Loppy the donkey lives at The Donkey Sanctuary in Sidmouth. Thanks to our donors and supporters, she is one of thousands of donkeys given sanctuary for life.
Ben the foal was born into our care; our dedicated staff stepped in to aid his survival when it became clear his mum had rejected him. From bottle feeding, to the injection of antibodies and eventually finding him a surrogate mum to take him under her wing, our teams ensured Ben became one of thousands of donkeys in our care with a much brighter future.
MESSAGE FROM THE CHAIR OF TRUSTEE DIRECTORS

A significant year, 2018 was an exciting time for The Donkey Sanctuary: it marked the end of a successful five-year period (2013-2017) and the beginning of intense preparations for the next five years, starting in 2019 with our 50th anniversary as an animal welfare charity. It was a year when we continued to achieve a lot for donkeys and mules in the UK and overseas, while all the time planning a new five-year strategy to take our work to a new level, both at our sanctuaries and through our programmes around the world. As chair of the trustees, it gives me great pleasure to share some of the facts, figures and stories that illustrate our work last year, as well as indicate the importance of our future plans both at home and internationally.

In 2018, we looked after nearly 7,000 animals on our farms and sanctuaries, attended 379 welfare visits in the UK, and gave life-saving care to 405 donkeys and mules at our new veterinary hospital, which opened in 2017. We also ensured loving homes for more than 2,000 donkeys on our Rehoming Scheme in the UK and mainland Europe, and developed our donkey-facilitated learning programme to help many more children and adults with additional needs.

Globally, we supported projects in countries across Africa, Asia, Europe and South America, transforming lives through direct care, community training, collaborative partnerships and advocacy work to improve the way donkeys are treated. As we addressed so many urgent needs, we honed our new five-year strategy to tackle at even greater scale the key issues that challenge donkeys’ wellbeing worldwide today.

As trustees at The Donkey Sanctuary, we are consistently reassured by the generous giving of supporters and the thoughtful working practices of staff and volunteers. We know we make a real difference to animals experiencing abandonment, overwork, neglect and abuse.

Thank you for your continued support. Together, we make possible the shared goal of improving the lives of donkeys and mules around the world.

Stuart Reid
We were able to offer support to Zimbabwean charity Lupane Youth Development to fund the construction of secure, mobile enclosures, known as ‘bomas’. The collaboration was the result of a rise in night-time attacks on domestic donkeys from lions and hyenas. A number of Lupane villages had been losing as many as six donkeys a week to the predatory attacks. Since the constructions were put in place, villagers witnessed a 50% decrease in donkey deaths and injuries.
The Donkey Sanctuary relies entirely on donations to carry out its objectives. We are indebted to our supporters, donors, staff and volunteers. Without their support and encouragement, we would not be able to work towards our goal of a world where donkeys and mules live free from suffering and their contribution to humanity is fully valued.

Here are just some examples of our successes from 2018 – thanks to our supporters.

**WILL’S HOSPITAL TREATMENT**
Our veterinary hospital marked its first anniversary in 2018, and Will was one of many donkeys given expert medical care at the facility. Will is a loveable chap with some abnormalities including floppy ears and a stooped, lumbering gait. When brought in accompanied by friend Coco, we discovered he had a heart murmur. We gave him an ultrasound scan that revealed a hole in his heart affecting the way blood was pumped around the body. As a result of this discovery, we can now monitor Will regularly to check how his heart is coping and ensure he enjoys a peaceful life at our main sanctuary in Sidmouth, Devon.

**HOW JUNIPER HELPED EMILY**
Our donkey-facilitated learning programme helped many vulnerable children and adults in 2018, including Emily, a young woman who is autistic and has limited vision and hearing. During interaction sessions at our sanctuary in Sidmouth, she formed a special bond with miniature donkey Juniper, who helped Emily with the development of life skills such as communicating and managing emotions. Juniper benefited from the bonding, too. Like all donkeys, he is intelligent and the mental stimulation that comes with interacting with people helps to enrich his life.

“\[As social creatures, donkeys are aware of their environment and the people within it. I’ve witnessed sessions where people who struggle to connect emotionally somehow connect with our donkeys.\]
Caron Whaley,
Director of Donkey-Assisted Therapy
SAVING DONKEYS IN BETHLEHEM

Sick and injured working donkeys in the Holy Land were among the thousands who received vital care thanks to a project we funded. Through our partner, the Palestine Wildlife Society, we provided treatment for donkeys like Bayoud (above), and education for their owners, addressing the lack of appropriate food, harnessing and veterinary provision. Around 2,000 overworked and ill-treated donkeys have benefited from the project, and we are aiming to expand this care to some 15,000 more suffering donkeys.

“Owners are being taught to better look after their animals, which raises the value of donkeys in the region.”

Alex Mayers
Head of Programmes

RESCUING MOLLY AND PHOEBE

Mare and foal Molly and Phoebe are just two of the desperate donkeys we rescued last year. They were found in fields in Yorkshire, with nothing but rotting haylage, mouldy carrots and stagnant water to eat and drink. They were immediately seized from the owner by police on veterinary advice, and were signed over to our care. They have since been receiving all the treatment they need. Molly’s overgrown teeth were attended to by an equine dental technician, and both of the donkeys’ neglected hooves were treated by a farrier. Safe in sanctuary now, we hope to find them a loving forever home.

Thank you from the bottom of our hearts
In 2018 we achieved some great successes and I feel fortunate to have witnessed the results of so much vital work being carried out at our sanctuaries in the UK, Ireland and mainland Europe, and by our projects around the world. We set the groundwork for our future goals, and are excited to embark on our new five-year strategy in our 50th anniversary year of 2019. This milestone will allow us all the opportunity to celebrate our history, while looking ahead to tackle large-scale issues such as the global donkey skin trade and our ambition to rehome more happy, healthy donkeys in the UK.

At home I experienced the dedication and compassion of staff and volunteers, from welfare advisers called out to rescue donkeys from neglect and abuse to the grooms, vets and farriers who maintain such high welfare standards for the donkeys in our care.

Just one of many such cases was the rescue of three mules – Maisie, Indie and Oscar – who were discovered in Scotland with painfully twisted feet and brought to our sanctuary in Sidmouth to start their journey to recovery. They were at first terrified even by those who wanted to care for them but, thanks to our experts in behavioural issues, the mules slowly became less stressed. In time, they were able to stand still while the farrier worked on their feet.

Although stretched for resources and full to capacity, we never turn away from these animals' needs. Last year alone, we rescued 350 donkeys in the UK and 129 in Ireland, where our sanctuaries are overwhelmed with cases of abandonment.

Our Rehoming Scheme sent out 223 donkeys in this period, and we're grateful to both donors who enable us to give permanent care, and those Donkey Guardians providing loving homes in the wider community.

Further afield, we strive to make a sustainable difference to the lives of millions of donkeys and mules, serving some of the poorest communities in Asia, Africa and Latin America. Our work throws a spotlight on the hugely important work that donkeys do to help the world's poorest and most vulnerable communities.

Whether for harness-making workshops, animal welfare education for children, veterinary training for adults or tackling the crisis of donkeys being poached for the skin trade, we collaborate with a network of partners globally. For example, our partner in South Africa conducted 55 skin trade investigations, leading to nine court cases and saving many donkeys from the slaughterhouse.

Our response to such challenges combines grassroots initiatives with advocacy and awareness-raising work. One of many signs of progress was during a visit to China, where we forged a groundbreaking partnership to improve equine welfare in the country, and also launched The Clinical Companion of the Donkey – a definitive new reference book aiming to improve the health and care of donkeys globally.

Our ability to transform the lives of animals that need us depends on persuading others that this will make a difference, not only for donkeys but for the people who depend on them. Our focus in the years ahead is to develop as a beacon for donkey welfare in the UK and globally. By seeking structural improvements in donkey welfare at scale with key allies and decision-makers, we can change the lives of far more donkeys than we ever could alone.

Mike Baker
Chief Executive
Working and living conditions for donkeys and mules at Nepal’s brick kilns are often shocking, but there are glimmers of hope due to our long-standing collaboration with partner, Animal Nepal. Our support helps fund education programmes to convince more kiln workers of the benefits of better welfare standards, and also provides emergency clinics where vets administer painkillers, antibiotics, multi-vitamin boosters and other urgent treatments for overworked animals.
VISION, MISSION AND VALUES

OUR VISION

A world where donkeys and mules live free from suffering, and their contribution to humanity is fully valued

OUR MISSION

To transform the quality of life for donkeys, mules and people worldwide through greater understanding, collaboration and support, and by promoting lasting, mutually life-enhancing relationships.

OUR VALUES

Compassion, collaboration and creativity are The Donkey Sanctuary’s values. They are the key to our journey as they represent what we stand for and what we measure ourselves against.

Compassion

The Donkey Sanctuary is above all else compassionate. We never turn away from a donkey in need. Donkeys and the people who rely on them for their livelihoods lie at the heart of everything we do, as we help them cope with physical, mental and emotional challenges. We act as a global driving force for caring, both for suffering donkeys and mules, and for all those people whose lives they touch, generating understanding, compassion and support all over the world.

Collaboration

The Donkey Sanctuary is collaborative in all its activities, working through a worldwide network of partner organisations, communities and individuals. We work inclusively with people frequently marginalised within their own countries and communities, whether due to ignorance, poverty, race, gender or disability. We treat every interaction as a two-way opportunity to learn and teach. We know that it is only together that we can help donkey owners and carers become donkey welfare ambassadors wherever they live and work.

Creativity

The Donkey Sanctuary’s goals are ambitious, but its resources are finite, which means we must exercise creativity to meet the ambitious goals we set ourselves. Creative thinking underpins everything we do, whether adapting locally available materials for donkey-friendly harnesses across projects that span four continents, developing human-donkey interaction activities tailored to the unique challenges of children and adults with additional needs, or reaching donkey-owning communities in the midst of man-made or natural disasters.
Following successful meetings with the Mayor of Santorini about the donkeys and mules working as tourist taxis on the Greek island, we sent a team to train local officials in basic equine health and welfare. Staff from the municipality’s environment department and local police officers received training to help them understand what to look for when carrying out welfare enforcement checks: water, shelter, owner behaviour, wounds and weight of load. The training initiative is being complemented by our new Responsible Tourism campaign, ‘In Their Hooves’.
During 2018, we continued to play a pivotal role in addressing the most pressing global crisis affecting donkeys and those that depend on them – the threat to donkey populations due to the unsustainable demand for their skins.

The demand is driven by the production of the traditional Chinese remedy, ejiao, which uses the gelatin found in donkey skins as its key ingredient. As well as involving the inhumane transportation and slaughter of animals, it involves the theft of working donkeys in Africa, Asia and Latin America, which is causing socio-economic devastation to the people who rely on these animals for their livelihood. The unregulated nature of the trade also increases the risk of the spread of disease, causes environmental degradation, and has been linked to illegal activity, including wildlife crime.

In early 2017, when our Under the Skin report first highlighted the issues, five countries had taken a stand against the trade – today that number stands at 19. Our campaign continued to influence and raise awareness last year, both through field projects and advocacy work. We collaborated with non-governmental organisation partners, governments, the international media and donkey-reliant communities.

The Donkey Sanctuary, accompanied by World Horse Welfare, also engaged with the Chinese authorities and the ejiao industry to develop evidence-based best practice, and provide education in donkey-specific care.

While we recognise that donkeys can be farmed humanely, their complex welfare needs and lengthy reproduction cycles make them an animal that is not suited to intensive farming practices.

We believe that the ejiao industry must pursue safe, humane and sustainable alternatives.

There remains much work to be done, but we are encouraged by the scale of the breakthroughs, and how our groundwork and lobbying, as well as our networking in China, is identifying solutions.
In Brazil in late 2018, we were encouraged by the decision of the Bahia Federal Court to prohibit the state of Bahia from continuing to slaughter donkeys. We had spent the year collaborating with our partners in the National Donkey Taskforce, set up to unite vets, government ministers and animal welfare charities behind the campaign to suspend the unsustainable slaughter of donkeys. Some 700 donkeys were being slaughtered daily in three abattoirs in Bahia state, having been sold by owners or rounded up from populations in the wild.
RESCE And ReHoming

Thanks to our supporters and donors we continued through 2018 to provide rescue and rehoming services to thousands of donkeys in distress across the UK, Ireland and Europe.

We provided sanctuary to nearly 7,000 donkeys and mules and, of these, 2,000 enjoyed the direct care and friendship of families through our Rehoming Scheme in the UK and Europe.

With our sanctuaries becoming full to capacity, rehoming pairs of donkeys by finding them loving homes in the wider community is an increasingly important goal. We support owners through behaviour and husbandry training, providing expert advice, and helping people find new homes for their donkeys when they can no longer care for them.

We also continue to address the root causes of relinquishments. For example, The Donkey Sanctuary Ireland rescued 129 in 2018. Our Donkey Welfare Improvement Scheme helped tackle the abandonment problem in Ireland by encouraging people who may need help with their donkeys to contact us to enquire about assistance, such as castration, microchipping, veterinary treatment and farriery.

The Donkey Sanctuary’s Spanish operation El Refugio del Burrito rescued or relinquished 113 animals last year, and directly rehomed 105 of them. Abandoned donkey Flor was among the saddest rescue cases we witnessed. Found by our welfare officers in searing heat last July, she had virtually no hair, her bare skin infected and covered in wounds. Today, she is a different donkey, with her soft coat restored to health and her listless eyes now bright and alert.

The life-saving care of vets, farriers and grooms is informed by the trailblazing discoveries of our research teams. The findings of studies have resulted in breakthroughs in our understanding of equine health and husbandry. Over the years, our research projects, whether in the field or laboratory, have shed light on everything from nutritional and environment needs to behavioural traits and the cure of diseases. Last year, we developed a new tool that gives us a deeper understanding of the underlying reasons behind poor equid welfare globally. Created in collaboration with World Horse Welfare, the Equid Assessment Research and Scoping (EARS) tool is built on a sophisticated questionnaire that gathers information about the health and welfare needs of individual animals, both inside and outside the sanctuary. These assessments are helping us give credible evidence in order to help donkeys in need.

During the year, we also continued conservation work on our farmland in Devon and Dorset which, as well as providing our resident donkeys with grazing pastures, supports wildlife including dormice, birds, bats, butterflies and bees. We welcomed groups of volunteers who helped with scything and planting wildflower bulbs in hedge banks.

Finally, our veterinary hospital, which marked its first anniversary in 2018, took our medical care to new heights as we treated donkeys both inside and outside our sanctuaries, and trained vets and donkey handlers both nationwide and worldwide.
Pedro was among the donkeys rescued into the care of our sanctuary in Spain in 2018. Fighting for his life, he had suffered terribly from overwork and neglect. He was exhausted and in excruciating pain from an ill-fitting harness and barbaric halter that had caused infected wounds. Thanks to our supporters, we can give donkeys like Pedro a loving new home and the expert care he needs.
Donkeys and mules are facing complex and ever changing challenges in today’s world. In some areas, large populations of donkeys are living in the wild and face uncertain futures, having been abandoned as the societies that have historically relied on them for their livelihoods replace them with mechanised transportation. Elsewhere, the increasing use of donkey products in China is driving up the demand for donkey body parts, bringing a completely new set of challenges. Meanwhile, across the developing world, many millions of donkeys continue to be used in the construction industry, in tourism on several continents and, of course, as vital transport for communities.

In 2018, we have had to use all our ingenuity to address the welfare needs of donkeys and mules in the face of such diverse challenges. We relieved donkey suffering directly through the hands-on care of our project teams worldwide. At the same time, we trained and advised others to do the same, helping them to build welfare infrastructures. It is through this collaborative work that we can have a mass impact and it is something we aim to build on and expand in the coming years. We know that in helping donkeys we help the people who depend on them. Our advocacy work with influencers around the world demonstrates the critical role donkeys play in achieving the United Nations’ Sustainable Development Goals (SDGs), which aim to end poverty, protect the planet and ensure prosperity for all.

**INDIA – case study**

Unlike our UK sanctuaries, which give lifelong care to donkeys in need, our India operation trains communities in animal welfare, and treats sick donkeys until they are fit to return to performing their roles as working animals. In Ahmedabad, a woman called Pannu rehomed three donkeys who had needed temporary refuge with us. A role model to other donkey owners, Pannu sees they are well fed and watered and live in a clean shelter, while they help her earn money by transporting sand for local construction projects.
KENYA – case study
Our partner Donkey Sanctuary Kenya gave urgent veterinary care to donkeys on Lamu island following a worrying spate of vicious attacks by hyenas, a consequence of the worst drought in a decade. Rescuing and treating over 40 animals in a six-month period, the operation involved: transporting the injured animals to hospital, surgery, pain management, antibiotic treatment, and sheltering and feeding. It took between two and three months to achieve full recovery.

ETIOPIA – case study
With 8.4 million donkeys, Ethiopia has the largest donkey population in the world. We fund and support the Donkey Sanctuary Ethiopia programme, which runs community projects and has clinical facilities, operating under the College of Veterinary Medicine and Agriculture at Addis Ababa University. These clinics provide free health care services for working donkeys, while allowing students to learn through hands-on experience. The projects offer education for professionals and donkey owners on areas such as harnessing, hoof care and diet.

TANZANIA – case study
We fund our partners at the Tanzania Humane Charity (THC) to improve welfare for the country’s hardworking donkeys, who toil in gold mines, markets, brick kilns and households. With injuries and diseases common, and often with no access to vets, our collaboration is working to educate owners in animal husbandry, including training in harness-making.

OFFSETTING CARBON EMISSIONS – case study
By partnering with environmental organisation CO2balance, we offset the carbon emissions of air travel to our projects overseas – and helped donkeys at the same time. For example, a CO2balance project in Eritrea repairs broken boreholes to provide clean water. This saves donkeys the chore of carrying water long distances, or collecting firewood for the boiling of unsafe water – reducing carbon emissions further.
Since our founder, Dr Elisabeth Svendsen, introduced a donkey-assisted therapy programme to our sanctuaries over 40 years ago, so much has been done to grow and develop this important area of our work.

In 2018, we continued to look to donkey-facilitated learning to develop critical life skills in vulnerable people, helping them to manage their emotions, improve their communication skills and develop resilience to the broad range of challenges they face.

For example, the life skills programme helped families bereaved by suicide, thanks to a collaboration with a charity called Pete’s Dragons. Another example was Gian, a six-year-old boy with Down’s Syndrome, who improved his communication, empathy and concentration skills after bonding sessions with Raymond the donkey.

These programmes also aim to raise the profile of donkeys, highlighting their potential as sentient creatures and teachers of life skills, while improving their status and welfare worldwide.

Children and adults with social, emotional and behavioural difficulties gain confidence and a sense of achievement from the programme, while the donkeys – many of whom have been rescued from a life of neglect, mistreatment or abandonment – gain a new and rewarding life engaging with people.
Francis, who has complex physical disabilities, attended donkey-facilitated learning sessions at our Leeds sanctuary. A university student experiencing stress as he worked on his finals, he hoped sessions bonding with donkey Harbin would help him with his self-esteem, confidence and management of emotions. “The peacefulness of the donkeys has helped to remind me not to panic or worry,” he says. “Harbin has helped me become aware of my emotions, and taught me that everything is relative and doesn’t have to be so fast-paced.”
CONSIDERING THE FUTURE

Thanks to our supporters and donors, we have so much to celebrate

IN 2018

Last year marked the end of a successful five-year strategy period that saw us grow in impact, profile and income. During the year, while continuing to achieve a lot in the UK as well as overseas, we made intense preparations to develop The Donkey Sanctuary’s next five-year strategy, which will take us from 2019 to 2023.

Last year we:

• provided a home on our sanctuaries, farms or through our Rehoming Scheme to nearly 7,000 animals
• attended to almost 400 welfare visits in the UK
• gave vital care at our new hospital to 405 donkeys and mules both inside and outside our sanctuary care, and trained vets both in the UK and internationally
• increased the number of donkeys in our Rehoming Scheme from 1,500 in 2012 to over 2,000 in 2018, in the UK and mainland Europe
• continued to support sustainable projects around the world
• played a pivotal role in several countries standing against or halting the development of the skin trade, including taking our campaign to Brazil, following disturbing reports of donkeys enduring the most terrible suffering after being rounded up and transported long distances to the slaughterhouses in the country
• transformed the lives of donkeys worldwide through community and partnership work to improve the way donkeys are treated, including better harnessing, dentistry and farriery
• championed the contribution of donkeys and advocated for their needs by working with governments, the media and other NGOs worldwide, including the World Organisation of Animal Health (OIE), the Food and Agriculture Organisation of the United Nations (FAO), the World Bank and veterinary associations around the world
• welcomed over 350,000 visitors at our Sidmouth sanctuary, with its Visitor Centre including The Kitchen restaurant, Exhibition Barn and Gift Shop, which all opened in 2017
• increased our income from 37.6m in 2017 to 42.3m in 2018 to finance this work.

IN 2019

Our goal for 2019 and beyond is to transform the welfare of donkeys and mules and elevate their status across the world.

Following consultation with staff and trustees, The Donkey Sanctuary will launch the next five-year strategy, starting in our 50th anniversary year of 2019. The new strategy outlines our plan to take our work for donkeys and mules to a new level, both on home ground in our sanctuaries and through our global programmes of work.

The strategy describes exactly why donkeys matter so much, both for their own sakes and for the pivotal impact they have on the human beings they live among, and the key issues that challenge donkeys’ wellbeing worldwide today. It also describes the approach we will need to take to combat these issues.

We have set the groundwork towards our goal to transform the welfare of donkeys and mules and elevate their status across the world. This goal is underpinned by six key operational aims:

1. We will ensure that every donkey in the UK can live a happy and healthy life.
2. We will transform the lives of working donkeys in greatest need across the world.
3. We will significantly reduce the number of donkeys suffering in the production of meat, milk and skin.
4. We will ensure that donkeys affected by major disasters receive prompt and expert care.
5. We will transform the status of donkeys, demonstrating the positive impact they have on human health and happiness/wellbeing.
6. We will demonstrate the value of feral and wild donkeys in their natural and human environments.
Thanks to such incredible support received during 2018, we are confident that in the coming years we can have an even greater impact on the millions of donkeys around the world. In fact, it is our duty to do that.
It is vital that we are transparent in all our activities, and our supporters are at the heart of everything we do. Our life-changing work is only possible because of the enduring commitment of supporters, who we consider to be part of our family. Their generosity makes it possible for us to reach and transform the lives of donkeys and communities that depend on them.

Our supporters are extremely loyal and trusting of how we use their donations, and we are grateful for that trust. We raise funds through collection boxes and engaging visitors at our sanctuaries, as well as promoting our work and events online and on television. We run a series of successful, annual supporter appeals as well as our popular raffles programme, and we keep supporters updated with our newsletters so they know what we’ve been working on and how they have helped.

Sometimes, we use external fundraising agencies to help us deliver our fundraising campaigns, where they have specific knowledge, expertise and experience. We regularly monitor and review our fundraising activities and those of agencies that fundraise on our behalf. We deliver regular training to those agency partners to ensure they meet our standards.

The Donkey Sanctuary is committed to delivering the highest standard of service at all times. However, in the event of any breach in standards, we have a fair, simple and easy-to-access complaints procedure so we can resolve issues satisfactorily. Last year, we received and logged 63 in the fundraising category, and we are committed to learning from any complaints.

We have policies and procedures to foster mutually respectful and positive supporter relationships, ensure we treat donors fairly and help us protect vulnerable people. With the introduction of the General Data Protection Regulation (GDPR) in May 2018 we further strengthened our procedures around communication preferences, making it easier for supporters to define how they would like us to communicate with them.

The Donkey Sanctuary voluntarily subscribes to the Fundraising Regulator and we have professional fundraising staff who are members of the Institute of Fundraising. The charity is also a member of the Direct Marketing Association and complies with the regulations of the Gambling Commission.

We regularly monitor and review our fundraising activities and those of the external agencies that fundraise on our behalf. We deliver regular training to those agency partners to ensure they meet our standards.
Our dedicated supporters raised funds for the charity in a variety of ways, with community fundraising initiatives ranging from taking part in a sponsored bike ride or run, to giving time to knit the cuddly donkeys sold in our gift shops. Whether dedicating just a few hours to a charitable venture, or embarking on a dream challenge such as a first marathon, we truly value everyone’s support.
FINANCIAL REVIEW

2018 was another successful year for The Donkey Sanctuary and we ended the period with a record total consolidated income of £42.3m (2017: £37.6m). Total expenditure, including capital, reduced very slightly to £41.8m (2017: £42.0m), a reduction of 0.4%, and we ended the year with general funds of £42.8m (2017: £42.9m).

INCOME

The Donkey Sanctuary experienced continued success from its income-generating strategies, whether this was from donations and legacies or its other trading activities. Our voluntary income grew by over 13% to £38.2m (2017: £33.8m), reflecting the continued kind generosity of our supporters and success from our fundraising strategies. We appreciate how important it is to not only introduce new supporters to the work of our charity, but also to ensure we actively engage with our existing supporters through fundraising and communication activities that increase awareness of the impact of our work across the world.

During the year, we carried out a comprehensive review of our adoptions scheme, which was the first review for five years and is part of our overall fundraising strategy. We will seek to actively grow all of our income streams and supporter base to enable us to achieve our new five-year strategic plan and transform the welfare of donkeys and mules across the world, and elevate their status. As one of our many digital fundraising strategies we launched our new website during the year, and we have received some very encouraging feedback from supporters. We also experienced growth in Gift Aid income as we actively promoted the benefits of completing Gift Aid declarations by qualifying supporters.

Income generated from legacies remains an important source of income for us and we are extremely grateful to all who have remembered us in their will. In 2018, legacy income grew to £26.6m (2017: £23.3m), an increase of 14%, and reflects how so many of our supporters are proud that they have contributed towards the ongoing commitment to give care and love to thousands of donkeys worldwide.

In terms of other trading activities, 2018 was a year of transition and growth with income increasing to £3.1m (2017: £2.9m), this reflecting the first full year of trading from our new restaurant The Kitchen, together with the opening of our new, larger Gift Shop. The facilities are proving to be a great success, giving us the opportunity to attract new and existing supporters to experience the scale of our activities and demonstrate how their visit will contribute towards our work across the world. All profits from our trading subsidiaries’ activities are donated back to the charity to help transform the lives of donkeys in need.

EXPENDITURE

Total expenditure for the year, including investment in capital projects, fell slightly to £41.8m (2017: £42.0m), this reflecting the exceptional capital investment in our new facilities in Sidmouth during 2017. In 2018, operational expenditure on our charitable activities increased by 7% to £30.8m (2017: £28.8m). The key areas of increased expenditure being across Rescue and Rehoming activity and human-donkey interaction, whilst there was a slight reduction in expenditure across our overseas programmes, such as Donkeys in the Community.

In 2018, we extended the reach of our donkey welfare advisers across the UK in support of growing the number of donkeys we can rehome, which included the ongoing promotion of direct rehoming with Donkey Guardians, who can offer caring homes for two or more of our donkeys. By continuing to invest we have helped to increase the number of donkeys rehomed in private homes, schools and other institutions. This forms a key element of our new five-year strategic plan. We also experienced the impact of higher straw prices across the UK, resulting in a higher than planned level of expenditure for the donkeys in our care across our sanctuaries. Overall our expenditure grew by more than 9% to £22.7m (2017: £20.7m).
During the year, we fine-tuned the charity’s new five-year strategy – this gave us the opportunity to review the successes of our overseas activities from the last five years through Donkeys in the Community, and to give careful thought as to how our new Global Programmes team will lead us to future success in 2019 and beyond. As we made the time to derive our Global Programmes strategy, we continued with our investment in key areas of activity including the development of our Advocacy team and its activities consulting with governments, other non-governmental organisations, and the international media to garner support. We continued to play a pivotal role in addressing the threat to donkey populations due to the unsustainable demand for their skins, with growing levels of activity in Brazil, across Africa and in China. We encountered unavoidable government-imposed restrictions to our activities in Egypt, and re-evaluated some of our other overseas activities to ensure alignment with our new Global Programmes strategy, hence a slight reduction in expenditure for 2018 to £4.1m (2017: £4.3m).

In 2018, expenditure on human-donkey interaction through our programme of donkey-facilitated learning grew by 7%, reflecting our new strategy of providing interactions that offer more opportunity to connect on an emotional level.

## 2018 INCOME

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## 2018 EXPENDITURE (including capital)

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<tr>
<td><strong>Total</strong></td>
<td><strong>41.8</strong></td>
<td><strong>42.0</strong></td>
</tr>
</tbody>
</table>
In order to support our expanding operations and continue the success of the charity as we enter our next five-year-strategy, we will continue to invest in fundraising activities. As we absorbed the impact of the new regulations both from the Fundraising Regulator and from the Information Commissioner’s Office in respect of GDPR, we also finalised our new fundraising and commercial strategies during 2018.

As we grow our income, whether this is from donations, fundraising events, legacies or trading, we acknowledge that there will be an increase in expenditure to ensure our continued fundraising success, and we therefore increased our fundraising budget (including trading costs but excluding capital) to £9.2m in 2018 (2017: £8.6m).

It is worth noting that the proportion of our expenditure attributed to raising donations, legacies and other fundraising income remains low, at 16.8p (2017: 17.6p) for every £1 of total expenditure. The trustees continue to monitor the risks associated with the changing landscape of fundraising and the potential for reduced levels of income in 2019 and beyond. Through our ongoing maintenance of robust financial controls and other internal measures, we are able to closely monitor the charity’s fundraising performance to mitigate this risk and take suitable action as required.

NET ASSETS AND FUNDS

The trustees operate a reserves policy to ensure the continued ability of The Donkey Sanctuary to meet its objectives. The trustees are aware of the potential volatility of income levels and the significant proportion of our total income from legacies. The annual update to our reserves policy representing a more agile and forward-thinking model recognises the specific reserves needed to fund our core activities, reflecting the financial risks the charity faces, our ongoing committed expenditure and the composition of readily available funds to meet day-to-day activities.

The policy will allow us to invest in a dynamic programme of strategic growth, driving forward our ambitious initiatives to transform the lives of donkeys at scale. The policy is kept under periodic review and reserves levels are adjusted as perceptions of risk and other factors change.

In terms of our total assets, £33.2m (2017: £32.4m) relates to fixed assets and planned capital projects, most of which is land and buildings to care for donkeys across our sanctuaries. There were no exceptional capital projects during the year, the capital expenditure represented by normal asset replacement cycles and minor property additions.

General funds of £42.8m (2017: £42.9m) comprise:

- specific reserves of £25.0m to take account of core operating activity, including the many risks and uncertainties that the charity may face, such as potential reduction of future income
- general reserves of £17.8m representing those funds available to accommodate medium-to-long-term growth in the charity, and for the trustees to apply to specific transformative strategic projects.
Jasha had been tied to a tree in the West Bank and had suffered a serious gash dangerously close to her eye. She received treatment from an expert vet, funded as part of our Donkeys in Bethlehem project with our partner Palestine Wildlife Society, one of many partners we work with to improve donkey welfare around the world.
The Donkey Sanctuary was founded by Dr Elisabeth Svendsen MBE in 1969. The Donkey Sanctuary (registered charity number 264818) and its sole corporate trustee, The Donkey Sanctuary Trustee Limited (Company number 07328588), both have their registered office at Slade House Farm, Sidmouth, EX10 0NU. Linked charities: The Elisabeth Svendsen Trust for Children and Donkeys (EST), The International Donkey Protection Trust (IDPT).