

**THE BROOKE HOSPITAL FOR ANIMALS  
TRUSTEES' REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2009**

Company No: 4119581

Charity No: 1085760

**THE BROOKE HOSPITAL FOR ANIMALS  
CONTENTS**

---

	Page
<b>Reference and Administrative Details</b>	2
<b>Chairman's Statement</b>	3
<b>Chief Executive's Statement</b>	3
<b>Trustees' Report</b>	
○ The Brooke's Purpose	4
○ Who we are	4
○ The need	5
○ Where we work	5
○ What we do	5-6
○ What we aimed to do in 2008/09	6-8
• The outcome of our work	9
• Review by country	9-13
• Field research	14
○ Fundraising and communications review	15
○ Looking ahead: Aims for 2009/10	16
○ Financial review	17-18
○ Financial strategy	18-19
○ Staffing and volunteers	19
○ Structure, governance and management	20-21
○ Statement of Trustees' responsibilities	22
<b>Independent Auditors' Report</b>	23
<b>Financial Statements for the year ended 31 March 2009</b>	
○ Statement of Financial Activities for the year ended 31 March 2009	24
○ Balance Sheet as at 31 March 2009	25
○ Cash Flow Statement for the year ended 31 March 2009	26
○ Notes to the accounts 31 March 2009	27-35
<b>Contact Addresses</b>	36

**THE BROOKE HOSPITAL FOR ANIMALS  
REFERENCE AND ADMINISTRATIVE DETAILS**

---

**President**

HRH The Duchess of Cornwall

**Patrons**

HRH Princess Alia bint al-Hussein of Jordan

Sir Peter O'Sullivan CBE

Lady Trevelyan

**Ambassadors**

Ms Emma Milne MRCVS

Mr Nigel Payne

Lisa Bilton

**Trustees**

Hilary Weir OBE (Lady Weir) (Chairman) <sup>2,3,5</sup>

Mr Denys Bennett <sup>1</sup>

Sir Robin Christopher KBE, CMG

Mr Peter Coe <sup>1,2,4</sup>

Mr Lester Corp FCA <sup>1,2</sup>

Ms Cecilia Hope <sup>1</sup>

Dr David Jones (Chairman) MRCVS <sup>3,4,6</sup>

Dr Louisiana Lush <sup>7</sup>

Sir David Madden, KCMG <sup>1,4</sup>

Miss Sally Nichols <sup>2,3</sup>

Dr Richard Philip MRCVS, OBE <sup>3</sup>

Mr Patrick Rodier <sup>2,4</sup>

Mr Stephen Savage <sup>1,4</sup>

Ms Ann Searight <sup>3</sup>

**Chief Executive**

Mr Michael Baker (*resigned June 2009*)

Mrs Petra Ingram (*appointed June 2009*)

**Headquarters and Registered Office**

30 Farringdon Street

London

EC4A 4HH

**Company Limited by Guarantee**

No: 4119581

**Registered as a Charity**

No: 1085760

**Bankers**

Barclays Bank PLC

50 Pall Mall

London, SW1A 1QD

**Auditors**

Horwath Clark Whitehill LLP

St Bride's House

10 Salisbury Square

London, EC4Y 8EH

**Solicitors**

Bates, Wells & Braithwaite

Cheapside House

138 Cheapside

London, EC2V 6BB

Wansbroughs

Northgate House

Devizes

Wiltshire

SN10 5DL

**Investment Fund Managers**

Newton Investment Management Limited

Mellon Financial Centre

160 Queen Victoria Street

London, EC4V 4LA

<sup>1</sup> Member of Finance Committee

<sup>2</sup> Member of Remuneration Committee

<sup>3</sup> Member of Nominations Committee

<sup>4</sup> Member of Governance Committee

<sup>5</sup> Chairman 26 July 2002 - 2 November 2008

<sup>6</sup> Appointed Chairman 2 November 2008

<sup>7</sup> Retired 22 September 2008

## Chairman's statement

2008/09 has been another hugely successful year for the Brooke. Against the backdrop of the global financial downturn our organisation has continued to improve the lives of hundreds of thousands of working horses, donkeys and mules in some of the poorest parts of the world.

In many ways 2008/09 was also a year for consolidation and reflection. The sad death of the Brooke's Chairman, Hilary Weir, had a profound effect on us all, though she would be justly proud of her legacy: a global family of organisations imbued with the spirit and enthusiasm for the cause of animal welfare that she embodied with such graceful determination throughout her long association with the Brooke.

The organisation has grown quickly in recent years and as our mission gains momentum and our cause becomes known and celebrated ever more widely, we have begun to focus on what the future will bring, what challenges lie ahead, and how the Brooke will adapt to ensure it is best placed to meet them.

We have begun to look at our structures and our approach, at how the Brooke global family of organisations can work together even more effectively not only to deliver support where it is needed, but also increasingly to be a voice for change where one needs to be heard. We have formalised the scale of our challenge and the ambition of our vision into a single purpose which we can share with our supporters and stakeholders. This purpose makes clear our commitment to a world where working animals are free from suffering and although there is a long path ahead, over the last year we have made big steps forward and are poised now for the next stage in our development.

The Board of Trustees continued its governance review to ensure that the charity's monitoring and decision-making processes most effectively support an expanding and increasingly complex international organisation. A key focus of the review has been the drive to ensure the Brooke global family of organisations is actively engaged with the organisation's strategic decision-making processes at the highest level. This 'one Brooke' approach paves the way for an exciting future for the organisation and will allow us together to make the most of the opportunities that lie ahead.

Looking to the future, I would like to thank our Chief Executive, Mike Baker, for all his achievements over the past eight years, and wish him good luck as he leaves to take the role of Director General at the World Society for the Protection of Animals. I would like to welcome Petra Ingram as our new Chief Executive and wish her success in developing the Brooke's work into the future.

I would like to extend the thanks of the Board of Trustees to staff and supporters in Brooke's countries of operation, in the Netherlands, the United States, and as ever in the UK, all of whom have made a direct contribution to the successes described in this Report.

David Jones  
*Chairman*

## Chief Executive's Statement

I would like to echo the comments made elsewhere in this Report that the Brooke's continuing success remains entirely due to the passion and dedication of our staff, partners and supporters around the world.

Although our international expansion plans have been revised in line with declining financial markets, our affiliates and partners have continued to make a profound difference not only to the working animals they reach directly - but also to the lives of those in the families and communities where they are found. Following a series of field visits to potential new areas of operation, we look forward now to developing a pilot project in Senegal over the coming year and will use this as an opportunity to explore scope for the development of a fully fledged West Africa programme when the time is right.

The Brooke's UK team was strengthened further during 2008/09 to support international operations and increase the focus on establishing a monitoring and evaluation framework to gauge our long term success. With the help of our supporters, our income growth has continued despite the challenging economic environment and our fundraising presence in the US has grown over the last year. The Resources team has taken a more active role in building the finance, governance, human resources and information technology capacity of our partners and affiliate organisations.

We are also refining our approach to advocacy to ensure that the Brooke's message can be spread widely and understood. We successfully launched our Help Both campaign, which communicated the interdependence of working equine animals and poor people around the world. This campaign has grown awareness of the Brooke's work and further diversified our supporter base ensuring the Brooke is well placed to meet the challenges that lie ahead.

As ever, we look to the future and continue to hope that with the help of our supporters around the world, the Brooke's vision of a world where working horses, donkeys and mules are free from suffering will in time be made a reality.

Mike Baker  
*Chief Executive*

**THE BROOKE HOSPITAL FOR ANIMALS  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2009**

**Trustees' Report**

The Board of Trustees submit their report together with the audited financial statements of the Brooke Hospital for Animals, for the year ended 31 March 2009. The Charity is incorporated as a company under the Companies Act and is registered with the UK Charity Commission.

The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

**The Brooke's Purpose**

<b>CHALLENGE</b>	100 million working horses, donkeys and mules are essential to the livelihoods of an estimated 600 million people in the developing world. More than half of these animals suffer malnutrition, exhaustion, disease and injury in the course of their working lives.
<b>VISION</b>	The Brooke's vision is of a world in which working horses, donkeys & mules are free from suffering. The Brooke delivers practical programmes and provides support, advice, funding and infrastructure to its global network of employees, partners and supporters to make that vision a reality.
<b>MISSION</b>	The Brooke works directly and through partners to do whatever will most improve the welfare of working horses, donkeys and mules through the alleviation of existing suffering and the development of equine welfare practices and facilities to prevent and reduce suffering in the future.
<b>GOAL</b>	The Brooke's five year goal is to measurably improve the welfare of at least two million of the working horses, donkeys and mules in the most need in the developing world.

**Who we are**

The Brooke is the UK's leading overseas equine welfare charity and the work improves the lives of horses, donkeys and mules working in the poorest parts of the world. These animals form the backbone of the economy in many developing countries, supporting countless poor communities where many people earn less than a pound a day.

The Brooke global family of organisations has programmes in Egypt, India and Pakistan (referred to as affiliates) and Ethiopia and Jordan (overseas branches). The charity has been able to extend its work further with the development of the Brooke Partnership Network, supporting similar programmes undertaken by a range of non-governmental (NGO) and other organisations in Afghanistan, Ethiopia, Guatemala, India, Israel and the West Bank, Kenya, Nepal and Pakistan. Almost all the Brooke's work is financed by voluntary income raised in the UK, the Netherlands and the US.

These programmes are delivering sustainable improvements to the welfare of working equine animals through the delivery of essential veterinary treatment and the promotion of good practice in working equine animal care. The Brooke network provides free veterinary treatment to working horses, donkeys and mules through mobile vet teams, clinics and community animal health workers. It gives training and support to local animal-health professionals and service providers such as local healers, farriers, saddlers, feed sellers and harness and cart makers. All this work is undertaken alongside the poor communities so that animal owners, users and carers are able to learn to care for their animals better. This is achieved by providing education and information on animal care to ensure the animals have access to essentials like water and shade and their welfare is thereby improved.

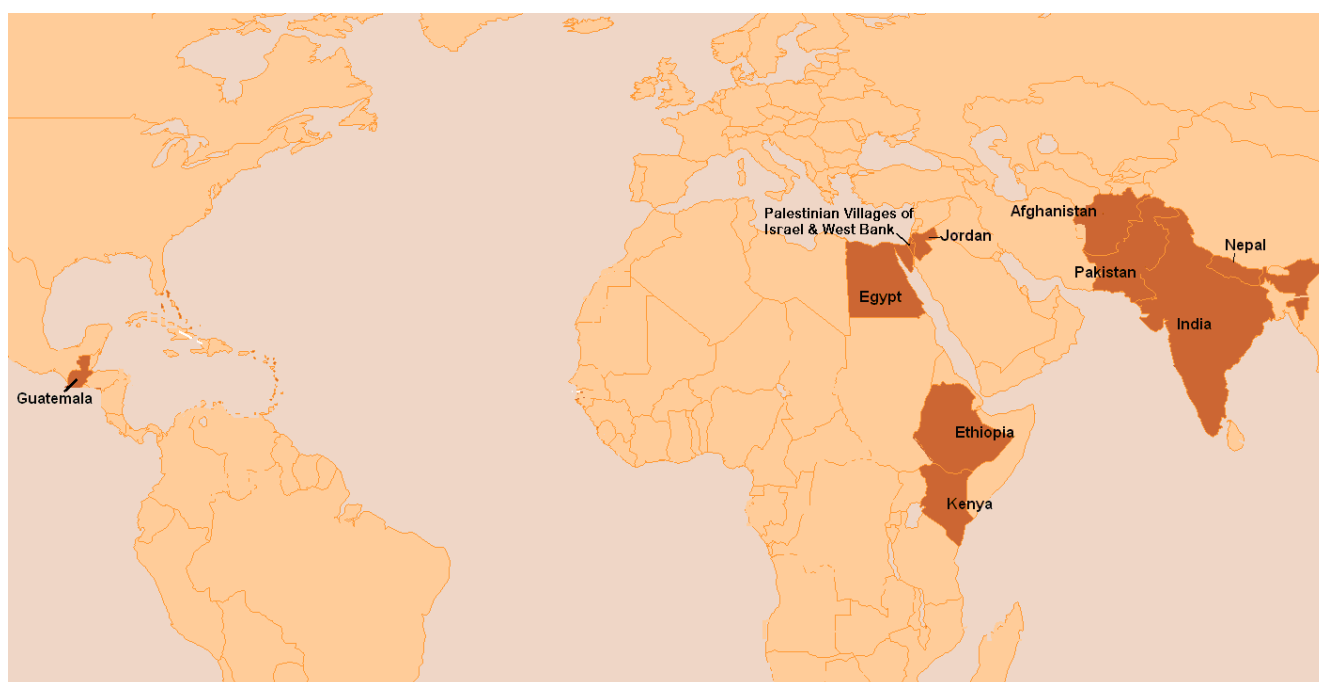
2009 marks the 75<sup>th</sup> Anniversary of the Charity. The Brooke was founded in 1934 by Dorothy Brooke, who was shocked at the plight of the ex-war horses she found in Egypt. These First World War heroes had been abandoned and sold into hard labour in Cairo's streets. Poorly cared for, they were very old, and many were in terrible pain. With donations from the British public, Mrs Brooke bought 5,000 of these exhausted animals - and went on to set up the first free veterinary clinic, the 'Old War Horse Memorial Hospital' in Cairo, which still operates today. From that simple beginning, the Brooke has become an international lifesaver, active in ten countries across the developing world.

## The need

An estimated 100 million working horses, donkeys and mules are essential to the livelihoods of around 600 million people in the developing world.<sup>1</sup> More than half of these animals suffer malnutrition, exhaustion, disease and injury in the course of their working lives.<sup>2</sup> These hardworking animals are vital to countless poor communities - they carry people or heavy loads of food, water, fuel, goods for market - even bricks and other building materials. Many owners and users do not have the information or means to care properly for their animals. Because there are few sources of support, the animals and their owners are left to suffer and struggle on their own.

The Brooke's vision is of a world in which working horses, donkeys and mules are free from suffering. The Brooke delivers practical programmes and provides support, advice, funding and infrastructure to its global network of employees, partners and supporters to make that vision a reality.

## Where we work



## What we do

The Brooke works directly and with partners to improve the welfare of working horses, donkeys and mules through the alleviation of existing suffering and the development of equine welfare practices and facilities to prevent and reduce suffering in the future.<sup>3</sup> The charitable activities can be categorised as follows:

### Direct intervention to improve equine animal welfare

Brooke staff and staff employed by Brooke-funded partners provide free veterinary services in order to relieve the suffering of working horses, donkeys and mules. To support this activity during the year the Brooke global family of organisations employed 151 vets in its overseas operations.

---

<sup>1</sup> Based on the United Nations' estimate of the global working equine population and the Brooke's own research into dependency

<sup>2</sup> This is informed by the Brooke's programme of welfare assessments.

<sup>3</sup> Good equine welfare implies both fitness and a sense of well-being and so best is defined by the Five Freedoms (issued by the Farm Animal Welfare Council in December 1979): its components are freedom from hunger, thirst, discomfort, pain, injury, disease, fear, distress and freedom to express normal behaviour.

**THE BROOKE HOSPITAL FOR ANIMALS  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2009**

---

**Prevention of welfare problems by promoting good practice and supporting essential services**

Most of the welfare problems that the Brooke encounters could have been prevented if owners, service providers and local communities had adequate information and could access essential services. The Brooke, together with its affiliates and partners, helps communities understand and respond to issues that affect the welfare of their animals; provide training in equine care to local vets, animal health workers and farriers; deliver animal welfare information through radio broadcasts to people in remote areas; support programmes in schools to engage with children who work with or can influence animal owners; identify the most prevalent and severe problems that affect equine animals; and develop appropriate activities to improve welfare in a measurable way. By these means the Brooke is able to deploy its resources effectively and bring lasting benefit to working horses, donkeys and mules where the need is greatest.

**Information and awareness-raising**

The Brooke persuades key institutions and organisations (governments, local and international NGOs) to include the welfare of working equine animals in their policy development work and programme design and implementation. It does so by emphasising the extent to which poor communities depend upon horses, donkeys and mules to sustain their livelihoods. In this way the Brooke hopes to increase the investment in equine animal care far beyond what could be achieved solely through its own resources.

**Research**

The Brooke undertakes and commissions practical field research to identify effective, sustainable and science-based solutions to animal suffering that can be delivered by animal-owning communities in the developing world.

**What we aimed to do in 2008/09**

The goal set out in the Brooke's current five year plan is "to measurably improve the welfare of at least two million of the working horses, donkeys and mules in the most need in the developing world".

The plan approved by the Trustees in March 2008 outlined six specific ways in which the Brooke would pursue this goal. The year's principal achievements in respect of each are set out below:

**1. Immediate expansion of our work**

In 2008/09 the Brooke expanded its work in a number of countries where it already has established branches or affiliates (Pakistan, India, Egypt and Ethiopia) or partnerships (Afghanistan, Kenya, Guatemala, Israel and the West Bank, and Nepal). The objective of expanding the work is to reach more equine animals in need.

*Principal achievements were:*

- Affiliates and branches: Brooke Pakistan built on new work in the south of Pakistan, extending their operations to new areas of great need in Karachi and Jacobabad. In India very little new work was undertaken but all district teams extended their coverage within existing areas of operation. In Ethiopia a new partnership with Send a Cow (SaC) was initiated in the Southern Nations, Nationalities and People's Region (SNNPR) focused on the integration of livelihood approaches with equine welfare promotion. In Egypt there was expansion in Edfu, Aswan and Alexandria during the year.
- Partners: In Kenya, Kenya Network for Dissemination of Agricultural Technologies (KENDAT) undertook a process to review existing operations and concluded that it will focus activities on three target geographical areas (Lari, Mwea, Limuru) consolidating existing efforts. Also in Kenya, Practical Action expanded activities as planned to Sade, Bulla Hawa and Elwak in the north of their project area. In Nepal the programme focused on areas of greater animal need in the plains of the districts of Parbat, Baglung, Myagdi, Bara and Parsa. Equinos Sanos Para el Pueblo (ESAP), the Brooke's partner in Guatemala, expanded its work into new communities in Chimaltenango and Petén and carried out an initial visit to Huehuetenango. In the Palestinian villages of the West Bank, the Palestinian Agricultural Relief Committees (PARC) project expanded to 62 communities in Qalqilya in order to focus on areas of greatest welfare need.

**2. Preparing for further expansion**

*Principal achievements were:*

- In 2008/09, the Brooke investigated possible partnerships in Afghanistan, built a plan for future work and established a local team to coordinate this.
- Field visits were undertaken to a number of countries identified in earlier desk studies as having large equine populations, high levels of human poverty, partnership possibilities and relatively low security threats.

**THE BROOKE HOSPITAL FOR ANIMALS  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2009**

---

- During these field visits the welfare of different working equine populations within the countries was assessed, data that would not be available through desk studies alone. Different types of possible partnership arrangements that would lead to improved welfare for the working equine population were also explored in greater depth.
- At the start of 2008/09 a significant expansion programme had been planned, but in the light of the economic recession it was decided to expand at a more moderate rate, initially to one new country. Senegal provides a best-fit to the expansion criteria outlined in the five year plan. Furthermore there is the potential to explore the development of a future West Africa programme.

### **3. Ensuring that all country programmes are working optimally**

Significant efforts were made in 2008/09 to improve both efficiency and effectiveness in all aspects of programme work.

*Principal achievements were:*

#### *Efficiency*

- The India, Pakistan and Egypt affiliates reviewed their human resource (HR) systems and new HR management roles were created in India and Pakistan, with a similar post planned in Egypt for 2009/10. Support was also given to ESAP in Guatemala to improve its HR management.
- As part of an organisation-wide programme, internal financial internal audits were conducted in Ethiopia and Pakistan which have helped both organisations to review their procedures with the aim of strengthening their financial systems. A Brooke-wide organisational risk assessment process was also introduced this year.
- The international team in the UK was reorganised in order to provide better support for overseas programmes. This should improve travel scheduling and security for all Brooke associated personnel.

#### *Effectiveness*

- Support has been provided to the affiliates to improve and standardise their planning, monitoring and evaluation systems. There are already signs of improved project design demonstrating improved welfare for working equine animals.
- At an organisational level, work has led to development of a logical map of how the Brooke's activities contribute to the achievement of its overall goal.
- Significant progress has been made in the use of welfare assessments as a practical monitoring tool to be used in the field. An example is the development of community level welfare assessments complemented by animal owners' involvement. Field testing activities are planned for early 2009/10.
- The development and dissemination of both research and partnership guidelines have started a process whereby the ways in which the Brooke's research and partnership activities contribute to the organisational aims can be properly assessed.
- It is important to the Brooke that it delivers high quality veterinary services. This is ensured by thorough clinical audits. In 2008/09 audits were undertaken in Egypt and India.
- This year the Brooke's risk assessment activities have been yielding results, which are reliably informing the field practices. This has been renamed *causal research* to better reflect the nature of this field-based research.
- The Brooke has made significant progress in developing methodologies to initiate or improve community engagement to improve animal welfare, particularly through its affiliate in India. This has generated considerable interest from other development organisations and institutions. Written guidelines for community based field workers will be available in 2009/10.
- The Brooke supported a programme audit of the Heshimu Punda (HP - Kiswahili for "Respect the Donkey") project of KENDAT in Kenya, to improve the focus and efficiency of the HP project and its management.

### **4. Implementing a public awareness programme**

- Following a research phase completed in March 2008, a public awareness campaign was launched. The campaign 'Help Both', which ran with the campaign strapline '*Brooke - the animal charity that helps people too*', aimed to raise the profile of working horses, donkeys and mules in the developing world and, in particular, how communities depend on their horses & donkeys to survive. The campaign was publicly launched in the autumn during the early days of the global financial crisis. However, despite this unsettled context it performed well. Its clear, simple message communicated the interdependence of people and animals with impact, and this resonated with the existing supporters, the media and the wider public.



**THE BROOKE HOSPITAL FOR ANIMALS  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2009**

---

- The campaign generated quality coverage across national newspapers and TV news - including Sky, ITN, and regional BBC and ITV coverage. In addition, thousands of new supporters donated and pledged their support for working horses and donkeys and the poor people who rely on them.
- It is expected that the increased awareness and supporter numbers resulting from 'Help Both' will develop the Brooke's future income and ability to continue expanding the support for working horses, donkeys and mules in new areas. In addition, communicating the interdependence of working equine animals and people will support the efforts to build relationships with new partners in the international development field. These partnerships will support the goal of improving the lives of millions more animals.

## **5. Promoting the Brooke to other sectors involved with development work**

*Principal achievements were:*

- Discussion and cooperation with the Food and Agriculture Organisation (FAO) of the United Nations has established the Brooke as a provider of sound and pragmatic advice on animal welfare issues to wider development programmes. This has been demonstrated through the Brooke's contribution of 'A five step process of participatory engagement to improve animal welfare' to the FAO publication '*Capacity building to implement good animal welfare practices*' of the FAO Experts Meeting 30 September - 3 October 2008. It should be noted that FAO publications are held in very high regard by the development sector.
- The Brooke has also provided research papers to the FAO website in 2008/09.
- Initial steps have been taken to organise a colloquium to be held in India in November 2010 including identifying the scientific committee, an events coordinator and the venue. This will be a high profile event to bring different audiences together who are committed to improving working animal welfare or who have an interest in sharing lessons from work in international development, social science, human health and education that can then be applied to the field of working animals.
- The Brooke has taken the lead in initiatives to bring about cooperation between equine welfare organisations to encourage development of joint positions on animal welfare issues where appropriate and practical. Examples include setting up of regular meetings and coordinating the development of advice for tourists encountering working equine animals on holiday that all organisations and travel companies can use.
- The Brooke has succeeded in introducing animal welfare principles and some basic good practices to veterinary training. For example, the partner in Afghanistan, the Dutch Committee for Afghanistan (DCA), did not provide training in animal handling before the Brooke introduced this to the paravet module designed in 2008.
- In India the programme is developing links with government veterinary authorities and NGO partners at project and national level. This has created a platform from which to introduce an equine animal welfare policy and practice to the government veterinary authorities and to the NGO sector in the longer term. In Nepal, the Brooke's partner already has good links with government and the development sector, and has begun to highlight the importance of working equine animals to the authorities and to other organisations working in the field of rural development and veterinary service delivery. Brooke Pakistan has introduced the principles and practice of animal welfare to the government sponsored Rural Support Programme. In Guatemala, ESAP is working with Conrado de la Cruz, a child rights organisation; and in the Palestinian villages of the West Bank, PARC is developing partnerships with the Ministry of Agriculture and the National Union of Farmers to introduce working equine welfare.

## **6. Reviewing governance**

*Principal achievements were:*

- The Brooke's Challenge, Vision, Mission and Goal were refined, formalised and summarised, and were shared with current and future internal and external stakeholders.
- Trusteeship processes, including Board performance evaluation and trustee recruitment, have been reviewed and have begun to be refreshed.
- Delegation of authority between the Board and the Executive was clarified and formalised, and a rolling programme of work developed to reflect the Board's strategic focus.
- A review of internal governance processes was initiated to ensure clarity around decision making and communication processes in the UK.
- A review of the Brooke's international governance framework was initiated and consultation with key international stakeholders on the development of the process is underway.

## The outcome of our work

In 2008/09, the Brooke continued to develop lasting solutions to working equine welfare problems in poor communities in 10 countries across the developing world. Its focus included improved husbandry and the promotion of appropriate treatments that can be administered by Brooke and non-Brooke veterinary personnel, local health providers and the owners themselves.

The Brooke is committed to continuing to improve its ability to measure the impact it is making on working equine animal welfare, through widening the scope of its work and activities. The total number of equine animals reached directly in 2008/09 was an estimated 730,000 and the Brooke's wider advocacy and awareness work had a positive impact on the lives of many more equine animals. There was a significant reduction in reach in Afghanistan due to the change of a partner in the previous year. However, a number of pilot projects are already underway with a new partner and an increased impact is expected over the coming years. In addition to providing training to vets, during the year training was delivered to 1,881 community based animal health workers (CBAHW), representing an increase of 18%. These people are not employed by the Brooke, but are para-professionals who provide basic working equine health care locally, enabling the extension of the Brooke's impact into the local communities.

## Review by country

### Afghanistan

#### Where we worked and who we worked with

The Brooke supported projects of its partners Afghan Aid and the Dutch Committee for Afghanistan (DCA) in Kabul city and Badakshan province.

#### Key achievements

- During the year 32,000 equine animals were directly reached and 100 CBAHW were trained.
- A small team of DCA programme staff were recruited, inducted and trained, building their capacity to plan, implement and monitor Brooke funded projects.
- The new team built links with new partners and developed a positive profile of the Brooke in the country.
- Four pilot projects were developed to be implemented in 2009/10.
- A paravet training module was developed for equine animals. This will be implemented by DCA.

### Egypt

#### Where we worked and who we worked with

In 2008/09 Brooke Egypt delivered treatment through 6 static and 30 mobile units working in seven project areas: Cairo, Luxor, Aswan, Edfu, Alexandria, Marsa Matrouh and the Nile Delta.

#### Key achievements

- In 2008/09, 115,000 equine animals were directly reached and 164 CBAHW were trained.
- Two refresher veterinary and welfare training courses were carried out, each for 10 vets from different Brooke Egypt areas to improve their skills in giving quality, welfare-friendly treatment and to provide the same quality and welfare-friendly advice to owners.
- Co-operation with community health workers increased, focusing on building their skills and transferring greater responsibility for basic first aid, some of which is still carried out by vets and their support staff through the mobile clinics.
- In July 2008, when there was an outbreak of equine flu, Brooke Egypt treated 18,000 horses, donkeys and mules and held 1,200 sessions to improve local communities' awareness of equine welfare issues. During this outbreak there was good co-operation with the local government veterinary authorities.
- A network of rural guides was used to gather important information about households with working animals as well as to spread useful welfare messages. Brooke Egypt is building on the knowledge of

**THE BROOKE HOSPITAL FOR ANIMALS  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2009**

---

rural guides in animal welfare in order to widen the reach of the Brooke's message. The guides will also monitor changes in behaviour during the next financial year.

## **Ethiopia**

### **Where we worked and who we worked with:**

In the past year Brooke Ethiopia has refocused its programme away from mobile teams to concentrate its efforts on supporting a pilot project to bring about sustainable improvements in working equine welfare in SNNPR (Lemmo and Shashego Woredas in Hadya Zone and Butajira town in Gurage Zone) and to support a partner organisation, ORDA, in North and South Gonder, Amhara region. Treatment was provided through or together with local service providers such as the CBAHW, government vets and animal health assistants. Brooke and ORDA vets provided relief from pain and suffering using their emergency kits when they came across animals that needed immediate help.

### **Key achievements**

- During the year, more than 96,000 equine animals were directly reached and 31 CBAHW were trained.
- The SNNPR pilot project which started in October 2008 is strengthening the CBAHW system to serve the needs of working equine animals as well as working with communities to bring about positive changes in the welfare of these animals. 12 CBAHWs are now trained and operational. They already provide treatment to eight times more equine animals than they did prior to being strengthened by the Brooke.
- Treatment interventions in line with the Brooke treatment guidelines took place in all three regions, operating jointly with existing government vet clinics and health posts and encouraging owners to learn how to clean superficial wounds and prevent them from worsening. This was carried out, for example, at market places, taking care not to create dependency on the Brooke.
- In August 2008 Brooke Ethiopia, with matching funds from the World Society for the Protection of Animals (WSPA), supported the government to provide an emergency drought response by treating and vaccinating over 24,000 equine animals against African Horse Sickness and anthrax, and treated more than 42,000 equine animals against internal and external parasites.
- The SNNPR programme has facilitated the establishment of peer learning groups of donkey and horse cart-owners who work collectively for improvement of the welfare of their equine animals. A farriery project has started with 24 owners from the Ghari association in Butajira town who are committed to working with the local farrier to provide quality affordable hoof care.
- The existing knowledge, attitude and practice of the equine animal-owning community were assessed with the community in the SNNPR operational area. Baseline data was collected which will form the basis for monitoring the activities of the pilot project.

## **Guatemala**

### **Where we worked and who we worked with:**

In the past year the Brooke supported Equinos Sanos Para el Pueblo (ESAP) in Petén, Chimaltenango and Antigua. An in-country partnership with Conrado de la Cruz in the Western Highlands was developed.

### **Key achievements:**

- A total of 10,000 equine animals were directly reached through the work of the Brooke's two partners, and 50 CBAHW were trained.
- Detailed annual plans were developed, built on the strategic intentions of the organisation.
- In 2008/09 an organisational development review was undertaken which initiated activities to strengthen ESAP's Board function and capacity, to strengthen financial systems, and to establish management systems in line with activities.
- Welfare assessment training with equine welfare assessors (EWAs) was undertaken during the year.

**THE BROOKE HOSPITAL FOR ANIMALS  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2009**

---

## **India**

### **Where we worked and who we worked with:**

Brooke India operates through directly managed teams, which includes 15 mobile clinics, in nine districts of Western Uttar Pradesh, the state which has the highest concentration of working equine animals in India, and has been developing a partnership network in Uttarkhand and Rajasthan. It also works in Central Uttar Pradesh, Rajasthan, Hyderabad, Haldwani and Jaipur with partners such as Help in Suffering, Blue Cross, Shramik Bharti and Action for Women and Rural Development.

### **Key achievements:**

- 130,000 equine animals were directly reached during the year, and 980 CBAHW were trained.
- A key achievement was the breakthrough in developing a strong and clear approach through local partners that has begun to bring about sustainable changes in the living and working conditions of equine animals in some partner project areas.
- Organisational development was another key success area, with strong growth in terms of the capacity of staff within Brooke India. This was demonstrated by the veterinary audit recording a positive improvement in technical standards.
- Community mobilisation activities were strengthened further in 310 villages throughout the programme. Participatory programme activities such as regular training, competitions and exposure visits have helped the Brooke to understand and enhance the existing knowledge, attitude and practice of these communities in improving working equine welfare. Owners now have enhanced knowledge of the symptoms, causes, prevention and treatment of the various prevalent diseases in their village, site or brick kiln, and CBAHWs are active in several communities.
- Efforts have been made to ensure that sustainable resources are provided for equine welfare. Examples include a hand pump installed by the owner of the brick kiln and a smooth path constructed for working equine animals at brick kilns. Many owners and groups prepared and are implementing equine welfare action plans in their villages including feed and health plans.

## **Jordan**

### **Where we worked and who we worked with:**

Brooke Jordan operates through one static clinic and one mobile clinic in and around the World Heritage site of Petra.

### **Key achievements:**

- During the year Brooke Jordan directly reached 1,000 equine animals supporting 3 communities.
- Brooke Jordan has stopped hospitalising sick cases at its clinic. Instead, its mobile clinic conducts home visits to these animals. This has led to owners taking more responsibility for the health of their animals, becoming more independent from Brooke Jordan. It has made owners take more preventive measures, resulting in the number of serious wounds decreasing.
- The Brooke programme in Jordan has strengthened the skills of owners, government veterinarians and the park authorities to improve equine welfare. A government vet was trained on equine diseases and treatment and horse owners have been trained in equine health and prevention. Animal welfare in Petra is now frequently addressed in official forums, such as the Petra Park Authority meetings.
- A focus group in a Bedouin community has been set up, and Brooke Jordan is working with ten people to help spread welfare messages. Brooke Jordan is also working with a women's association in a Bedouin village in order to spread welfare messages in the community and amongst young donkey owners.
- Precautionary procedures have been taken to prevent the outbreak of suspected Equine Herpes Virus. A range of activities were organised, such as blood tests, vaccinations, and preventive quarantine measures, and spread of the disease was prevented.
- The Horse Owners' Association at Petra was persuaded to shorten the period between shoeing horses and this has led to a noted improvement in hoof care.

## Kenya

### Where we worked and who we worked with:

The Brooke works with two partners in Kenya: KENDAT and Practical Action. KENDAT works in Lari, Limuru and Mwea outside of Nairobi. Practical Action works in the district of Mandera, bordering Somalia and Ethiopia.

### Key achievements:

Through its partners, the Brooke directly reached more than 39,000 equine animals in Kenya. Other achievements included:

#### KENDAT

- Donkeys were categorised in all project areas according to the risks to which they are exposed so that KENDAT can better prioritise and address their needs.
- A disease-surveillance and control strategy, especially for mange, trypanosomiasis, rabies and babesiosis was undertaken and the results were used in streamlining the focus of related veterinary activities.
- 81 Local Animal Health Providers were trained in equine health in 2008/09.
- Welfare and management practices were promoted through increased engagement with communities in target areas, through a range of community based activities and radio programming.

#### Practical Action

- Practical Action trained and strengthened a network of 100 CBAHW on equine health in 2008/09.
- The Practical Action programme expanded to four new areas (Sade, Suftu, Qaduduma and Bulla Hawa).
- The Brooke supported Practical Action to build the capacity of owners to form an Equine Owners Cooperative.

## Nepal

### Where we worked and who we worked with:

The Brooke works in Nepal through a partner organisation, Animal Consultancy and Training Services (AHCTS). Brooke India provides technical support and monitors project activities. AHCTS implemented animal welfare projects in the districts of Lamjung, Kaski, Parbat, Baglung, Myagdi, Bara and Parsa.

### Key achievements:

- In total 9,000 equine animals were directly reached in Nepal and 20 CBAHW were trained.
- AHCTS completed baseline surveys in the project sites in 2008/09 against which to monitor the impact of its work. They have already noted a correction in the hobbling methods used, a reduction in traditional painful practices, such as firing, and improved husbandry practices, such as animals being given water more frequently.
- Staff were trained on standards of care and equine handling, as well as on how to engage with communities to improve working equine welfare.
- 28 equine welfare groups were formed and four unions now meet and receive basic training.
- A seven day foundation course on basic equine science was provided for three vets by Brooke India.
- Monthly health check-ups were carried out for equine animals at all animal loading points and cart stops, and emergency treatment provided as necessary.

## **Pakistan**

### **Where we worked and who we worked with:**

Most of Brooke Pakistan's work is carried out through the existing network of six static clinics and 31 field teams in Karachi, Lahore, Peshawar, Gujranwala, Faisalabad, Mardan, Multan, Jaffrabad, Jacobabad and Chitral. The work is conducted in areas where the density of working animals is highest, and where the animal welfare need is most acute. Partnerships have also been established with National Rural Support Programme, Faisalabad University, the Aga Khan Foundation, and with the local veterinary authorities in Karachi.

While Pakistan has always had its fair share of security issues, the recent troubles in the north west of the country were increased during this financial year. The Taliban tightened its grip on the region and the government troops went in to regain control. This resulted in a slow down to some of the planned work although none of the operations had to close.

### **Key achievements:**

- During the year, Brooke Pakistan directly reached 280,000 equine animals. In addition it trained 320 CBAHW.
- A major achievement was keeping the quality of existing work and plans on track despite the difficult security situation. The static clinics were maintained and continued to offer direct treatment and training. By incorporating and strengthening the work through clinics and mobile teams, sustainable resources have been made available for the improvement of equine welfare at the community level.
- Brooke Pakistan has expanded through both partnerships and direct operations. It is in the process of developing a five year strategic plan, which includes a review of existing partnerships and programmes.
- Brooke Pakistan has continued to develop the capacity, skills and awareness of veterinary service providers in Pakistan by working with government service providers, veterinary training organisations, the university of Faisalabad and rural support programmes.
- Brooke Pakistan is also working to strengthen its ability to measure progress in a systematic and comprehensive way, by introducing the log frame based planning and monitoring system across all project areas.

## **Palestinian villages of Israel and the West Bank**

### **Where we worked and who we worked with:**

The Brooke supported Safe Haven for Donkeys to work in five locations in Israel and PARC to work in Qalqilya district in the West Bank. Scoping exercises to carry out specific interventions in Jenin and Nablus in the West Bank were carried out.

### **Key achievements:**

- During the year, 18,000 equine animals were directly reached and 35 CBAHW were trained.
- There were signs of positive behaviour change in owners. For example, there have been fewer cases of owners using motor oil to treat their animals' wounds.
- There has been an increase in working and networking with others, including other local NGOs, such as Al-Najah University, the YMCA and the Farmers' Union.
- Following veterinary training from Brooke staff, there has been a significant improvement in the appropriate and effective use of veterinary drugs by the partners' vets.

## Field research

The Brooke's work to improve equine welfare remains firmly evidence-based and grounded in research. Research carried out in 2008/09 included:

- *Lameness research*: The participatory action research project in conjunction with the University of Bristol continued during this year. Risk factors for lameness in horses are being investigated in Jaipur, and the donkey component of the project started in Lahore during April 2008, but was delayed due to security concerns in Pakistan. Both are now due to finish during 2009/10.
- Livelihoods research: A livelihoods literature review and desk study was carried out in 2008/09. This will inform discussion on how animal welfare relates to human livelihoods and the role of human livelihoods in programming decisions.
- Community-level welfare assessments (CLWA): Small scale welfare assessments are being carried out regularly at the community level. This enables the organisation to identify localised welfare issues and track the contribution of Brooke-funded interventions more accurately than is possible when sampling at population-level.
- Participatory Welfare Needs Assessments (PWNA): With skilled facilitation and the development of new participatory rural appraisal tools by Brooke India's community engagement staff, animal owners in Uttar Pradesh are developing their own welfare assessment systems (PWNA) which is increasing community awareness of working equine welfare issues and simultaneously generating motivation and a support mechanism for change. There is already evidence from the field that this approach is working effectively and this will be documented during 2009/10.
- Causal Research: Previously known as risk assessments, causal research has been better integrated into programme activities, and the research skills in Brooke and Brooke-funded teams are more widely supporting other types of research arising from programmatic needs.

### List of Brooke-funded Publications 2008/09:

Pritchard, J.C., Burn, C.C., Barr, A.R.S. & Whay, H.R. (2008) Validity of indicators of dehydration in working horses: a longitudinal study of changes in skin tent duration, mucous membrane dryness and drinking behaviour *Equine Veterinary Journal* 40(6) 558 - 564

Burn, C.C., Pritchard, J.C., Farajat, M., Twaissi, A.A. & Whay, H.R. (2008) Risk factors for strap-related lesions in working donkeys at the World Heritage site of Petra, Jordan. *The Veterinary Journal* 178, 261 - 269

### List of Brooke-related Presentations 2008/09:

Rostom, A., Madany, M., Childs, A., & Eager, R.A. (2008) Role of participatory approaches in developing risk assessments in equine welfare. *Annual Meeting of the Society for Risk Analysis 2008*, 7th - 10th December 2008, Boston, Massachusetts

Van Dijk, L., Pradhan, K.S., Banerjee A., Whay H.R., Dennison, T.L., Wells, K. & Pritchard, J.C. (2008) Sharing the Load: sustainable community action to improve the welfare of working animals in developing countries. *First International Animal Welfare Conference of the Australian Animal Welfare Strategy: The Welfare of Animals - A Universal Responsibility*, Queensland, 31st August - 3rd September 2008

Dennison T.L. (2008) Welfare assessment and evidence-based approaches to health in the working equid. *British Equine Veterinary Association Congress 2008*, Liverpool, 17th-20th September 2008

Eager, R.A. & Childs, A.C. (2008) Risk assessment in working equines: a tool for evidence-based intervention? *Universities Federation for Animal Welfare Conference: Recent advances in animal welfare*, Birmingham, 3rd July 2008

(Keynote Speaker) WHAY H. R. (2008) Chronic pain in working equids: Not recognised, not managed, not important? *Association of Veterinary Anaesthetists Congress 2008*, Bristol, 9th-11th April 2008

Eager, R.A. Rostom, A., Madany, M. & Childs, A. (2008) Poster: Risk assessment in working equine welfare. *Annual Meeting of the Society for Risk Analysis 2008*, Boston, Massachusetts, 7th - 10th December 2008

Madany, M., Rostom, A., Childs, A. & Eager R.A. (2008) Poster: Risk factor analysis - body lesions of cart-pulling equines in Sherbin, Egypt. *Annual Meeting of the Society for Risk Analysis 2008*, Boston, Massachusetts 7th - 10th December 2008

Pradhan, K.S., Pratt, D., Pritchard, J., Van Dijk, L. (2008) Bearing a Heavy Burden: The importance of the welfare of working horses, donkeys and mules and their mutually dependent relationship with people. *FAO Open Forum on Capacity Building to Implement Good Animal Welfare Practices*, Rome, Italy, 29 September 2008

## Fundraising and communications review

### Fundraising

In 2008/09, £12.2 million was raised, a record amount for the Brooke making it its most successful fundraising year ever. 2008/09 income was however £0.6 million (5%) below target for the year, owing to delays in the receipt of legacy gifts resulting from the difficult economic environment. Under the circumstances, this has been an excellent achievement and a sincere thank you goes out to all the Brooke's generous supporters.

Voluntary donations and trading (excluding donations from Brooke Netherlands) reached £6.6 million which was 57% of total fundraising income, representing an increase of 14% on the previous year. The cost of generating funds in 2008/09 was £3.7 million<sup>4</sup>, 9% below plan. This represented a 27% increase on 2007/08 and reflected a planned investment as part of a drive to increase both awareness of the charity and its number of supporters. This will in turn support the Brooke's expansion plans to reach more working horses, donkeys and mules over the next five years.

### Our supporters

Over the past year the Brooke has worked hard to involve supporters with its work through its communications and has continued to enhance its 'welcome programme' introducing new supporters to its work.

Excellent growth in voluntary income was maintained due to the kind support of individuals who donate, give through their wills or take part in or organize events. The Brooke also receives important support from regional fundraising groups (35 around the UK and several in other countries), trusts and companies.

### Media relations

This year the Brooke's media coverage surpassed its target by over 33%, with more than four hundred pieces of coverage published about the Brooke in print, broadcast and online media. As well as coverage in equestrian titles, major successes included the 'Help Both' campaign, which led to coverage across the national media. This included features in the Daily Mail and Metro, and TV coverage on Sky, ITN and ITV and BBC regional news stations. The corresponding launch of the Working Horse Report: '*Bearing a Heavy Burden*' was also important to building relationships. This report was published in autumn 2008 by the Brooke to showcase its work and to highlight the role of working horses, donkey and mules. The launch included a presentation of the report at an open forum of international experts tasked by the United Nations' FAO to advise on recommendations for action in developing countries. The Brooke's Director of International Development attended the conference and called on the FAO to bring the welfare of farm and working equine animals within its development remit.

### American Friends of the Brooke - Brooke USA

Following registration in late 2007, American Friends of the Brooke has established itself with great success - granting income of £0.4 million in 2008/09. This early success is thanks to the generous involvement of individual supporters, foundations and trusts who have supported the animal welfare work - including specific projects in Ethiopia, India, Egypt and Pakistan - and funded the Working Horse Report: '*Bearing a Heavy Burden*' mentioned above.

### Brooke Hospital for Animals Nederland - Brooke Netherlands

Brooke Netherlands had another successful year, contributing £1.1 million to the activities of the Brooke. This is more than 50% above the target for the year, a fantastic achievement reflecting the dedication of the team to making a positive difference to the Brooke's work. At the close of 2008/09 Brooke Netherlands had over 34,000 active supporters whose loyal support made this substantial contribution possible.

### Brooke President

In November, the Brooke's President, Her Royal Highness The Duchess of Cornwall, hosted an Anniversary dinner showcasing the Brooke's expansion plans for its 75th year. It provided an excellent opportunity to thank key people for their support. In February, Her Royal Highness also sent a special message to supporters in the UK and internationally, introducing the Brooke's plans for its 75<sup>th</sup> year. Everyone at the Brooke is grateful for her continued support.

---

<sup>4</sup> Gross fundraising costs are the sum of Fundraising and publicity and Fundraising trading (before allocation of support costs) as shown in note 7(a)



## Looking ahead: Aims for 2009/10

### **Increasing our impact**

The Brooke will continue to support its branches, affiliates and partners. In 2009/10 the focus is to build the capacity of Brooke India, Brooke Egypt, Brooke Pakistan and Brooke Ethiopia to enable them to support better their own and partner activities. Brooke India will develop its country strategy and Brooke Pakistan will finalise its strategy for the future. The future of the Brooke Jordan programme will be determined. In Kenya, the Brooke will support the more focused programme that has now been developed with its partner KENDAT and support will continue to Practical Action. The programmes in Guatemala and the West Bank will build on foundations laid down in 2008/09. A review of these countries' place in the Brooke's priority programme areas will be carried out. The Brooke affiliates will continue to be encouraged to feed into organisational policy development. In 2009/10 moderate expansion is foreseen in some of the existing countries where Brooke works and an initial pilot is planned in one new country, Senegal.

### **Expanding our influence**

In 2009/10 the Brooke will continue to explore ways of promoting its work to other sectors involved in developing countries. The approach to advocacy will be formalised and a more systematic approach to the delivery of the message, challenge and vision will be developed in a way that resonates across the sector and beyond.

### **Building support for our mission**

Through a series of public awareness campaigns the Brooke will look to further diversify the supporter base and spread its message more widely. The foundations will be laid for building financial support for the work internationally, from individuals as well as institutions, both in the countries in which the Brooke operates and beyond. At the same time, relationships with supporters in the UK will be nurtured through good stewardship of their support. Underpinning this will be a media and awareness focused culture with international reach that consolidates the Brooke's position as the lead charity in its field and raises awareness of equine welfare related issues.

### **Reviewing our strategy**

Towards the end of 2009 a mid-term review of the five year plan and strategy agreed in 2007 will be undertaken. Building on the work that has been done to formalise the vision and mission through the development and adoption of the Brooke's Purpose, work will begin on developing a framework of key strategic level objectives and policies that more effectively define the Brooke's corporate aims. This will include finalising the welfare policy and establishing a framework of other corporate policies.

### **Refreshing our governance framework**

During 2009/10 the Brooke will refresh its international governance framework to ensure it enables continued international growth and best supports the work of the Brooke global family of organisations. One of the key drivers for this process is the need to ensure that partners and affiliates are actively engaged in strategic development going forward and that plans, strategies and policies reflect the expertise and ambitions of Brooke staff and Trustees around the world. Work on strategic level governance in the UK will also be completed as will a review of internal governance processes, and enhancements made to internal processes. This work will dovetail in with continuing work on the international governance framework and help to establish more robust decision-making and information-sharing processes across the wider Brooke family.

### **Measuring our success**

Historically, the Brooke has monitored the number of animals directly reached as being the most important measure of success. While this remains a critical factor in measuring the organisation's effectiveness, as its approach has become increasingly sophisticated, it recognises that there is a need to enhance monitoring processes in order to achieve a better sense of its impact on animal welfare and the sustainability of its interventions. Development of the monitoring and evaluation processes will continue during 2009/10, which will also mean the Brooke is better placed to know how and where the approach to delivery needs to be refined to increase its impact. This work will be aligned with the development of a planning and reporting process which better reflects the organisation's strategic focus and enables a clearer sense of progress against key strategic priorities across the wider organisation and the identification of longer term challenges and opportunities.

### **Supporting the global Brooke family**

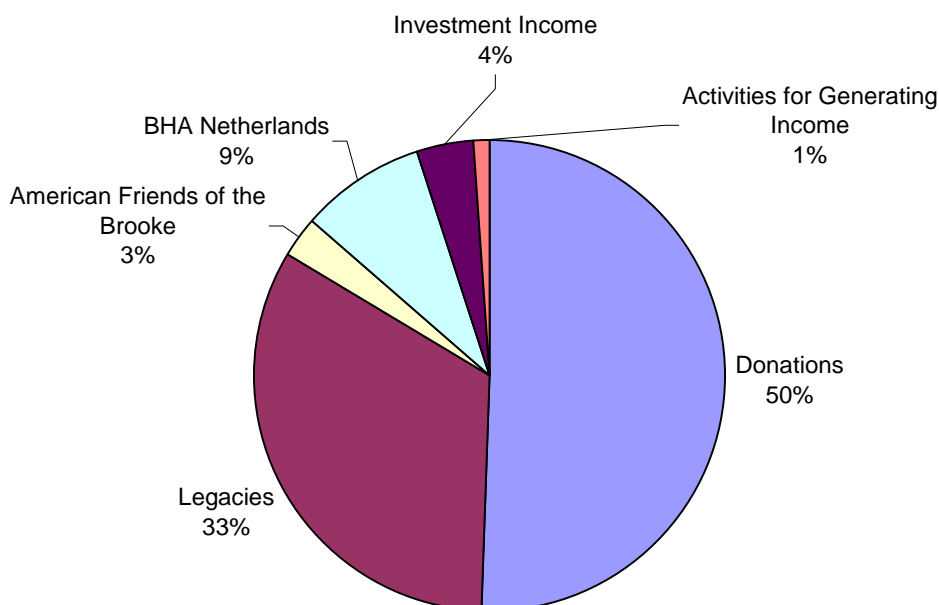
Key priorities will include the development of a security policy and an organisational performance monitoring framework. Based on the increasingly tangible impact of the work undertaken by the UK Resources team, the links with international partners and affiliates will be strengthened and capacity building support and expertise will be provided on a wide range of areas from finance to human resources and information technology.

THE BROOKE HOSPITAL FOR ANIMALS  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2009

Financial review

Total incoming resources increased from £11,089,000 in 2007/08 to £12,191,000 in 2008/09. Donations increased by £1,074,000 (17%). Legacies improved slightly (by £16,000) on the previous year.

Where the money comes from



In 2008/09, the Brooke made a significant investment in recruiting new donors for both current and future income generation. This included a 26% increase of investment in donor recruitment compared to the previous year and the 'Help Both' campaign. After taking into account the effect of a smaller allocation of support costs (due to a change in the method of allocation), this new investment caused the total cost of generating funds to increase by £899,000 (23%). On the basis of forecast cash inflows, £1,478,000 of these costs have been shown separately on the face of the statement of financial activities to highlight the investment made in the generation of funds in future years.

Governance costs increased by 62% to £176,000 reflecting the expansion of the Board with a commensurate increase in travel and accommodation costs, and the recruitment of a Governance Manager. Support costs of £10K have also been allocated to Governance this year for the first time.

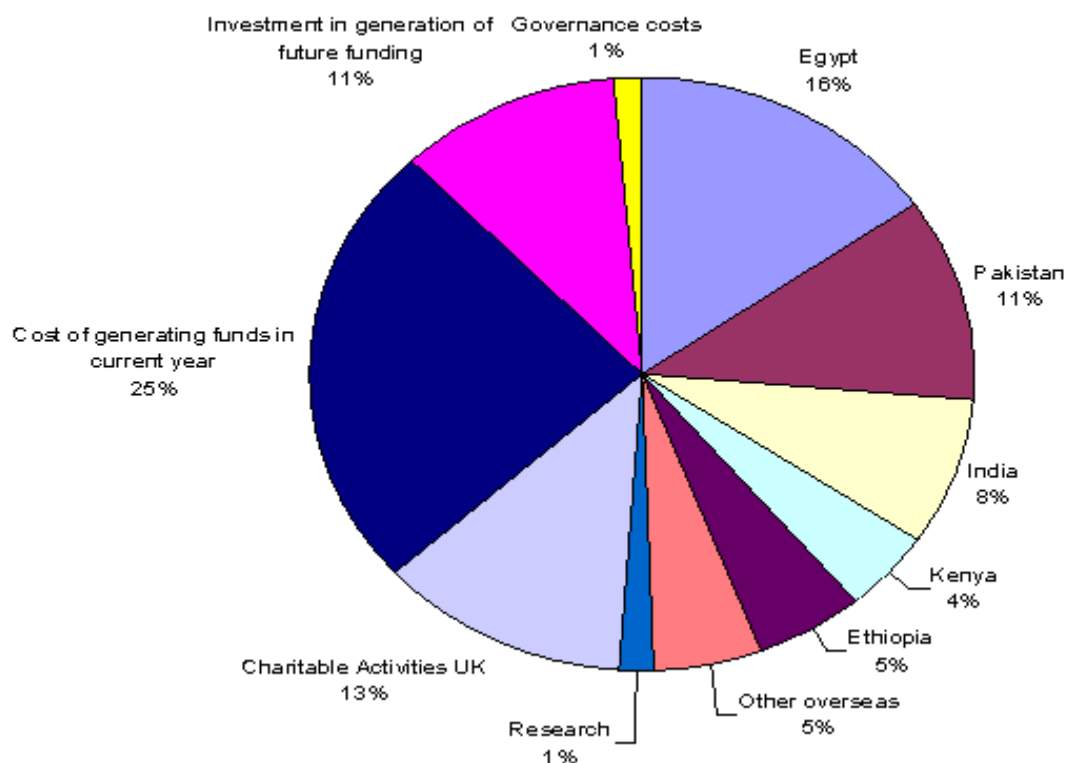
Total expenditure on charitable activities increased by £1,681,000 (24%) on the prior year. The biggest such increase in overseas expenditure, amounting to £592,000, was in Egypt and was due to a combination of weakened sterling and local inflation. The UK expenditure of the international team increased by £414,000 on the prior year due to the fact that the recently expanded team was in place for a full year in 2008/09, and because of the allocation of an additional £325,000 in support costs following revision of the allocation method.

However, this increase in charitable expenditure was less than had been budgeted for 2008/09, largely due to revised expansion plans. These plans were revisited following a decision to reduce the rate of expansion in light of the economic downturn and the need to ensure that any expansion is effective and sustainable. Furthermore the recruitment of a number of UK roles to support the growth in charitable activities was delayed.

Support costs (which exclude costs relating to the governance of the charity) grew by £160,000 (26%), £40,000 being due to the office move, £71,000 to unplanned recruitment including that for the role of director of resources and the initial cost of recruiting a new chief executive, and the rest to the full year cost of a strengthened resources team, specifically in human resources and information management.

THE BROOKE HOSPITAL FOR ANIMALS  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2009

**Where the money was spent**



When the budget was set in March 2008, a net deficit of £2,335,000 was planned. However, due to the under spend of charitable expenditure against budget; the actual result was a net deficit of £1,455,000. This deficit, along with a reduction in the value of the Brooke's investment portfolio of £1,862,000 caused by the economic downturn, resulted in a decrease of total reserves from £11,137,000 to £7,820,000 at the end of the year.

## Financial strategy

### Reserves policy

The Board of Trustees undertakes a review of the reserves policy annually. The most recent review took place in December 2008.

The objectives of the Brooke's reserves policy are to:

- i) ensure the future security of the charity by retaining sufficient funds to enable it to function effectively in the short term, while bearing in mind the fact that these funds will continue to be applied to the pursuit of its charitable objectives in the long term,
- ii) fulfil the charity's obligations to beneficiaries and employees to sustain long-standing large-scale projects with recurrent operating costs,
- iii) protect the work of the charity against fluctuations in voluntary income,
- iv) protect the work of the charity in the event of overseas expenditure increasing as a result of adverse foreign exchange movements,
- v) spread the use of legacies or large gifts that cannot be used immediately over time through planned expansion,
- vi) protect the work of the charity against fluctuations in the value of its investments resulting from stock-market and foreign-exchange movements,
- vii) enable the charity to restructure its operations in an orderly and compassionate manner, in the event of such action being necessary,
- viii) provide funds for the expansion of overseas charitable activities, particularly in the target regions of Africa, Asia and Central America,
- ix) provide a lump sum to meet any contingencies other than those detailed above.

**THE BROOKE HOSPITAL FOR ANIMALS  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2009**

---

The policy links the Brooke's reserves to major financial and other risks identified as part of the annual planning process. Individual risks have been quantified and the level of reserves required calculated on the basis of total risk. Applying this policy, the minimum required level of reserves at 31 March 2009 was £6,452,000. This was covered by total unrestricted reserves of £7,397,000, made up of both designated and general funds. The excess of funds carried forward over the minimum reserves level required is planned to be expended in 2009/10.

#### **Designated funds**

In March 2008, the Board of Trustees approved the designation to further phased expansion overseas of a fund equal to the lower of £7.0m or the surplus of unrestricted reserves over minimum reserves required according to the reserves policy at that time. As at 31 March 2009, the designated fund stood at £4,021,000, after charging expansion expenditure in 2008/09 and investment losses sustained in the Brooke's investment portfolio and apportioned to this fund.

This fund will enable the Brooke to continue expanding its work overseas, both in current countries of operation and in new areas as identified in desk studies and field visits undertaken in 2008/09. It will be drawn down gradually over the next four years, in line with expansion plans.

#### **Investment policy**

The Brooke's investment powers are set out in its 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 the charity's reserves. The managers are issued with guidelines on asset allocation which are determined by the Finance Committee on behalf of the Board.

The Brooke's investment objectives are to:

- i) safeguard its funds by making secure investments that will grow in value sufficiently to protect the funds against inflation,
- ii) generate the best possible return from these funds in order to assist the charity to carry out its purposes, within the limits of safety detailed in (i) above.

The board reviews the investment policy annually. The investment strategy matches the organisational obligations from planned deficit spending over the next four years with the risk of the portfolio in which the funds are invested.

At 31 March 2009, 43% of the Brooke's investment portfolio was held in equities (including the equity content of spread-investment vehicles) and 42% was held in cash, with the remainder invested in bonds and property. A further £2,392,000 was invested in bank deposits outside the portfolio.

#### **Investment performance**

In 2008/09, the value of the Brooke's investments continued to fall substantially throughout the year as a result of turbulence in the stock markets, and the portfolio suffered a net loss for the year of £1,862,000. There was a negative return on the Brooke's longer term investments of -19%, but this was better than the composite benchmark which was a negative return of -22%. The investments held in the Newton Phoenix fund, which are linked to the Brooke's medium-term financial requirements, were transferred into cash in September 2008. The cash was then held in various fixed term deposits for the remainder of the year. The fund and subsequent deposits provided a negative return of -0.5% over the year.

## **Staff & volunteers**

The number of staff in the UK increased from an average headcount of 47 in 2007/08 to an average of 58 in 2008/09 - reaching a total of 60 at year end. The number of staff in the Jordan and Ethiopia branches decreased from an average of 51 in the previous year to 35 in 2008/09 due to a review of the programme approach in Ethiopia.

Volunteers are important to the Brooke's success. Their efforts to generate money to fund the work of Brooke, Brooke affiliates and partners overseas, and to build awareness of the Charity in the UK, were channelled through hundreds of local events and close liaison with local newspapers, radio and TV stations. Brooke volunteers work individually and as members of the Brooke's network of regional groups, of which there are 35 around the UK and several in other countries. There are also a number of volunteers working in the Brooke's UK office, making a direct contribution to the success of centrally managed fundraising, supporter care and awareness programmes. The Trustees and staff of the Brooke are especially grateful to all the individuals who devote so much time and energy to the Charity.

## Structure, governance and management

The Brooke is a company limited by guarantee and a registered charity. It is governed by its Memorandum and Articles of Association.

### Board of Trustees

Members of the board, who are Directors of the Company for the purposes of the Companies Acts 1985 and 2006, are referred to throughout this report as Trustees. The board of Trustees is the governing body of the Brooke. It met four times in 2008/09. Trustees who served during the year are shown on page 2.

Trustees are appointed in accordance with the provisions of the Articles of Association. They are elected by the members of the Brooke in a General Meeting or co-opted to fill vacancies that may arise from time to time or as additional Trustees. Should a Trustee resign prior to the end of her or his term, a new Trustee may be co-opted to serve the remainder of that term. Trustees retire by rotation at the Annual General Meeting and may offer themselves for re-election.

Trustees do not receive any remuneration for their services.

New Trustees receive an induction pack to enable them to familiarise themselves with all aspects of the Brooke. The pack contains documents relating to the charity's legal and administrative structure, governance arrangements, strategic plan, major policies, principal activities and financial position.

The induction pack is complemented by oral briefings given to each new Trustee by the Chairman, the Chief Executive and other personnel. New Trustees are also encouraged to visit an overseas operation as soon as practicable after their appointment.

The board is supported by a Finance Committee, a Nominations Committee, a Governance Committee, and a Remuneration Committee. These met three times, five times, three times and once respectively during the year.

The terms of reference and membership of every Committee is set by the board of Trustees.

### Risk management and internal controls

As part of the annual planning process, the board reviews the major risks to which the Brooke is exposed and has established systems to manage these risks. It 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 the charity in the event of adverse conditions. The board and its Committees regularly monitor both performance against the objectives set out in the budget and five year plan and the management of major risks.

The key areas of risk are seen to exist in the areas of loss of reputation, financial control in the UK and overseas, health and safety of staff and Trustees based or travelling overseas, and disaster recovery both in the UK and in overseas operations. In the past year, exchange rate fluctuations and turbulent stock markets have also been significant risks.

In assessing these risks, the board has in place key controls that include:

- a clear organisational structure with appropriate levels of accountability and reporting,
- delegation of financial authority by the board to the Chief Executive, within specified limits,
- comprehensive strategic planning, budgeting and management accounting,
- formal agendas for all board and Committee meetings,
- formal written policies,
- clear authorisation and approval levels.

The board approves a comprehensive annual budget for the Brooke. Performance is monitored against this budget on a quarterly basis, and significant variances are investigated. These variances, together with any revised financial forecasts, are submitted regularly to the Finance Committee and to the board.

### Organisational structure

The board is responsible for establishing the policies and strategies of the Brooke and the effective use of its resources in accordance with its charitable objects. The board exercises overall responsibility for the direction, management and control of the Brooke by supervising the work of the Chief Executive and, through him or her, the staff, so the organisation is run efficiently and accountably. In order to achieve this, the board reviews all long-term strategic and financial plans together with annual plans and budgets; all major operational and financial policies; and all extensions of the charity's work, whether through the expansion of existing operations, establishment of new operations or collaboration with new partners.

**THE BROOKE HOSPITAL FOR ANIMALS  
TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 MARCH 2009**

---

In addition, the board ensures full compliance with all statutory obligations relating to the Brooke and its activities.

Brooke activities are co-ordinated from its headquarters in London. In 2008/09 the London office, with an average of 58 staff led by the Chief Executive, funded and advised all overseas operations and staff (approximately 790) and kept in touch with almost 90,000 supporters in the UK and, through Brooke Netherlands, with over 34,000 active supporters in that country.

### **Relationships with other organisations**

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

The Brooke affiliate organisations in Egypt, India and Pakistan are independent legal entities, each established and registered in accordance with local law and having their own boards of trustees or directors. Brooke Ethiopia and Brooke Jordan are branches of the Brooke, which also collaborates with partners in Afghanistan, Ethiopia, Guatemala, India, Israel and the West Bank, Kenya and Nepal.

American Friends of the Brooke is a connected charity of the Brooke, as the two organisations share some administrative functions.

Operations in each fundraising partner, affiliate or branch are headed by a Chief Executive, Director or General Manager and focus both on the immediate relief of suffering and on the Brooke's long-term goal of achieving lasting improvements in working equine animal welfare. The address of each is shown on the final page of this document.

The collaborative partnerships are between the Brooke and third party entities in accordance with the terms of contracts approved by the board which, unless specifically agreed otherwise, restrict the Brooke's commitment to a period of 12 months. Partners' ethics, competence, capacity and philosophical approach to equine welfare are reviewed in accordance with an evaluation protocol.

During 2008/09 the following organisations worked in partnership either directly with the UK or with the Brooke operation in the country concerned:

#### *Afghanistan*

Afghanaid  
Dutch Committee for Afghanistan

#### *Ethiopia*

Organisation for Relief and Development in Amhara

#### *Guatemala*

Equinos Sanos para el Pueblo  
Conrado de la Cruz

#### *India*

Action for Women & Rural Development (Uttar Pradesh)  
Arthik Vikas Evam Jan Kalyan Sansthan (Uttar Pradesh)  
Blue Cross (Andhra Pradesh)  
Grameen Evam Krishi Vikas Samiti (Uttarakhand)  
Help in Suffering (Rajasthan)  
New Public School Samiti (Uttar Pradesh)  
Sarvodaya Ashram (Uttar Pradesh)  
Shramik Bharti (Uttar Pradesh)

#### *Kenya*

Kenya Network for Dissemination of Agricultural Technologies  
Practical Action

#### *Nepal*

Animal Health Training and Consultancy Services

#### *Palestinian villages of Israel & The West Bank*

Palestinian Agricultural Relief Committees  
Safe Haven for Donkeys in the Holy Land

#### *Pakistan*

Aga Khan Foundation (Chitral)  
National Rural Support Programme

## Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the Trustees are required to:

- o select suitable accounting policies and then apply them consistently
- o make judgments and estimates that are reasonable and prudent
- o state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- o prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware. The Trustees have each taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the Brooke's auditors are aware of that information.

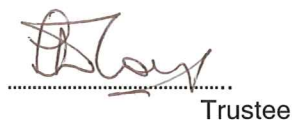
The Trustees are responsible for the maintenance and integrity of the corporate and financial information included in the charity's website.

### Auditors

Horwath Clark Whitehill LLP were re-appointed as the charity's auditors during the year, and have expressed their willingness to continue in that capacity.



Trustee  
2 October 2009



Trustee





**THE BROOKE HOSPITAL FOR ANIMALS  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2009**

	Notes	Unrestricted funds 2009 £	Restricted funds 2009 £	Total 2009 £	Total 2008 (restated) £
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	4	9,590,553	2,006,312	11,596,865	10,507,072
Activities for generating funds		127,816	-	127,816	169,360
Investment income	2c, 12	463,198	2,800	465,998	412,506
<b>Total incoming resources</b>	2d	<u>10,181,567</u>	<u>2,009,112</u>	<u>12,190,679</u>	<u>11,088,938</u>
<b>Resources expended</b>					
<b>Costs of generating funds</b>					
Costs of generating voluntary income					
Fundraising and publicity costs:					
in connection with current income		2,326,163	-	2,326,163	2,288,780
in connection with future income		1,478,033	-	1,478,033	862,978
Supporter services		846,046	-	846,046	640,484
Fundraising trading: cost of goods sold and all other costs		120,261	-	120,261	85,550
Investment management costs		49,600	-	49,600	62,147
<b>Costs of generating funds</b>	7a, b	<u>4,820,103</u>	<u>-</u>	<u>4,820,103</u>	<u>3,939,939</u>
<b>Net incoming resources available for charitable application</b>		<u>5,361,464</u>	<u>2,009,112</u>	<u>7,370,576</u>	<u>7,148,999</u>
<b>Charitable activities</b>					
Direct intervention to improve equine animal welfare					
		2,489,587	1,384,398	3,873,985	3,135,583
Prevention of welfare problems					
		3,375,747	663,305	4,039,052	3,199,471
Information & awareness raising					
		447,992	8,140	456,132	325,287
Research					
		277,104	3,120	280,224	307,994
<b>Total charitable activities</b>	6, 7a	<u>6,590,430</u>	<u>2,058,963</u>	<u>8,649,393</u>	<u>6,968,335</u>
Governance costs	7a, b	<u>176,237</u>	<u>-</u>	<u>176,237</u>	<u>108,768</u>
<b>Total resources expended</b>	2e, 7a	<u>11,586,770</u>	<u>2,058,963</u>	<u>13,645,733</u>	<u>11,017,042</u>
<b>Net (expenditure)/income for the year before other recognised gains and losses</b>	18	(1,405,203)	(49,851)	(1,455,054)	71,896
<b>Other recognised gains and losses</b>					
Net loss on investments	12	<u>(1,862,400)</u>	<u>-</u>	<u>(1,862,400)</u>	<u>(632,399)</u>
<b>Net movement in funds</b>		<u>(3,267,603)</u>	<u>(49,851)</u>	<u>(3,317,454)</u>	<u>(560,503)</u>
Total funds brought forward	15, 16	<u>10,664,709</u>	<u>472,733</u>	<u>11,137,442</u>	<u>11,697,945</u>
<b>Total funds carried forward</b>		<u>7,397,106</u>	<u>422,882</u>	<u>7,819,988</u>	<u>11,137,442</u>

All the above results derive from the continuing activities of the Charity. There are no other gains or losses other than those shown above.

The deficit determined under the Companies Act 1985 is £(1,455,054) (2008: surplus £71,896).

The notes on pages 27 to 35 form part of these financial statements.



**THE BROOKE HOSPITAL FOR ANIMALS  
CASHFLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2009**

	£	2009 £	£	2008 £ (restated)
<b>Reconciliation of net (expenditure)/income to operating cashflows</b>				
Net (outgoing)/incoming resources for the year		(1,455,054)		71,896
Depreciation		94,385		59,820
(Increase)/decrease in debtors		(500,198)		360,298
Increase/(decrease) in creditors		1,396,693		(117,512)
Investment income		(465,998)		(412,506)
Loss on disposal		220		-
Donated shares		(10,344)		(250,737)
<b>Net cash outflow from operating activities</b>		<b>(940,296)</b>		<b>(288,741)</b>
<b>Returns on investments and servicing of finance</b>				
Dividends received	245,283		293,791	
Interest on deposits	218,277		143,910	
		463,560		437,701
<b>Capital expenditure and financial investments</b>				
Purchase of tangible fixed assets		(493,455)		(111,228)
Net disposal of investments		3,306,672		1,757,080
Increase in cash held in short term investments		(2,253,360)		(1,330,747)
		559,857		315,105
<b>Net increase in cash in the year</b>		<b>83,121</b>		<b>464,065</b>
<b>Reconciliation of net cash inflow to movement in net cash funds</b>				
Increase in cash at bank and in hand		83,121		464,065
Cash at bank and in hand 1 April 2008		2,858,440		2,394,375
<b>Cash at bank and in hand 31 March 2009</b>		<b>2,941,561</b>		<b>2,858,440</b>

The notes on pages 27 to 35 form part of these financial statements.

**THE BROOKE HOSPITAL FOR ANIMALS  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2009**

---

**1. BASIS OF PREPARATION**

The financial statements of the Charity are prepared in accordance with the Companies Act 1985, applicable accounting standards as modified by the Charities (Accounts and Reports) Regulations 2005 and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005).

**2. ACCOUNTING POLICIES**

A summary of the principal accounting policies is set out below. They have all been applied consistently throughout the year and the preceding year.

**(a) Basis of accounting**

The accounts are prepared under the historical cost convention, with the exception of quoted investments which are stated at market value.

**(b) Tangible fixed assets and depreciation**

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

Office equipment	25% per annum straight line
Computers	33.3% per annum straight line
Leasehold Improvements	Life of the lease

The Charity considers it prudent that all assets purchased by overseas branches are fully depreciated in the year of acquisition, except for property, in view of uncertainty of conditions overseas.

**(c) Investments**

Investments are stated at market value. Realised gains and losses on investments, calculated as the difference between 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. Net unrealised gains and losses in the period are included in the Statement of Financial Activities in the period of gain or loss.

Cash held within the investment portfolio is included within current assets as cash held in short term investments.

Cash held on short term deposits is managed directly by the Charity.

**(d) Incoming resources**

All incoming resources are recognised when the Charity is legally entitled to the income, is virtually certain of receipt and the amount can be measured with reasonable accuracy. Entitlement to legacies is deemed to be the earlier of notification being received of an impending payment, or the payment being received.

**(e) Resources expended**

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

Costs of generating funds comprise the costs associated with attracting voluntary income, the costs of trading for fundraising purposes and the costs directly attributable to managing the Charity's investments. The costs of these activities also include expenditure of an indirect nature necessary to support them.

Charitable expenditure is expenditure directly related to activities required to meet the objects of the Charity. It includes both costs that can be allocated direct to such activities and costs of an indirect nature necessary to support them. Grants payable are recognised as soon as the obligation arises.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity. They include the audit fees and costs linked to the strategic management of the Charity.

Every cost is allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated direct, others are apportioned on an appropriate basis as set out in note 7.

Irrecoverable VAT is included as part of the expenditure to which it relates.

**(f) Operating leases**

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

**THE BROOKE HOSPITAL FOR ANIMALS  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**2. ACCOUNTING POLICIES (continued)**

**(g) Website development costs**

The costs of developing the design and content of the website are charged to the Statement of Financial Activities as incurred.

**(h) Pension costs**

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

**3. FUNDS**

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The aim and use of each restricted fund and an analysis of the movements on restricted funds is set out in note 15.

Designated funds are amounts which have been put aside at the discretion of the Trustees. General unrestricted funds represent funds which are expendable at the discretion of the Trustees in the furtherance of the general objects of the Charity. Movement in unrestricted funds is set out in note 16.

There were no endowment funds.

**4. VOLUNTARY INCOME**

	Unrestricted 2009 £	Restricted 2009 £	Total 2009 £	Total 2008 £
Donations	5,576,301	2,006,312	7,582,613	6,508,712
Legacies	4,014,252	-	4,014,252	3,998,360
Voluntary income	<u>9,590,553</u>	<u>2,006,312</u>	<u>11,596,865</u>	<u>10,507,072</u>

**5. LEGACIES**

The estimated value of legacies of which the Charity has been informed, but which have not been included in the accounts (because the conditions for recognition had not been met) is £4,476,000 (2008: £3,266,000).

**6. CHARITABLE ACTIVITIES**

	Unrestricted 2009 £	Restricted 2009 £	Total 2009 £	Total 2008 (restated) £
<b>Direct intervention to improve equine animal welfare</b>				
Afghanistan <sup>5</sup>	3,442	-	3,442	(31,547)
Egypt	1,078,039	590,622	1,668,661	1,224,838
Ethiopia	34,354	31,749	66,103	-
Guatemala	67,224	3,860	71,084	38,065
India	287,555	196,419	483,974	464,397
Palestinian Villages	97,571	6,675	104,246	106,647
Jordan	59,322	3,532	62,854	82,050
Kenya	170,838	21,169	192,007	302,254
Nepal	17,400	1,177	18,577	26,673
Pakistan	403,909	529,195	933,104	740,266
	<u>2,219,654</u>	<u>1,384,398</u>	<u>3,604,052</u>	<u>2,953,643</u>
UK	269,933	-	269,933	181,940
	<u>2,489,587</u>	<u>1,384,398</u>	<u>3,873,985</u>	<u>3,135,583</u>

<sup>5</sup> The reduction in the Charity's liability to one partner in Afghanistan is the cause of a credit to unrestricted expenditure for this country in 2007/08.

**THE BROOKE HOSPITAL FOR ANIMALS  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**6. CHARITABLE ACTIVITIES (continued)**

	Unrestricted 2009	Restricted 2009	Total 2009	Total 2008 (restated)
	£	£	£	£
<b>Prevention of welfare problems</b>				
Afghanistan	68,755	4,720	73,475	41,387
Egypt	199,175	147,655	346,830	237,151
Ethiopia	413,330	127,961	541,291	521,877
Guatemala	158,548	9,055	167,603	115,459
India	420,380	160,707	581,087	536,559
Palestinian Villages	97,147	6,675	103,822	60,473
Jordan	21,421	1,177	22,598	17,184
Kenya	272,083	63,507	335,590	365,716
Nepal	19,834	1,177	21,011	27,577
Pakistan	376,709	140,671	517,380	405,635
	<u>2,047,382</u>	<u>663,305</u>	<u>2,710,687</u>	<u>2,329,018</u>
UK	1,328,365	-	1,328,365	870,453
	<u>3,375,747</u>	<u>663,305</u>	<u>4,039,052</u>	<u>3,199,471</u>
<b>Information &amp; awareness raising</b>				
Afghanistan	10,326	-	10,326	-
Egypt	35,429	-	35,429	14,441
Ethiopia	66,101	-	66,101	25,231
Guatemala	33,735	1,930	35,665	7,750
India	79,496	-	79,496	88,226
Palestinian Villages	47,321	-	47,321	-
Jordan	1,181	-	1,181	-
Kenya	75,450	-	75,450	68,670
Nepal	1,436	-	1,436	6,291
Pakistan	14,542	-	14,542	6,861
	<u>365,017</u>	<u>1,930</u>	<u>366,947</u>	<u>217,470</u>
UK	82,975	6,210	89,185	107,817
	<u>447,992</u>	<u>8,140</u>	<u>456,132</u>	<u>325,287</u>
<b>Research</b>				
Egypt	19,033	-	19,033	1,380
Ethiopia	14,812	-	14,812	-
India	13,898	1,560	15,458	15,282
Jordan	399	-	399	-
Kenya	7,898	-	7,898	1,936
Nepal	2,482	-	2,482	-
Pakistan	14,648	1,560	16,208	2,126
New countries	30,398	-	30,398	-
	<u>103,568</u>	<u>3,120</u>	<u>106,688</u>	<u>20,724</u>
UK	173,536	-	173,536	287,270
	<u>277,104</u>	<u>3,120</u>	<u>280,224</u>	<u>307,994</u>
<b>Total</b>	<b><u>6,590,430</u></b>	<b><u>2,058,963</u></b>	<b><u>8,649,393</u></b>	<b><u>6,968,335</u></b>
<b>Sub-totals:</b>				
Direct intervention to improve equine animal welfare	2,489,587	1,384,398	3,873,985	3,135,583
Prevention of welfare problems	3,375,747	663,305	4,039,052	3,199,471
Information & awareness raising	447,992	8,140	456,132	325,287
Research	277,104	3,120	280,224	307,994
<b>Total</b>	<b><u>6,590,430</u></b>	<b><u>2,058,963</u></b>	<b><u>8,649,393</u></b>	<b><u>6,968,335</u></b>

**THE BROOKE HOSPITAL FOR ANIMALS  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**6. CHARITABLE ACTIVITIES (continued)**

The amounts shown allocated to each country of operation are either the total grants payable to affiliates and partners or the funds spent by the Charity's overseas branches. The overseas amounts also include expenditure made in the United Kingdom in direct support of the Charity's branches, partner and affiliate.

The amounts shown spent by the UK are costs attributable to the Charity's charitable activities, but that can not be directly allocated to a specific country. They include the allocation of support costs as shown in note 7.

An analysis of individual grants payable is shown below:

Institution:	Amount granted 2009 £
Brooke Egypt	1,932,594
Brooke Pakistan	1,431,236
Brooke India	1,085,381
KENDAT	381,017
ESAP	225,292
Practical Action	186,769
PARC	139,179
Dutch Committee for Afghanistan	121,460
ORDA	121,425
Safe Haven for Donkeys in the Holy Land	104,246
Other	3,215
	5,731,814

At 31 March 2009, an amount of £96,986 in respect of capital expenditure to be made in the year 2009/10 has been authorised but not yet contracted for. All of this amount is recognised above as part of the Charity's liability to partners and affiliates.

**7. (a) TOTAL RESOURCES EXPENDED**

	Grants £	Direct Staff £	Direct Other £	Support costs £	Total 2009 £	Total 2008 (restated) £
<b>Cost of generating funds:</b>						
Fundraising and publicity in connection with current income	-	790,089	1,403,829	132,245	2,326,163	2,288,780
in connection with future income	-	-	1,394,005	84,028	1,478,033	862,978
Supporter services	-	306,571	491,376	48,099	846,046	640,484
Fundraising trading	-	-	113,424	6,837	120,261	85,550
Investment management	-	-	49,600	-	49,600	62,147
	-	1,096,660	3,452,234	271,209	4,820,103	3,939,939
<b>Charitable activities:</b>						
Direct intervention to improve equine animal welfare	3,358,070	186,738	255,417	73,760	3,873,985	3,135,583
Prevention of welfare problems	2,042,327	829,987	797,940	368,798	4,039,052	3,199,471
Information & awareness raising	304,024	66,705	60,816	24,587	456,132	325,287
Research	27,393	46,712	181,533	24,586	280,224	307,994
Total charitable activities	5,731,814	1,130,142	1,295,706	491,731	8,649,393	6,968,335
Governance costs	-	83,132	83,086	10,019	176,237	108,768
	5,731,814	2,309,934	4,831,026	772,959	13,645,733	11,017,042
Expenditure in support of activities	-	384,027	388,932	(772,959)	-	-
Total resources expended	5,731,814	2,693,961	5,219,958	-	13,645,733	11,017,042

**THE BROOKE HOSPITAL FOR ANIMALS  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**7. (b) SUPPORT COSTS**

	Total 2009 £	Total 2008 £
Financial management	241,578	163,820
Human resources	138,976	86,243
Resources management	133,000	81,012
General management	122,227	114,035
Information technology and communications	61,326	110,617
Information management	45,341	26,795
Office management	30,511	30,262
	772,959	612,784

Basis of apportionment

Total support costs are allocated based on each activity's proportion of the aggregate expenditure. No support costs are apportioned to Investment management as the administrative costs are considered negligible.

**8. STAFF COSTS**

	2009 £	2008 £
Salaries	2,309,749	2,040,739
Temporary staff	34,974	34,204
Social security	210,992	181,553
Pensions and other costs	138,245	106,265
	2,693,960	2,362,761

The average weekly number of persons employed during the year, calculated on a full time equivalent basis was 93 (2008: 98.5). Of these, 20 (2008: 17) were engaged in Fundraising, 9 (2008: 6.5) in Supporter Services, 18 (2008: 15) in Charitable Activities in the UK, 35 (2008: 51) in Charitable Activities in overseas branches and 11 (2008: 9) in Administration (includes Support Costs and Governance).

During the year, the number of employees whose total taxable emoluments exceeded £60,000 was:

	2009 No.	2008 No.
Between £60,001 and £70,000	-	1
Between £70,001 and £80,000	2	1
Between £80,001 and £90,000	1	1
	3	3

The pension costs paid in respect of these employees amounted to £17,223 (2008 £17,953).

**9. TRUSTEE EXPENSES**

Trustees' expenses reimbursed in respect of necessary duties carried out during the year amounted to £55,361 (2008: £15,613). Eleven Trustees received such reimbursements (2008: eleven Trustees). £37,481 (2008: £7,277) related to visits to overseas affiliates and branches. £13,675 related to trustees appointed in March 2008 in order to complete their induction of the Charity by visiting one of the Charity's affiliates.

To minimise costs across the Brooke family, some trustee overseas visits to affiliates coincide with the Board meetings of those affiliates. The cost of attending the board meetings is not separately identifiable.

The Trustees received no remuneration for their services. A trustee indemnity insurance policy was purchased during the year at a cost of £1,271 (2008: £1,234).



**THE BROOKE HOSPITAL FOR ANIMALS  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**10. PRIOR YEAR ADJUSTMENT**

A prior year adjustment has been made following a review of the basis of recognition of the Charity's liabilities in respect of grants to affiliate and partner organisations overseas. The Charity communicates its intention to fund affiliates and partners for the following year prior to the year end. The review concluded that this communication, which occurs before agreements are signed between the parties, meets the conditions that give rise to a constructive obligation. As a result, partnership liabilities included in the balance sheet have increased, and to ensure consistency, prior year figures have been restated to reflect this revision.

Partnership liabilities restated at 31 March 2008 increased from £1,665,257 to £5,159,631, reducing the total funds carried forward at that date from £14,717,640 to £11,137,442. The change has reduced total funds at 31 March 2009 by £4,384,763 and increased total resources expended in 2008/09 by £804,565.

Total reserves at 1 April 2007 decreased by £3,397,499 from £15,095,444 to £11,697,945. Charitable expenditure recognised for the year ending 31 March 2008 increased by £182,699, from £6,785,636 to £6,968,335.

	2008 (restated) £
Fund balances brought forward 1 April 2007 as previously stated	15,095,444
Prior year adjustment	<u>(3,397,499)</u>
Fund balances brought forward at 1 April 2007 restated	11,697,945
Net movement in funds as previously stated	<u>(377,804)</u>
Increase in charitable expenditure for 2007/08 as a result of the prior year adjustment	<u>(182,699)</u>
Fund balances carried forward at 31 March 2008 restated	<u>11,137,442</u>

**11. TANGIBLE FIXED ASSETS**

	Computers £	Office equipment £	Leasehold improvements £	Fixtures & fittings £	Total £
<b>Cost</b>					
At 31 March 2008	254,123	5,597	131,747	31,796	423,263
Additions	27,122	6,260	406,279	53,794	493,455
Disposals	(656)	-	(131,747)	-	(132,403)
At 31 March 2009	<u>280,589</u>	<u>11,857</u>	<u>406,279</u>	<u>85,590</u>	<u>784,315</u>
<b>Depreciation</b>					
At 31 March 2008	164,168	4,893	122,747	6,222	298,030
Depreciation for the year	51,555	478	31,718	10,634	94,385
Disposals	(437)	-	(131,747)	-	(132,184)
At 31 March 2009	<u>215,286</u>	<u>5,371</u>	<u>22,718</u>	<u>16,856</u>	<u>260,231</u>
<b>Net book value</b>					
At 31 March 2009	<u>65,303</u>	<u>6,486</u>	<u>383,561</u>	<u>68,734</u>	<u>524,084</u>
At 31 March 2008	<u>89,955</u>	<u>704</u>	<u>9,000</u>	<u>25,574</u>	<u>125,233</u>

**THE BROOKE HOSPITAL FOR ANIMALS  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**12. INVESTMENTS**

	2009	2008 (restated)
	£	£
Market value at 1 April	10,995,113	13,133,858
Acquisitions	7,670,188	57,220
Sales proceeds	(10,966,517)	(1,563,566)
Net investment losses <sup>6</sup>	<u>(1,869,095)</u>	<u>(632,399)</u>
Market value of investment portfolio at 31 March	<u>5,829,689</u>	<u>10,995,113</u>
Historical cost at 31 March	<u>6,557,413</u>	<u>10,288,849</u>

	2009	2008
	£	£
Fixed interest	2,556,250	2,860,564
UK equities	1,778,038	4,576,682
Overseas equities	1,434,210	3,064,108
Property	61,191	493,759
Total	<u>5,829,689</u>	<u>10,995,113</u>

The income received from these investments and from bank deposits was:

Fixed interest	50,915	70,212
UK equities	119,451	148,855
Overseas equities	134,679	55,238
Cash in investment portfolio	94,208	51,130
Bank deposit interest	66,745	87,071
	<u>465,998</u>	<u>412,506</u>

The following investments account for over 5% of the total portfolio value:

Newton Investment Management Phoenix Fund	-	5,072,415
---	---	-----------

**13. DEBTORS & PREPAYMENTS**

	2009	2008
	£	£
Legacies receivable	367,891	340,977
Tax recoverable	412,932	161,800
Other debtors	<u>405,286</u>	<u>180,697</u>
	<u>1,186,109</u>	<u>683,474</u>

**14. CREDITORS: amounts falling due within one year**

	2009	2008 (restated)
	£	£
Amounts committed to grants	6,050,020	5,159,631
Taxes and social security	63,791	1,942
Corporation tax due	-	2,133
Other creditors and accruals	<u>759,340</u>	<u>312,752</u>
	<u>6,873,151</u>	<u>5,476,458</u>

<sup>6</sup> In addition to the 2009 losses shown above there was an unrealised gain on the cash held in short term investments of £6,695 (2008: nil). Together these combine to provide the total net losses shown in the statement of financial activities on page 24.

**THE BROOKE HOSPITAL FOR ANIMALS  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**15. RESTRICTED FUNDS**

	As at 31 March 2008 £	Total Incoming Resources £	Interest £	Transfer £	Total Resources Expended £	As at 31 March 2009 £
<b>Egypt</b>						
Nile Delta operations	6,057	-	-	7,136	(13,193)	-
Cairo operations	-	2,000	-	23,657	(25,657)	-
Luxor operations	-	61,097	-	2,635	(50,359)	13,373
Other operations	2,951	11,500	-	606,617	(619,068)	2,000
Vehicles	30,000	-	-	-	(30,000)	-
	<u>39,008</u>	<u>74,597</u>	<u>-</u>	<u>640,045</u>	<u>(738,277)</u>	<u>15,373</u>
<b>India</b>						
Brick kiln operations	-	53,333	-	-	(20,000)	33,333
Other operations	5,172	139,333	-	222,616	(338,686)	28,435
	<u>5,172</u>	<u>192,666</u>	<u>-</u>	<u>222,616</u>	<u>(358,686)</u>	<u>61,768</u>
<b>Pakistan</b>						
Brick kiln operations	37,500	30,767	-	-	(51,600)	16,667
Vehicles	-	-	-	15,380	(15,380)	-
Other operations	-	128,643	-	497,886	(604,446)	22,083
	<u>37,500</u>	<u>159,410</u>	<u>-</u>	<u>513,266</u>	<u>(671,426)</u>	<u>38,750</u>
<b>Ethiopia</b>						
Vehicles	15,380	-	-	(15,380)	-	-
Other operations	14,300	127,083	-	37,339	(159,710)	19,012
	<u>29,680</u>	<u>127,083</u>	<u>-</u>	<u>21,959</u>	<u>(159,710)</u>	<u>19,012</u>
Afghanistan	-	-	-	4,721	(4,721)	-
Guatemala	-	-	-	14,845	(14,845)	-
Kenya	1,618	52,000	-	33,058	(84,676)	2,000
Jordan	-	-	-	4,709	(4,709)	-
Palestinian Villages	-	-	-	13,350	(13,350)	-
Nepal	-	-	-	2,353	(2,353)	-
UK	-	6,210	-	-	(6,210)	-
BHA Netherlands	357,912	1,074,428	2,800	(1,149,161)	-	285,979
Virtual Gifts	1,843	319,918	-	(321,761)	-	-
<b>Total</b>	<u>472,733</u>	<u>2,006,312</u>	<u>2,800</u>	<u>-</u>	<u>(2,058,963)</u>	<u>422,882</u>

Funds received from American Friends of the Brooke, representing a gift from one major donor, went towards various projects including two Luxor mobile clinics, Ghaziabad and Saharanpur equine welfare units in India, Lahore static clinic in Pakistan and the southern region's pilot project in Ethiopia. This gift also funded the Working Horse Report: 'Bearing a Heavy Burden' (shown above under UK).

Substantial restricted donations were received for the work of the mobile teams based in the brick kilns of India and Pakistan, some of which were donated in the last quarter of the year and so will be spent throughout 2009/10.

Funds were received from one major donor towards the Charity's grant to Practical Action to fund the new mobile clinic purchased during 2008/09.

All donations from Brooke Netherlands are restricted to work overseas. Donations totalling £1,074,428 were received from Brooke Netherlands in 2008/09. Almost the entire £285,979 balance at 31 March 2009 was remitted overseas by the end of April 2009.

Donations of £319,918 were raised from the sale of Virtual Gifts and were restricted to work overseas. In the above table, income from both Brooke Netherlands and Virtual Gifts is shown separately in the Total Incoming Resources column. It is then allocated in the Transfer column to the countries where the funds were spent.

**THE BROOKE HOSPITAL FOR ANIMALS  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 MARCH 2009**

**16. MOVEMENT IN UNRESTRICTED FUNDS**

	As at 31 March 2008 (restated) £	Total incoming resources £	Total resources expended £	Net investment losses £	As at 31 March 2009 £
Designated funds:					
Expansion fund	5,736,000	-	(708,745)	(1,006,148)	4,021,107
General fund	4,928,709	10,181,567	(10,878,025)	(856,252)	3,375,999
Total unrestricted funds	<u>10,664,709</u>	<u>10,181,567</u>	<u>(11,586,770)</u>	<u>(1,862,400)</u>	<u>7,397,106</u>

The net investment losses have been apportioned to the general and expansion funds based on their average value during the financial year.

*Purpose of designated funds*

The expansion fund is to allow for planned expansion of the Charity's work overseas. This fund was designated in March 2008 by the Trustees and is planned to be spent down over the next four years.

**17. OPERATING LEASE COMMITMENTS**

	2009 £	2009 £	2008 £	2008 £
	Land & buildings	Other	Land & buildings	Other
Operating leases				
Within one year	-	-	105,177	-
Within two to five years	-	3,371	-	3,196
Over five years	216,957	-	-	-

**18. NET INCOMING RESOURCES FOR THE YEAR IS STATED AFTER CHARGING:**

	2009 £	2008 £
Fees payable to the Charity's auditors for the audit of the Charity's accounts (including VAT)	9,053	7,250
Depreciation	94,385	59,820
Rental cost relating to operating leases (including VAT)		
Plant and machinery	3,336	7,854
Other	276,057	229,679

**19. 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 (2008: £2,133). Income tax suffered by deduction is reclaimed in full from HMRC. The Charity is registered for VAT and has partial exemption from VAT in respect of its trading activities.

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	6,353,773	-	6,353,773
Net current assets	1,043,332	422,882	1,466,214
	<u>7,397,105</u>	<u>422,882</u>	<u>7,819,987</u>

**21. RELATED PARTY TRANSACTIONS**

There were no related party transactions during the year (2008: none).

## CONTACT ADDRESSES

---

### UNITED KINGDOM

#### Headquarters and Registered Office

The Brooke  
30 Farringdon Street  
London EC4A 4HH  
Tel: + 44 20 3012 3456

Registered in England and Wales  
Company number 4119581  
A company limited by guarantee  
A charity registered with the Charity Commission No.  
1085760

### INTERNATIONAL OPERATIONS (BRANCHES)

#### JORDAN

Brooke Hospital for Animals  
Princess Alia Clinic  
Wadi Musa  
Petra 71811, Jordan  
Tel: + 962 3 215 6379

#### ETHIOPIA

Brooke Hospital for Animals (Ethiopia)  
**Registered Office:**  
House No. 5599  
Bole sub-city  
Kebele 02  
Addis Ababa

### INTERNATIONAL OPERATIONS (AFFILIATES)

#### EGYPT

Brooke Hospital for Animals  
**Registered Office:**  
2 Bayram El-Tonsi Street  
Zein El-Abdein 11441  
Cairo, Egypt  
Tel:+ 20 2 364 9312

#### PAKISTAN

Brooke Hospital for Animals (Pakistan)  
**Registered Office:**  
9/295 Sarwar Road  
Lahore Cantt, Pakistan  
Tel: + 92 42 665 0751

#### INDIA

Brooke Hospital for Animals (India)  
**Registered Office:**  
F-86, Preet Vihar  
Delhi 110 092, India  
Tel: + 91 11 2 201 5030

### INTERNATIONAL FUNDRAISING PARTNERS

#### NETHERLANDS

Brooke Hospital for Animals Nederland  
Van Baerlestraat 13-C  
1071 AM Amsterdam, Netherlands  
Tel: + 31 20 670 9229

#### UNITED STATES OF AMERICA

American Friends of the Brooke  
c/o Chapel & York Limited  
PMB 293, 601 Pennsylvania Avenue NW  
Suite 900, South Building,  
Washington, DC 20004  
U.S.A.