on them – by diversifying owner income and improving access to loans, for example. At the same time, we plan to make sure resilience is taken into account in country plans, in line with government strategy, including specific measures to reduce the theft of donkeys (such as testing a pilot tracking system). A new livelihoods tool will be rolled out to assess this.

BEHAVIOUR CHANGE

Our behaviour change work will continue, particularly at community level, with a focus on youth and faith-based messages and a new global initiative to reduce harness-related wounds. This will be supported by research into best practice models for changing more challenging and ingrained belief systems, further roll-out of our Compassionate Handling project and the rollout of an improved Community Development for Animals facilitation toolkit to maximise community participation and ownership.

ANIMAL HEALTH SERVICES

We will strengthen and scale up our approach to animal health by continuing to support the implementation of the OIE standards for working equid welfare, working with governments to develop veterinary curricula and delivering the lessons we learned through our global farriery project, particularly in Senegal.

VISIBILITY AND INFLUENCE TO DRIVE POLICY CHANGE

We will continue to work to strengthen our visibility and influence globally and nationally. This supports our key priorities of promoting working livestock as a sustainable development issue, delivering improvements in South Asia's brick kilns and tackling the global challenge of the donkey hide trade.

PARTNERSHIPS

We will also see a deeper, broader and more strategic focus on partnerships, further embedding Afghanaid and exploring new partnerships.

EVIDENCE

We will introduce a strategic evidence agenda to focus on delivering insights and learnings that contribute to our visibility and influence on key issues.

FUTURE-PROOFING INCOME

To support the maintenance and diversification of income, we have prioritised our portfolio for 2019-21. We will invest in improving our digital offering and continue improving our CRM and related governance. We will implement the findings of our initial phase of work to align our fundraising communications with our new Theory of Change in order to secure our next generation of supporters

OUR STAFF

We will continue to increase staff engagement by developing the activities we put in place as a result of our first global staff survey. These initiatives include the next phase of management training; establishing a global reward policy; further strengthening our Global Leadership Team and developing a more strategic approach to individual and organisational learning. We aim to create the conditions in which all colleagues offer more of their capabilities and realise more of their potential.

COMPLIANCE

As well as maintaining compliance with GDPR and fundraising regulations, we will rollout our new code of conduct in 2019/20 to further strengthen our approach to safeguarding.

GENDER EQUALITY

2019/20 will see the implementation of our newly-approved gender equality policy. This will be supported by a gender audit to provide valuable insight into where Brooke is on our gender equality journey. The audit will cover all staff, our work on the ground and our supporting monitoring systems.

OUR FUNDRAISING AND DATA PROTECTION STANDARDS

We expect high standards and commitment from both staff and suppliers when it comes to protecting and respecting the privacy of all stakeholders.

This is motivated not just by our legal obligation to follow laws and regulation (such as the General Data Protection Regulation (GDPR), the Data Protection Act 2018 and Fundraising Regulator's Code of Practice), but also because we believe that protecting our supporters and those we work with is the right thing to do. We are delighted to report that the percentage of supporters expressing they are satisfied (34%) or very satisfied (64%) with their experience with Brooke is 98% overall.

We have committed to ensuring that personal data is processed according to fundraising standards and that staff, trustees and volunteers are trained accordingly. We also conduct monitoring and mystery shopping of our third parties, to support our fundraising efforts. We have ensured that we have current agreements in writing with fundraising suppliers and specific agreements in place with Professional Fundraising agencies we work with to ensure we have the ability to train, monitor and audit as required. We have also ensured that due diligence is carried out for of our Corporate Participants and that we have agreements in place defining the proportion of the price of goods and services that will be donated to Brooke alongside other legal requirements according to the Charities Act.

In all fundraising work carried out by Brooke and its third parties we have committed to ensuring that we have systems in place to protect the public from unreasonable intrusion on privacy, unreasonably persistent fundraising approaches or undue pressure to give; and have ensured that we have systems in place (and in contracts and service level agreements) to protect people in potentially vulnerable circumstances. We continue to ask agencies to inform us if they are unsure or believe a supporter is potentially vulnerable and our Supporter Care Team contact the individual to ensure that any decision made was done so of their own volition and without coercion. We work with agencies and suppliers to provide ongoing training, development of fundraising materials and scripts, monitoring/call listening and regular review meetings.

All our fundraising activities were documented to ensure that the correct legal bases and systems are in place to process supporter data. Data process maps have been created, to demonstrate compliant processing of data and support staff in their data protection and accountability responsibilities.

We sent over 12,500 emails and 34,300 letters to supporters, and telephoned just over 3,300, to check they were happy to still be contacted by phone and email. We decided to only contact our supporters by phone for marketing and fundraising purposes, if they agreed to hear from us in this way.

Over 90,000 Brooke supporters received letters updating them on key changes to our privacy statement and policies and practices regarding personal data, the information we collect, our legal bases for its use, what personal data may be used for, how it will be stored, and their rights regarding this information. Our aim was to remind supporters of their data protection rights and how they can be exercised, whilst reassuring them that their data is secure and their privacy respected.

We highlighted how data is collected through social media, Facebook Donate and Brooke websites. We explained how we use data to tailor the content and frequency of supporter communications, the concept of legitimate interest and the use of consent, in marketing and fundraising phone calls. Our correspondence also defined "special categories of personal data" under GDPR ("sensitive data") and how we would ask for consent to process such data on the rare occasions we capture it.

We received and actioned 35 requests to cease contact through the Fundraising Regulator's Fundraising Preference Service and ensured that similar requests received directly from supporters surrounding their personal data were actioned (such as data subject access requests relating to their right to have data deleted or amended).





OUR SUPPORTERS & OUR PEOPLE

Brooke relies on the generosity, goodwill and trust of our supporters, the public, and all the organisations and individuals we engage and work with. At the close of the financial year, we are proud to say that more than 84,000 people regularly support us. Thousands more give when they can, fundraise for us, or help to spread the word about our work. Our 62 volunteer fundraising groups go from strength to strength and play a huge part in raising much-needed funds and awareness of our cause, all over the UK.

Brooke also benefits from the support of many high-profile individuals, who have attended and spoken at events, backed campaigns and supported fundraising. Special thanks goes to our President HRH The Duchess of Cornwall for her ongoing support to the charity and involvement at several key events for us during the year.

We would also like to thank Charlotte Dujardin CBE, Alastair Stewart OBE, Hannah Russell, Alice Oppenheimer, Jan Leeming, Victoria Pendleton CBE, Dr Scott Miller, Jennifer Saunders, Clare Balding OBE, Pam St Clement, Deborah Meaden, Dr James Greenwood, Anthea Turner, Dr Pete Wedderburn, Jodie Prenger, Richard Waygood, Gemma Tattersall, Harry Meade and Claire Harker.

Businesses care about our cause too. The Pet Plan Charitable Trust donated another £25,000 this year towards the development of BrookeCheck, an app enabling us to collect data about our work.

Supporters throughout the UK and beyond joined events and donated to our Every Horse Remembered campaign. This special year also saw Brooke selected as the chosen charity for both the World Equestrian Games, held in the USA in September; and for Olympia, the London International Horse Show in December.

We would like to express our gratitude to the kind people who remembered Brooke in their Wills, ensuring their support for our cause continues. Ranging from £100 to more than £500,000, each gift is deeply appreciated. We are humbled by such faithful support. Brooke benefits from the support of many charitable trusts and foundations based in the UK and beyond.

These organisations provide grants valuing from hundreds of pounds, to hundreds of thousands of pounds; we are truly grateful to each and every one of them. Amongst them, is longstanding and key Brooke supporter The Alborada Trust, which in 2018/2019 provided their second year of funding towards a large scale project in Pakistan to improve the welfare of working equines in the brick kilns there. A mid-term evaluation of the project was carried out in early 2019, and indicated that the four year project is making good headway.

This year, a trust that has been supporting Brooke for almost two decades, The Sir Peter O'Sullivan Charitable Trust, chose to dedicate their funding to brick kilns in India. The Margaret Giffen Charitable Trust contributed to this work too, as did The Underwood Trust in 2018. Collectively this funding is enabling Brooke to make significant progress in the complex brick kiln context. In 2019 The Underwood Trust agreed a further grant, remaining focused on India, but restricting their funding to Brooke's work to address the animal welfare issues present in the Qalandar communities. The Elise Pilkington Charitable Trust chose to support Brooke's equine fair project in India, with a three year grant.

The Phoebe Wortley Talbot Charitable Trust chose to support Brooke's Global Animal Health and Welfare Exchange. The aim of this new programme of work is to create a global network of Brooke animal health advisors who provide consistent, high-quality veterinary, welfare and community expertise across our international programmes.

Finally, we want to thank our sister organisations Brooke USA and Brooke Netherlands, and the whole Brooke global family – more than 600 members of staff around the world who work with dedication and compassion. Supporters and staff alike, you all make us proud.

**TOGETHER WE ARE PROUD
TO BE BROOKE.**

FINANCIAL & ADMINISTRATIVE REPORT



TRUSTEES' ADMINISTRATIVE REPORT

The Trustees of Brooke present their Annual Report for the year ended 31 March 2019 under the Charities Act 2011 and the Companies Act 2006, including the Directors' Report and the Strategic Report under the 2006 Act, together with the audited financial statements for the year.

OBJECTIVES AND PRINCIPAL ACTIVITIES

The objectives, principal activities and future developments of the charity are described in the objectives and activities section of the trustees' annual and strategic report, starting on page 4.

ADMINISTRATIVE DETAILS OF BROOKE, OUR TRUSTEES AND ADVISERS

The Brooke Hospital for Animals is registered with the Charity Commission as a charity and with Companies House as a company limited by guarantee. The Brooke Hospital for Animals is governed by its Memorandum and Articles of Association.

COMPANY NUMBER NO: 04119581

**REGISTERED AS A CHARITY IN ENGLAND
AND WALES NO: 1085760**

REGISTERED OFFICE AND MAIN OPERATIONAL ADDRESS:

The Brooke Hospital for Animals,
2nd Floor, The Hallmark Building,
52-56 Leadenhall Street,
London, EC3A 2BJ

PRESIDENT

HRH The Duchess of Cornwall

HONORARY VICE PRESIDENTS

Dr David Jones MRCVS
Ms Ann Searight
Mr Denys Bennett

PATRONS

HRH Princess Alia bint Al Hussein of Jordan
Alastair Stewart OBE

AMBASSADORS

Charlotte Dujardin OBE
Mr Nigel Payne
Monty Roberts
Major Richard Waygood MBE
Jessica Mendoza

TRUSTEES

CHAIRMAN

Major General Sir Evelyn Webb-Carter
KVCO, OBE DL

HONORARY TREASURER

Mr Paul Elphick FCA (1,2)

Ms Sarah Arnold (3)
Dr Belinda Bennet (3)
Mr Richard Britten-Long (1)
Dr Graeme Cooke (3)
Mrs Jane Holderness-Roddam CBE, LVO
Mr Ian Kerr (1)
Professor Cheikh Ly
Mr John Edward Rege (3)
Dr Michael Seton (3)
Mr Anant Shah (2, 3)
Ms Gaynor Miller (1)

(1) Member of Finance Committee
(2) Member of Remuneration Committee
(3) Member of Governance Committee

SENIOR LEADERSHIP TEAM

Chief Executive Officer
Petra Ingram FCMA

Director of Strategy and Performance
Clare Twelvetrees

Director of International Programmes
Nigel Wilson

Director of Finance and Information Services
Shailesh Patel ACMA

Director of Fundraising and Communications
Jasvir Kaur

BANKERS

Barclays Bank PLC
50 Pall Mall London, SW1A 1QD

AUDITORS

Crowe U.K. LLP
St Bride's House
Salisbury Square
London, EC4Y 8EH

SOLICITORS

Bates, Wells & Braithwaite
Cheapside House
138 Cheapside
London, EC2V 6BB

INVESTMENT FUND MANAGERS

James Hambro & Partners LLP
Ryder Court
14 Ryder Street
London
SW1Y 6QB

FINANCIAL OVERVIEW & STRATEGY

Brooke's Charitable expenditure grew by 14% versus last year due to collaboration with new partners to bring about sustainable change and the increase of grants to country programmes. This was despite the delays in receipts of legacy income due to the softness in the property market.

TOTAL INCOME

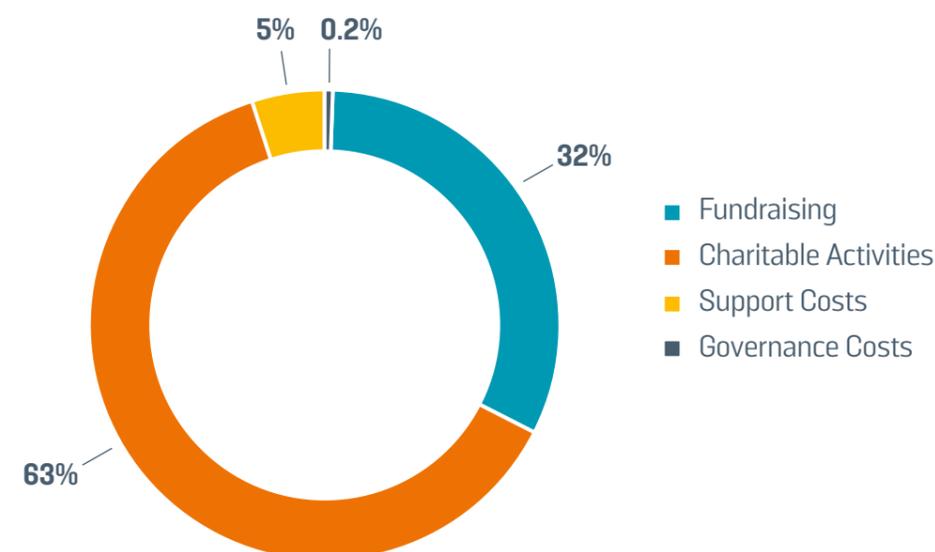
After two successive years of record levels of income, the charity's income was moderately below last year at £20.8m (-3% vs 2017/18). Legacy income at £10.3m (-6% vs 2017/18) has been impacted by the delays in receiving bequests as a result of a slowing down in the housing market. Donations at £10.3m (+6% vs 2017/18) has continued to weather the changes introduced through fundraising regulation last year. The legacy pipeline (i.e. the estimated value of legacies we have been informed of but not included in the accounts due to income recognition criteria not being met) is £12.4m that compares to £11.3m in the prior year.

GAIN ON INVESTMENT ASSETS

The returns from our investment portfolio in the form of interest and dividends which is recognised as income was £0.2m and comparable to last year. The underlying market value of the investment portfolio, which is shown in Note 12 in our accounts, reports an unrealised gain of £0.8m (vs £0.4m 2017/18).

The chart below provides an analysis of the total resources expended in 2018 – 19.

Chart 1 / Types of Expenditure



FUNDRAISING ACTIVITIES

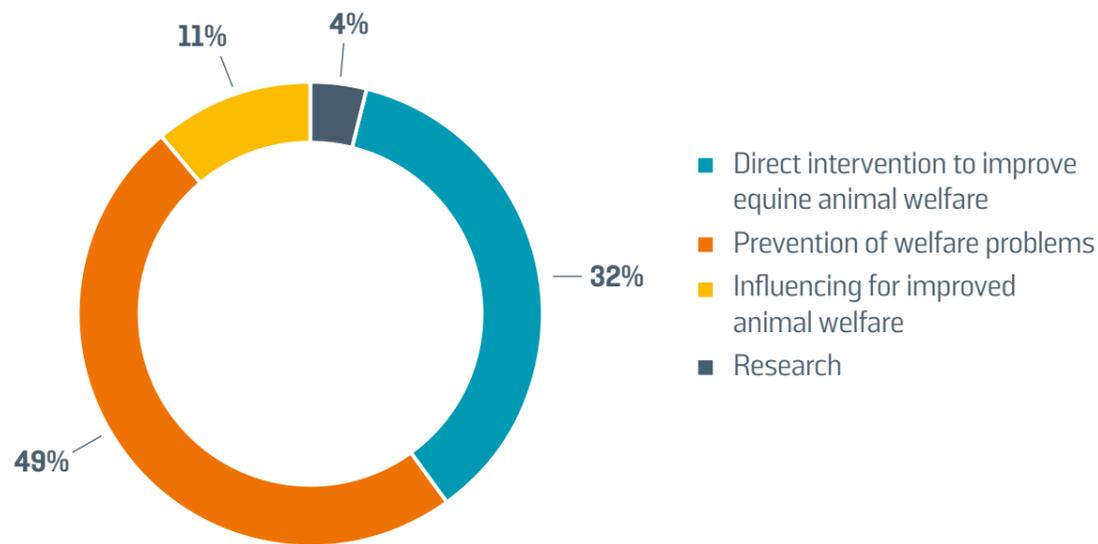
Investment in fundraising activities of £7.2m increased by 7% versus prior year due to Brooke's participation in the World Equestrian Games, cost of compliance and lower staff vacancies.

CHARITABLE ACTIVITIES

Total expenditure on charitable activities is at £15.2m (+14 % vs 2017/18) due to collaboration with new partners to increase our reach in improving equine welfare and higher grant commitments to Country Programmes.

The below chart is an analysis of Charitable activities by thematic areas.

Chart 2 / Charitable Activities by Thematic Area



SUPPORT & GOVERNANCE COSTS

Support includes the cost of teams within finance, human resources and information systems together with investment in staff learning and development, legal costs and centralised staff recruitment costs.

Support costs of £1.3m, is an increase of £0.3m versus 2017/18 as a result of organisational initiatives to ensure compliance and enhancing of key systems to support the charity's ambition. An analysis of support costs is provided at note 4a to the accounts.

In accordance with charity accounting practice, support costs are allocated to other costs based on each activity's proportion of the aggregate expenditure. Support costs represent 5% of total resources expended and Governance costs represents 0.1% of total resources expended.

RESERVES POLICY

The Board of Trustees reviews and agrees the reserves policy annually and completed the last review in December 2018. Total Funds held at 31 March 2019 amounted to £12.1m.

The main objectives of the Brooke's Reserves Policy are to:

- Ensure the future security of the Brooke by retaining sufficient funds to enable it to function effectively in the short term, while ensuring these funds will continue to be applied to the pursuit of its charitable objectives in the long term.
- Fulfil the Brooke's obligations to beneficiaries and employees to sustain long-standing large-scale projects with recurrent operating costs.
- Provide funds for the expansion of overseas charitable activities, particularly in the target regions of Africa, Asia and Central America

The reserves fall into two main categories:

1) Restricted funds

When donors stipulate how their donations may be spent these funds are restricted to those initiatives. In some cases there will be a slight time lag between when such funds are received and when they are expended. At 31 March 2019, restricted funds totalled £0.3m.

2) Unrestricted funds

Generated when the donors do not stipulate how the income may be spent and the funds support the charity to carry out its work. The Unrestricted funds are divided into two further classifications:

DESIGNATED FUNDS

Brooke's 5 year strategy has two key goals;

- **Global Reach:** reach more working horses, donkeys and mules worldwide
- **Sustainable Improvement:** programmes that deliver sustainable change

Global Reach and Sustainable Improvement will be delivered through a phased expansion, over the remaining life of the strategy, into existing and new countries through collaborative partnerships that deliver sustainable change through our Theory of Change.

The Board of Trustees have also recognised the Designated Funds would support the;

- **Charity raising awareness amongst international influencers of the plight of donkeys as a result of the skin trade**
- **Enhancing of Brooke's Customer Relationship Management tool.**
- **Move into a new office, as the landlord sets out development plans for the current premises.**

The Designated funds at 31 March 2019 were £3.3m a reduction of £0.2m versus last year. The Trustees anticipate the designated funds to be utilised over the coming two years.

GENERAL RESERVES

Funds that are set aside to cover possible operational and financial risks identified as part of the annual planning process. The risks include;

- **Any temporary shortfall in income**
- **Increase in expenditures due to adverse exchange movements**
- **Reduction in the investment portfolio due to stock market fluctuation**

Individual risks have been quantified and the level of minimum reserves required calculated on the basis of total risk. Applying the reserves policy, the minimum level of reserves required at 31 March 2019 is £8.3m, which is shown in the accounts as general funds that would support the charity's on-going operations for approximately 4 months.

The general reserves held at 31 March 2019 are £0.2m above the minimum level of reserves, however the Trustees anticipate the level of the reserves to align with the minimum level of reserves in the following two years.

ETHICAL INVESTMENT POLICY & STRATEGY

Brooke's investment powers are set out in our Memorandum and Articles of Association.

In accordance with those powers, the board has appointed professional fund managers to manage the investment portfolio, which represents a substantial proportion of our reserves. The fund managers are issued with investment guidelines, which are determined by the finance committee on behalf of the board.

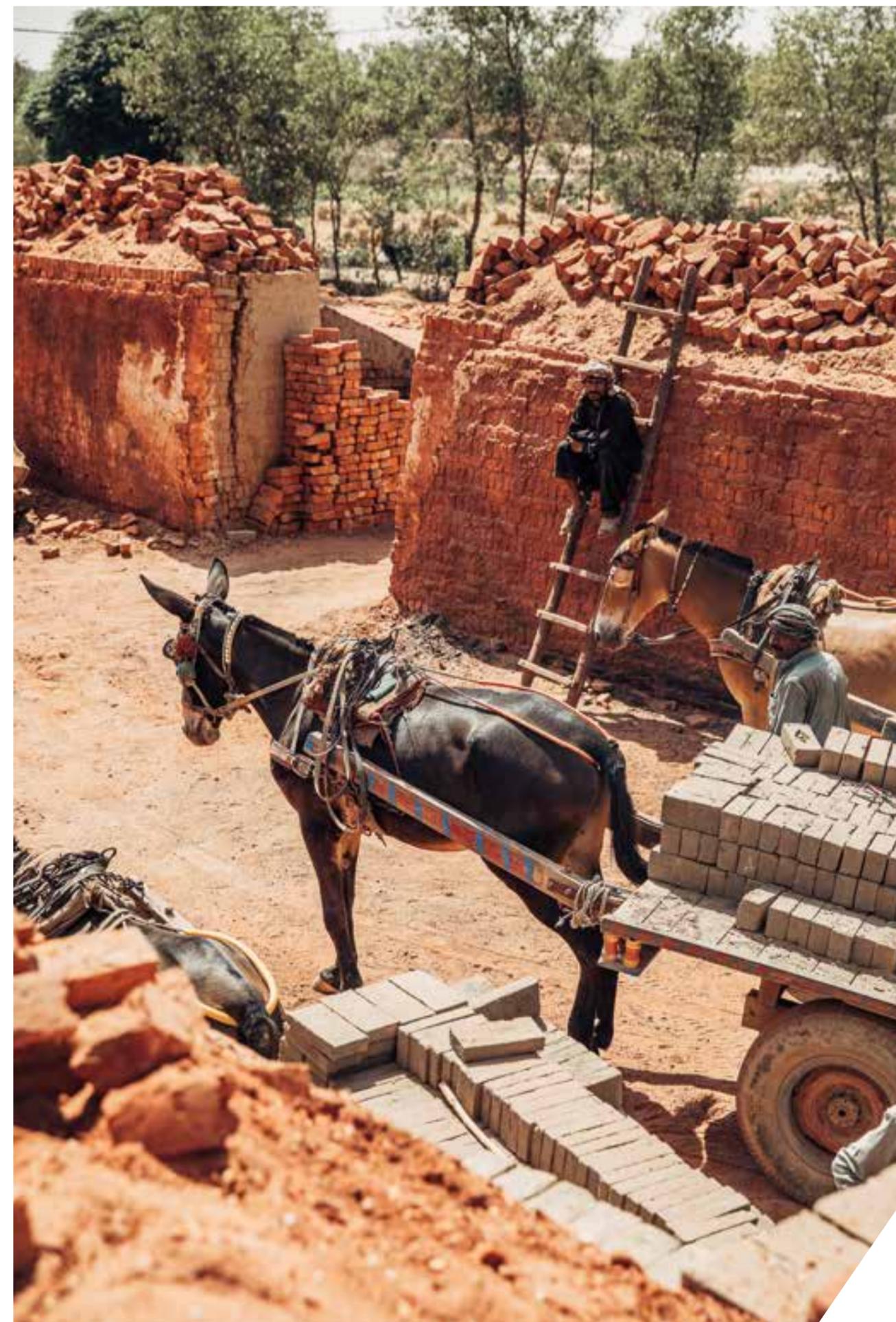
Brooke's investment objectives are:

- **To safeguard the funds of Brooke**
- **To make secure investments which will grow in value sufficiently to protect the funds against inflation**
- **To generate the best return possible from these funds in order to assist Brooke to carry out its purposes, within the limits of safety detailed as above**

An ethical investment policy was approved by the Board in 2014/15 that mirrored Brooke's ethos and values. Following a tender process, the Trustees appointed James Hambro & Partners to invest Brooke's reserves according to the new investment policy.

At 31 March 2019, 100% of Brooke's total investments were held in asset classes managed by the James Hambro & Partners (JH&P).

The portfolio of assets, managed by James Hambro & Partners, are held in segregated accounts and, in the event of failure, would revert to Brooke. The investment with James Hambro & Partners is a long-term investment for which the funds are not expected to be required for at least four years.



INVESTMENT PERFORMANCE

The total return for the year on Brooke's longer-term investments was +7% versus the previous period due to low investor confidence at end of 2017/18 amidst a number of uncertainties. Against the benchmark indices the investment performed in the following range +0.5% to -1.1%. The investments were held in low risk fixed interest, cash funds, UK and International equities.

RISK MANAGEMENT & INTERNAL CONTROL

Brooke has an organisation-wide, risk management process involving all country programmes and the UK office in the identification of risks to the charity and the development of appropriate mitigation plans. The risks are reviewed on a bi-annual basis, ranked by the likelihood of occurrence and potential impact on our operations. Major risks and the risk management process are discussed with the Finance Committee and the Board twice a year. However, the management of day-to-day operational risks is delegated to the Senior Leadership Team to proactively manage throughout the year.

The Board's risk appetite guides the risk management process. The Board recognises that it is necessary to accept that not all risks can be fully mitigated against, particularly those that fall beyond Brooke's control. However, the Senior Leadership Team actively monitor and manage such risks to provide reasonable, but not absolute assurance that we are protected.

The Board approves a comprehensive annual plan and budget for Brooke. Performance is measured against objectives set out in these plans on a quarterly basis by the Board and its Committees. Material variances, together with any revised financial forecasts, are submitted regularly to the Finance Committee and to the Board. During the annual planning process, risk identification and management as well as the formal approval of any business initiatives, take place. Internal controls audits are commissioned on a regular basis and are prioritised using a risk-based approach. These reports are submitted to the Finance Committee, together with regular progress updates on the implementation of recommendations.

The Board is satisfied that these systems, combined with internal financial controls and the reserves policy, will ensure that sufficient resources are available to meet the immediate needs of Brooke in the event of adverse conditions.

The Board has in place key controls including:

- A clear organisational structure with appropriate levels of accountability and reporting.
- Delegation of financial authority and decision-making powers by the Board to the Chief Executive, within specified limits.
- Clear statement of matters that are reserved to the Board.
- Comprehensive strategic planning, budgeting and management reporting.
- Formal agendas for all Board and committee meetings.
- Formal written policies.
- Clear authorisation and approval levels.

THE PRINCIPAL AREAS OF RISKS AND THE MITIGATION PLANS FOR BROOKE ARE:

NO.	RISK DESCRIPTION	RISK CLASSIFICATION	WHAT ARE WE DOING ABOUT IT?
1	Socio economic and political context of the UK reduces the value of fundraising gifts across all income streams, in particular Legacy and MRs jeopardising fundraising targets	Operational	Continued monitoring and regular reforecasting based on current situation
2	Weak governance practices within Brooke programme Affiliate Boards leads to ineffective programmes and breakdown in relationships with Brooke UK	Operational	<ol style="list-style-type: none"> 1) Affiliation agreements 2) Comprehensive global policies and supporting procedures 3) Implementation of new governance code 4) Self assessment during Advisory Council meeting and the development of action plans to implement improvements
3	Brooke's trade mark rights are not protected or are not used consistently leading to infringement and/or potentially loss of rights which limits/precludes Brooke's ability to use its trade marks in the countries in which it is active. Failure to protect Brooke's copyright material leads to donor or beneficiary confusion or to Brooke research being accredited to others	Compliance	<ol style="list-style-type: none"> 1) Trade mark filing programme for the new marks is well progressed in countries where Brooke is active 2) Watching service in place to ensure that applications for similar marks are noted and objections lodged if appropriate 3) Brand guidelines developed and rolled out to affiliates
4	Issues of safeguarding and abuse of power are identified in Brooke country offices/programmes leading to reputation risk and damage to employee relations	Reputation/Operational	<ol style="list-style-type: none"> 1) Global People and whistleblowing policies, and new Code of Conduct 2) Staff handbook in each country for escalation of complaints 3) Training on policies 4) Implementation of procedures 5) Greater board oversight 6) Increased awareness to help management recognise issues of concern
5	Direct access to our live Customer Relationship Management (CRM) database for activities such as data insight & selections, and customisation creates risk to the data integrity and compliance	Compliance	<ol style="list-style-type: none"> 1) To create to a secured read-only version of our live CRM environment and retrospectively fix any data issues that arise 2) Commence work to cleanse data, archive and/or merge historical & duplicate data

NO.	RISK DESCRIPTION	RISK CLASSIFICATION	WHAT ARE WE DOING ABOUT IT?
6	Accident, illness or security in unstable regions/natural disaster may result in serious injury/death to Brooke UK, branch, affiliate or partner staff	Operational	<ol style="list-style-type: none"> 1) Insurance cover in place for Affiliates, partners and branches and reviewed regularly 2) Security Policy in place and adherence to policy is enforced built into grant agreements 3) Security review group (SRG) in place which meets at least quarterly to monitor incidence and manage security risks 4) Refresher training on security conducted either in country or as part of management visits 5) Annual Travel Safety and Security training for staff and trustees who travel 6) Security, first aid and crisis management training conducted for appropriate staff in country programmes 7) Security, travel insurance and medicals built into travel authorisation process
7	Restricted income back office processes would not meet Code of Fundraising Practice for mass fundraising initiatives and emergency appeals.	Operational	A gap analysis through the data-mapping of existing processes to define and implement the necessary back office processes to allow for restricted income campaigns to be offered in the future
8	Loss of property and disruption of monitoring activities due to violence and insecurity in project areas - Branches, Affiliates and Partners	Operational	<ol style="list-style-type: none"> 1) Security policies and procedures in place including staff evacuation and movement of assets procedures and adherence to them being enforced and reviewed every 6 months 2) Security reviewed quarterly by SLT 3) Get advices and guidance from the local authorities on the security situation and the way forward on a quarterly basis 4) Compliance training for staff in general and capacity building for staff involved in the management of security

STRUCTURE, GOVERNANCE AND MANAGEMENT

Brooke is constituted as a company limited by guarantee registered in England and Wales and a registered charity. Its objects and powers are set out in its Memorandum and Articles of Association.

Brooke activities are coordinated from its headquarters in London. In 2018/19 the London office, with an average of 101 UK staff led by the Chief Executive, funded and advised all overseas operations and staff and kept in touch with approximately 85,700 active supporters in the UK and through Brooke Netherlands and Brooke USA with over 35,000 and 1,500 active supporters respectively.

Brooke applies the Charity Governance Code in its work, by ensuring the Board is clear about the charity's aims, and that they are delivered effectively and sustainably. We are led by an effective Board that provides strategic leadership in line with the charity's aims, and the Board acts with integrity, adopting values and creating a culture which helps achieve Brooke's charitable purposes. The Board ensures that its decision-making processes are informed, rigorous and timely, and effective delegation, control and risk assessment and management systems are established and monitored. It also works as an effective team, using the appropriate balance of skills, experience and knowledge to make informed decisions. The Board's approach to diversity underpins its leadership and decision making, ensuring consistent transparency and accountability.

BOARD OF TRUSTEES

For the purposes of company law, the directors of Brooke will be referred to as the Trustees throughout this report. They are also Trustees for charity law purposes. The Board of Trustees is the governing body of Brooke and comprises a minimum of six and a maximum of 15. It met four times in 2018/2019. Trustees who served during the year are shown on page 46.

The Board is supported by a finance committee, a governance committee and a remuneration committee. The finance and governance committees each met four times last year and the remuneration committee met once during the year. During 2016/17, a fundraising panel was established to support the Executive to identify fundraising opportunities. The committees have no decision-making powers, however can make recommendations to the board.

The terms of reference and membership of every committee is set by the Board of Trustees.

Trustees are appointed by co-option and serve an initial term of four years calculated from the AGM at which their appointment is ratified by the members. Trustees may offer themselves for reappointment to complete a second four-year term and may serve an additional year if there is a requirement for the term to be extended.

Trustees do not receive any remuneration for their services. The members of the company comprise all of the Trustees. The members have guaranteed the liabilities of the company, up to £1 each.

Trustees are appointed through an open recruitment process that is widely publicised. Shortlisted applicants are interviewed by a selection panel. The Board recognises, respects and welcomes diverse, different and at times conflicting Trustee views. Appointments are made based on merit, using objective criteria and considering the benefits of diversity on the Board, including age, gender, ethnicity and nationality.

New Trustees receive a structured induction to Brooke. Each Trustee is linked with a country of operation and new Trustees are encouraged to visit an overseas operation as soon as practicable after their appointment. The Board undertakes a formal and rigorous biennial evaluation of its own performance and that of its Chairman and individual directors. The evaluation of the Board, which includes comments for the senior staff team, considers the balance of skills, experience, independence and knowledge of our organisation.



ORGANISATIONAL STRUCTURE

The Board is also responsible for approving the policies and organisational strategy, and ensuring the effective use of our resources in accordance with our charitable objectives and UK law. It exercises overall responsibility for the direction, management and control of Brooke by supervising the work of the Chief Executive and, through her, the staff, so that the organisation is run efficiently and accountably. In order to achieve this, the Board reviews all long-term strategic and financial plans including annual plans and budgets; all major operational and financial policies; and all extensions of Brooke's work, whether through the expansion of existing operations, or establishment of operations in new countries.

The performance of the CEO is appraised annually through a formal process led by the Chairman. All Trustees are invited to comment on her performance against predetermined objectives and feedback is given in a meeting supported by a written report. All senior staff receive ongoing performance management and an annual appraisal with feedback provided by the CEO about how they have contributed to the achievement of the strategy and any personal development areas they may have.

The salaries of all staff including that of key management personnel are set based on external pay benchmarking via the use of market data taken from sector pay surveys and reports. To ensure that pay remains competitive in the market place, all staff receive an annual cost of living reward which is based on external data extracted from economic reports and sector trends.

RELATIONSHIPS WITH OTHER ORGANISATIONS

In addition to our two international fundraising partners, Brooke Netherlands and Brooke USA, Brooke has many important relationships with other organisations overseas.

Brooke USA is a US 501(c) (3) organisation. It supports the work of Brooke and shares our mission to support the welfare of working equine animals. Brooke affiliate organisations in India, Pakistan and East Africa are independent legal entities, established and registered in accordance with local laws and guided by their own Boards of Trustees or directors. Brooke Ethiopia, Brooke America Central and Brooke West Africa are all branches of Brooke. Brooke Egypt is a sister organisation primarily funded by Brooke Netherlands. Brooke also works through partnership with organisations operating in Afghanistan, Guatemala, Kenya, Nepal, India, Pakistan, Senegal, Burkina Faso, Tanzania and South Sudan.

Brooke affiliate or branch offices are headed by a Chief Executive, a Country or Regional Representative, a Director or General Manager and each has an annual or multi-year country plan in line with Brooke's Global Strategy. The address of each is shown on page 65.

Representatives from each Brooke organisation across the world constitute the Global Advisory Council which meets annually. This has no executive function but provides advice to the Brooke Board on any matters affecting our organisation. It has clear terms of reference and membership is extended to include Brooke's Honorary Vice Presidents. The collaborative partnerships are between Brooke and third-party entities in accordance with the terms of Grant Agreements approved by the Board which, unless specifically agreed otherwise, restrict Brooke's commitment to a period of 12 months. Partners' strategic fit and ability to deliver the programme are reviewed in accordance with Brooke's Partnership Guidelines. Partners' financial controls are reviewed as part of initial financial due diligence exercise and subsequently as part of a rolling audit programme carried out by Brooke.

During 2018/19, the following organisations worked in partnership with Brooke.

PARTNERSHIP WITH BROOKE UK

AFGHANISTAN

DCA Livestock Programmes (DCA)
Afghanaid

GUATEMALA

Equinos Sanos para el Pueblo (ESAP)

MEXICO

Fundación Dejando Huella (FDH)

NEPAL

Animal Health Training and
Consultancy Services (AHTCS)

PARTNERSHIPS WITH ORGANISATIONS IN COUNTRY PROGRAMMES

BROOKE INDIA

Gramin Evam Samajik Vikas Sansthan, Rajasthan
Parvatiya Aranya Sewa Evam Vikas
Sansthan, Uttarakhand
Arthik Vikas Evam Jan Kalyan Sansthan (AVEJKS), Uttar
Pradesh
Social Action for Knowledge Building Awareness
Raising (SAKAR), Uttar Pradesh
Yuva Gram Mandal, Maharashtra
Navbharat Samaj Kalyan Samiti, Uttar Pradesh
Society for Environmental and Rural Awakening,
Himachal Pradesh
Society for the Prevention of Cruelty to Animals (SPCA),
Maharashtra
Sanskrit Samvardhan Mandal, Maharashtra
Gramin Vikas Sansthan, Uttar Pradesh
Sahyog India, Jammu and Kashmir
New Public School Samiti (NPSS), Uttar Pradesh
Sarvodaya Ashram (SA), Uttar Pradesh
Shri Bhuvneshwari Mahila Ashram, Uttarakhand
Prayatn Sanstha, Rajasthan
Naujhil Integrated rural project for health &
development, Uttar Pradesh
Shramik Janta Vikas Sanstha, Maharashtra
Panchsheel Development Trust, Uttar Pradesh
Nehru Yuva Sanstha, Uttar Pradesh
UP Vanvasi Seva Sansthan, Uttar Pradesh
Tarun Chetna Sansthan, Uttar Pradesh
Meerut Sewa Samaj, Uttar Pradesh
Lokseva Yuva Trust, Gujrat
Volunteers for Social Justice, Punjab
Animal Help Foundation, Gujrat
Astitva Samajvikas va Sanshodhan Sanstha,
Maharashtra
Abhiyan, Uttar Pradesh
Doaba Vikas Ebam Utthan Samiti, Uttar Pradesh
Gramin Vikas Sansthan (GVS), Uttar Pradesh
Pragati Social Service Society, Haryana
Prayas Trust, Uttarakhand

BROOKE EAST AFRICA

Arusha Society for Protection of Animals (ASPA)
Caritas – Kitui
Farming Systems Kenya (FSK)
Inades – Tanzania
Kenya Network for Dissemination of Agricultural
Technologies (KENDAT)
Kenya Veterinary Association (KVA)
Send a Cow (SAC) Kenya
VSF-S (South Sudan)

BROOKE PAKISTAN

Sindh Rural Support Organisation (SRSO)
National Rural Support Programme (NRSP)

BROOKE WEST AFRICA

Union des Groupements Associés du Niombato, (UGAN)
Union des Groupements Paysans de Méckhé, (UGPM)
Association pour la Protection des Animaux et de
l'Environnement (ASPAE)
Fédération des Associations Paysannes de la région
de Louga (FAPAL)
Union Régionale des Associations Paysannes de
Diourbel (URAPD)
Association pour la Promotion des Initiatives Locales
au Burkina Faso (APIL)
Association Sud Ouest pour le développement
International Agricole (ASODIA)
Association pour la protection des animaux au
Burkina Faso (APABF)
Institut Africain pour le Développement
Economique et Social (Inades-Formation),
Burkina-Faso

GRANT MAKING PROCEDURES

Brooke UK issues grants to Brooke Affiliates and partner organisations. Affiliates and branches in turn make grants to partner organisations in their respective country or region. Brooke UK also gives grants on a proactive basis.

These agreements clearly set out our expectations and the deliverables of the third-party entities. Grants to entities are routinely monitored to discuss variance from agreed budgets, operational updates and key programme performance indicators. Programme visits are also undertaken by staff and reports are widely circulated to share learning and understanding. Programme audits are conducted on a periodic basis to monitor the quality of the programmatic deliverables. Extensive due diligence exercises are carried out as part of identifying new partners. These include the assessment of programmatic and financial capabilities as well as the strategic fit.

THE ENVIRONMENT

Brooke is committed to reducing the impact it has on the environment and the Board of Trustees has approved an environmental policy. The well-being of animals and animal-owning communities always remain at the core of Brooke's work and efforts to improve our green credentials will not override our charitable objectives.

PUBLIC BENEFIT

Charity trustees have a duty to report in the annual report on their charity's public benefit. They should demonstrate that:

1) There is an identifiable benefit or benefits

This report sets out in some detail the activities that Brooke has carried out in order to further our strategic aims. All activity is intended to further Brooke's charitable objective to promote the welfare and relieve the suffering of working equines and other animals in Africa, Asia, the Middle East and South and Central America, and in any other areas outside the United Kingdom that the Trustees may think fit, for the public benefit, in particular, but not exclusively, by:

- the support, promotion and provision of veterinary and other animal healthcare services whether in the context of veterinary clinics, animal hospitals, other animal healthcare facilities or otherwise;
- the provision, promotion and support of education in the care, welfare and treatment of working equines; and
- advocacy for long term and sustainable improvement of the living and working conditions of working equines, relieving the poverty of owners and users of working animals and their communities by improving the health and welfare of such animals.

2) The benefit must be to the public or a section of the public

This report explains in detail the criteria Brooke uses for selecting the geographical areas in which it operates.

The Trustees are therefore confident that Brooke meets the public benefit requirements and they confirm that the Charity Commission's guidance on public benefit has been taken into account.

No material uncertainties have been identified by the Trustees that can cast significant doubt about the ability of Brooke to continue its operations.



STATEMENT OF TRUSTEES' RESPONSIBILITIES



THE TRUSTEES ARE RESPONSIBLE FOR PREPARING THE STRATEGIC REPORT, THE TRUSTEES' REPORT AND THE FINANCIAL STATEMENTS IN ACCORDANCE WITH APPLICABLE LAW AND REGULATIONS.

Company law 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 charitable company; and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company, ensuring compliance with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company, thereby taking reasonable steps for fraud prevention and any other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware;
- Each of the Trustees have taken all steps that they ought to have taken to make himself/ herself aware of any relevant audit information and to establish that the auditor is aware of that information; and

Crowe U.K. LLP were appointed as Brooke's auditors during the year.

This report, which incorporates the Strategic Report, was approved by the Trustees on 25 September 2019 and signed on their behalf:

Major General Sir Evelyn Webb-Carter
KCV OBE DL, Chairman

25 September 2019



**AUDITOR'S
REPORT**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BROOKE HOSPITAL FOR ANIMALS

OPINION

We have audited the financial statements of the Brooke Hospital for Animals for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Cash Flow 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 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 charitable company's affairs as at 31 March 2019 and of the group's incoming resources and application of resources 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 Companies Act 2006.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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's or charitable company'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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; 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 trustees' responsibilities statement set out on page 62, the trustees (who are also the directors of the charitable company for the purposes of company law) 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's or charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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 an auditor's report 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. 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 auditor's report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Tim Redwood
Senior Statutory Auditor

For and on behalf of:
Crowe U.K. LLP
Statutory Auditor
St. Bride's House
Salisbury Square
London, EC4Y 8EH

25 September 2019

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2019 (INCORPORATING AN INCOME & EXPENDITURE ACCOUNT)

	Notes	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
Income					
Donations and legacies	2	18,933,119	1,672,346	20,605,465	21,126,976
Other Trading activities		51,287	-	51,287	46,599
Investments		186,074	-	186,074	241,622
Other		1,704	-	1,704	9,597
Total income		19,172,184	1,672,346	20,844,530	21,424,794
Expenditure					
Expenditure on raising funds		7,198,360	-	7,198,360	6,682,214
Expenditure on Charitable activities:					
Direct intervention to improve equine animal welfare		4,908,699	579,170	5,487,869	4,766,527
Prevention of welfare problems		6,678,542	787,991	7,466,532	6,163,690
Influencing for improved animal welfare		1,591,145	187,737	1,778,882	1,667,716
Research		454,995	53,684	508,679	710,359
Total charitable activities	3	13,633,381	1,608,581	15,241,962	13,308,292
Total expenditure	4A	20,831,741	1,608,581	22,440,322	19,990,506
Net gains on investments	9	798,834	-	798,834	368,195
Net income/(expenditure)		(860,723)	63,765	(796,958)	1,802,483
Reconciliation of funds:					
Total funds brought forward	18	12,628,976	231,264	12,860,240	11,057,757
Total funds carried forward	14	11,768,253	295,029	12,063,282	12,860,240

The notes on pages 72 to 88 form a part of these financial statements.

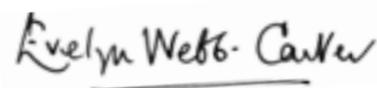
CONSOLIDATED AND CHARITY BALANCE SHEET AS AT 31 MARCH 2019

	Notes	GROUP		CHARITY ONLY	
		2019 £	2018 £	2019 £	2018 £
Fixed Assets					
Intangible Assets	8A	78,929	194,315	78,929	194,315
Tangible Assets	8B	286,289	422,990	286,289	422,990
Investments and Long Term Deposits	9	13,623,598	12,737,638	13,623,598	12,737,638
		13,988,816	13,354,943	13,988,816	13,354,943
Current Assets					
Debtors	11	2,840,962	1,277,009	2,840,962	1,277,009
Cash at Bank and in Hand		4,421,528	5,898,781	4,394,870	5,894,344
		7,262,490	7,175,790	7,235,832	7,171,353
Current Liabilities					
Creditors: amounts due within one year	12	9,188,024	7,670,493	9,161,366	7,666,056
Net Current Liabilities		(1,925,534)	(494,702)	(1,925,534)	(494,703)
Total Net Assets		12,063,282	12,860,240	12,063,282	12,860,240
The Funds Of The Charity					
Unrestricted Income Funds:					
General funds		8,468,253	9,128,976	8,468,253	9,128,976
General funds - Capitalised Assets:					
Designated Funds	10	3,300,000	3,500,000	3,300,000	3,500,000
Restricted Income Funds	10	295,029	231,264	295,029	231,264
Total Charity Funds		12,063,282	12,860,240	12,063,282	12,860,240

The net income / (expenditure) for the Charity only for the year ended 31 March 2019 was £(823,146) (2018: £1,790,772).

The notes on pages 72 to 88 form a part of these financial statements.

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



Sir Evelyn Webb-Carter
Chairman

25 September 2019



Paul Elphick
Honorary Treasurer

CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2019

	Total Funds 2019 £	Prior Year Funds 2018 £
Schedule		
- A Net cash provided by (used in) operating activities	(1,500,306)	1,035,875
Cashflow from Investing Activities:		
Dividends, Interest from Investments	186,074	241,622
Proceeds from disposal	-	-
Purchases of Fixed Assets - Tangible	(75,894)	(239,337)
Purchases of Fixed Assets - Intangible	-	(35,537)
Proceeds from sale of Investments	-	500,015
Realised gain	-	-
Purchase of Investment	(87,127)	(141,807)
Net Cash Provided by (used in) Investing activities	23,053	324,956
Change in cash and cash equivalents in the reporting period	(1,477,253)	1,360,831
Cash and cash equivalents at the beginning of the reporting period	5,898,781	4,537,950
Cash and cash equivalents at the end of the reporting period	4,421,528	5,898,781
Schedule		
- A Net Movement in Funds for the Reporting Period (as per the Statement of Financial Activities)	(1,595,792)	1,434,288
Adjustments for:		
Depreciation Charges	207,135	247,665
Amortisation Charges	115,386	100,015
Revaluation of Fixed Assets	5,460	-
Dividends and Interest from Investments	(186,074)	(241,622)
Loss on Sale of Fixed Assets	-	1,168
Decrease/(Increase) in Debtors	(1,563,953)	(16,371)
(Decrease)/Increase in Creditors	1,517,532	(489,268)
Net Cash Provided by (Used In) Operating Activities	(1,500,306)	1,035,875

The notes on pages 72 to 88 form a part of these financial statements.

Brooke was established in 1934 to treat horses left in Egypt after the first World War. In recent years we have expanded to deliver programmes across Africa, Asia and Latin America and operate in ten countries. Brooke is an international animal welfare organisation dedicated to improving the lives of working horses, donkeys and mules.

Brooke is registered as a Charity in England and Wales (No. 1085760) and with the Companies House (No. 4119581).

1 ACCOUNTING POLICIES

A / BASIS OF PREPARATION

The accounts (financial statements) have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006 and UK Generally Accepted Practice. The accounts are prepared under the historical cost convention, with the exception of quoted investments which are stated at market value.

Going Concern

Brooke's planning and performance review processes, include financial projections of income and expenditure that take into consideration the operational influences of both economic and regulatory changes. Brooke is well placed to manage the business risks it faces with sufficient level of reserves, a good cash flow and a strong relationship with our donors and funders. We therefore have a reasonable expectation that we have sufficient resources to continue in operational existence for the foreseeable future and believe that there are no material uncertainties that call into doubt the ability of Brooke to continue as a going concern.

Public benefit

The Trustees confirm that they have referred to the information contained in the Charity Commission's general guidance on public benefit when reviewing Brooke's aims and objectives, as well as in preparing planning activities, implementing policies and setting priorities for the upcoming year.

Consolidation

The statement of financial activities and balance sheet consolidate the financial statements of Brooke and our subsidiary undertakings. No separate income and expenditure account has been presented, as permitted by Section 408 of the Companies Act 2006.

The functional currency of the Brooke is GBP.

The gross income for the year was £20.8m (2018: £21.4m) and our gross expenditure was £22.4m (2018: £19.99m). The charity has a wholly owned subsidiary registered in England and Wales, Brooke Hospital for Animals Trading Ltd. (No.8959139).

The financial activities of the Trading company are commercial activities such as Christmas card sales, Dorothy Brooke's diary and fundraising through sponsorship activities. The income generated by the trading company was £49k (2018: £47k) and resulted in net profit for the year of £26k (2018: £12k) that has been passed as Gift Aid to the Charity in furtherance of relieving immediate suffering and creating lasting change for vulnerable working equines.

The results of the subsidiaries are consolidated on a line by line basis and further details of the subsidiary are given in Note 16.

B / TANGIBLE FIXED ASSETS AND DEPRECIATION

Items costing £1,000 or more are capitalised and depreciated at the following rates:

FIXTURES & FITTINGS	10%-20% per annum straight line
OFFICE EQUIPMENT..	10%-25% per annum straight line
COMPUTERS & SOFTWARE	12%-33.3% per annum straight line
VEHICLES	15%-20% per annum straight line
LEASEHOLD IMPROVEMENTS	Life of the lease

The Group accounts include all assets purchased by overseas branches.

C / INTANGIBLE FIXED ASSETS

Website development costs have been capitalised within intangible assets as they can be identified with a specific project anticipated to produce future benefits. Once brought into use, they are amortised on the straight line basis over three years.

D / INVESTMENTS

Investments are stated at market value. Net gains and losses on investments, calculated as the difference between market value at the end of the period or sale proceeds and their market value at the start of the period, are credited or charged to the Statement of Financial Activities in the period of gain or loss.

Cash held within the investment portfolio is included within the fixed assets as investments that are managed by James Hambro & Partners. Cash held on short-term deposits is directly managed by Brooke.

E / INCOME

Entitlement to legacies is deemed to be the earlier of a payment being received or a distribution or final estate accounts being approved by the executors.

All income is recognised when Brooke is legally entitled to the income, receipt is probable and the amount can be measured with reasonable accuracy.

F / EXPENDITURE

Expenditure is classified by reference to specific activity categories, so that all direct costs relating to a specific activity have been aggregated.

Expenditure on raising funds comprise the costs associated with attracting voluntary income, the costs of trading for fundraising purposes and the costs directly attributable to managing the Brooke's investments. These also include expenditure of an indirect nature necessary to support them.

Expenditure on charitable activities represents costs incurred to meet the objectives of Brooke. It includes both costs that can be allocated directly to such activities as well as costs of an indirect nature

necessary to support them. Grants payable are recognised as soon as a constructive or legal obligation is entered into by Brooke.

Governance costs include costs associated with meeting Brooke's constitutional and statutory requirements. These include the audit fees and costs linked to the strategic management of Brooke.

Costs relating to a particular activity are allocated directly, while others are apportioned on an appropriate basis as set out in Note 4. Irrecoverable VAT is included as part of the expenditure to which it relates.

G / FINANCIAL ASSETS AND LIABILITIES

Brooke has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method. Financial assets held at amortised cost comprise cash and bank and in hand, together with trade and other debtors. Financial liabilities held at amortised cost comprise bank loans and overdrafts, trade and other creditors.

Investments, including bonds held as part of an investment portfolio are held at market value at the Balance Sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertakings are held at cost less impairment. An analysis of assets and liabilities is set out in Note 17.

H / OPERATING LEASES

Rentals payable are charged to the Statement of Financial Activities over the period of the lease, on a straight line basis.

I / PENSION COSTS

Brooke operates a defined contribution pension scheme for our employees. Contributions to the scheme are charged to the Statement of Financial Activities when incurred.

J / FUNDS

Restricted funds are generated when donors stipulate how their donations may be spent and these funds are restricted to those initiatives. An analysis of the movements on restricted funds is set out in Note 10.

Unrestricted funds are generated when the donors do not stipulate how the income may be spent and the funds support the charity to carry out our work. Unrestricted funds are divided into two further classifications:

Designated reserves are funds to support the Brooke in four key areas:

- A phased expansion, over the remaining life of the strategy, into existing and new countries through collaborative partnerships that deliver sustainable change through our Theory of Change;
- Charity raising awareness amongst international influencers of the plight of the donkeys as a result of the skin trade;
- Replacement of Brooke's Customer Relationship Management tool; and
- Move into a new office, as the landlord sets out development plans for current premises.

The Trustees anticipate the designated reserves to be fully utilised over the coming next two years.

General reserves are the minimum level of funds set aside to cover possible operational and financial risks identified as part of the annual planning process, and a contingency fund for other unidentified operational issues.

An analysis of the movements on unrestricted funds is set out in Note 10.

K / FOREIGN EXCHANGE

Transactions denominated in foreign currency are translated at the rate of exchange ruling at the balance sheet date. Income and expenditure transactions incurred in a foreign currency are translated during the course of the year at the rate of exchange prevalent at the date of transaction, and are disclosed in the Statement of Financial Activities.

As of 31 March 2019, Brooke had committed to 154.8m KSH and 144.9m INR. The value of the movement in the forward contracts from the date of commitment to 31 March 2019 was £27,873, which has not been recognised in the financial statements.

L / TAXATION

Brooke Hospital for Animals, as a registered charitable company, is not subject to Corporation Tax, other than on its trading activities, if statutory limits are exceeded. No liability is payable in respect of such activities (2018: nil). Income Tax suffered by deduction is reclaimed in full from the HMRC.

Brooke is registered for VAT and has partial exemption in respect of our trading activities.

M / JUDGEMENTS AND ESTIMATES

In the application of the charity's accounting policies, which are described in Note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year. The principal accounting policies, as set out above, have all been applied consistently throughout the year and the preceding year.

Legacy income is recognised where the executors of an estate have notified Brooke of an impending payment.

2 DONATIONS & LEGACIES

	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £	Total 2018 £*
DONATIONS	8,756,815	1,435,377	10,192,192	9,633,289
LEGACIES	10,176,304	236,969	10,413,273	11,493,687
Total	18,933,119	1,672,346	20,605,465	21,126,976

The estimated value of legacies of which Brooke has been informed, but which have not been included in the accounts (because the conditions for recognition have not been met) is £12.4m (2018: £11.3m)

3(A) CHARITABLE ACTIVITIES BY THEMATIC AREA

	Direct Intervention to Improve Equine Animal Welfare	Prevention of Welfare Problems	Information & awareness raising	Research	2019 Total	2018 Total
	£	£	£	£	£	£
Afghanistan	384,108	765,043	34	34	1,149,219	606,940
Egypt*	192,733	137,755	13	24,223	354,724	17,822
Ethiopia	974,752	544,072	15,188	45,415	1,579,427	1,955,457
Guatemala	24,617	70,255	1,876	7	96,755	156,568
India	982,907	1,283,352	337,459	204,388	2,808,106	2,558,948
Kenya	940,696	812,685	615,943	80,195	2,449,519	1,407,819
Mexico	-	-	-	-	-	(4,252)
Nepal	52,839	64,609	36,736	296	154,480	148,953
Nicaragua	126,060	185,733	85,461	3,271	400,525	339,946
Pakistan	1,048,160	957,764	39,595	36,853	2,082,372	1,987,312
Senegal	429,515	987,157	67,021	3,076	1,486,769	1,111,635
	5,156,387	5,808,425	1,199,326	397,758	12,561,896	10,287,148
Indirect Support Costs - UK	141,790	709,648	516,325	47,690	1,415,454	2,035,172
Other Support Costs - UK	189,692	948,459	63,231	63,231	1,264,612	985,972
Total	5,487,869	7,466,532	1,778,882	508,679	15,241,962	13,308,292

*Work in Egypt is funded through Brooke Netherlands

3(B) CHARITABLE ACTIVITIES -

Analysis of individual amounts spent in each country is shown below:

	Amount Granted (Partnerships and Affiliates Only)	Amounts spent on direct implementation via Branches & UK	Support Expenditure	Total Charitable Activities	Total Charitable Activities
	2019	2019	2019	2019	2018
	£	£	£	£	£
Afghanistan	1,000,769	-	148,450	1,149,219	606,940
Egypt	310,321	-	44,403	354,724	17,822
Ethiopia	-	1,464,182	115,245	1,579,427	1,955,457
Guatemala	83,437	-	13,318	96,755	156,568
India	2,407,735	-	400,371	2,808,106	2,558,949
Kenya	2,068,529	-	380,990	2,449,519	1,407,818
Mexico	-	-	-	-	(4,252)
Nepal	133,824	-	20,656	154,480	148,953
Nicaragua	-	303,857	96,668	400,525	339,947
Pakistan	1,815,472	-	266,899	2,082,372	1,987,311
Senegal*	-	1,242,759	244,010	1,486,769	1,111,635
Indirect Support Costs - UK	-	-	1,415,454	1,415,454	2,035,172
Other Support Costs - UK	-	-	1,264,612	1,264,612	985,972
Total	7,820,087	3,010,798	4,411,077	15,241,962	13,308,292

*Country costs associated to Branches cannot be classed as grants to third party organisations.

4(A) TOTAL RESOURCES EXPENDED

	Grants £	Direct Staff £	Direct Other £	Support Costs £	Governance Costs £	Total 2019 £	Total 2018 £
Cost of generating funds							
Fundraising	-	2,208,267	3,501,229	534,255	-	6,243,751	5,402,547
Supporter Services	-	374,053	398,552	72,318	-	844,923	1,167,845
Trading	-	-	19,646	39	-	19,685	28,615
Investment Management	-	-	90,001	-	-	90,001	83,207
Total	-	2,582,320	4,009,427	606,613	-	7,198,360	6,682,214
Charitable activities							
Direct Intervention to Improve Equine Animal Welfare	4,908,116	194,703	142,982	189,692	52,376	5,487,869	4,766,527
Prevention of Welfare Problems	4,676,220	1,055,711	779,052	948,459	7,090	7,466,532	6,163,690
Influencing for improved animal welfare	1,047,697	448,375	219,575	63,231	4	1,778,882	1,667,716
Research	198,852	70,800	51,818	63,231	123,978	508,679	710,359
Total Charitable Activities	10,830,885	1,769,590	1,193,427	1,264,612	183,448	15,241,962	13,308,292
Governance Costs	-	91,162	92,286	-	(183,448)	-	-
Total	10,830,885	4,443,071	5,295,141	1,871,225	-	22,440,322	19,990,506
Expenditure in Support of Activities	-	1,100,370	770,855	(1,871,225)	-	-	-
Total Resources Expended	10,830,885	5,543,441	6,065,995	-	-	22,440,322	19,990,506

4(B) ANALYSIS OF GOVERNANCE EXPENSES

	2019 £	2018 £
Staff Costs	91,162	92,238
Trustee Expenses	23,290	16,573
Audit Fees	28,080	30,300
Other Expenses	40,916	23,564
Total	183,448	162,675

5 NET INCOME FOR THE YEAR IS STATED AFTER CHARGING:

	2019 £	2018 £
Audit Fees for Statutory Audit (including VAT)	28,080	26,800
Additional overrun audit fees (including VAT)	-	3,500
Non audit fees (including VAT)	15,156	14,320
Rental cost relating to operating leases (including VAT)		
Plant and Machinery	3,023	2,993
Land and Building	431,969	344,116

6 STAFF COSTS

	2019 £	2018 £
Salaries	5,150,924	4,617,873
Temporary staff	249,349	166,764
National Insurance costs	570,776	526,198
Pensions and Other Costs*	469,943	444,744
Total	6,440,992	5,755,579

* Total Redundancy and settlement costs incurred in 2019 £nil (2018: £nil).

In Note 4a, Staff costs for branches amounting to £989,121 have been included within Programme costs.

AVERAGE NUMBER OF STAFF EMPLOYED

	2019	2018
Fundraising	43	35
Supporter Services	8	11
Charitable Activities UK	31	30
Charitable Activities Overseas (Branches)	85	87
Administration (Including Support Costs and Governance)	36	31
Total	203	194

REMUNERATION OF THE CHARITY'S KEY MANAGEMENT PERSONNEL

The key management personnel of the charity comprise the trustees, the Chief Executive, Director of Fundraising, Director of Finance and Information Services, Director of International Programmes and Director of Planning and Performance.

	2019 £	2018 £
Total salary of Key Management Personnel	562,193	597,495
The reduction in salaries was due to one director leaving early in the year.		
NUMBER OF EMPLOYEES WHOSE BENEFITS, EXCLUDING EMPLOYER'S PENSION CONTRIBUTIONS, AMOUNTED TO MORE THAN £60K		
Between £60,001 and £70,000	4	3
Between £70,001 and £80,000	1	-
Between £80,001 and £90,000	-	2
Between £90,001 and £100,000	2	1
Between £100,001 and £110,000	-	1
Between £110,001 and £120,000	1	-

The pension costs paid in respect of these employees amounted to £45,245 (2018: £40,554).

7 TRUSTEES EXPENSES

Trustees' total expenses during the year amounted to £23,290 (2018: £16,573), of which £1,266 (2018: £nil) related to visits to overseas centres. These expenses were incurred in respect of necessary duties carried out. Five Trustees (2018: 3 Trustees) received reimbursements for their expenses totalling £1,857 (2018: £908).

The Trustees received no remuneration for their services. A Trustee and employee indemnity insurance policy was purchased during the year at a cost of £3,169 (2018: £3,190). The UK charity received donations from the Trustees of £517 (2018: Nil) during the year.

8(A) INTANGIBLE FIXED ASSETS

	Computer Applications £	Website £	Total £
Cost			
At 31 March 2018	254,167	248,962	503,129
Additions	-	-	-
Disposals	-	-	-
FX Revaluation	-	-	-
At 31 March 2019	254,167	248,962	503,129
Depreciation			
At 31 March 2018	175,985	132,829	308,814
Depreciation for the year	32,398	82,988	115,386
Disposals	-	-	-
FX Revaluation	-	-	-
At 31 March 2019	208,383	215,817	424,200
Net Book Value			
At 31 March 2019	45,784	33,145	78,929
At 31 March 2018	78,182	116,133	194,315

8(B) GROUP AND CHARITY TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Fixtures and Fitting £	Machinery and Equipment £	Computers and Software £	Vehicles £	Total £
Cost						
At 31 March 2018	439,430	98,297	172,801	554,408	264,329	1,529,265
Additions	-	6,890	13,295	53,156	2,553	75,894
Disposals	-	-	(21,584)	(15,868)	-	(37,452)
Reclassifications	-	(2,418)	(8,326)	7,254	3,490	-
Revaluations	-	(3,601)	(1,529)	124	(16,736)	(21,742)
At 31 March 2019	439,430	99,168	154,657	599,074	253,636	1,545,965
Depreciation						
At 31 March 2018	(428,995)	(64,868)	(83,238)	(373,528)	(155,646)	(1,106,275)
Depreciation for the year	(4,522)	(11,590)	(33,275)	(100,363)	(57,385)	(207,135)
Disposals	-	-	21,584	15,868	-	37,452
Reclassifications	-	3,682	8,903	(7,242)	(5,343)	-
Revaluations	-	(1,071)	617	-	16,736	16,282
At 31 March 2019	(433,517)	(73,847)	(85,409)	(465,265)	(201,638)	(1,259,676)
Net Book Value						
At 31 March 2019	5,913	25,321	69,248	133,809	51,998	286,289
At 31 March 2018	10,435	33,429	89,563	180,880	108,683	422,990

9 GROUP AND CHARITY INVESTMENTS

Reconciliation of Investments Held with Fund Manager	2019 £	2018 £
Market Value at 1 April	12,737,638	12,727,651
Acquisitions	-	-
Disposals	-	(500,015)
Dividends reinvested	175,759	223,491
Fees deducted during year	(88,632)	(81,684)
Net gains	798,833	368,195
Market Value at 31 March	13,623,598	12,737,638
Historical Cost at 31 March	12,166,063	11,664,804

Investments held in cash £2.2m and listed investments £11.4m.

10 CONSOLIDATED MOVEMENT IN UNRESTRICTED AND RESTRICTED FUNDS

	As at 31 March 2018 £	Total Incoming Resources £	Total Resources Expended £	Transfers £	Net Gains/ Losses £	As at 31 March 2019 £
Unrestricted Funds						
General Funds	9,128,976	19,172,184	(20,831,741)	200,000	798,834	8,468,253
Designated Funds	3,500,000	-	-	(200,000)	-	3,300,000
Total Unrestricted Funds	12,628,976	19,172,183	(20,831,740)	-	798,834	11,768,253
Restricted Funds						
Afghanistan	-	7,500	(7,500)	-	-	-
Egypt	-	16,093	(16,093)	-	-	-
Ethiopia	11,900	87,205	(104,508)	5,403	-	-
Guatemala	-	32,819	(32,819)	-	-	-
India	111,000	384,757	(457,398)	61,641	-	100,001
Kenya	(7)	189,870	(191,746)	11,876	-	9,993
Nepal	-	39,002	(39,002)	-	-	-
Pakistan	18,475	306,588	(388,222)	63,134	-	(26)
Senegal	88,378	412,855	(317,690)	-	-	183,543
Ubuntu	-	10,982	(10,982)	-	-	-
Effectiveness Framework Application	-	12,500	(12,500)	-	-	-
*Virtual Gifts	1,518	142,054	-	(142,054)	-	1,518
Ethiopia Research Wellcome	-	5,121	(5,121)	-	-	-
Global Exchange 18-19	-	25,000	(25,000)	-	-	-
Total Restricted Funds	231,264	1,672,346	(1,608,581)	-	-	295,029
Total Funds	12,860,240	20,844,530	(22,440,322)	-	798,834	12,063,282

We are grateful to all the donors who support our work and wish to thank them for their continued support.

*Included within restricted funds are Virtual Gifts from our donors that are specifically transferred to country programmes to fund charitable activities.

Grants amounting to £429k were received from Brooke USA to fund work in Ethiopia, Senegal, Pakistan and Kenya. Additionally donations totalling £31k were received from Brooke Netherlands in 2018/19, restricted to our work in Pakistan, Kenya and India.

11 DEBTORS AND PREPAYMENTS

	Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
Legacies Receivable	698,663	698,663	730,841	730,841
Tax Recoverable	1,682,493	1,682,493	39,755	39,755
Other Debtors	459,806	459,806	506,413	506,413
Total	2,840,962	2,840,962	1,277,009	1,277,009

12 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
Amounts committed to partners	6,525,807	6,525,807	4,881,719	4,881,719
Taxes and social security	127,820	127,820	109,266	109,266
Other creditor and accruals	2,340,483	2,313,825	2,485,594	2,481,157
Gift Aid Provision	193,914	193,914	193,914	193,914
Total	9,188,024	9,161,366	7,670,493	7,666,056

13 GROUP AND CHARITY OPERATING LEASE COMMITMENTS

Total minimum lease payments due over the lease term are as follows:

Lease Payments	2019			2018		
	Land & Buildings	Other	Total	Land & Buildings	Other	Total
Not later than one year	217,994	2,694	220,688	424,716	2,993	427,709
Later than one year and not later than 5 years	50,295	8,756	59,051	1,387,988	-	1,387,988
Later than 5 years	-	-	-	-	-	-
Total	268,289	11,450	279,739	1,812,704	2,993	1,815,697

On 30th July 2019, Brooke signed the lease on new premises at The Hallmark Building, London. Brooke is taking advantage of a twelve month rent-free period, therefore no payments will be made within one year. The minimum lease payments due between one and five years will be £2,172,793 and due later than five years will be £144,853.

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2019 Unrestricted Funds £	2019 Restricted Funds £	2019 Total £
Group			
Intangible Assets	78,929	-	78,929
Tangible Assets	286,289	-	286,289
Investments	13,623,598	-	13,623,598
Current Assets	6,967,461	295,029	7,262,490
Current Liabilities	(9,188,024)	-	(9,188,024)
Net Assets	11,768,253	295,029	12,063,282
Charity			
Intangible Assets	78,929	-	78,929
Tangible Assets	286,289	-	286,289
Investments	13,623,598	-	13,623,598
Current Assets	6,940,803	295,029	7,235,832
Current Liabilities	(9,161,366)	-	(9,161,366)
Net Assets	11,768,253	295,029	12,063,282

15 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year (2018: none).

16 SUBSIDIARY UNDERTAKINGS

The Brooke group comprises the parent charity (Brooke Hospital for Animals) and one wholly owned subsidiary (Brooke Hospital for Animals Trading Limited). Brooke Hospital for Animals Trading Limited (BHAT) is a private company limited by shares incorporated in England and Wales. The principal activities for Brooke Hospital for Animal Trading Limited includes the sale of Christmas cards, sale of Dorothy Brooke's diary and raise funds through sponsorship activities for the furtherance of the parent charities charitable purpose.

The results for the year of the subsidiary undertakings are given below.

	Bhat 2019 £	Bhat 2018 £
Total income	49,366	46,590
Total expenditure	(23,178)	(34,878)
Net income	26,188	11,712
Gift to Brooke Hospital for Animals	(26,188)	(11,712)
Retained surplus/ (deficit) for the year	-	-
Total Assets	26,658	11,000
Total Liabilities	(26,658)	(11,000)
Total Funds	-	-

At 31 March 2019, Brooke Hospital for Animals Trading Limited owed the parent charity £11,000 (2018 £11,000) for a start-up loan injection. During the year, Brooke Hospital for Animals Trading Limited expended £2,152 (2018 £2,080) with the parent charity for loan interest charges and use of name and logo.

17 FINANCIAL ASSETS AND LIABILITIES

	Group 2019 £	Group 2018 £
Financial Assets Measured at Fair Value	13,623,598	12,737,638
The charity's income, expense, gains and losses in respect of financial instruments are summarised below.		
Total Income from Financial Assets Held at Fair Value	186,239	241,622
Net Gains on Financial Assets Held at Fair Value	798,833	368,195

18 CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £
Income from				
Donations and legacies	2	19,559,339	1,567,637	21,126,976
Other trading activities		46,599	-	46,599
Investments		241,622	-	241,622
Other		9,597	-	9,597
Total income		19,857,157	1,567,637	21,424,794
Expenditure on				
Raising funds		6,682,214	-	6,682,214
Charitable activities:				
Direct intervention to improve animal welfare		4,204,936	561,591	4,766,527
Prevention of welfare problems		5,437,486	726,204	6,163,690
Influencing for improved animal welfare		1,471,226	196,490	1,667,716
Research		626,665	83,694	710,359
Total charitable activities	3	11,740,313	1,567,979	13,308,292
Other		-	-	-
Total expenditure	4A	18,422,527	1,567,979	19,990,506
Net gains on investments	9	368,195	-	368,195
Net income/(expenditure)		1,802,825	(342)	1,802,483
Reconciliation of funds:				
Total funds brought forward	18	10,826,151	231,606	11,057,757
Total funds carried forward	14	12,628,976	231,264	12,860,240

19 CONSOLIDATED MOVEMENT IN UNRESTRICTED AND RESTRICTED FUNDS FOR YEAR ENDED 31 MARCH 2018

	As at 1 April 2017 restated £	Total incoming resources £	Total resources expended £	Transfers £	Net gains/ losses £	As at 31 March 2018 £
Unrestricted Funds						
General Funds	8,060,550	19,857,157	(18,422,527)	(734,399)	368,195	9,128,976
Designated Funds	2,765,601	-	-	734,399	-	3,500,000
Total Unrestricted Funds	10,826,151	19,857,157	(18,422,527)	-	368,195	12,628,976
Restricted Funds						
Afghanistan	5,610	18,500	(24,110)	-	-	-
Egypt	-	15,750	(15,750)	-	-	-
Ethiopia	-	287,507	(287,260)	11,653	-	11,900
Guatemala	24,344	158,870	(183,214)	-	-	-
India	93,023	255,601	(257,624)	20,000	-	111,000
Kenya	37,454	40,814	(88,098)	9,823	-	(7)
Nepal	1,819	13,623	(15,442)	-	-	-
Pakistan	40,066	424,663	(552,094)	105,840	-	18,475
Senegal	-	174,943	(88,489)	1,924	-	88,378
Nicaragua	-	-	-	-	-	-
The Brooke Journal	2,880	6,387	(9,267)	-	-	-
Formulary	-	-	-	-	-	-
Protocols	4,863	-	(4,863)	-	-	-
Effectiveness Framework Application	21,547	-	(21,547)	-	-	-
*Virtual Gifts	-	150,758	-	(149,240)	-	-
Polo event	-	20,401	(20,221)	-	-	-
Total Restricted Funds	231,606	1,567,637	(1,567,637)	-	-	231,264
Total Funds	11,057,757	21,424,794	(19,990,506)	-	368,195	12,860,240

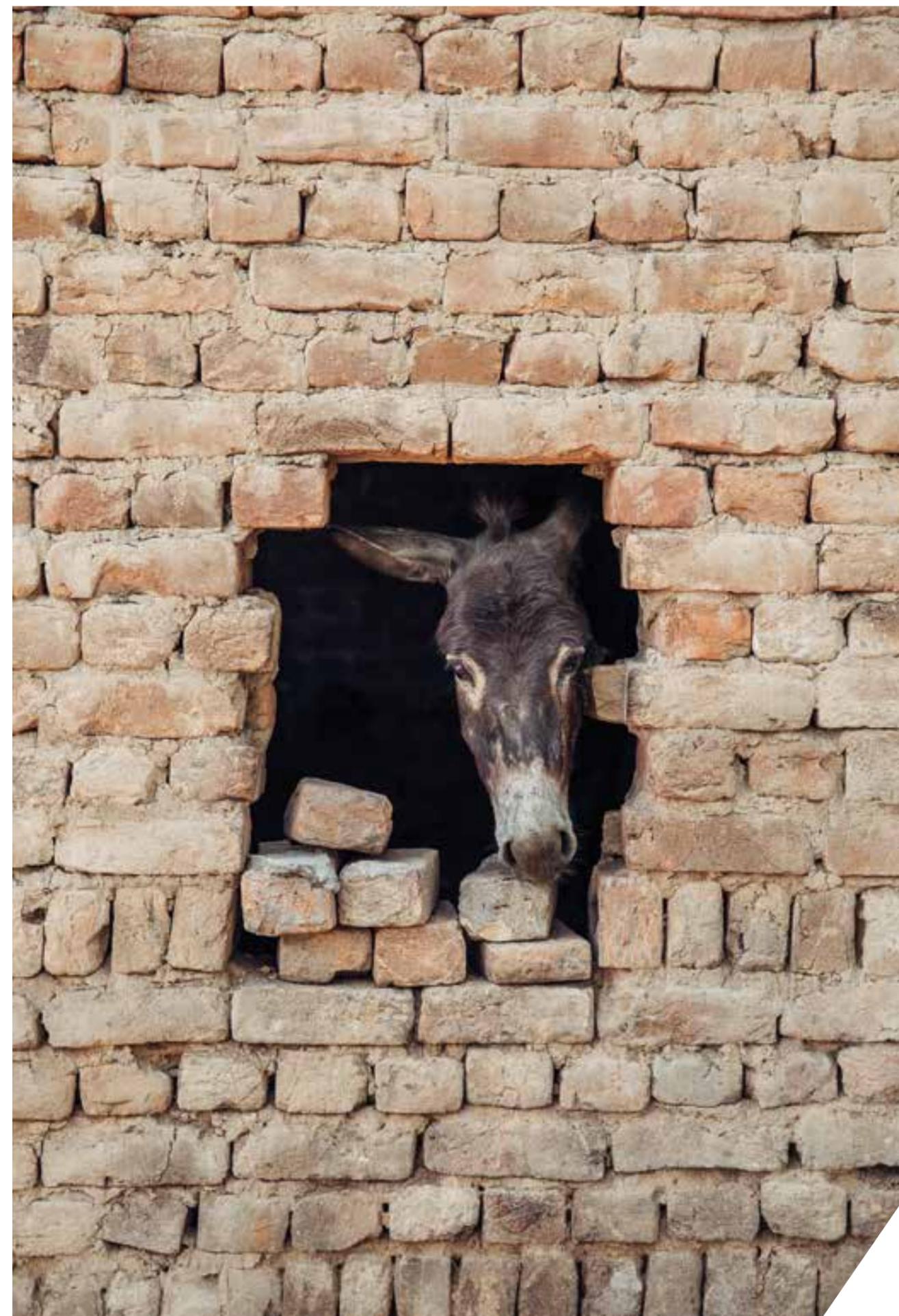
We are grateful to all the donors who support our work and wish to thank them for their continued support.

*Included within restricted funds are Virtual Gifts from our donors that are specifically transferred to country programmes to fund Charitable Activities. Grants amounting to £429k were received from Brooke USA to fund work in Ethiopia, Senegal, Pakistan and Kenya.

Additionally donations totalling £31k were received from Brooke Netherlands in 2017/18, restricted to our work in Pakistan, Kenya and India.

20 ANALYSIS OF NET ASSETS BETWEEN FUNDS FOR YEAR ENDED 31 MARCH 2018

	Unrestricted Funds £	Restricted Funds £	Total £
GROUP			
Intangible Assets	194,315	-	194,315
Tangible Assets	422,990	-	422,990
Investments	12,737,638	-	12,737,638
Current Assets	6,944,526	231,264	7,175,790
Current Liabilities	(7,670,493)	-	(7,670,493)
Net Assets	12,628,976	231,264	12,860,240
CHARITY			
Intangible Assets	194,315	-	194,315
Tangible Assets	422,990	-	422,990
Investments	12,737,638	-	12,737,638
Current Assets	6,940,089	231,264	7,171,353
Current Liabilities	(7,666,056)	-	(7,666,056)
Net Assets	12,628,976	231,264	12,860,240



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name The Brooke Hospital for Animals.

A charity registered with the Charity Commission
Charity No. 1085760

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