This year we improved the lives of more than 1,800,000 of the world’s most hard-working and vulnerable horses, donkeys and mules. In doing so we protected the livelihoods of 10,800,000 people, who depend on the labour and income their working equines deliver. We are on track to reach our target of 2 million working equine animals per year by 2016. This is a huge number and a great achievement of which I am immensely proud. Our growth in the reach and impact of our work is enabled again this year by another increase in UK fundraising income, up 5% from last year. We are profoundly grateful to every supporter.

Throughout this year we have examined how we work and explored how the Brooke can be more effective, more accountable and more influential to create lasting positive change around the world. As well as our ongoing operations, we have analysed and planned to prepare the Brooke for a step change in the scale of our operations. We will launch our new five year Global Strategy next year.

In preparation for our new Global Strategy, we have commenced the changes that enable us to compile a more robust evidence base. With a better understanding of the context and needs within each programmatic area, we can be more effective and accountable; and lead the way in demonstrating the value of working horses, donkeys and mules in the developing world.

We have increased our capacity with new initiatives such as our Evidence Forum. The forum brought together our global research, monitoring and evaluation teams to develop a shared approach to gathering a rigorous evidence base for our programmatic activities. We are also extending our reach by mobilising others and co-ordinating on a global scale through local, national and international advocacy. For the first time the Brooke was invited to speak at the Inter-agency donor group on pro-poor livestock research and development, hosted by the Bill and Melinda Gates Foundation. We were able to increase recognition of the critical role of working equine animals in transportation among key international development actors. The global credibility that this level of engagement confers is vital to our cause.

The ongoing development of our effectiveness framework enables us to track the sustainable impact of our work. Working animals cannot improve their own welfare. We need to involve people. We want to leave an area with better animal welfare practices to be continued by local people. One example of the many innovative and sustainable projects that we have run this year is the community-led equine insurance scheme in India. Our study found that joint liability to protect each animal encouraged owners to practice improved husbandry. This positive behavioural change among owners led to an overall improvement in equine welfare. In Afghanistan, volunteer children trained by the Brooke assess and monitor the welfare of working equine animals in their villages. These three children, trained by the project in the past, are now leaders of their local Equine Owner Groups and are continuing to champion and improve welfare standards.

Health-care, welfare, human-behaviour, evidence, capacity and credibility. This inclusive and integrated approach has been developed over many years at the Brooke, and is the platform for the next exciting chapter of our work.

Petra Ingram
Chief Executive
65% of expenditure funded programmes overseas

15,435 animal welfare assessments completed

48 presentations at international conferences

3 research papers published

3 Small Initiative Funds awarded

1,810,179 working equine animals are now being reached

29 community fundraising groups

88 was the average number of staff in the UK

392 news stories published

20 international colleagues passed our online animal welfare foundation course

7 international colleagues passed our advanced online animal welfare foundation course

13,598 new supporters recruited
TRUSTEES’ ADMIN REPORT

The Trustees of the Brooke present their Annual Report for the year ended 31 March 2015 under the Charities Act 2011 and the Companies Act 2006, including the Directors’ Report and the Strategic Report under the 2006 Act, together with the audited financial statements for the year.

OBJECTIVES & PRINCIPAL ACTIVITIES

The objectives, principal activities and future developments of the charity are described in the objectives and activities section of the Trustees’ annual and strategic report, starting on page 11.

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES & ADVISERS

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

Company No: 4119581
Registered as a Charity in England and Wales No: 1085760
Registered Office and main operational address: The Brooke Hospital for Animals 5th Floor, Friars Bridge Court 41-45 Blackfriars Road London, SE1 8NZ

President
HRH The Duchess of Cornwall

Honorary Vice Presidents
Dr David Jones MRCVS
Ms Ann Searight
Mr Denys Bennett

Patrons
HRH Princess Alia bint Al Hussein of Jordan
Sir Peter O’Sullevan CBE

Ambassadors
Charlotte Dujardin OBE
Ms Emma Milne MRCVS
Mr Nigel Payne
Monty Roberts
Major Richard Waygood MBE

TRUSTEES

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

Deputy Chairman
Mr Stephen Savage (3)

Honorary Treasurer
Mr Paul Elphick FCA (1,2)

Mr Richard Britten-Long (1)
Mr Peter Coe (1,2)
Mrs Jane Holderness – Roddarn CBE, LVO (3)
Mrs Angela Horsman (3)
Mr Ian Kerr (1)
Sir David Madden KCMG (3)
Mr Michael Seton (3)
Mr Anant Shah
Mrs Caroline Stockmann FCA, DChA (4)
Professor Natalie Waran

1. Member of Finance Committee
2. Member of Remuneration Committee
3. Member of Governance Committee
4. Resigned with effect from 31st December 2014

SENIOR MANAGEMENT TEAM

Chief Executive Officer
Petra Ingram FCMA

Director of International Development
Dorcas Pratt

Director of Finance and Information Services
Shailesh Patel ACMA

Director of Fundraising and Communications
Jasvir Kaur

Bankers
Barclays Bank PLC 50 Pall Mall London, SW1A 1QO

Auditors
Crowe Clark Whitehill LLP
St Bride’s House
10 Salisbury Square
London, EC4Y 8EH

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

Investment Fund Managers
Newton Investment Management Limited
Mellon Financial Centre
160 Queen Victoria Street
London, EC4V 4LA

Royal London Cash Management Limited
55 Gracechurch Street
London, EC3V 0UF
In recent years, the Brooke has blossomed into one of the most far-reaching and effective equine welfare charities in the world today. We work directly, and with partners, to alleviate the suffering of working horses, donkeys and mules in the world's poorest communities. We are continually developing better equine animal welfare through practical and academic research. At the heart of our continuing Brooke story there remains a passion for equine welfare, a respect for local communities, and an immense need for our work to continue and expand around the world.

Wherever possible, we want to prevent the problems from happening in the first place. We show owners how important it is for them to take an interest in the welfare of their animal, not just for the animal, but for their family and their livelihood.

We will always treat an animal in need, but we want to do more. The sheer scale of the issue means we need to think differently to effect change for generations of equines to come. Our decades of experience tell us the best way is to work with owners, communities and governments. We want to be able to leave a region having equipped local people with the knowledge and skills to give their horse, donkey or mule a better life. Then, we can move on to help suffering working horses, donkeys and mules elsewhere. This is a profound and far-reaching ambition, and one the Brooke is proud to champion and lead.
COVERAGE & UPTAKE

We use two terms to describe the extent to which working animals and their owners are able to use our services: coverage and uptake.

COVERAGE

Coverage refers to the number of working horses, donkeys and mules with access to the services that the Brooke provides or supports.

During 2014-15 we increased our coverage by 21% by reaching 1,810,179 working equine animals and are on track to achieve our goal of reaching 2 million animals per year by 2016.

UPTAKE

Uptake refers to the number of direct beneficiaries, and includes the number of working animals using services such as health check-ups, general or emergency treatment through their owners or users. This year uptake improved by 15.4%, increasing to 949,770.

<table>
<thead>
<tr>
<th>Country</th>
<th>Coverage</th>
<th>Uptake</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>65,716</td>
<td>26,583</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>239,371</td>
<td>223,817</td>
</tr>
<tr>
<td>Egypt</td>
<td>212,777</td>
<td>158,534</td>
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<tr>
<td>Guatemala</td>
<td>23,103</td>
<td>9,557</td>
</tr>
<tr>
<td>India</td>
<td>411,997</td>
<td>196,217</td>
</tr>
<tr>
<td>Jordan</td>
<td>1,350</td>
<td>532</td>
</tr>
<tr>
<td>Kenya</td>
<td>214,239</td>
<td>43,941</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>23,132</td>
<td>1,035</td>
</tr>
<tr>
<td>Nepal</td>
<td>24,906</td>
<td>16,846</td>
</tr>
<tr>
<td>Pakistan</td>
<td>580,239</td>
<td>261,585</td>
</tr>
<tr>
<td>Senegal</td>
<td>13,349</td>
<td>11,123</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,810,179</strong></td>
<td><strong>949,770</strong> (+15.4% from last year)</td>
</tr>
</tbody>
</table>
WHAT WE DO

The Brooke works directly, and with partners, to alleviate the suffering of working horses, donkeys and mules and develops equine animal welfare practices and facilities to prevent and reduce suffering in the future.

The Brooke (and its affiliates) employs around 1,000 staff world-wide, including veterinary surgeons, community animal health workers and development specialists.

We are now able to reach just over 1.8 million working horses, donkeys and mules in 11 countries around the world.

WE HELP WORKING EQUINES IN FOUR WAYS:
Trinidad Garcia from La Ceibita, Masaya, uses her horse to plough the field, transport vegetable harvests, and carry water from a well to her house. She said:

“Chinga is an important part of our family, and I was so scared of losing her. She helps us with everything and I don’t know how we could survive without her. Thanks to the Brooke, I feel happier about my family’s future.”

Between June and September 2014, the Brooke distributed 7,500 bales of pressed hay to the owners of horses in danger of starvation. When the programme began, many horses were already desperately thin. By the time the feeding ended, 65% of the horses had either maintained or increased their body condition. Brooke teams reached just under 500 horses, more than their original target.

Dr Maria Elena Solorzano, a Brooke vet working in Nicaragua, said:

“It’s been a real struggle for people coping with the drought. More and more owners started coming to us saying that they couldn’t feed them without help, so we decided to take action.

“‘It hasn’t been easy, but we’re so glad that this feeding has made a difference. We’re looking forward to working with the communities here to come up with long-term solutions, and stop this from happening again.”

This activity appears in our accounts as direct intervention.

The Brooke helped to save hundreds of horses from starvation in Nicaragua last year, after a severe drought saw food stocks plummet and prices increase. Horses are the only means of income for many poor families in deprived urban parts of Nicaragua, where one horse supports an average of six family members.

Trinidad Garcia, from La Ceibita, Masaya, uses her horse to plough the field, transport vegetable harvests, and carry water from a well to her house. She said:

“Chinga is an important part of our family, and I was so scared of losing her. She helps us with everything and I don’t know how we could survive without her. Thanks to the Brooke, I feel happier about my family’s future.”

This means that individuals and communities not only understand these solutions, and are building on existing knowledge, but also own them and feel responsible for ensuring better long-term care for their animals.

This appears in our accounts as prevention of welfare problems.

The Brooke’s prevention work in Quiché, Guatemala has already made a difference for more than ten villages in the area and aims to reach 21 villages by the end of the project, giving communities skills that will protect 8,500 horses and mules over the long-term.

Verity Owers, our Legacy Relationship Officer, went out to observe their valuable work:

“One young woman captures the attention of the watching crowd. She has a wonderful smile and her laughter draws everyone in. Her name is Juana Matom Raymundo and today she has brought along four of her father’s horses to be checked by the team.

Juana learns some basic welfare techniques - how to pick up a horse’s hoof, check, clean and file it – and she gives it a go before showing the little ones around her what she’s doing. She makes a good teacher and they are entirely absorbed in her training, pausing only when she does - to laugh shyly on realising she’s being watched.

This is the first time Juana has come to a session like this but she is keen to tell us how interesting it has been and that would like to come back and learn more. Today she has practised with tools borrowed from the Brooke vets but they are careful to use only those that will be readily available to the owners or that can be substituted cheaply.

Juana tells us:

“I will find these tools so I can do the same with my animals at home.”

“I feel confident watching her, that not only will she go on to practise what she has learned, but she will share that knowledge too – a natural role model and teacher for her community.”
We work to persuade key local, national and international institutions and governments to include the welfare of working equine animals in their policy development and programme implementation. In this way, we will increase the investment in equine animal care far beyond what could be achieved solely through the Brooke’s own resources and ensure lasting improvements to the welfare of working horses, donkeys and mules.

OUR GROUNDBREAKING APPROACH

The Brooke has been, and continues to be, at the leading edge of applying successful lessons from human development contexts to improve animal welfare. We are now breaking new ground in advocacy through livelihoods and gender research, as is demonstrated in our first international policy report, Voices from Women.

This appears in our accounts as advocacy.

The Brooke has worked with the government to change by-laws in Halaba, Ethiopia, allowing our teams to euthanise abandoned working equines when extreme injuries or disease mean they are beyond medical help. The decision will result in many working horses, donkeys and mules being relieved from prolonged suffering.

Abandonment of working horses in urban areas of Ethiopia is a problem, especially in Halaba. When horses are too sick or weak to work, they are sometimes left on the streets to suffer slowly before they die, or are attacked and eaten by hyenas. These poor horses are often found in a state where their condition is irreversible, and the only humane solution is euthanasia. The Brooke will always strive to rehabilitate an animal before taking such drastic action, but sadly these difficult decisions sometimes have to be made in the interest of the animal.

In Halaba, an owner has to give consent before an animal is euthanised, but when they have been abandoned, tracking down the owner can be difficult or even impossible. The new law means that if the Brooke has taken the decision to euthanise an abandoned animal, it can do so without the legal risk of someone coming forward afterwards and claiming their animal was taken without consent.

Melissa Liszewski, Animal Welfare Advisor for Community Engagement at the Brooke said:

"Euthanasia is always an emotional decision both for our own staff and the local people we work with, but it is our duty to do what we can to provide comfort and relief to suffering animals who work so very hard for the people depending on them.

The success of the by-laws is just one example of how working at government level is helping the Brooke to support hard working animals."

We undertake and commission practical field research to identify effective, sustainable and science-based solutions to improve animal welfare, delivered by animal-owning communities in the developing world.

OUR EVIDENCE-BASED APPROACH

The 7th Colloquium on Working Equids was held this year to share knowledge and learnings about working equine animals. The Brooke presented 28 projects as poster presentations and 5 as oral presentations, representing about a third of the total content of the summit and a huge achievement for the entire international team.

One of our Research Advisors, Polly Compston, was there to speak and covered the event for our blog:

"Nine of our overseas staff attended, from India, Pakistan, Kenya, Egypt and Ethiopia, and over 150 people travelled to the colloquium from many different organisations around the world.

Using evidence to show the effectiveness of our work is crucial if we’re going to make a difference for the animals that we work with."
STRATEGIC OBJECTIVES & WHAT WE HAVE ACHIEVED IN 2014-15

Our current five year global strategy is defined by five strategic objectives. Here is a selection of highlights from the year that illustrate our rigour, innovation and determination in pursuit of our objectives.

STRATEGIC OBJECTIVE 1

We will ensure that communities and service providers are enabled to sustain and improve welfare for working equine animals both in the short and long term.

Last year, the Alborada Trust awarded the Brooke a generous grant to cover the cost of two three-year projects, one in Pakistan and one in Kenya.

In Hyderabad, the funding has helped kick off an expansion programme that will improve the lives of nearly 18,000 horses, donkeys and mules. We are training equine-owning families to improve their animal husbandry skills, leading to a sustainable reduction in equine suffering, pain and distress. During the first year of the project, our veterinary staff also carried out over 2,000 emergency treatments and vaccinations to animals in need.

In Karachi, the funding has already helped us aid over 6,000 working equines through our dual approach, training equine owners and improving local equine veterinary services at the same time. This results in better day-to-day care for the animals - and better availability of trained vets with equine knowledge when specialist services are needed. We are ensuring that our direct interventions can be phased out over time as we support Local Service Providers to develop their skills and take over delivery of equine care services at the local level.

In Kenya, the grant has enabled the Brooke to deliver a community engagement project in Mwea. By working with equine owners at a local level, the Brooke has brought about positive changes in attitude and behaviour to working animals and their care. The project will continue to improve access to specialist equine veterinary services, with a key focus on training and supporting local farriers.

The Brooke remains very grateful to The Alborada Trust for their kind support, which has enabled these two important projects in Pakistan and Kenya.
We will significantly increase our positive impact on working equine animal welfare, within and beyond the geographical areas in which we work, through influencing and collaborating with local, national and international institutions.

Over the past few years in Jordan, the Brooke has been concentrating on transferring animal welfare knowledge and building capacity of other partners including the animal owners, park authorities, government vets, rangers, guides and regional authorities. However, we realised that in order to make sustainable change, we needed to target the tourists as well. In the Petra UNESCO world heritage site in Jordan, horses and donkeys carry heavy loads all day as they taxi tourists across tricky terrain in the blazing heat. Exhausted animals suffer heat stress, injuries, dehydration and wounds, but if overwork and bad practices are avoided, these animals can work happily and provide valuable income for local people and enjoyment for tourists.

Our Care for Petra campaign is working at a national level with the local tourist authority to integrate animal welfare into the wider themes of responsible tourism, in order to make longer lasting change to the way tourists think about not just animal welfare but all areas where their behaviour could have an impact on this UNESCO World Heritage site.

The campaign was launched in October 2014 at a major event in the park itself, with materials commissioned by the Brooke which went up around the site. This consisted of an animated video showing tourists how to make the right choices, shown on-loop by the ticket office, and flyers to further explain the problems related to animal welfare, child labour and site protection issues. The campaign has generated discussion, negotiation and engagement with the donkey owning community and tourists.

Longer-term, the taskforce has developed plans to work with the tourism industry (including tour operators, hotels, airlines, bus and cruise companies, telecoms companies etc.) to inform visitors of the campaign issues when booking their trip and travelling to Petra so that messages are reinforced once at the site. Care for Petra is a step towards improving the experience for future visitors to Petra while at the same time addressing long-standing animal welfare, child labour and site protection issues. The campaign has generated discussion, negotiation and engagement with the donkey owning community and tourists.

Media coverage included Jordanian national television, The Daily Telegraph, Horsetalk, Horse and Hound, Jordan Solidarity, Jordanian national newspapers, Travel Daily and Right Tourism.

In 2014-15, the Brooke’s total income was £17.4m. In the UK, we recruited 13,598 new donors and raised £16.9m, an increase of 5% from the previous year. Income from American Friends of the Brooke (now Brooke USA) increased to £185,302.

To support growth in our restricted funding income streams, we piloted, refined and rolled out robust reporting processes across our country programmes. As a result, we continue to increase the number of trusts and grant giving bodies supporting our work.

Last October the Brooke successfully recruited 23 brave runners to join Team Brooke at the Royal Parks Foundation half marathon, including Petra, the Brooke’s CEO, and they raised over £23,000 between them, which was a fantastic effort! They reached this amazing total through sponsorship, holding collections and bake sales and much more.

I became a Brooke runner for a really rather sad reason. In the winter of 2013 my horse JJ became seriously ill. He was 100kg underweight, and looked, as my friend put it, ‘like something the Brooke should be treating.’ That stayed in my mind. JJ did recover, and I signed up to run the Royal Parks Half, not least because I was grateful my own horse was still alive and I wanted to do something to help other people’s.

All my fundraising in the end was online. To catch people’s attention, I dyed my hair pink and combined JJ’s recovery with my training and took him running four times a week. We documented our adventures in a monthly blog which we promoted on Facebook and Twitter and always sneakily published just before payday, with links to our Virgin Money Giving page. We had readers from Alaska to Oz, and donations from Finland to Texas as well as closer to home. In the end we raised £650 and I wrote all my sponsors’ names on the back of my race shirt for the actual event.

We will inspire a diverse range of supporters in order to expand our funding base and increase our income through new, report and upgraded support.
We will define and promote our brand with pride and passion, making it synonymous with evidence-based improvements in equine welfare, thereby reinforcing our status as a global leader on working equine issues.

Overall, we have made good progress in getting the Brooke better known and better understood. From last year, our total media coverage for the year increased by 14%, the total number of visits to our website increased by 53% and our Facebook followers increased by 60%.

Our brand refresh is progressing well, with new larger supporter audiences identified and a new website in development. Both will be launched, with our new Strategy, in 2016-17.
**LOOKING AHEAD TO 2016**

We are on track to meet our 2016 target of reaching 2 million working equines per year. This will be a great achievement, and yet the scale of the issue we face challenges us to think differently.

### KEY OPERATIONAL OBJECTIVES 2015-16

<table>
<thead>
<tr>
<th>Number</th>
<th>Strategic Objective</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>We will ensure that communities and service providers are enabled to sustain and improve welfare for working equine animals both in the short and long term.</td>
<td>Develop a five-year growth plan to deliver global impact with regional and country strategies aligned to the new Global Strategy. Develop new Latin America and Asia strategies. Coordinate and align thematic strategies from the effectiveness framework to ensure the necessary technical support can be provided to country programmes. Strengthen monitoring of outcomes and impact through development of the effectiveness framework and piloting of the dashboard project.</td>
</tr>
<tr>
<td>2</td>
<td>We will significantly increase our positive impact on working equine animal welfare, within and beyond the geographical areas in which we work, through influencing and collaborating with local, national and international institutions.</td>
<td>Increase engagement with relevant institutions and intergovernmental processes. Support the ongoing development of OIE Standards for the welfare of working equids. Improve understanding of The Brooke’s work by food security and livestock policy makers. Foster cross-sectorial collaboration on brick kiln advocacy in South Asia. Develop our new 5 year Advocacy &amp; Public Affairs strategy to support the Brooke’s new Global Strategy.</td>
</tr>
<tr>
<td>3</td>
<td>We will inspire a diverse range of supporters in order to expand our funding base and increase our income through new, repeat and upgraded support.</td>
<td>Put supporter care at the heart of all fundraising programmes. Prioritise committed giving for all supporters. Engage the priority new audiences and existing audiences for fundraising through development of digital channels. Develop a sustainable restricted income stream for high value supporters.</td>
</tr>
<tr>
<td>4</td>
<td>We will define and promote our brand with pride and passion, making it synonymous with evidence-based improvements in equine welfare, thereby reinforcing our status as a global leader on working equine issues.</td>
<td>Launch a refreshed new brand for the Brooke. Increase awareness of the Brooke among key potential supporter audiences.</td>
</tr>
<tr>
<td>5</td>
<td>We will develop as an international organisation with strong accountability, working effectively and making the best use of knowledge, expertise and resources.</td>
<td>Implement the new Operating model proposals including the detailed analysis of the key strategic initiatives for implementation of the new Global Strategy. Complete the implementation of new accounting systems in India and Ethiopia. Support the further development of restricted income processes in our international network. Roll out collaborative working and knowledge sharing tools globally. Apply for UK Investors in People (IIP) and Positive About Disability accreditation. Roll out new a UK Purchase Order system.</td>
</tr>
</tbody>
</table>
FINANCIAL REPORT
**FINANCIAL OVERVIEW & STRATEGY**

In 2014-15, the Brooke’s income from UK sources was £16.9m (+5% vs 2013-14) that was offset by lower than anticipated donations from overseas sources thus resulting in a total income of £17.4m (-2% vs 2013-14). Fundraising activity of +7% versus prior year is slightly ahead of UK income growth and expenditure on charitable work was marginally lower (-2% vs 2013-14).

**TOTAL INCOME**

Total income was £17.4m with legacy income of £8.2m (+4% vs 2013-14), income from UK donations of £8.9m (+6% vs 2013-14), income from overseas sources £0.2m (-81% vs 2013-14) as a result of Brooke Netherlands funding Brooke Egypt directly and investment income of £0.3m (-23% vs 2013-14) due to a lower dividend income from our investment portfolio.

The legacy ‘pipeline’ (i.e. the estimated value of legacies we have been informed of but not included in the accounts due to income recognition criteria not being met) is £6.7m.

**GAIN ON INVESTMENT ASSETS**

During 2014-15 there was an unrealised gain on our investment portfolio of £0.5m following an unrealised loss in the previous year of £0.2m. The returns from our investment portfolio are two-fold. Income is received via interest and dividends which is recognised as an incoming resource. Gains are also made to the underlying market value of the investment asset which is showed in Note 12 in our accounts. Across the two streams, return on our investment for 2014-15 stood at £0.8m (£0.1m in 2013-14) and reinforces the long-term nature of the investment.

**FUNDRAISING ACTIVITIES**

Investment in fundraising activities of £6.0m (+7% vs 2013-14) is marginally ahead of UK voluntary income growth (+6%). The strategic investment in key aspects of our fundraising capacity and capability remains a critical part of our financial strategy to ensure we have the fundraising income to support the Brooke’s ambitious new 5 year strategy.

**CHARITABLE ACTIVITIES**

The investment in our programme work saw total charitable expenditure marginally reduce versus prior year due to two principal reasons. Firstly, Brooke Netherlands direct funding of Brooke Egypt in 2014-15 and secondly, the recognition of end-of-service provisions for overseas employees in 2013-14.

**SUPPORT AND GOVERNANCE COSTS**

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

Support costs of £1.3m increased by £0.2m (+22% vs 2013-14) in the main due to delays in recruitment in the previous year. A detailed analysis of support costs is provided at note 7b to the accounts.

In accordance with charity accounting practice, support costs are allocated to other costs based on each activity’s proportion of the aggregate expenditure. Support costs represent 7% of total resources expended and Governance costs represents 1% of total resources expended.

The charts below provide an analysis of the total resources expended in 2014-15. The first shows an analysis of the different types of expenditure and the second an analysis of Charitable activities by thematic areas.
RESERVES POLICY

The Board of Trustees reviews and agrees the reserves policy annually and completed the last review in December 2014. The main objectives of the Brooke’s reserves policy are to:

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

The reserves policy links the Brooke’s reserves to major financial and other risks identified as part of the annual planning process. The Trustees reviewed the minimum reserves to ensure that they continue to take account of the income, foreign exchange and an appropriate assessment of the stock market investment risk. Individual risks have been quantified and the level of reserves required calculated on the basis of total risk. Applying the reserves policy, the minimum level of reserves required at 31 March 2015 is just under £5.2m, which is shown in the accounts as general funds. The general reserves held at 31 March 2015 is in line with the minimum level of reserves required.

DESIGNATED FUNDS

In December 2014, the Board of Trustees approved the Brooke’s new 5 year Strategy that seeks to strategically expand into new countries, a phased expansion into existing countries and implement a robust Operating Model that effectively supports our ambition to deliver sustainable overseas programmes through our Theory of Change. At 31 March 2015, the designated funds stood at just under £2.2m and anticipated to be fully utilised over the coming three years.

ETHICAL INVESTMENT POLICY & STRATEGY

The Brooke’s investment powers are set out in our Memorandum and Articles of Association. In accordance with those powers, the board has appointed professional fund managers to manage the investment portfolio, which represents a substantial proportion of our reserves. The fund managers are issued with investment guidelines, which are determined by the finance committee on behalf of the board.

The Brooke’s investment objectives are:

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

During the year, the board approved a new ethical investment policy that mirrors the ethos and values of the Brooke but ensures the safeguard of the reserves from the deflationary effect of inflation. In March 2015, following a tender process, the Trustees appointed James Hambro and Partners to invest the Brooke’s reserves according to the new investment policy.

At 31 March 2015, 60% of the Brooke’s total investments were held in the Newton Real Return Fund and 31% were held in certificates of deposits managed by Royal London Asset Management. The underlying assets in the Newton Real Return Fund are ring-fenced and, in the event of a bank failure, would revert to the Brooke. The Newton Real Return Fund is the vehicle for investing the Brooke’s long-term funds, funds which are not expected to be required for at least four years. Cash expected to be required after 12 months but within four years is invested in certificates of deposits with our investment managers. Cash invested in bank deposits outside the investment portfolio totalled £2.2m that supports the day to day activities of the charity.

INVESTMENT PERFORMANCE

In 2014-15 the value of the Brooke’s investments showed a net gain for the year of £0.8m. The total return for the year on the Brooke’s longer-term investments was 6.3% against a benchmark of 4.44%. The investments held in low risk fixed term deposits provided a negligible return over the year, reflecting the continued low interest rates during the year.

RISK MANAGEMENT

The Brooke has an organisation-wide, risk management process for the identification of all risks to the organisation with an appropriate mitigation plan. The risks are ranked by the likelihood and impact to the charity and reviewed twice a year by the Trustees. However, risk is also proactively managed through the annual planning process and the formal approval of any business initiatives.

The board reviews the major risks to which the Brooke is exposed and has established a reporting mechanism to monitor, manage and mitigate the exposure to the risks. We are 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 Brooke in the event of adverse conditions. The board and its committees regularly monitor performance against the objectives set out in the budget and the management of major risks. The country programmes and the UK office assess and manage risk on an on-going basis and risk management tools are embedded into planning and monitoring. Internal controls audits are commissioned on a regular basis and are prioritised using a risk-based approach. These reports are submitted to the finance committee, together with regular updates of progress on the implementation of recommendations.

The board has in place key controls including:

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

The board approves a comprehensive annual budget and plan 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.
The major areas of risks and the mitigation plans for the Brooke are:

**RISK**

The challenging economic environment affecting our income generation activities resulting in a decline in fundraising income and/or shrinkage of our legacy portfolio resulting in the organisation being unable to deliver on our ambitious programmatic objectives.

National disaster, political instability or conflict leading to disruption of operations and the inability to monitor impact of programme work.

The Brooke works in partnership with a range of organisations including governments and local and international NGOs in delivering our programmatic work. This reliance on our partners therefore may result in a risk that our work may not be prioritised and the quality standards compromised.

**MITIGATION**

Exploration into diversification of our fundraising portfolio including investment into growing our restricted income from trusts and high net worth individuals

Testing new and innovative approaches to fundraising activity including investment in digital initiatives

Providing a high quality service to our new and existing supporters

Each country has standard policies and operating procedures in place for security issues

Crisis management teams are in place and trained. Procedures are updated regularly

Clear plans are developed that can be monitored remotely without UK visits

PESTLE analysis and associated scenario plans built into strategic planning processes

Formal grant agreements are in place which clearly set out the deliverables by each stakeholder, and the Brooke’s policies which must be followed

Planning and monitoring tools are in place to ensure that programmes are on track and where delays are predicted they are communicated to the UK in order to ensure mitigation measures can be put in place

Animal welfare indicators are reported on a quarterly basis and periodic animal welfare assessments and programme audits contracted to ensure quality standards are being met

Due to the nature of our work the Brooke operates in areas where fraud and corruption may be prevalent. There is a risk of insufficient oversight over financial and internal controls management leading to potential misuse of our charitable funds and/or bribery, corruption or money laundering occurring.

A board approved risk-based internal controls audit programme is in place which aims to identify control gaps in our operational environment

An anti-bribery and corruption policy has been prepared and approved by the board, which forms part of our grant agreement. All partners are expected to sign up to the Brooke’s zero-tolerance policy on bribery and corruption

Well-established financial controls and monitoring systems in place which are subject to an independent audit of activities should the need arise

Security on IT infrastructure compromised leading to denial of services and or theft of key hardware may result in limited or no access to key IT systems.

Firewall hardware and firmware in place and regularly updated and systems monitored in real-time by skilled staff

Back-up of all Brooke data held off site with a 3rd party data recovery provider

Premises security in place preventing unauthorised access. Floor alarmed with onsite 24 hour response

Regular review and update of the Brooke Business Continuity Plan
STRUCTURE, GOVERNANCE & MANAGEMENT

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

Brooke activities are coordinated from its headquarters in London. In 2014-15 the London office, with an average of 88 UK staff led by the Chief Executive, funded and advised all overseas operations and staff and kept in touch with approximately 90,000 active supporters in the UK.

BOARD OF TRUSTEES

The directors of the Brooke for the purposes of company law are referred to throughout this report as Trustees. They are also Trustees for charity law purposes. The Board of Trustees is the governing body of the Brooke and comprises a minimum of six and a maximum of 15. It met six times in 2014-2015. Trustees who served during the year are shown on pages 8 and 9.

The Board is supported by a finance committee, a governance committee and a remuneration committee. These met four times, three times and once respectively during the year. They make recommendations to the Board but they have no decision-making powers.

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

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

Should a Trustee resign prior to the end of their term, a new Trustee may be co-opted to serve the remainder of that term. Trustees do not receive any remuneration for their services.

The members of the company comprise all of the Trustees. The members have guaranteed the liabilities of the company, up to £1 each.

Trustees are appointed through an open recruitment process that is widely publicised. Shortlisted applicants are interviewed by a selection panel.

New Trustees receive a structured induction to the Brooke. Each Trustee is linked with a country of operation and new Trustees are also encouraged to visit an overseas operation as soon as practicable after their appointment.

ORGANISATIONAL STRUCTURE

The Board is responsible for the direction, management and control of the Brooke. The Board is responsible for approving the policies and strategy of the Brooke and for ensuring the effective use of its resources in accordance with its charitable objects and UK law. The Board exercises overall responsibility for the direction, management and control of the Brooke by supervising the work of the Chief Executive and, through 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 Brooke’s work, whether through the expansion of existing operations, or establishment of operations in new countries.

In August 2014, the Board commissioned a governance thematic review by OnBoard which focused on a review of the Company Secretary needs, support to Overseas Boards, a review of relevant Board policies and a review of the work of the financial and governance committees. The exercise included a review of key structures and processes and examined whether the current governance set-up was best placed to facilitate the successful functioning of the Brooke. It also addressed whether there were adequate controls in place to operate responsibly in accordance with its findings. OnBoard has assessed the overall governance of the Brooke against two benchmarks, The Compass–Cass Framework and Good Governance: A Code for the Governance of the Voluntary and Community Sector 2010.

The key findings from the report were as follows:

The Brooke is making good progress on governance

The Board is confident in its CEO and recognizes her hard work, determination and commitment to achieving the goals and objectives of the Brooke

There is a continued aim for short meetings and more concise Board information

Board members welcomed the process that had been undertaken in shaping the new strategy

The Board is working well as a team, is collegial and cohesive

The Brooke has an international governance model encompassing affiliates, branches and partners. The current operating models create challenges around where lines of authority lie and how to establish effective contact. There is uncertainty relating to what should be centralised or decentralised

The Brooke must keep its radar on the external environment

The Advisory Council (comprising the UK Board, the Honorary Vice Presidents (HVPs) and representations of Brooke’s international entities) provides a harmonious working climate and generates an enhanced sense of belonging

The Board is well chaired

There is an atmosphere of openness, confidence and mutual trust within the Board and between the Board and the Chief Executive

Since September 2014, the governance committee has been steering the implementation of the governance recommendations made in the report.

RELATIONSHIPS WITH OTHER ORGANISATIONS

In addition to our two international fundraising partners, Brooke Netherlands and American Friends of the Brooke (now Brooke USA), 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, Brooke East Africa, Brooke Jordan and Brooke Senegal are branches of the Brooke. The Brooke also collaborates with partners in Afghanistan, Ethiopia, Guatemala, Kenya, Nepal, Nicaragua, India, Pakistan and Senegal.

Brooke USA is a US 501c(3) organisation. Brooke USA supports the work of the Brooke and shares its mission to support the welfare of working equine animals. The Brooke provides some administrative functions to the Brooke USA.

Operations in each direct partner, affiliate or branch are headed by a Chief Executive, a country representative, Director or General Manager and each has a country strategy in line with the Brooke’s international strategy. 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. Partners’ financial controls are reviewed as part of initial financial due diligence exercise and subsequently as part of a rolling audit programme carried out by the Brooke. Partners are required to comply with the Brooke’s zero-tolerance anti-bribery policy.

The Brooke provides some administrative functions to the Brooke USA. Partners’ financial controls are reviewed as part of initial financial due diligence exercise and subsequently as part of a rolling audit programme carried out by the Brooke. Partners are required to comply with the Brooke’s zero-tolerance anti-bribery policy.
During 2014-15, the following organisations worked in partnership, either directly with the UK or with the Brooke operation in the country concerned.

**DIRECT PARTNERSHIP WITH UK**

**Afghanistan**
- Dutch Committee for Afghanistan (DCA)

**Guatemala**
- Equinos Sanos para el Pueblo (ESAP)

**Nepal**
- Animal Health Training and Consultancy Services (AHTCS)

**Nicaragua**
- (OKIOS – Cooperações e Desenvolvimento)

**PARTNERSHIPS WITH ORGANISATIONS IN COUNTRY PROGRAMMES**

**Ethiopia**
- Send a Cow (SAC)
- Sustainable Environment & Development Action (SEDA)
- African Development Aid Association (ADAA)

**India**
- Parvatiya Aranya Sewa Evam Vikas Sansthan (PASS) (Uttarakhand)
- Sarvodaya Ashram (Uttar Pradesh)
- Social Action for Knowledge-building and Awareness-raising (Uttar Pradesh)
- Yuwagram Vikas Mandal (Maharashtra)
- Gramin and Samaik Vikas Sansthan (Rajasthan)
- Sahyog India (Jammu and Kashmir)
- Bhartiya Gramme Vikas Sansthan (Uttar Pradesh)
- Society for Environmental and Rural Awakening (ERA) (Himachal Pradesh)

**Society for Prevention of Cruelty to Animals (SPCA)**
- Arthik Vikas Evam Jan Kalyan Sansthan (AVEJKS) (Uttar Pradesh)
- Sarvahitkari Shiksha Prasar Samiti (Uttar Pradesh)
- Navbharat Samaj Kalyan Samiti (Uttar Pradesh)
- Gramin Vikas Sansthan (Uttar Pradesh)
- Sanskriti Samvardhan Mandal (Maharashtra)
- Vinoba Sewa Ashram (VSA) (Uttar Pradesh)
- New Public School Samiti (NPSS) (Uttar Pradesh)
- Sarvodaya Ashram (SA) Hardoi, (Uttar Pradesh)
- Ahmednegar
- Rudraprayag Chamoil
- Pilibhit Lakhimpur

**Kenya**
- Kenya Network for Dissemination of Agricultural Technologies (KENDAT)
- Veterinaires sans Frontieres – Belgium (VSF)
- Practical Action (PA)
- Farming Systems Kenya (FSK)
- The Kenya Veterinary Association (KVA)
- Vetworks (Eastern Africa)
- Animal Welfare and Public Health (AWAPH)
- Caritas

**Pakistan**
- Sind Rural Support Organization (SRSO)
- Livestock and Fisheries Department (Sind)
- Livestock and Dairy Development Department (Punjab)
- Livestock and Dairy Development Department (KPK)
- University of Agriculture Faisalabad (UAF)

**Senegal**
- Fédération des Unions des Groupements Associés du Niombato (UGAN)
- Associates in Research and Education for Development (ARED)

**GRANT MAKING POLICY**

The Brooke makes grants to members of the Brooke family. It also gives grants on a proactive basis to partner organisations and through our Small Initiatives Funds programme in furtherance of our equine animal welfare objectives.

Grant agreements are in place which clearly set out our expectations and the deliverables of the partner entities. Grants to entities are routinely monitored through quarterly management reports which include explanations of variance from agreed budgets, animal based indicators and key performance indicators. Programme audits are contracted on a periodic basis to monitor the quality of the programmatic deliverables. Extensive due diligence exercises are carried out as part of identifying new partners. These include the assessment of programmatic and financial capabilities.

**THE ENVIRONMENT**

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

**PUBLIC BENEFIT**

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

1. **There is an identifiable benefit or benefits**

   This report sets out in some detail the activities that the Brooke carried out in order to further its strategic aims. All of the Brooke’s activities are intended to further the Brooke’s charitable objects which are to “relieve the suffering of equids and other animals in need of care and attention and in particular to provide or maintain animal hospitals or other facilities for the reception and treatment of sick or ill-treated animals in the area of benefit, and to promote education in the area of benefit in the care and welfare of animals and in the treatment of sick animals.”

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

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

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

   No material uncertainties that cast significant doubt about the ability of the Brooke to continue as a going concern have been identified by the Trustees.
OUR SUPPORTERS & OUR PEOPLE
THE BROOKE FAMILY

All of the highlights included in this report, and everything else we are able to achieve for working horses, donkeys and mules around the world, is only possible because of the generosity and loyalty of everyone that supports us and works with us.

We are so grateful to every one of our 90,000 individual supporters who are responsible for more than half of our income. Our community fundraising groups continue to go from strength to strength, never ceasing to amaze with their tireless, creative and impressively successful fundraising and promotion of our work.

We continue to develop excellent working relationships with an increasing number of trusts, grant-givers and corporations, funding key projects around the world. In February 2015, we were delighted to have representatives from the Mrs Elise Pilkington Charitable Trust visit our work in Uttar Pradesh, India. The Trust have been supporting the Brooke for 14 years, and most recently our work with the Qalandar communities of India. The Brooke India team were delighted to welcome her and show her what has been achieved with thanks to the Trust’s support.

Our wonderful President, HRH The Duchess of Cornwall, honoured us by officially launching Brooke USA in March. Since she began her role as President in 2006, Her Royal Highness has given the Brooke, and the animals and people whom we serve, the international awareness we need to advance the cause for the poor and suffering in our world today. She is keeping us on track to achieve our goal of reaching two million working equines, benefitting 12 million people, each year by 2016.

Joining the Brooke family this year, we are delighted to welcome Olympic gold medallist and world champion Charlotte Dujardin and the original “horse whisperer” Monty Roberts as our new Global Ambassadors. We look forward to working together to introduce more people to the work of our new unique charity.

In our UK office there are 88 members of staff and the Brooke family employs just over 1,000 staff. Our Trustees are all volunteers who kindly give their time, energy and expertise to guide the Brooke in today’s ever-changing world.

To them, and everyone else, we say a heartfelt thank you. Together, we can pursue the vision we all share for a world where working horses, donkeys and mules are free from suffering. Thank you for the trust you place in us.
TRUSTEES’ RESPONSIBILITIES, AUDITOR’S REPORT & FINANCIAL STATEMENTS
STATEMENT OF TRUSTEES’ RESPONSIBILITIES

TRUSTEES

The Trustees are responsible for preparing the Strategic Report, the Trustees’ report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

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

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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company’s auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

AUDITORS

Crowe Clark Whitehill LLP were re-appointed as the Brooke’s auditors during the year and have expressed their willingness to continue in that capacity.

This report, which incorporates the Strategic Report, was approved by the Trustees on 30 September 2015 and signed on their behalf:

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

30 September 2015

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

We have audited the financial statements of the Brooke for the year ended 31 March 2015, which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and the related notes numbered 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company’s members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company’s members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Statement of Trustees’ Responsibilities, the Trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board’s Ethical Standards for Auditors.
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company’s circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Strategic report and the Trustees’ Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

In our opinion the financial statements:

- Give a true and fair view of the state of the group’s and the charitable company’s affairs as at 31 March 2015 and of the group’s incoming resources and application of resources, including its income and expenditure, for the year then ended,
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

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

- The parent charitable company has not kept adequate accounting records; or
- The parent charitable company’s financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees’ remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

We have not received all the information and explanations we require for our audit.

Naziar Hashemi
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
London
All the above results derive from the continuing activities of the Brooke. There are no other gains or losses other than those shown above. The deficit determined under the Companies Act 2006 is £255,525 (2014: Surplus of £180,592 for the Charity only).
The Brooke Hospital for Animals Consolidated Cash Flow Statement

For the year ended 31 March 2015

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014 (CHARTITY ONLY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net incoming/(outgoing) resources for the year</td>
<td>(255,525)</td>
<td>180,592</td>
</tr>
<tr>
<td>Depreciation</td>
<td>193,522</td>
<td>220,819</td>
</tr>
<tr>
<td>(Increase)/decrease in debtors</td>
<td>(27,708)</td>
<td>469,730</td>
</tr>
<tr>
<td>Increase/(decrease) in creditors</td>
<td>1,607,568</td>
<td>319,949</td>
</tr>
<tr>
<td>Investment income</td>
<td>(282,038)</td>
<td>(366,624)</td>
</tr>
<tr>
<td>Loss on disposal</td>
<td>(65)</td>
<td>(20)</td>
</tr>
<tr>
<td><strong>Net cash inflow/(outflow) from operating activities</strong></td>
<td><strong>1,235,754</strong></td>
<td><strong>824,446</strong></td>
</tr>
</tbody>
</table>

Returns on investments and serving of finance

Dividends received | 257,210 | 360,251 |
Interest on deposits | 24,828 | 6,373 |

Capital expenditure and financial investments

Purchase of tangible fixed assets | (112,465) | (129,861) |
Net (purchase)/disposal of investments | (257,815) | (358,442) |
Increase/decrease in cash held in short-term investments | (2,014,195) | (290,465) |

Net increase in cash in the year | (866,683) | 412,302 |

Reconciliation of net cash inflow to movement in net cash funds

Increase in Cash at bank and in hand | (866,683) | 412,302 |
Cash at bank and in hand 1 April 2014 | 3,112,540 | 2,700,238 |
Cash at bank and in hand 31 March 2015 | 2,245,857 | 3,112,540 |

The notes on pages 53 to 67 form part of these financial statements.
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 Brooke’s investments. The costs of these activities also include expenditure of an indirect nature necessary to support them.

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 Brooke’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 objectives of the Brooke. It includes both costs that can be allocated direct to such activities and those 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 Brooke. They include the audit fees and costs linked to the strategic management of the Brooke. Every cost is allocated between the expenditure categories, so that all direct costs relating to a specific activity have been aggregated.

F. Operating leases

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

G. Website development costs

The costs of developing the design and content of the website are capitalised and depreciated on a straight line basis.

H. Pension costs

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

I. 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 Brooke 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 13.

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 objectives of the Brooke. Movement in unrestricted funds is set out in note 13.

There were no endowment funds.

J. Foreign Exchange

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

K. Foreign Exchange contracts

These contracts have been entered into to purchase Kenyan Shillings (KES) and Indian Rupees (INR) using Sterling (GBP) and each are up to twelve months in duration at KES/GBP rates between 137.06 and 141.15 and INR/GBP rates between 93.23 and 97.30. At the balance sheet date a combined purchase value of GBP £16,192,394 (2014: £17,316,596) is recorded at the specified rate at the time of the transactions.

The Brooke has entered into two forward exchange contracts representing around 81% of forecast INR and KES correlated overseas charitable expenditure for 2015/16.

No security is required by the UK clearing bank counterparty for these contracts.

3 VOLUNTARY INCOME

<table>
<thead>
<tr>
<th></th>
<th>UNRESTRICTED 2015 £</th>
<th>RESTRICTED 2015 £</th>
<th>TOTAL 2015 £</th>
<th>TOTAL 2014 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations</td>
<td>7,994,934</td>
<td>892,466</td>
<td>8,887,400</td>
<td>9,425,827</td>
</tr>
<tr>
<td>Legacies</td>
<td>8,197,460</td>
<td>-</td>
<td>8,197,460</td>
<td>7,890,769</td>
</tr>
<tr>
<td>Voluntary Income</td>
<td>16,192,394</td>
<td>892,466</td>
<td>17,084,860</td>
<td>17,316,596</td>
</tr>
</tbody>
</table>

4 LEGACIES

The estimated value of legacies of which the Brooke has been informed, but which have not been included in the accounts (because the conditions for recognition had not been met) is £6,664,621 (2014: £11,127,000).

5 INVESTMENT INCOME

Income received from investments and from bank deposits.

<table>
<thead>
<tr>
<th></th>
<th>UNRESTRICTED 2015 £</th>
<th>RESTRICTED 2015 £</th>
<th>TOTAL 2015 £</th>
<th>TOTAL 2014 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Interest</td>
<td>22,053</td>
<td>-</td>
<td>22,053</td>
<td>4,772</td>
</tr>
<tr>
<td>Dividends</td>
<td>257,210</td>
<td>-</td>
<td>257,210</td>
<td>360,252</td>
</tr>
<tr>
<td>Deposit Interest</td>
<td>2,775</td>
<td>-</td>
<td>2,775</td>
<td>1,600</td>
</tr>
<tr>
<td></td>
<td>282,038</td>
<td>-</td>
<td>282,038</td>
<td>366,624</td>
</tr>
</tbody>
</table>
### Charitable Activities

#### 2015

<table>
<thead>
<tr>
<th>Country</th>
<th>Direct intervention to improve equine animal welfare</th>
<th>Prevention of welfare problems</th>
<th>Information &amp; awareness raising</th>
<th>Research</th>
<th>Total Charitable Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>£144,662</td>
<td>£253,345</td>
<td>£1,117</td>
<td>£139,124</td>
<td>£597,233</td>
</tr>
<tr>
<td>Egypt</td>
<td>£422,139</td>
<td>£265,139</td>
<td>£102</td>
<td>£28,134</td>
<td>£715,514</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>£511,955</td>
<td>£264,064</td>
<td>£13,887</td>
<td>£14,763</td>
<td>£804,669</td>
</tr>
<tr>
<td>Guatemala</td>
<td>£18,292</td>
<td>£43,410</td>
<td>£1,871</td>
<td>£1,124</td>
<td>£64,679</td>
</tr>
<tr>
<td>India</td>
<td>£765,800</td>
<td>£879,014</td>
<td>£256,967</td>
<td>£86,762</td>
<td>£1,988,543</td>
</tr>
<tr>
<td>Jordan</td>
<td>£13,263</td>
<td>£26,215</td>
<td>£46,455</td>
<td>£17</td>
<td>£64,555</td>
</tr>
<tr>
<td>Kenya</td>
<td>£553,034</td>
<td>£406,736</td>
<td>£330,648</td>
<td>£25,507</td>
<td>£1,315,252</td>
</tr>
<tr>
<td>Central America</td>
<td>£751</td>
<td>£9,032</td>
<td>£4,257</td>
<td>£1,093</td>
<td>£15,131</td>
</tr>
<tr>
<td>Nepal</td>
<td>£52,879</td>
<td>£56,448</td>
<td>£45,161</td>
<td>£2,325</td>
<td>£156,813</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>£103,848</td>
<td>£81,867</td>
<td>£1,332</td>
<td>£1,907</td>
<td>£189,454</td>
</tr>
<tr>
<td>Pakistan</td>
<td>£586,734</td>
<td>£1,150,043</td>
<td>£88,994</td>
<td>£769</td>
<td>£1,826,539</td>
</tr>
<tr>
<td>Senegal</td>
<td>£54,094</td>
<td>£264,069</td>
<td>£18,597</td>
<td>£17,929</td>
<td>£354,688</td>
</tr>
<tr>
<td>UK</td>
<td>£3,227,451</td>
<td>£3,699,382</td>
<td>£809,886</td>
<td>£180,430</td>
<td>£7,917,149</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>5,836,782</strong></td>
<td><strong>1,262,068</strong></td>
<td><strong>578,444</strong></td>
<td><strong>11,446,013</strong></td>
</tr>
</tbody>
</table>

#### 2014

<table>
<thead>
<tr>
<th>Country</th>
<th>Direct intervention to improve equine animal welfare</th>
<th>Prevention of welfare problems</th>
<th>Information &amp; awareness raising</th>
<th>Research</th>
<th>Total Charitable Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Afghanistan</td>
<td>£132,912</td>
<td>£230,640</td>
<td>£129</td>
<td>£1,570</td>
<td>£365,251</td>
</tr>
<tr>
<td>Egypt</td>
<td>£748,582</td>
<td>£489,563</td>
<td>£3,032</td>
<td>£53,945</td>
<td>£1,295,122</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>£296,965</td>
<td>£149,023</td>
<td>£9,493</td>
<td>£10,309</td>
<td>£465,790</td>
</tr>
<tr>
<td>Guatemala</td>
<td>£56,092</td>
<td>£141,188</td>
<td>£4,937</td>
<td>£3,521</td>
<td>£205,738</td>
</tr>
<tr>
<td>India</td>
<td>£672,293</td>
<td>£802,682</td>
<td>£241,552</td>
<td>£83,296</td>
<td>£1,799,823</td>
</tr>
<tr>
<td>Jordan</td>
<td>£28,300</td>
<td>£48,088</td>
<td>£75,058</td>
<td>£858</td>
<td>£152,304</td>
</tr>
<tr>
<td>Kenya</td>
<td>£360,925</td>
<td>£269,347</td>
<td>£217,638</td>
<td>£20,637</td>
<td>£868,547</td>
</tr>
<tr>
<td>Central America</td>
<td>£53,834</td>
<td>£91,376</td>
<td>£1,959</td>
<td>£1,237</td>
<td>£148,406</td>
</tr>
<tr>
<td>Nepal</td>
<td>£36,784</td>
<td>£42,583</td>
<td>£28,244</td>
<td>£716</td>
<td>£108,327</td>
</tr>
<tr>
<td>Nicaragua</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Pakistan</td>
<td>£1,459,206</td>
<td>£1,155,752</td>
<td>£30,245</td>
<td>£30,458</td>
<td>£2,675,661</td>
</tr>
<tr>
<td>Senegal</td>
<td>£101,152</td>
<td>£200,041</td>
<td>£15,694</td>
<td>£1,244</td>
<td>£318,131</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>3,467,045</strong></td>
<td><strong>3,620,283</strong></td>
<td><strong>207,791</strong></td>
<td><strong>8,403,102</strong></td>
</tr>
<tr>
<td>UK</td>
<td>£503,588</td>
<td>£2,035,628</td>
<td>£471,229</td>
<td>£302,657</td>
<td>£3,313,102</td>
</tr>
</tbody>
</table>

#### Total

<table>
<thead>
<tr>
<th>Country</th>
<th>Direct intervention to improve equine animal welfare</th>
<th>Prevention of welfare problems</th>
<th>Information &amp; awareness raising</th>
<th>Research</th>
<th>Total Charitable Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>3,227,451</strong></td>
<td><strong>5,836,782</strong></td>
<td><strong>1,262,068</strong></td>
<td><strong>578,444</strong></td>
<td><strong>11,446,013</strong></td>
</tr>
</tbody>
</table>

The amounts shown spent by the UK are costs attributable to the Brooke’s charitable activities, which cannot be directly allocated to a specific country. They include the allocation of support costs as shown in note 7 (a).
### A. TOTAL RESOURCES EXPENDED

<table>
<thead>
<tr>
<th></th>
<th>Grants</th>
<th>Direct Staff</th>
<th>Direct Other</th>
<th>Support Costs</th>
<th>Total 2015</th>
<th>Total 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of generating funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising</td>
<td>1,388,535</td>
<td>3,439,912</td>
<td>369,433</td>
<td>5,197,880</td>
<td>4,859,846</td>
<td></td>
</tr>
<tr>
<td>Fundraising trading</td>
<td>0</td>
<td>37,666</td>
<td>2,882</td>
<td>40,548</td>
<td>33,124</td>
<td></td>
</tr>
<tr>
<td>Supporter services</td>
<td>301,699</td>
<td>406,005</td>
<td>54,148</td>
<td>761,852</td>
<td>720,074</td>
<td></td>
</tr>
<tr>
<td>Investment management costs</td>
<td>6,590</td>
<td>6,590</td>
<td>132</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total cost of generating funds</td>
<td>0</td>
<td>1,690,234</td>
<td>3,890,173</td>
<td>426,463</td>
<td>6,006,870</td>
<td>5,613,176</td>
</tr>
</tbody>
</table>

Charitable activities

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct intervention</td>
<td>2,428,201</td>
<td>314,781</td>
</tr>
<tr>
<td>Prevention of welfare problems</td>
<td>2,945,091</td>
<td>1,088,502</td>
</tr>
<tr>
<td>Information &amp; awareness raising</td>
<td>584,190</td>
<td>328,470</td>
</tr>
<tr>
<td>Research</td>
<td>131,667</td>
<td>241,966</td>
</tr>
</tbody>
</table>

**Total charitable activities**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>6,089,149</td>
<td>1,973,719</td>
<td>1,569,635</td>
</tr>
<tr>
<td>813,510</td>
<td>11,446,013</td>
<td>11,716,202</td>
</tr>
</tbody>
</table>

**Expenditure in support of activities**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>6,089,149</td>
<td>3,812,026</td>
<td>6,519,297</td>
</tr>
<tr>
<td>(1,255,854)</td>
<td>17,676,326</td>
<td>17,549,941</td>
</tr>
</tbody>
</table>

**Total resources expended**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>6,089,149</td>
<td>4,356,353</td>
<td>7,230,825</td>
</tr>
<tr>
<td>0</td>
<td>17,676,326</td>
<td>17,549,941</td>
</tr>
</tbody>
</table>

### 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 administration costs are considered negligible.

### B. SUPPORT COSTS

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial management</td>
<td>252,956</td>
<td>102,015</td>
</tr>
<tr>
<td>Human resources and resources management</td>
<td>681,482</td>
<td>685,255</td>
</tr>
<tr>
<td>General management</td>
<td>59,813</td>
<td>31,066</td>
</tr>
<tr>
<td>Information technology and communications</td>
<td>178,744</td>
<td>133,648</td>
</tr>
<tr>
<td>Office management</td>
<td>82,859</td>
<td>74,419</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,255,854</td>
<td>1,026,403</td>
</tr>
</tbody>
</table>

### C. ANALYSIS OF GOVERNANCE EXPENSES

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff Costs</td>
<td>148,073</td>
<td>127,710</td>
</tr>
<tr>
<td>Trustees Expenses</td>
<td>7,960</td>
<td>9,000</td>
</tr>
<tr>
<td>Audit Fees</td>
<td>23,592</td>
<td>22,320</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>27,937</td>
<td>48,633</td>
</tr>
<tr>
<td>Allocated Support Costs</td>
<td>15,881</td>
<td>12,900</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>223,443</td>
<td>220,563</td>
</tr>
</tbody>
</table>

### NET INCOMING RESOURCES FOR THE YEAR IS STATED AFTER CHARGING:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit fees (including VAT)</td>
<td>23,592</td>
<td>22,320</td>
</tr>
<tr>
<td>Rental cost relating to operating leases (including VAT)</td>
<td>2,994</td>
<td>1,602</td>
</tr>
<tr>
<td>Plant and Machinery</td>
<td>293,905</td>
<td>293,905</td>
</tr>
</tbody>
</table>
9 STAFF COSTS

<table>
<thead>
<tr>
<th></th>
<th>2015 £</th>
<th>2014 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>3,621,305</td>
<td>3,620,286</td>
</tr>
<tr>
<td>Temporary staff</td>
<td>136,437</td>
<td>56,991</td>
</tr>
<tr>
<td>National Insurance costs</td>
<td>371,266</td>
<td>337,426</td>
</tr>
<tr>
<td>Pensions and Other Costs</td>
<td>227,345</td>
<td>204,889</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,356,353</strong></td>
<td><strong>4,219,592</strong></td>
</tr>
</tbody>
</table>


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

<table>
<thead>
<tr>
<th></th>
<th>2015 No.</th>
<th>2014 No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between £60,001 and £70,000</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Between £80,001 and £90,000</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Between £100,001 and £110,000</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

The pension costs paid in respect of these employees amounted to £29,362 (2014 £23,357).

10 TRUSTEES EXPENSES

Trustees’ expenses reimbursed in respect of necessary duties carried out during the year amounted to £9,504 (2014: £9,000). Twelve received such reimbursements (2014: 8 Trustees). £3,277 (2014: £6,169) related to visits to overseas centres.

The Trustees received no remuneration for their services. A Trustee and employee indemnity insurance policy was purchased during the year at a cost of £4,025 (2014: £3,750).

11 GROUP AND CHARITY TANGIBLE FIXED ASSETS

<table>
<thead>
<tr>
<th></th>
<th>COMPUTERS £</th>
<th>OFFICE EQUIPMENT £</th>
<th>LEASEHOLD IMPROVEMENTS £</th>
<th>FIXTURES &amp; FITTINGS £</th>
<th>TOTAL £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March 2014</td>
<td>607,583</td>
<td>47,170</td>
<td>416,821</td>
<td>91,329</td>
<td>1,162,903</td>
</tr>
<tr>
<td>Additions</td>
<td>112,465</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>112,465</td>
</tr>
<tr>
<td>Disposals</td>
<td>(55,629)</td>
<td>-</td>
<td>-</td>
<td>(55,629)</td>
<td></td>
</tr>
<tr>
<td>At 31 March 2015</td>
<td>664,419</td>
<td>47,170</td>
<td>416,821</td>
<td>91,329</td>
<td>1,219,739</td>
</tr>
</tbody>
</table>

**Depreciation**

<table>
<thead>
<tr>
<th></th>
<th>COMPUTERS £</th>
<th>OFFICE EQUIPMENT £</th>
<th>LEASEHOLD IMPROVEMENTS £</th>
<th>FIXTURES &amp; FITTINGS £</th>
<th>TOTAL £</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 31 March 2014</td>
<td>437,406</td>
<td>36,389</td>
<td>116,244</td>
<td>88,322</td>
<td>678,361</td>
</tr>
<tr>
<td>Depreciation for the year</td>
<td>101,830</td>
<td>7,050</td>
<td>83,364</td>
<td>1,278</td>
<td>193,522</td>
</tr>
<tr>
<td>Disposals</td>
<td>(55,694)</td>
<td>-</td>
<td>-</td>
<td>(55,694)</td>
<td></td>
</tr>
<tr>
<td>At 31 March 2015</td>
<td>483,542</td>
<td>43,439</td>
<td>199,608</td>
<td>89,600</td>
<td>816,189</td>
</tr>
</tbody>
</table>

**Net Book Value**

<table>
<thead>
<tr>
<th></th>
<th>COMPUTERS £</th>
<th>OFFICE EQUIPMENT £</th>
<th>LEASEHOLD IMPROVEMENTS £</th>
<th>FIXTURES &amp; FITTINGS £</th>
<th>TOTAL £</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 31 March 2015</td>
<td>180,877</td>
<td>3,731</td>
<td>217,213</td>
<td>1,729</td>
<td>403,550</td>
</tr>
<tr>
<td>At 31 March 2014</td>
<td>170,177</td>
<td>10,781</td>
<td>300,577</td>
<td>3,007</td>
<td>484,542</td>
</tr>
</tbody>
</table>

12 GROUP AND CHARITY INVESTMENTS

Reconciliation of Investments held with fund managers

<table>
<thead>
<tr>
<th></th>
<th>2015 £</th>
<th>2014 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newton Investment Management Limited</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market value at 1 April</td>
<td>12,441,614</td>
<td>12,309,691</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>257,815</td>
<td>360,299</td>
</tr>
<tr>
<td>Sales proceeds</td>
<td>-</td>
<td>(1,857)</td>
</tr>
<tr>
<td>Net unrealised gains/losses</td>
<td>529,364</td>
<td>(226,520)</td>
</tr>
<tr>
<td>Market Value at 31 March</td>
<td>13,228,793</td>
<td>12,441,613</td>
</tr>
<tr>
<td>Royal London Asset Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market value at 1 April</td>
<td>3,999,969</td>
<td>-</td>
</tr>
<tr>
<td>Cash Deposits</td>
<td>2,000,000</td>
<td>3,999,969</td>
</tr>
<tr>
<td>Interest</td>
<td>14,195</td>
<td>-</td>
</tr>
<tr>
<td>Net unrealised gains/losses</td>
<td>2,139</td>
<td>-</td>
</tr>
<tr>
<td>Market Value at 31 March</td>
<td>6,016,303</td>
<td>3,999,969</td>
</tr>
<tr>
<td>Total Investments</td>
<td>19,245,096</td>
<td>16,441,582</td>
</tr>
</tbody>
</table>

**Historical cost as at 31 March**

<table>
<thead>
<tr>
<th></th>
<th>2015 £</th>
<th>2014 £</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12,281,378</td>
<td>12,023,563</td>
</tr>
</tbody>
</table>
### CONSOLIDATED MOVEMENT IN UNRESTRICTED AND RESTRICTED FUNDS

<table>
<thead>
<tr>
<th></th>
<th>As at 31 March 2014</th>
<th>Total incoming resources</th>
<th>Total resources expended</th>
<th>Net Gains on Investment</th>
<th>As at 31 March 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unrestricted Funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Funds</td>
<td>£7,116,549</td>
<td>£16,528,131</td>
<td>(16,662,282)</td>
<td>£531,503</td>
<td>£7,562,533</td>
</tr>
<tr>
<td>Designated Funds</td>
<td>£5,201,688</td>
<td></td>
<td>(48,631)</td>
<td></td>
<td>£5,153,057</td>
</tr>
<tr>
<td><strong>Total Unrestricted Funds</strong></td>
<td>£12,318,237</td>
<td>£16,528,131</td>
<td>(16,662,282)</td>
<td>£531,503</td>
<td>£12,715,590</td>
</tr>
<tr>
<td><strong>Restricted Funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Egypt</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted Egypt</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General</td>
<td>0</td>
<td>3,420</td>
<td>(5,731)</td>
<td>2,311</td>
<td>0</td>
</tr>
<tr>
<td>Feeding Programme</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>0</td>
<td>3,420</td>
<td>(5,731)</td>
<td>2,311</td>
<td>0</td>
</tr>
<tr>
<td><strong>India</strong></td>
<td>5,000</td>
<td>20,802</td>
<td>(72,888)</td>
<td>47,086</td>
<td>0</td>
</tr>
<tr>
<td>*India General</td>
<td>0</td>
<td>20,802</td>
<td>(72,888)</td>
<td>47,086</td>
<td>0</td>
</tr>
<tr>
<td>Programme</td>
<td>5,000</td>
<td>20,802</td>
<td>(72,888)</td>
<td>47,086</td>
<td>0</td>
</tr>
<tr>
<td>*Equine Fairs</td>
<td>5,000</td>
<td>20,802</td>
<td>(72,888)</td>
<td>47,086</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,000</td>
<td>20,802</td>
<td>(72,888)</td>
<td>47,086</td>
<td>0</td>
</tr>
<tr>
<td><strong>Pakistan</strong></td>
<td>0</td>
<td>4,027</td>
<td>(51,177)</td>
<td>47,150</td>
<td>0</td>
</tr>
<tr>
<td><strong>Ethiopia</strong></td>
<td>0</td>
<td>1,200</td>
<td>(23,123)</td>
<td>21,923</td>
<td>0</td>
</tr>
<tr>
<td><strong>Kenya</strong></td>
<td>0</td>
<td>185,379</td>
<td>(207,302)</td>
<td>21,923</td>
<td>0</td>
</tr>
<tr>
<td><strong>Continued</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Treatment of net gains on investment

Unrealised net investment gains have been apportioned to the general funds.

### Purpose of designated funds

In December 2014, the Board of Trustees approved the Brooke's new 5 year Strategy that seeks to strategically expand into new countries, a phased expansion into existing countries and implement a robust Operating Model that effectively supports our ambition to deliver sustainable overseas programmes through our Theory of Change. At 31st March 2015, the designated funds stood at just under £5.2m and anticipated to be fully utilised over the coming three years.

### DEBTORS & PREPAYMENTS

<table>
<thead>
<tr>
<th></th>
<th>2015 Group £</th>
<th>2015 (Charity Only) £</th>
<th>2014 (Charity Only) £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legacies receivable</td>
<td>484,106</td>
<td>484,106</td>
<td>198,631</td>
</tr>
<tr>
<td>Tax recoverable</td>
<td>647,817</td>
<td>647,817</td>
<td>261,244</td>
</tr>
<tr>
<td>Other debtors</td>
<td>545,620</td>
<td>545,620</td>
<td>1,189,960</td>
</tr>
<tr>
<td>Total</td>
<td>1,677,543</td>
<td>1,677,543</td>
<td>1,649,835</td>
</tr>
</tbody>
</table>

### CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

<table>
<thead>
<tr>
<th></th>
<th>2015 Group £</th>
<th>2015 (Charity Only) £</th>
<th>2014 (Charity Only) £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts committed to partners</td>
<td>7,354,404</td>
<td>7,354,404</td>
<td>5,876,450</td>
</tr>
<tr>
<td>Taxes and social security</td>
<td>106,448</td>
<td>106,448</td>
<td>91,163</td>
</tr>
<tr>
<td>Other creditors and accruals</td>
<td>3,272,075</td>
<td>3,261,075</td>
<td>3,157,745</td>
</tr>
<tr>
<td>Total</td>
<td>10,732,927</td>
<td>10,721,927</td>
<td>9,125,358</td>
</tr>
</tbody>
</table>

*Restricted funds for Moradabad, Shahjahanpur and Latur projects were incorrectly reported last financial year as being restricted to the Saharanpur project that has been corrected and shown under transfers. Similarly, restricted funds for a Brooke Pakistan veterinary surgeon, in Gujranwala was incorrectly reported under India general funds last year that has also been corrected under transfers.

**Negative balances have been carried forward on funds where a reasonable expectation exists that funds will be received in a future period from the donor to meet the costs already incurred.

***Included within restricted funds are donations from the sale of Virtual Gifts specifically transferred to country programmes to fund charitable activities.

Donations totalling £43k were received from Brooke Netherlands in 2014-15 all of which was restricted to our overseas work in Pakistan and India.

Restricted grants amounting to £185k were received from Brooke USA, with the majority of the grant coming from one major donor and went towards funding projects in Ethiopia in the Sankura Woreda.
### Group and Charity Operating Lease Commitments

<table>
<thead>
<tr>
<th></th>
<th>Land &amp; Buildings</th>
<th>Other</th>
<th>Land &amp; Buildings</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015 £</td>
<td>2015 £</td>
<td>2014 £</td>
<td>2014 £</td>
<td></td>
</tr>
<tr>
<td>Annual cost of operating leases:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Within one year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Within two to five years</td>
<td>352,686</td>
<td>2,994</td>
<td>352,686</td>
<td>1,602</td>
</tr>
<tr>
<td>Over 5 years</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>352,686</td>
<td>2,994</td>
<td>352,686</td>
<td>1,602</td>
</tr>
</tbody>
</table>

### 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 (2014: nil). Income Tax suffered by deduction is reclaimed in full from the HMRC. The Brooke is registered for VAT and has partial exemption in respect of its trading activities.

### Analysis of Net Assets Between Funds

<table>
<thead>
<tr>
<th></th>
<th>UNRESTRICTED FUNDS</th>
<th>RESTRICTED FUNDS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Group</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible Assets</td>
<td>402,350</td>
<td>1,200</td>
<td>403,550</td>
</tr>
<tr>
<td>Investments</td>
<td>19,245,096</td>
<td></td>
<td>19,245,096</td>
</tr>
<tr>
<td>Current Assets</td>
<td>3,923,400</td>
<td></td>
<td>3,923,400</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>(10,732,927)</td>
<td></td>
<td>(10,732,927)</td>
</tr>
<tr>
<td>Net Assets</td>
<td>12,837,919</td>
<td>1,200</td>
<td>12,839,119</td>
</tr>
<tr>
<td>Charity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible Assets</td>
<td>402,350</td>
<td>1,200</td>
<td>403,550</td>
</tr>
<tr>
<td>Investments</td>
<td>19,245,096</td>
<td></td>
<td>19,245,096</td>
</tr>
<tr>
<td>Current Assets</td>
<td>3,912,400</td>
<td></td>
<td>3,912,400</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>(10,721,927)</td>
<td></td>
<td>(10,721,927)</td>
</tr>
<tr>
<td>Net Assets</td>
<td>12,837,919</td>
<td>1,200</td>
<td>12,839,119</td>
</tr>
</tbody>
</table>

### Related Party Transactions

There were no related party transactions during the year (2014: none).

### Subsidiary Undertakings

The Brooke group comprises the parent charity (Brooke Hospital for Animals) and one subsidiary undertaking (Brooke Hospital for Animals Trading Limited).

Brooke Hospital for Animals Trading Limited (BHAT)

A private company limited by shares, incorporated in England and Wales in the financial period. The company exists to raise funds for the charity to use for its charitable purposes.

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

<table>
<thead>
<tr>
<th></th>
<th>2015 BHAT £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total incoming resources</td>
<td>53,904</td>
</tr>
<tr>
<td>Total resources expended</td>
<td>(37,667)</td>
</tr>
<tr>
<td>Net incoming resources</td>
<td>(16,237)</td>
</tr>
<tr>
<td>Gift Aided to Brooke Hospital for Animals</td>
<td>(16,237)</td>
</tr>
<tr>
<td>Retained surplus / (deficit) for the year</td>
<td>0</td>
</tr>
<tr>
<td>Total Assets</td>
<td>(11,000)</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>(11,000)</td>
</tr>
<tr>
<td>Total Funds</td>
<td>0</td>
</tr>
</tbody>
</table>
CONTACT ADDRESSES

UNITED KINGDOM

Headquarters and Registered Office
The Brooke
5th Floor, Friars Bridge Court
41-45 Blackfriars Road
London, SE1 8NZ
Tel: +44 20 3012 3456
www.thebrooke.org

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

BRANCHES

JORDAN
Brooke Hospital for Animals
Petra 71811 PO Box (51)
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Tel: +962 (0)3 2156379
Email: info@thebrookejordan.org

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Brooke Hospital for Animals (Ethiopia)
House No 3/15
Bole sub-city
Woreda 3
Addis Ababa
Ethiopia
Tel: + 251 936 606208
Email : tibebu@thebrookeethiopia.org

SENEGAL
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Impasse 58 & 60 Rue Jules Ferry
5th Floor
Dakar
Senegal
Tel: +221 33 821 19 90
Email: Elizabeth.Coates@thebrookesenegal.org

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Brooke Hospital for Animals East Africa
5th Floor Taj Towers Building
Upper Hill Road
P.O. Box 43220 - 00100
Nairobi, Kenya
Tel: +254-700-307709
Email: BrookeEA@thebrooke.org

AFFILIATED ORGANISATIONS

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Brooke Hospital for Animals (Egypt)
Registered Office:
2 Bayram El-Tonsi Street
Zain El-Abdien, Saïda Zainab
Cairo, Egypt, 11441
Tel: +20 2364 9312
www.thebrookeegypt.org

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Brooke Hospital for Animals (India)
Registered Office:
2nd floor: A block, 223-226, Pacific Business Park,
Dr Burman Marg, Plot no 37/1, Site IV,
Sahibabad Industrial Area
Ghaziabad – 201010, Uttar Pradesh, India
www.thebrookeindia.org

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Brooke Hospital for Animals (Pakistan)
Registered Office:
9/295 Sarwar Road
Lahore Cantt, Pakistan, 54810
Tel: +92 423 665 0751
www.thebrooke.org.pk

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Brooke Hospital for Animals Nederland
Hoogte Kadijk 143-F4
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Tel: +31 20 670 9229
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C/o Chapel & York Limited
1000 N West Street, Suite 1200
Wilmington, DE 19801
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www.thebrookeusa.org