



THE BORN FREE FOUNDATION

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

Company Registration No. 3603432(England and Wales)
Registered Charity No. 1070906

The Born Free Foundation

Contents

	Page
Reference and administrative information	2
Chair’s introduction	4
Report of the Trustees and Executive President Report	5
Independent Auditor’s Report to the Members	29
Consolidated Statement of Financial Activities	33
Consolidated and Charity Balance sheets	34
Consolidated Cash Flow Statement	35
Notes to the financial statements	36

The Born Free Foundation

Reference and administrative information

Board of Trustees Michael Reyner (Chair)
Michael Drake (Deputy Chair)
Sean Cassidy
Peter Ellis
Virginia McKenna OBE
Elaine Olson-Williams
Sharon Peake
Jessica Ruben
Jenny Seagrove
Kate Stephenson
Dr Graeme Young

Secretary to the Trustees Karen Monaghan

Executive President Will Travers OBE

Managing Director Karen Botha

Finance and General Purposes Committee Elaine Olson-Williams (Chair)
Michael Reyner
Graeme Young
Peter Ellis

Registered information

Registered charity name The Born Free Foundation

Charity number 1070906

Company registration number 3603432

Registered office 2nd Floor, Frazer House
14 Carfax
Horsham
West Sussex
RH12 1ER

Professional advisors

Auditors Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

Bankers HSBC UK
67 West Street
Dorking
Surrey
RH4 1BW

The Born Free Foundation

Reference and administrative information (continued)

Solicitors Coole Bevis Solicitors
 14 Carfax
 Horsham
 West Sussex
 RH12 1DZ

Investment advisors Shipman Financial Planning Ltd
 Eagle House
 1 Babbage Way
 Exeter
 EX5 2FN

The Born Free Foundation

Chair's Introduction

For the year ended 31 March 2021

I am delighted to introduce the Born Free Foundation's Annual Report, which outlines for our many committed supporters, and the broader public, our performance and impact over the last year.

2020/21 was an extraordinary year for all of us, as the world wrestled with the impact of the COVID-19 pandemic. It served to remind us all of the fragility of life on the planet and was a salutary reminder of the dangers of zoonotic diseases and the risks created to human health, as well as the appalling animal cruelty, caused by the rapacious wildlife trade and wet markets in particular.

The pandemic brought its own challenges for the Born Free Foundation's operations here in the UK, our sanctuaries around the world and the vital field projects we support. Tirelessly led by our Executive President, Will Travers, and our Managing Director, Karen Botha, the team responded quickly and with both determination and imagination. As a result, the charity weathered the storm very well and remains in an excellent position to continue to expand our impact and progress our mission of *'Keeping Wildlife in the Wild'*.

In turbulent financial times, we delivered a robust year. Fundraising revenues actually increased by 11% from £5.3 million to £5.9 million; whilst this growth was largely driven by legacies, other revenue sources performed well, a reflection both of the outstanding generosity and loyalty of our supporters, and the hard work and creativity of our fundraising team. We adapted to the challenges posed by COVID-19 and were able to sustain our expenditure on charitable activities at £4.6m. Overall – after asset write-downs of just under £0.5 million and investment gains of over £0.7 million – we recorded an annual accounting loss of £246k. Our level of free reserves (unrestricted funds less the fixed asset reserve) now stands at £4.4 million, close to our optimal target level of £5.0 million, a level established by the Board to allow us to meet any perceived contingencies, including the long-term care of the rescued wild animals in our care.

The full breadth of our activities is detailed in the reports that follow from our Executive President, our Managing Director, and each of our Department Heads. Amongst the many notable achievements, there are a few worth highlighting. In terms of our internal operations, the team swiftly adapted to working from home and – both as a result of these learnings and our desire to reduce our operational costs – we chose to exit the lease on our Broadlands Office and move to a smaller, flexible hub in Horsham. Our relentless Policy team supported the launch of the Global Initiative to End Wildlife Crime, of which Born Free is a co-founder and steering committee member. Our sanctuaries provide care for 175 animals, whilst we operate or fund 19 conservation and animal welfare projects around the world. Our Marketing team produced powerful material, including a new animated film created with Aardman Studios, *Creature Discomforts – Life in Lockdown*, highlighting the plight of animals in captivity - and *Protect Them. Protect Us.* which addressed the link between the wildlife trade and human health. Meanwhile, in the UK, our Education Team's resources were downloaded nearly 25,000 times by teachers over the last year.

None of this would have been possible without the hard work, resilience and expertise of all our staff and those that provide pro bono expertise, supported by an enthusiastic Board, who have coped impressively in what have been particularly difficult times. Over the last twelve months, we have seen significant change in our team, and I would like to thank those who have left us for their efforts over the years, but Will and Karen have now assembled an exciting new Leadership Team, brimming with enthusiasm and ideas. The world remains a challenging one for wildlife, but the Born Free family is, arguably, better placed than ever to drive our mission forwards.

Michael Reyner
Chair of Trustees

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

The Trustees present their report and accounts for the year ended 31 March 2021, including the Strategic Report for the company.

These accounts comply with the charity's governing document, the Companies Act 2006, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and with the Charities SORP (FRS 102).

STRUCTURE, GOVERNANCE & MANAGEMENT

Status and Objects

The charity is a company limited by guarantee. Our governing document is a Memorandum & Articles of Association, dated 1998.

Governing Body and Structure

Our governing body is a Board of Directors. The Directors are the Trustees of the charity. As at 31 March 2021, there were eleven Trustees.

We have evolved our structure over the years to cope with the increasing complexity of our activities and the steady increase in legislation and regulation. Although most business is dealt with at quarterly meetings, we have a Finance & General Purposes Committee and we used *ad hoc* working groups, for example, on Income Generation, Programmatic Activity and Ethical Investments, which progress specific issues and report back to the Board. We also have a Remuneration Committee.

We have overseas branches in Kenya and Ethiopia, a long-established partnership with Shamwari Game Reserve in South Africa, an operational presence in Sri Lanka and Australia, and three other subsidiaries – Born Free Trading Ltd, Born Free Films Ltd, which is dormant, and Born Free South Africa Ltd, also dormant. We have a sister organisation in the USA named Born Free USA which has a separate Board and is incorporated in the United States as a not-for-profit 501 c 3.

We have a well-established annual planning and budgeting process that covers the charity and its subsidiaries and branches.

Decision-making

We continue to see our prime function as to ensure the good governance of the charity and to this end we focus on matters of policy and general strategy, the approval of plans, the monitoring of progress with regard to our charitable objects, fiduciary responsibility, financial controls and investments.

Operational responsibility is delegated to the Executive President and the Managing Director. A Secretary to the Board provides advice on general governance matters and administrative assistance to the Board.

The Board receives formal reports in advance of its quarterly meetings. These reports contain details of our programmatic activity, organisational and support function activities, the current position of our finances and other related financial matters.

Trustees

When we recruit new Trustees, we follow a best-practice process, including a skills audit to identify the qualities sought in potential candidates. A Trustees' Working Group manages the appointment process,

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

reporting to the full Board. We provide new Trustees with a structured induction that includes comprehensive documentation and individual briefings from key staff.

The Charity Governance Code was published in 2017 and updated in 2020. The code sets out seven principles of good governance and encourages charities to review their governance structures and processes against the code to ensure they are fit for purpose and operate efficiently. The Trustees have due regard to the Code and a review of existing arrangements against the recommended practice, as set out in the Code, is scheduled for the next financial year (2022/23).

MISSION & PRIORITIES

Our mission and purpose are to ensure that all wild animals, whether living in captivity or in the wild, are treated with compassion and respect and can live their lives according to their needs. As a leading wildlife charity, we oppose the exploitation of wild animals in captivity and campaign to keep them where they belong - in the wild.

We promote Compassionate Conservation to enhance the survival of threatened species in the wild and protect natural habitats, while respecting the needs and safeguarding the welfare of individual animals. We seek to have a positive impact on animals in the wild and protect their ecosystems in perpetuity, for their own intrinsic value and for the critical ecosystem services and other roles they play within the natural world.

To do this we take into account nine broad considerations, which both represent our core values and are constantly under review to ensure they reflect the wider context of our operating environment.

1. We work to stop captive animal suffering, challenge the captive animal industry, and phase-out zoos.
2. We strive to eliminate trophy and canned hunting by exposing its fundamental immorality.
3. We campaign to end the illegal wildlife trade and to reduce as far as possible the impact of the legal trade on wild species, including the sale of their products and live trade.
4. We rescue, rehabilitate and, where possible, release individual animals to the wild.
5. We promote Compassionate Conservation solutions, helping enable people and wildlife to live without conflict.
6. We support wildlife law-enforcement and emphasise community engagement.
7. We work to protect habitats and threatened species
8. We seek to improve the lives of wild animals while they are in captivity through policy reform, higher captive welfare standards, and public education and engagement.
9. Through our educational programmes and activities, we inspire, engage and empower people, young and old, to respect and protect wildlife and natural habitats.

In developing these priorities, the Trustees have had regard to the guidance from the Charity Commission on public benefit. The protection of the natural world and its myriad biodiversity is a shared

The Born Free Foundation

**Report of the Trustees and Executive President Report
For the year ended 31 March 2021**

responsibility. The role of, and benefit to, the public cannot be under-estimated. Born Free leads by example, demonstrating through its charitable activities how we can all play a part in securing a vibrant, thriving natural environment. Setting out our values and vision allows people from all walks of life to make informed choices about how they live their lives. At the same time, by exposing bad practices, those that harm, demean, marginalise and cause suffering to wild animals and wild environments, we allow the widest possible number of people, through the decisions they make in their everyday lives, to, singly and cumulatively, bring about positive, lasting, sustainable change.

ACHIEVEMENTS & PERFORMANCE

Report from the Executive President

This year has truly been like no other.

The explosion of the virus worldwide has had severe and ongoing impacts internationally and in the UK from a public health, economic and social perspective, and Born Free has not been immune.

Reacting to the situation, the charity took early precautionary measures and moved people to a work from home (WFH) environment before the government lockdown. This has now become our standard operating procedure. Overseas teams, particularly Kenya, Ethiopia, Sri Lanka and South Africa, went into lock-down with very limited exceptions (those directly involved in animal care in our Sanctuaries). Everyone is adhering to local government guidelines as a minimum.

WFH has had an impact, but regular and improved internal communications helped minimise the negative effects. However, some activities did grind to a halt. For periods of time, we were unable to deploy staff to monitor lions in Meru, build *bomas* in Amboseli, support the wolf teams in Ethiopia and more. I anticipate there will be a degree of pent-up energy to be released once unrestricted movement is possible again, but we will not be returning to business as usual.

Financially, Born Free outperformed the previous last year but, early on, we were aware that fundraising income was consistently down against projected budget. Key areas of economic activity were particularly challenging, specifically, events, corporate support, and Trusts and Grants.

To help address this, expenditure was resolutely controlled whilst as much funding as we could manage was deployed to maintain our programmatic work.

Many of our financial processes and reporting disciplines were thoroughly overhauled as part of a planned review of our finance department. These included: Monthly management accounts; monthly cash flow forecasts; improved transparency and accountability at departmental levels; a review of our Financial Procedures Document; and the moving of as many of our activities as possible into the Cloud.

A number of key objectives undertaken during the Financial Year were identified as follows:

A review of our Strategic Plan leading to revisions of our programmatic plans to bring them all into line with our values and Impact Goals with the aim of, progressively, doing more in support of fewer projects.

Re-organising our budget planning process with the objective of setting a balanced £5 million budget for 2021/22 and, if possible, strengthening our Reserves in line with our newly-approved Reserves Policy.

Standardisation of all Contracts of Employment to be consistent with best practice.

Bringing greater continuity and management alignment to all our overseas branches and operations.

Empowering Team Leaders and their teams by providing access to key financial information.

Leaving our Broadlands office by the 30th December 2020, and investing in the Work From Home space of all staff, supporting them, as necessary.

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

Identifying and securing a meeting space in Horsham commensurate with our needs and consistent with Covid-19-safe best practice.

On top of all the internal revisions, budget management and office relocation, we undertook a significant staff restructure, led by our MD and myself, supported by newly-appointed Aspiring HR. This was, inevitably, a painful process for all concerned but the end result meant our UK staff number fell by about 20%, our teams were reconfigured and streamlined (where necessary), employment costs were controlled and greater focus was brought to our charitable efforts.

We have been enormously fortunate to have secured (through Karen Botha, our MD) the services of Alison Barrow (Interim Accountant), a Chartered Accountant, who has done an outstanding job in reorganising and strengthening our finances, our financial structures, our reporting processes and much more.

The national and international scenario - Covid-19, economics, employment, donor fatigue - remains acute. My best guess, (and we are all largely operating on guesstimates), is that the economy will remain highly-stressed throughout 2021. Disposable income (particularly important for charities) will be restrained as people focus on basic essentials; the corporate sector will be fighting for survival in many industries; events will remain virtual; travel restrictions and other constraints will continue to negatively affect our field operations for the foreseeable future. The government's hope that we will be largely out of lockdown by June 2021 must be cautiously tested each step of the way.

Our new working patterns, and the impact of ongoing externalities, mean that, as both an organisation and as individuals, we have had to adapt. For example:

- We have learned to embrace the new virtual world of Zoom and Teams.
- We have brought a number of key functions back in-house including PR, social media, design and more.
- We have split the Marketing and Fundraising department, thereby creating a new Communications and PR department which will be led by a newly recruited Head of Communications and PR, and a new Fundraising department, to be led by new Head of Fundraising.
- We are up-skilling the vacated Communications Manager position with a view to bringing in far greater digital media and social media skills.
- We have promoted the Acting Head of Conservation to full Head of Department and promoted our second in charge of Captivity to Acting Head of Rescue and Care.
- Two members of the former Captivity team have moved over to the Policy team.
- We have streamlined our new Rescue and Care team, with a single-minded focus on the animals who need rescue, and those already in our care.

Looking to the Future:

Having been appointed the Executive President of the organisation I helped co-found, I know that Born Free is becoming the diverse, inclusive, progressive and contemporary organisation I dreamed of. We have the right people in the right place at the right time, and there are more to come. We have the energy and drive to succeed. We have the courageous messages of hope and compassion that existing and new audiences want to hear and wish to support. We have what it takes to go to the next level in both thought and deed.

The Born Free Foundation

**Report of the Trustees and Executive President Report
For the year ended 31 March 2021**

As I said before, public support for all charities may, at least temporarily, be diminished. Operational constraints may persist, meaning that we cannot do all we want and need to do as quickly as we might like, but I am confident we will deliver outstanding results for the wild animals and communities we serve, and we have established the foundations needed for the next ambitious chapter in Born Free's history.

**Will Travers OBE
Executive President**

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

Programmatic and Country Highlights

Born Free Policy Work

“During 2020-2021, the Covid-19 pandemic has resulted in restrictions to travel, and the postponement or cancellation of key international meetings, which has had significant impacts on Born Free’s international policy work. At the same time, the pandemic has provided an unprecedented opportunity to amplify our call for transformative changes to our relationship with the natural world and the wild animals that form such a vital part of it, to both a public audience and to policy-makers. Also, Born Free’s advocacy work on captivity issues was moved into the policy team’s remit in early 2021. As a result, the policy team has expanded, and has had to be innovative and adaptive, and while progress on some identified priority areas has been limited, much progress has been made in other areas. All credit must go to the team.” **Dr Mark Jones, Head of Policy**

Highlights and Milestones include:

- The continued promotion of the incorporation of One Health and One Welfare principles into the post-2020 Global Diversity Framework, which is being developed under the auspices of the UN Convention on Biological diversity (CBD) and will set the international policy agenda on wildlife and biodiversity protection for decades to come;
- The launch of our Global Nature Recovery Investment Initiative (GNRII) in October 2020, promoting the ‘mainstreaming’ of biodiversity considerations across all sectors of society and the economy, and the need to transform the way in which wildlife is valued and its protection is funded. This informed our input into the G20 meeting in November 2020 via a joint NGO Declaration involving some of the world’s most influential environmental and conservation organisations;
- The launch of the Global Initiative to End Wildlife Crime, of which Born Free is a co-founder and steering committee member. This has been established to promote the creation of a new global agreement on wildlife crime (an objective that has already secured support from several national governments and the European Commission), and the amendment of existing international wildlife trade laws to include public and animal health criteria in decision-making processes;
- The release of our short film entitled Protect Them: Protect Us in January 2021, which calls for changes to our relationship with wildlife and nature in light of Covid-19, and guides viewers to information on how individuals and businesses can make a difference;
- Our oral and written depositions to the South African Government’s High-Level Panel on the Management, Breeding, Hunting, Trade and Handling of Elephant, Lion, Leopard and Rhinoceros, and the submission of our petition to the South African authorities, containing close to a quarter of a million signatures, calling for the country’s captive predator breeding and canned hunting industry to be closed down. As a result, the South African authorities are developing more progressive wildlife management policies;
- Helping the UK Government to address and overcome legal challenges to the Ivory Act, which were finally dismissed by the Supreme Court in August 2020, paving the way for the Act’s implementation;

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

- Continuing our efforts to improve UK wildlife protection legislation, which have helped secure commitments from the UK Government to ban the import of hunting trophies from endangered species; introduce restrictions on the trade in, and keeping of primates as pets in the UK; conduct a review of the Zoo Licencing Act (particularly the conservation requirements for zoos) and the Secretary of State's Standards for Modern Zoo Practice; introduce a close season for hare shooting; launch public calls for reviews on fur imports; and call for public consultations on fur imports and the use of snares;
- The release, in February 2021, of 'Confined Giants', highlighting the detrimental physical and mental impact of captivity on giraffe, and calling for a humane phasing-out of giraffe in European zoos; and
- Our exposure in March 2021 of the thousands of exotic wild animals registered under the Dangerous Wild Animals Act in the UK, the alarming growth of the keeping of such animals as pets, and the need for reform.

Looking to the Future

In the coming months, Born Free's policy work will focus on continuing our efforts to secure a progressive and effective post-2020 Global Biodiversity Framework, the establishment of an international agreement on tackling wildlife crime, the transposition of the UK Government's animal welfare and wildlife protection commitments into meaningful and effective legislation and policy, and the humane closure of South Africa's predator breeding industry. As the world emerges from Covid-19, zoos and other entertainment venues start to reopen, and people begin travelling again, we will also be updating and relaunching our Raise the Red Flag campaign to enable members of the public to take action when they see wild animals being exploited or abused.

Born Free Welfare and Captivity work

Born Free's Rescue and Care work has continued despite the global impact and challenges of the Covid-19 pandemic. Across the globe we provided expert lifetime care to the many animals in our own Sanctuaries, Born Free-Partner Sanctuaries and Born Free-Supported Sanctuaries, while we continued with our efforts to support the rescue, care, rehabilitation, and release of thousands of wild animals in the UK and overseas.

"This has been a challenging year for Born Free and unfortunately we were forced to delay two of our planned international animal relocations. However, Rescue and Care activities continued with vigour. Colleagues and partners across the world have worked tirelessly to protect the individual rescued animals in their care, as well as their teams, and communities from the impacts of the pandemic. We provided expert lifetime care to over 175 individual animals across Born Free Sanctuaries and Born Free-Partner Sanctuaries, and plan to increase our efforts when Covid-19 has abated, and opportunities allow". **Maggie Balaskas, Acting Head of Rescue and Care**

My colleagues, the animal care givers who actively care for the health and welfare of the animals, the Security team who protect the animals, the staff, the site and facility, the Construction team who build and maintain animal enclosures, and the Education team who teach young students around the Centre to love animals and nature. We have been working hard, and peacefully with our good neighbouring communities around the Centre.

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

Electricity, water and telephone are just some of the basic necessities of life that we need. We have installed and have started using solar energy for our Centre office, Education centre and staff accommodation. The Centre mainly uses rainwater which we harvest during the rainy season, this is currently not enough for the current need at the Centre and we hope to install a borehole next year. Internet is a luxury; mobile communication is very limited because we are out of the network coverage which can cause challenges. We are working hard to address these challenges to develop and improve our infrastructure at the Centre.

*The COVID-19 pandemic has been a concern for all of us. I hope that things will get better in the coming year and there will be unrestricted safe domestic and international travels, so we will be visited by our good colleagues from the other side of the world, in the UK, again. My colleagues and I always pray to God and work hard for a better future. **Bereket Girma, Head of Centre, Ensessa Kotteh***

Highlights, Milestones and Tier 1 Rescue and Care Projects (Projects designed, operated, and predominantly financially supported by Born Free) include:

- **Ensessa Kotteh, Wildlife Rescue, Care Sanctuary and Education Centre, Ethiopia:**
 - The team rescued and rehomed an adult grivet monkey, named Admas, who had escaped, having been kept illegally as a pet for years.
 - Solar Power was installed to provide electricity to the Centre Office, Education Centre and Staff House.
 - We welcomed our new Ethiopian Centre Veterinarian, Dr Sissay.

- **Shamwari Big Cat Rescue Centre, South Africa:**
 - We continued to provide expert lifetime care to 16 rescued big cats, including our newest arrivals, leopards Mowgli and Zeiss, who were rescued from Bloemfontein Zoo, just as South Africa went into lockdown at the end of March 2020.
 - We said a sad farewell to beloved lion Jerry, who had lived happily at Shamwari since 2007, having been rescued from a zoo in Romania.

- **Bannerghatta Tiger Sanctuary, India;**
 - Elderly Bengal tiger Jawara sadly passed at the end of April 2020. We continue to provide lifetime care to Gopal the tiger.

Rescue and Care-Related Tier 2 Grants made by Born Free to third party partners include:

- **UK Wildlife Rescue Activities:** We supported the rescue of 154 wild animals in West Sussex, UK, during the period. This effort involved the rescue and rehabilitation of at least 18 native species, allowing them to be returned to the wild.
- **UK Wildlife Grants:** We funded rescue, veterinary and animal care equipment, new infrastructure, and wildlife ambulance upkeep to like-minded organisations help rescue, care and return thousands of British wildlife casualties to the wild.

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

- **Panthera Africa Big Cat Sanctuary:** Four new spacious enclosures were constructed in the Born Free Rescue Section at Panthera Africa (South Africa), in readiness for the arrival of four rescued servals which were confiscated having been kept illegally as pets in Europe.
- **Animals Asia:** Born Free's supported bear, Bodo, sadly passed away due to cancer. Our support for Animals Asia continued as we welcomed rescued moon bear Parly as our adoption bear, supporting his lifetime care and the wider operations at Animals Asia's Sanctuary in Vietnam.
- **Zambia Primate Project:** We supported the rescue of 18 primates in Zambia and the release of 11 baboons back into the wild. We continue to support the ongoing monitoring of 21 vervet monkeys who, with our help, were released in January 2020.
- **Wildlife Emergency Rescue Unit (WERU), Malawi:** With support from Born Free and our friends at the Olsen Animal Trust, WERU rescued 136 animals in distress, providing life-saving veterinary treatment and care at Lilongwe Wildlife Centre. Of the 136 animals, 83 were successfully released into the wild, from pangolins to African pygmy hedgehogs. The Unit conducted 90 field procedures to help a range of species including elephant, rhino, kudu, lion and cheetah.
- **OBRC Bear Rescue, Russia:** We supported the rescue, rehabilitation and raising of 17 orphaned brown bear cubs which were successfully returned to the wild in autumn 2020.
- **Elephant Transit Home, Sri Lanka:** We were delighted that Madhavi, Born Free's adopted elephant who was rescued in 2016 as a young orphan, was released back into the wild as part of a small herd of rescued elephants.
- **Sangha Pangolin Project, Central African Republic:** We supported the rescue, rehabilitation, care and release of six endangered pangolins in the Sangha region of the Central African Republic.

Looking to the Future

In the year ahead we are determined to move forward with two international animal relocations we had planned for 2020. As more countries take a progressive and compassionate approach to wild animal welfare, and facilities that keep and exploit wild animals for entertainment continue to feel the pressure of the pandemic, it is likely that Born Free will be called upon to provide technical and logistical support, and, if possible, lifetime care to more wild animals in need. We also plan to build in-country animal welfare capacity, particularly by improving our infrastructure at Ensessa Kotteh in Ethiopia.

Born Free Education Work

Education is an important component of a holistic approach to wildlife conservation as well as promoting the welfare and ending the exploitation of wild animals. Through education, we aim to impact individual and collective knowledge, values and beliefs. By increasing knowledge and changing attitudes we can start to impact behaviour, creating the conditions within which individuals and communities can make more compassionate, sustainable and wildlife-friendly decisions.

"Despite the challenges of the global Covid-19 pandemic which have resulted in school closures and limits on gatherings, reducing the opportunities for educational outreach, the education team has continued to improve and, where safe to do so, deliver the education programme. This has included developing a variety of methods to support teachers remotely as well as taking the time to research, plan and put in place, including bespoke club curriculums, the materials needed to structure and support our outreach work in Kenya, South Africa and Ethiopia." **Laura Gosset, Head of Education**

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

Highlights and Milestones include:

- Born Free's high quality curriculum-linked online teacher resources, covering a range of topics such as circuses and our environment, were downloaded 23,188 times via The Times Educational Supplement's online platform tes.com;
- Through direct outreach and a partnership with *Volunteers for Future* we have reached over 1,200 people in the UK, ranging from Early Years Foundation Stage to MSc students and adults through assemblies, workshops and talks;
- In partnership with community members, we have planted a total of 6,700 trees, including 400 giant bamboo, to support communities around Meru National Park and Amboseli Conservation Area in Kenya;
- Working with *Lavelikhwezi Empowerment Project* in Paterson, South Africa, we have enabled them to develop an income generation project, sewing and selling face masks;
- Our small grants programme has enabled the Zambia Primate Project to reach local communities in the Copperbelt region, to increase their understanding of the law and that it is illegal to keep monkeys as pets, by airing over 940 short radio adverts.

Looking to the Future

Over the coming year we aim to consolidate the work being undertaken with schools in Kenya, Ethiopia and South Africa and focus on the development of community projects, increasing understanding about environmental and wildlife related issues, as well as developing key livelihood and community support initiatives, such as a Population Health and Environment programme in Kenya. In the UK we will be focusing on increasing the value of our resources and activities, continuing to offer new and interesting remote means to engage schools and young people.

Born Free Conservation Work

Field conservation is one of Born Free's core activities, which we deliver via a strategic and impactful portfolio of Tier 1 programmes (long term efforts that we develop and manage) and Tier 2 projects (that are partner led, with financial and technical support from Born Free).

"In this era of climate and ecological crises, nothing is more important than rekindling a positive relationship with nature, for the wellbeing of us all, our children and our grandchildren. This goes for us at home just as much as for the farmers and rural villagers across Africa and Asia. If, through Born Free's field conservation work, we can help mitigate conflict and encourage people to co-exist and value their surrounding wildlife, it is a win-win for the world." **Dr Nikki Tagg, Head of Conservation**

Conservation Tier 1 Flagship Programmes Highlights:

- **Pride of Meru (Kenya):**
Our Pride of Meru team studies the demography of lions across Meru National Park in northern Kenya and identified seven more individuals in the last year, taking the total of identified lions to 52 individuals in four prides. An additional three groups of bachelor males, nomadic individuals and a group being monitored to determine its cohesion as a pride, takes the total of known lions in the park to 61. Delayed because of Covid-19, we are now looking forward to engaging

**Report of the Trustees and Executive President Report
For the year ended 31 March 2021**

communities in lion conservation, via a 'Lion Guards' activity, social surveys, and human-wildlife conflict mitigation activities.

- **Pride of Amboseli (Kenya):**
In our Pride of Amboseli programme in southern Kenya, our team constructed 47 new Predator-Proof Bomas (PPB) in the last year, fortifying traditional livestock corrals, thus protecting livestock from lion and other carnivore depredation, safeguarding the peace of mind and the livelihoods of dozens of pastoralist families, and ultimately helping pastoralist families coexist peacefully with lions, reducing the motivation to kill them out of fear or retaliation. Each of our 'smart' PPBs comes with energy-saving stoves, solar light units and water storage tanks to further improve livelihoods and enable people to embrace conservation and environmental protection. Since the programme began, over 330 PPBs have been built, benefitting approximately 6,500 people and 97,000 heads of livestock.
- **Satpuda Landscape Tiger Project (India):**
With tiger numbers rising (376 tigers in 2018, up from 264 in 2014 in the Central Indian Satpuda landscape where Born Free operates, and a 30% increase across the country as a whole) but with suitable tiger habitats shrinking and becoming more fragmented due to pressures from local communities and national level infrastructure projects, our unique Satpuda Landscape Tiger Partnership (SLTP) is crucial. In the last year, we supported the varied work of eight Indian NGO partners, via five BFF 'Project Grants', and seven 'Conservation Grants', investing in conservation education, landscape monitoring, health clinics, and local engagement in mitigating conflict and reducing pressures on the natural world. These are having a positive impact across seven Tiger Reserves in the states of Maharashtra and Madhya Pradesh.
- **Ethiopian Wolves Conservation Project (Ethiopia):**
Ethiopian wolves are only found in the afro-alpine highlands of Ethiopia, numbering only around 500, and where disease and habitat loss because of fire, settlements, harvesting/farming and livestock predation threaten their survival. Through the Born Free-supported Ethiopian Wolf Conservation Programme (EWCP), communities were sensitised via disease awareness campaigns, the setting-up of 'Disease Alert Networks' and the training of 'Wolf Ambassadors'. As part of the holistic plan to protect the world's rarest canid, domestic dogs and entire wolf packs are vaccinated against rabies, a disease that can be fatal to this vulnerable animal and which poses a huge threat to the species' survival. Over the last year, 45 litters were observed, totalling 93 puppies across five populations. The monitoring teams confirmed breeding this year in more packs than ever before, including in packs that they did not previously know much about.

Conservation Tier 2 Partner-Led Projects:

Born Free supported 15 partner projects in the last year. Via these partner-led projects, we have supported a variety of conservation initiatives, ranging from remote acoustic monitoring, through undercover operations to out illegal wildlife traders, to planting trees on farmland to encourage human-wildlife coexistence. At the heart of all our conservation projects are the communities who live alongside these highly-threatened species. Our partner projects have helped support and build the capacities of thousands of local people; from assisting the Maasai community in the Amboseli ecosystem, Kenya, with human-elephant conflict, to working with the Tinkunaku community in Argentina to increase awareness about jaguars.

- Zambia Community Consultations

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

- Freeland Tiger (Thailand)
- Amboseli Trust for Elephants (Kenya)
- Lion Surveys (Ethiopia & Sudan)
- Kahuzi Biega Gorilla Protection (DRC)
- Orangutan Foundation (Borneo)
- Giraffe Conservation Foundation (Niger)
- Bulindi Chimpanzee Conservation (Uganda)
- Forest Elephants (Liberia)
- Wildlife Law Enforcement (LAGA & EAGLE)
- Pangolins (India)
- Forest elephants listening project (CAR)
- Jaguars in the Fringe (Argentina)

Looking to the Future

Given the increasing pressures on land, coexistence is key to ensuring the survival of wildlife in the long-term. Therefore, Born Free's flagship conservation efforts will increasingly consider the protection of vast, multi-use landscapes, ensuring connectivity between protected areas, crucial for the persistence of wide-ranging large mammals, such as big cats and elephants. One such landscape is the Meru Conservation Area, located in Born Free's heartland in Kenya, where we plan to increase our investment in conservation and the community.

Born Free Country Offices

Kenya

Efforts during the period have focused on mitigation of human-wildlife conflict, support for our lion conservation, community outreach and education teams in the field, and maintaining our vitally important partnership with the Kenya Wildlife Service.

Over the years, we have all come to appreciate the reality of diminishing space for wildlife and consequences in terms of wildlife losses and human-wildlife conflicts. Born Free Foundation is taking a lead in reconciling people and wildlife by working with Kenya Wildlife Service, County governments, conservationists, and communities to reduce human-wildlife conflict through the smart bomas initiative and through our education programme, to change people's negative perceptions towards the environment and wildlife. Tim Oloo, Kenya Country Manager

Highlights and Milestones include:

- 47 predator proof bomas were constructed leading to the protection of 10,952 livestock belonging to 917 community members in Amboseli.
- 600 energy saving stoves, 60 solar light units & 47 water storage tanks were distributed to community members, to reduce air pollution and preserve wildlife habitats affected by wood fuel collection and use.

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

- A lion database was developed; it contains a complete log of all individuals who have ever lived/been identified. An additional lion profile ID catalogue has been developed.
- We adopted Survey 123, which is a form-centric data collection app that analyses results immediately, providing insights and identifying trends.
- In a bid to spread conservation knowledge and awareness, we planted a total of 6700 trees with the community groups, to protect the water catchments and restore the habitat for improved climate.
- Our Facebook follower base has grown by 23% with an engagement rate of 53.3%, meaning more comments, likes and shares of our social media posts which highlight our work.
- Purchase of 3 new Suzuki Vehicle – 2 for the Education Department and 1 for Conservation department.
- Completed houses for the Meru programme lead and Born Free Scouts.

Looking to the Future

Kenya has achieved some remarkable conservation success, doubling the number of iconic wild species - elephants and rhino - since 1989. However, with the human population speeding past the 50 million mark, clearly wild species and wild places will experience even greater pressure. Working to a national brief, as part of a policy framework, will be a priority, aimed at ensuring that Born Free's efforts are combined with others to maximum impact.

South Africa

Our long-term partnership with Shamwari continues to flourish. Our team there, led by Catherine Gillson, continues to provide the highest possible quality of lifetime care to the rescued lions and leopards that call Shamwari home. Our two sanctuaries on Shamwari Private Game Reserve have remained operational throughout the year despite the far-reaching impact of Covid-19 on Shamwari's hospitality business, with very little international travel, and only lockdown-interrupted visits from local travellers.

"Throughout the trying times we have found ourselves in, we remain grateful to be living in a space that still allows for relative freedom of movement when most of the human population is severely restricted. The parallel of pandemic induced lockdown and the former lives of the big cats we care for has made us relate to their pasts in a far more real way. This only drives us to make more of a difference in their lives and those of the communities that surround us." **Catherine Gillson, South Africa, Manager**

Highlights and Milestones include:

- With interruptions in the schooling year resulting in Centre-based activities being paused, the Education Team has focussed on efforts in the community that would impact on all generations.
- **Successes this year include:**
 - The official company registration of the community empowerment project, Lavelikhwezi whom we mentor and assisted to set up.
 - The creation of Wildlife Clubs at local schools which is encouraging behavioural change in the communities through the youth.

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

- Stakeholders in the local communities, from businesses to high-level government officials, are working together through the efforts of our Edu team to come up with sustainable solutions to local environmental challenges including water shortage and waste management.
- Two young lionesses (Cersei and Thea) were successfully introduced to lone lions, Ciam and King, who had never known company before and who now live with their respective partners.
- The first rescue of two leopards (Mowgli and Zeiss) from a local zoo which was closed due to mismanagement. All the animals from the zoo were re-homed to various sanctuaries across South Africa.
- We currently care for 12 lions and 4 leopards at Shamwari, almost all rescued from abusive captive circumstances in Europe and South Africa. Planning for the rescue of four former circus lions from France is in progress.
- Born Free Shamwari has not had to purchase any animal feed for our big cats in the last year. Donated fallen stock from local farmers has been generous due to the ongoing professional relationship with our Animal Care Team led by Glen Vena.

Looking to the Future

The recent announcement from South Africa's Minister of Environmental Affairs, Dr Barbara Creecy, to end the captive lion breeding industry in the country has been met with excitement but also trepidation as to what will happen to the thousands of animals involved.

With our limited capacity, we hope to continue with spreading the message of why and how we operate as a 'true sanctuary' and what our organisation stands for. We may not be able to make a difference for every individual much though we would like to, but we can assist in education and introducing sustainable change to mindsets using the platform Shamwari provides through their guests and our community programs.

Sri Lanka

"Sri Lanka, a small biodiverse island nation, faces many conservation challenges. The country has 18% of its land areas designated as conservation space. The recent studies on the distribution of Asian Elephants indicated that 44% of the island has elephants and humans occupying the same space. Therefore, protected areas alone will not suffice in mitigating conflicts with humans. The scale required is beyond the traditional fortress thinking in conservation planning, requiring inclusion of existing land and mixed-use spaces management practices. Strategy based on sound ecological information underpins developing conservation models for wildlife beyond protected spaces". **Manori Gunawardena, Sri Lanka Country Representative**

Born Free's Sri Lanka representative was appointed to the "Presidential Committee to Prepare a National Action Plan for Human Elephant Conflict Mitigation." The seventeen-member committee comprised of five conservation scientists, Heads of Department related to wildlife and forests, Heads of irrigation, agriculture and development sector and the District Secretaries. The Born Free Representative was the only woman and civil society representative in this committee. The Action Plan was presented at a

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

discussion hosted by H.E. the President and all related subject Ministers. The Action Plan was tabled at several meetings with Secretaries to the related Ministries for further action in the next two years. H.E. the President aims to appoint an Advisory Committee to oversee the implementation of the action plan. The process is somewhat delayed due to the ongoing Covid-19 related shutdowns and restrictions.

The Country Representative was appointed to a committee by the Department of Wildlife Conservation to draft regulations for land management after the declaration of a protected area specific to elephants, the Hambanthota Managed Elephant Reserve. This reserve is a landmark in landscape level conservation planning to mitigate Human Elephant Conflict.

The Country Representative also sits on the expert group developing methodology and demarcating Environmentally Sensitive Areas in Sri Lanka, for the Ministry of Environment. Her role is in identifying areas of ecological importance to mitigate wildlife conflicts and develop priority indices for areas in relation to the existing protected area network together with the Department of Wildlife Conservation and the Department of Forests.

Sri Lanka's COVID-19 economic recovery hinges on the expansion of agriculture with large scale conversion of small-scale farms to commercial scale agri-business. Therefore, designating and retaining conservation space is a priority in the upcoming year.

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

Non-Programmatic Team Reports

Marketing, Fundraising, Events and PR

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications for their fundraising activities. We are continually looking for ways to improve, to ensure we address new challenges and adopt new regulations effectively.

We are committed to our supporters and remain dedicated to treating all donors, supporters, and members of the public with the highest level of protection, care and respect. Protecting vulnerable people remains a top priority for the charity and we seek, wherever possible, to ensure our fundraising practises reflect this.

The charity undertakes a wide range of fundraising approaches including working with corporate supporters, major donors and community fundraisers, and via multiple channels including direct mail, email, social media, online communications and in-house publications. Our own internal team conducts much of this activity, but we also occasionally work with carefully selected and trained professional partners.

The charity strives for best practice in fundraising by complying with a range of legislation including the Charities Act 2011, the Data Protection Act 2018, and the Privacy and the Electronic Communications Regulations 2003. We also apply standards for all fundraising activity undertaken in accordance with external codes of practice, including being registered with the independent Fundraising Regulator and adhering to its Code of Fundraising Practice and Fundraising Promise.

We use robust oversight and monitoring procedures, in line with the Fundraising Regulator's standards and data protection laws, to ensure that fundraising undertaken on our behalf by professional fundraising agencies is of the highest standard and embodies our values and commitment to supporters. This includes delivering training, regular meetings and by monitoring agencies through call listening.

The charity is careful to ensure that it takes all reasonable steps to treat donors, supporters and the general public fairly, enabling them to make an informed decision about any potential donation or other forms of support, and to record and respect their preferences. Responsible use of personal data remains at the heart of our fundraising practices and the charity is committed to being transparent about what we do with personal data and in ensuring that supporters feel confident about how we are using it.

There may occasionally be times when we might not meet the high standards we set ourselves or our partners, and in such instances the charity will investigate as a matter of urgency and take appropriate action. During the year to 31 March 2020, the charity received no complaints in relation to fundraising.

'At a time of the devastating health and economic consequences almost certainly due to the abuse of wildlife and wet markets on the planet, experienced by all walks of life, both members of the public and policy-makers looked to Born Free, and other NGOs with whom we work closely, for direction. Never in living memory has the world been so severely impacted by issues entirely related to Born Free's Mission. We will continue to show leadership within the sector, to seek opportunities to change hearts and minds, and to drive our agenda as a wildlife and environmental charity, delivering collaborative and innovative solutions in support of our established and longer-term aim, to keep wildlife in the wild'. Karen Botha, Managing Director

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

Highlights and Milestones include:

- Despite initial concerns regarding certain income streams during the global Covid-19 pandemic, Individual Giving recovered through the year, resulting in just a small decrease compared to the previous year of 7%, whilst our Adoption Scheme income achieved a healthy increase of 38% on the previous year. Both results are a measure of the committed and loyal supporter base which Born Free is privileged to enjoy, for which we are very grateful;
- However, it is important to document the impact of Covid-19 on other areas of fundraising. As expected, some income streams were directly and negatively affected, including Trust and Foundation donations, down by 54% on the previous year, as funds were rightly redirected to causes affected by Covid-19 (e.g. medical and humanitarian), event income was down by 76% as we were unable to hold planned in-person events, and Corporate Partnership income was down by 44% on the previous year;
- A new animated film campaign launched in July 2020, created by Aardman Studios, entitled *Creature Discomforts – Life in Lockdown*. The film highlighted the plight of animals in captivity, using the voices of members of the public in Covid-19-related lockdown. The film was shown in selected UK cinemas and shared widely on social media;
- A second film launched November 2020 (Black Friday) entitled *Nature’s Closing Down Sale*. This campaign used stereotypical sales language associated with Black Friday, putting an emphasis on the critical decline in species, and reminding the public that nature is not for sale;
- Funding for a third film, entitled *Protect Them. Protect Us.* was made in partnership with a group of independent filmmakers using donations from Angela and Martin Humphery as well as from Virginia’s Circle of Compassion. Launched in January 2021, the film was narrated by our Founder Patron, Joanna Lumley OBE, highlighting the need to protect nature, and that as many as an estimated 1.7 million unidentified viruses exist in animals which could potentially infect humans. Any one of these could be the cause of the next pandemic and that, thanks to globalisation, we have created ‘safe passage’ for viruses to spread around the world before they can be contained;
- Born Free’s hard-hitting animation *The Bitter Bond*, created by ENGINE and produced by Zombie Studio, which tells the fatal story of a captive lion born into South Africa’s brutal canned hunting industry, won two awards at the Charity Film Awards, one award at the Webby Awards, and was a finalist in the Shorty Awards, all in 2020;
- Technology-driven enterprise was necessarily accelerated due to Covid-19 restrictions on in-person events, prompting Born Free to embrace alternative digital opportunities. Born Free hosted a number on virtual events, including for our 37th Birthday Party in March 2021, which was a successful fundraising event, and a Webinar hosted on World Pangolin Day by our Head of Policy and Head of Conservation, highlighting the plight of this persecuted species;
- Online engagement with our social media channels saw marked increases throughout the year, mostly attributed to the fact that the public spent more time online whilst either working from home or having been furloughed;

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

- Members of Virginia’s Circle of Compassion met via video call and received presentations from Programmatic Heads of Department, enabling them to agree their generous annual financial contribution towards projects which benefit from the additional investment;
- In June 2020 the book entitled *Lion: Pride Before the Fall* was initially successfully funded via a Kickstarter crowd-funding campaign, in collaboration with wildlife photographer, George Logan;
- Virginia McKenna and Will Travers took part in numerous online speaking engagements, engaging with audiences both here in the UK, in the US, and internationally.

Looking to the Future

There have been many lessons learned in the last year. To protect the future of our heritage and our work with wildlife and communities, Born Free, like many charities around the world, has been forced to examine its *modus operandi*, to adapt positively to extreme uncertainty, to react proactively to factors which have been outside of its control, and to become more efficient and resilient. Looking to the future, the Foundation aims to embrace these lessons learned, to build upon the platforms which enable us to better communicate the threats faced by wildlife, to raise the funds required to protect animals who need our help, and to continue to show the leadership to which so many, across the world, look to Born Free.

To deliver on our ambitious growth strategy, Born Free will be creating two professional departments out of what has previously been just the one, with a separated Fundraising and Engagement Team and a Communications and PR team, both being led by qualified practitioners who will be recruited at the start of the new financial year.

Corporate and Retail Partnerships

“2020/21 was a very challenging year for Born Free in the area of corporate partnerships due to the pandemic. With most businesses furloughing or laying off staff, offices shutting and business sales’ pipelines completely collapsing, the challenge was having meaningful conversations with these entities whilst remaining sensitive to the difficult climate their livelihoods faced. One area of notable growth was actually as a result of people being furloughed from their day jobs. With time on their hands, an unused skill or hobby that could be turned into a side business became a reality. As Head of Sustainable Partnerships, I welcomed a number of small businesses who approach me to endorse their start-up enterprises. This gave me a great sense of optimism that these entrepreneurs were building ‘purpose’ into their business models along with trying to secure a secondary income in uncertain times. Through unprecedented times also came hope that small/medium- sized businesses valued the work of Born Free.”

Hitesh Patel, Head of Sustainable Partnerships

Highlights and Milestones:

- A corporate partnership was forged with Montagne Jeunesse who have pledged to fund our commitment to the work with Orangutans for 2021/22;
- Kingspan entered their second year of a three-year partnership in support of the Pride of Meru initiative;
- Sustainability is now a focal point of most conversations with corporate and retail partnerships.

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

Looking to the future:

A new ethical shopping channel called Products with Purpose will launch in the coming months and focus will also be given to seeking corporate sponsorship for the upcoming Born Free Forever exhibition, extending our partnerships regionally, as the exhibition moves around the country. The department will support a third season of The Great Debate, allowing for more engagement with companies that wish to sponsor an education-focused project. And finally, at a time when companies are being asked to report on Environmental Social Governance (ESG) issues at Board and shareholder level, conversations concerning biodiversity loss / climate change and natural resources should be more plentiful and meaningful.

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

FINANCIAL REVIEW

Our income for 2020/21 was £5.89m, an increase of £0.6m (11%) from the previous year. Again, legacies have provided a major contribution to making up 43% of total income (2020: 35%). Income from adoptions performed strongly and generated £1.1m of income, an increase of 38% compared to the previous year. Income from Donations and gifts was £1.5m, which is in line with that generated in the previous year.

Expenditure devoted to charitable activities during the year was £4.6m, which is in line with the spend in the previous year. Further details are provided in the Strategic Report.

Expenditure on raising funds increased by £0.1m (8%) to £1.7m as we increased our direct marketing activity in order to ensure our income streams remained sustainable in the face of the challenges presented by COVID-19.

We also performed a detailed review of our fixed asset registers and moved our UK office during the year. This resulted in writing out a number of historic assets that had been fully depreciated. In Ethiopia, we implemented Internal Financial Reporting Standards and, to support the transition, our assets were independently valued. This valuation resulted in an impairment of £0.4m.

During the year, we withdrew £1.0m from our investment portfolio to support our cash flow requirements and fund our operational expenditure. The investment portfolio did, however, achieve gains of £0.7m by 31 March 2021.

It has been a challenging year financially and we are reporting a net deficit of £0.2m. This compares to a deficit of £0.9m in the previous year.

Our net assets now stand at £5.6m of which £5.5m is unrestricted and includes free reserves of £4.4m.

Sharon Martin **Chief Financial Officer**

Reserves policy

Our Trustees require the Foundation to set aside reserves to manage financial risk and short-term income volatility. Reserves allow Born Free to carry out optimal levels of wild animal welfare, compassionate conservation, community support and education and policy development. They ensure that our financial commitments can be met. They help support the charity's long-term financial viability and offer protection against adverse external factors, allowing us to take advantage of opportunities as and when they arise. The Trustees have determined that we should not retain income for longer than required by our Reserves Policy or hold excess unrestricted or designated reserves beyond our identified needs.

Under the current Reserves Policy, the Foundation should hold sufficient cash to cover cash-flow uncertainties, such as projected legacy income, and unbudgeted fluctuations in income and/or expenditure. This **Core Reserve** of unrestricted funds should be equivalent to a minimum of six months of all budgeted annual operating costs, excluding those relating to the operation of our animal care facilities.

Our Reserves Policy also takes into account the Foundation's responsibility for the lifetime care of rescued animals within our Born Free sanctuaries, or the careful winding down of one or more of our sanctuaries

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

and the humane dispersal of the animals to suitable partners over a three-year timeframe. This is addressed through the **Animal Lifetime Care Contingency**.

The Reserves Policy also accommodates the Foundation's need to maintain funds for strategic one-off programmatic and infrastructure investment. This is described as **Strategic Programmatic and Infrastructure Investment**.

It is the Board's intention to maintain and adjust the value of each of the three elements of our reserves in line with the commitments of the Foundation.

Restricted funds received will be applied according to the criteria set by the donor or the specific fundraising request.

The Trustees target for minimum liquidity and available funds across the three financial components set out above is £5 million which will be adjusted, commensurate with the identified short, medium and long-term needs of the charity and the charity's risk profile, as part of the annual review. Our current free reserves are £4.4m, which is below the minimum level specified in the policy. We will continue to carefully monitor our expenditure and the performance of our investments so that we can attain our minimum free reserves within the next two years.

The Finance and General Purposes committee review the amount of reserves on an annual basis to ensure that they are sufficient to meet the group's continued obligations.

Investment performance, policy and objectives

During the year, a total of £1.0m was withdrawn from the investment portfolio in order to manage the reduction in revenue and to fund the operational cash flow requirements. At the end of the year, the valuation of the residual portfolio stood at £3.2m (2020 £3.4m). This is under the control of two investment managers, Quilter Cheviot and James Hambro & Partners. The performance of the overall fund and that of each manager are monitored against the benchmark of the FTSE WMA Growth Index and reviewed to ensure the application of our ethical criteria. We accept that these criteria may mean that gains are not always maximised due to our stringent ethical investment policy. We will not, for example, invest in businesses associated with animal testing or that cause significant environmental damage. Our aim is to achieve a better return than we could through simply using cash deposits. Targets for average annual growth were set in 2013 and the portfolio continues to return in excess of the highest target of 6% per annum.

Risk management

Our philosophy on risk management is well-established and rigorously and regularly analysed, reviewed and updated. We have recently introduced a new format risk register that incorporates the three lines of defence model for controls and assurances, and documented risk indicators that we can review to establish if the risk is emerging.

The charity-wide risk register is prepared by the Executive Management Team and reviewed by Trustees. The current principal risks facing Born Free are:

1. **Civil unrest and regime change:** Local political developments and potential civil disobedience could disrupt the delivery of our services and have a negative impact on our field work, the welfare of our staff and animals in our care. We have business continuity plans in place and various security

**Report of the Trustees and Executive President Report
For the year ended 31 March 2021**

protocols. We have recently invested in improved communications and security devices for use in remote areas. We have well-established contacts within the local communities where we operate. In 2021-22, we will continue to work with our Country Managers to ensure appropriate risk management processes are in place locally.

2. **Compliance:** Charities and companies are subject to a significant number of legal and regulatory obligations, including the General Data Protection Regulation and safeguarding legislation. Failure to meet our obligations can result in fines, disruption to our operations and reputational damage. A significant health and safety failure could result in injury or death. We have recently improved our controls by recruiting appropriately skilled and qualified individuals to key support functions in the Charity. We also have access to expert support and advice through a variety of third-party providers. We have reviewed our financial policies and work is underway to complete the drafting of policies where gaps have been identified. We have undertaken work to ensure that UK staff, who are all now on home-based contracts are working safely.
3. **Business continuity:** This is the risk that our operations are severely disrupted, including by extreme weather, failure of a key supplier, power outage or another pandemic. Our working arrangements introduced since COVID-19 offer some protection against these risks. At our branches, we are reviewing arrangements for food security and are installing local infrastructures for solar power and water. We also have relevant insurances in place. In 2021-22, we will continue to migrate to cloud-based services and perform due diligence checks on key suppliers.
4. **Accident or incident when working overseas:** While international travel was suspended in 2020-21, the world is expected to open up slowly in 2021-22. We need to ensure staff travelling and working overseas are authorised to do so, and meet a series of criteria established to safeguard their welfare. Travel risk assessments will be performed and we will follow the advice of the Foreign, Commonwealth and Development Office as to which territories can be visited. Travel insurance and life assurance cover are in place for UK staff. We will be working with our branches to establish the insurance covers in place for staff in country.

The Born Free Foundation

Report of the Trustees and Executive President Report For the year ended 31 March 2021

Statement of Trustees' responsibilities

The Trustees, who are also Directors of the charity for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records 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 the group 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 charity and the financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Saffery Champness LLP were auditors during the period and their reappointment will be considered at the annual general meeting.

The Trustees have taken advantage of the small companies' regime in preparing the Trustees' Annual Report.

On behalf of the board

Michael Reyner
Chair of Trustees

15 September 2021

The Born Free Foundation

Independent Auditor's Report to the Members For the year ended 31 March 2021

Opinion

We have audited the financial statements of The Born Free Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the group and charity balance sheets, the consolidated cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

The Born Free Foundation

Independent Auditor's Report to the Members For the year ended 31 March 2021

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees which includes the Directors' Report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees and Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 28, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate

The Born Free Foundation

Independent Auditor's Report to the Members For the year ended 31 March 2021

the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees, communication with component auditors and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the

The Born Free Foundation

Independent Auditor's Report to the Members For the year ended 31 March 2021

audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

As group auditors, our assessment of matters relating to non-compliance with laws or regulations and fraud differed at group and component level according to their particular circumstances. Our communications with component auditors included a request to identify instances of non-compliance with laws and regulations and fraud that could give rise to a material misstatement of the group financial statements in addition to our risk assessment.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Cara Turlington (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP
Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

29 September 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

The Born Free Foundation

**Consolidated Statement of Financial Activities (incorporating an income and expenditure account)
For the year ended 31 March 2021**

	Notes	Unrestricted funds £'000s	Restricted funds £'000s	2021 Total funds £'000s	2020 Total funds £'000s
Income from					
Donations and legacies	2	5,172	132	5,304	4,815
Other trading activities	3	409	-	409	397
Investment income	4	46	-	46	76
Other income	5	117	-	117	20
Total		5,744	132	5,876	5,308
Expenditure on					
Raising funds	6	1,739	-	1,739	1,604
Charitable activities	7	4,354	245	4,599	4,605
Other expenditure	8	483	-	483	
Total		6,576	245	6,821	6,209
Net results before gains/(losses)		(832)	(113)	(945)	(901)
Investment gains/(losses)		727	-	727	(11)
Net income/(expenditure)		(105)	(113)	(218)	(912)
Foreign exchange (losses)		(28)	-	(28)	(32)
Transfers between funds	20	46	(46)	-	-
Net movement in funds		(87)	(159)	(246)	(944)
Total funds brought forward		5,632	210	5,842	6,786
Total funds carried forward	19	5,545	51	5,596	5,842

Continuing operations

All incoming resources and resources expended arise from continuing activities.

The notes on pages 36 to 50 form part of these financial statements.

The Born Free Foundation

**Consolidated and Charity Balance Sheets
At 31 March 2021**

	Note	Group 2021 £'000s	Charity 2021 £'000s	Group 2020 £'000s	Charity 2020 £'000s
Fixed assets					
Tangible assets	12	1,128	1,128	1,675	1,675
Investments	13	3,414	3,414	3,612	3,612
		<u>4,542</u>	<u>4,542</u>	<u>5,287</u>	<u>5,287</u>
Current assets					
Stocks	14	31	-	26	-
Debtors	15	616	661	473	479
Cash at bank and in hand		1,014	950	401	383
		<u>1,661</u>	<u>1,611</u>	<u>900</u>	<u>862</u>
Creditors: amounts falling due within one year	16	(607)	(589)	(345)	(339)
		<u>1,054</u>	<u>1,022</u>	<u>555</u>	<u>523</u>
Net current assets		1,054	1,022	555	523
		<u>5,596</u>	<u>5,564</u>	<u>5,842</u>	<u>5,810</u>
Net assets		5,596	5,564	5,842	5,810
Funds					
	20				
Unrestricted funds		5,545	5,513	5,632	5,600
Restricted funds		51	51	210	210
		<u>5,596</u>	<u>5,564</u>	<u>5,842</u>	<u>5,810</u>
Total funds		5,596	5,564	5,842	5,810

The total income of the Charity as an individual entity for the year was £5,632k (2020 - £5,241k) and its net deficit for the year was £246k (2020 – deficit of £881k). A Statement of Financial Activities for the Foundation as an individual entity is not included using the exemption given in section 408 of the Companies Act 2006.

The financial statements were approved by the Board of Trustees on 15 September 2021 and were signed on its behalf by:

Michael Reyner
Chair of Trustees

The notes on pages 36 to 50 form part of these financial statements.
Company number 360343

The Born Free Foundation

**Consolidated Cash Flow Statement
For the year ended 31 March 2021**

	Notes	2021 £'000s	2020 £'000s
Cash flows from operating activities			
Net cash used in operating activities	a	(1,096)	(396)
Cash flows from investing activities			
Purchase of tangible fixed assets		(133)	(278)
Purchase of investment property		(43)	(26)
Purchase of fixed asset investments		(745)	(1,043)
Sale of tangible fixed assets		-	73
Sale of fixed asset investments		2,584	1,667
Investment income		46	76
Net cash generated by/(used in) investing activities		613	469
Change in cash and cash equivalents in the reporting period	b	613	73
Cash and cash equivalents at the beginning of the reporting period		401	328
Cash and cash equivalents at the end of the reporting period	b	1,014	401
a) Reconciliation of net income to net cash flow from operating activities			
Net income/expenditure for the reporting period (as per the SOFA)		(218)	(912)
Adjustments for:			
Depreciation charges		150	184
Other gains and losses		(1,068)	11
Investment income		(46)	(76)
(Increase)/decrease in stocks		(5)	-
(Increase)/decrease in debtors		(143)	732
Increase/(decrease) in creditors		262	(377)
Non cash movements in foreign exchange		(28)	42
Net cash inflow from operating activities		(1,096)	(396)
b) Analysis of cash and cash equivalents			
Cash at bank and in hand		1,014	401

The notes on pages 36 to 50 form part of these financial statements.

1. Accounting policies

1.1 Accounting convention

The financial statements of the charitable company and group have been prepared in accordance with the second edition of the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

The Charity constitutes a public benefit entity as defined by FRS102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

1.2 Basis of aggregation

The overseas branches of the charity produce audited branch financial statements to 31 March or 31 December each year. The financial statements are aggregated into the charity financial statements at the end of the year to produce the charity only figures, prior to the consolidation of the subsidiary companies.

1.3 Basis of consolidation

The group financial statements consolidate the financial statements of the Charity and its subsidiaries for the year ended 31 March 2021. The statement of financial activities (SOFA) and the balance sheet consolidate the financial statements on a line by line basis where appropriate.

Details concerning the subsidiary companies, along with its results and financial position are set out in Note 17.

1.4 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. In forming their conclusion, the Trustees have considered the impact of the Covid-19 pandemic on the activities of the Group during 2020/21 and consider that they have been able to control expenditure whilst finding new ways to fundraise and to support our beneficiaries during this time. The Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Incoming resources

All incoming resources are included on the Statement of Financial Activities when the Charity is legally entitled to the income, it is probable that the income will be received and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income:

Notes to the financial statements (continued)
For the year ended 31 March 2021

1 Accounting policies (continued)

- 1.5.1 Legacy income is recognised when the Charity has entitlement to the income, the receipt is considered probable and the amounts receivable can be measured with sufficient reliability
- Income from pecuniary interests is recognised when probate has been granted and we have been advised of the amount stipulated in the Will
 - Income from residuary interests is recognised when probate has been granted and we have received the approved accounts of the estate
 - Life interest property, where the charity is a residuary beneficiary of property without current vacant possession is not recorded in the Statement of Financial Activities.
- 1.5.2 Donations and gifts are included in the accounts when the amount due can be quantified with reasonable probability and the timing of the receipt is known.
- 1.5.3 Income from investments and Gift Aid have been accounted for when receivable.
- 1.5.4 Other trading activities comprise amounts receivable during the year from various fundraising events held by the charity and from income generated by its trading subsidiaries.

1.6 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal obligation or constructive obligation committing the Group to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Support costs that cannot be directly attributed to a particular heading have been allocated to activities on the basis of the staff costs associated with that activity.

- 1.6.1 Expenditure on raising funds represents the costs of fundraising and general publicity for the charity.
- 1.6.2 Expenditure on charitable activities includes the costs of conservation and preservation of animals undertaken to further the purposes of the Charity.

1.7 Tangible fixed assets

The cost of tangible fixed assets is their purchase cost together with any incidental costs of acquisition. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	2% per annum
Leasehold property	Over the life of the lease agreement (5% - 10%)
Plant and office equipment	25% per annum
Educational and fundraising vehicles	25% per annum
Fixtures, fittings and equipment	25% per annum
Computer equipment	25% per annum

No depreciation is provided on freehold land.

1 Accounting policies (continued)

1.8 Investments

Investments are stated at market value in the balance sheet. The Statement of Financial Activities includes the net gains or losses arising on revaluations and disposals throughout the year.

1.9 Investment property

The investment property is stated in the balance sheet at historic value plus the cost of refurbishments. Trustees consider this to be a suitable valuation basis given the income generating opportunity of the property, which is available for holiday lets. The Statement of Financial Activities includes the net gains or losses arising on revaluations and disposals throughout the year. No depreciation is charged on investment property.

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

1.11 Financial instruments

The Group has applied the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Other than where specifically stated, all of the Group's financial instruments are classed as basic financial instruments.

Financial assets are recognised in the Group's balance sheet when the Group becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

1.11.1 Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the statement of financial activities are measured at fair value.

1.11.2 Basic financial liabilities

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through the statement of financial activities are measured at fair value.

1.11.3 Financial instruments held by the Group

Financial assets

The other debtors and prepayments do not constitute financing transactions and are deemed to be basic financial assets and are measured at transaction cost. There has been no impairment of the financial assets in the year.

1 Accounting policies (continued)

Financial liabilities

None of the creditor balances constitute financing transactions and therefore they are recognised at transaction price and deemed to be basic financial liabilities. No financial liabilities were derecognised in the year.

1.12 Leasing commitments

Operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

1.13 Taxation

As the majority of the Charity's activities are classified as exempt or non-business activities for the purposes of value added tax, the Charity is unable to reclaim all the value added tax which it suffers on purchases. Expenditure in these financial statements is therefore shown inclusive of value added tax where it is not recoverable.

The Charity is exempt from corporation tax on its charitable activities and therefore no provision has been made for either corporation tax or deferred tax.

1.14 Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into sterling using the exchange rate ruling at the balance sheet date. Transactions in the period are translated using the exchange rate ruling on the date of the transaction. Exchange differences are accounted for in the Statement of Financial Activities.

1.15 Fund accounting

Funds held by the Charity and Group are split into different types:

1.15.1 Unrestricted general funds

Unrestricted general funds are donations and other incoming resources receivable or generated for the objects of the Charity without specified purpose.

1.15.2 Restricted funds

Restricted funds are those funds donated to the Charity where the donor has stipulated they be used for the benefit of a specific project or for a particular administrative cost, or where the Charity has stipulated they will be used for a specific purpose when undertaking fundraising activities.

1.16 Pension costs and other post-retirement benefits

The Charity operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme, administered by Standard Life, are charged to the Statement of Financial Activities in the period to which they relate.

The Born Free Foundation

**Notes to the financial statements (continued)
For the year ended 31 March 2021**

2. Donations and legacies

	2021			2020		
	Unrestricted £'000s	Restricted £'000s	Total £'000s	Unrestricted £'000s	Restricted £'000s	Total £'000s
Legacies	2,296	-	2,296	1,837	22	1,859
Donations and gifts	1,305	132	1,437	1,252	218	1,470
Donations - adoptions	1,088	-	1,088	787	-	787
Corporates and Trusts	483	-	483	537	162	699
	<u>5,172</u>	<u>132</u>	<u>5,304</u>	<u>4,413</u>	<u>402</u>	<u>4,815</u>

3. Other trading activities

	2021 £'000s	2020 £'000s
Income from trading subsidiary (Note 17)	277	115
Events and raffles	76	282
Carriage	56	
	<u>409</u>	<u>397</u>

All 2021 income above is unrestricted (2020 – Event and Raffle income included £7k restricted income).

4. Investment income

	2021 £'000s	2020 £'000s
Dividend income	45	76
Bank interest received	1	-
	<u>46</u>	<u>76</u>

5. Other income

Included in the Other income total of £117k is £64k of income received under the Government's Coronavirus Job Retention Scheme, also known as Furlough grant (2020: £nil).

6. Expenditure on Raising funds

	2021 £'000s	2020 £'000s
Staff costs	503	523
Investment management costs	23	31
Direct Costs	703	634
Cost of Sales	235	82
Support costs (Note 9)	275	334
	<u>1,739</u>	<u>1,604</u>

The Born Free Foundation

Notes to the financial statements (continued)
For the year ended 31 March 2021

7. Expenditure on Charitable activities

	2021			2020		
	Direct Costs £'000s	Support Costs (Note 9) £'000s	Total £'000s	Direct Costs £'000s	Support Costs (Note 9) £'000s	Total £'000s
Conservation	1,473	680	2,153	1,076	306	1,382
Welfare	1,029	476	1,505	1,307	414	1,721
Policy	119	56	175	109	285	394
Education	142	64	206	69	167	236
Behavioural Change	384	176	560	432	440	872
	3,147	1,452	4,599	2,993	1,612	4,605

8. Other Expenditure

	2021 £'000s	2020 £'000s
Impairment of fixed assets	416	-
Write off of fixed assets	67	-
	483	-

9. Support Costs allocation

	2021			2020		
	Charitable Activities £'000s	Raising Funds £'000s	Total £'000s	Charitable Activities £'000s	Raising Funds £'000s	Total £'000s
Salaries	1,177	-	1,177	1,297	-	1,297
Property	53	53	106	100	107	207
IT & office costs	46	46	92	83	87	170
Finance	16	17	33	13	13	26
Other support	16	15	31	11	11	22
Depreciation	75	75	150	89	95	184
Governance costs	69	69	138	19	21	40
	1,452	275	1,727	1,612	334	1,946

Governance costs include:

	2021 £'000s	2020 £'000s
UK Auditors' remuneration – current year	29	18
UK Auditors' remuneration – prior year	8	8
Non-audit services	9	7
Branch audit remuneration	6	4
Legal and professional fees	86	3
	138	40

The Born Free Foundation

Notes to the financial statements (continued) For the year ended 31 March 2021

10. Trustees' remuneration, benefits and expenses

There was no Trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

There were no travel and subsistence expenses paid to, or on behalf of, Trustees in 2020-21 (2020: £1,961 paid to four Trustees).

Donations totalling £1,306 were received from Trustees during the year (2020: £20,387).

11. Staff costs

	2021	2020
	£'000s	£'000s
Wages and salaries	1,869	2,070
Social security costs	128	141
Other pension costs	196	205
	<hr/> 2,193 <hr/>	<hr/> 2,416 <hr/>

The average number of employees during the year was 109 headcount, 105.8 full time equivalent (2020 restated: 111 headcount, 107.1 full time equivalent).

The numbers of employees whose emoluments for the year fell within the following bands were:

	2021	2020
	Number	Number
£80,000 to £89,999	1	-
£90,000 to £99,999	-	1
£100,000 to £109,999	1	-
£150,000 to £159,999	-	1

Emoluments include salary, allowances and exit costs. In 2021, the total employee benefits of the key management personnel of the charity were £185,720 (2020: £709,416). Following an internal restructure during the year, an Executive Management Team (EMT) was established comprising the Executive President, the Managing Director (appointed April 2020) and the Chief Financial Officer (appointed in May 2021). The EMT is considered to form the key management personnel of the charity as it is responsible for the day-to-day management of the activities and reports directly Trustees. In the previous year, key management personnel was defined as the Executive President, Chief Executive and all the heads of department who formed a Senior Management Team (SMT). This change is the reason for the significant year on year decrease in reported benefits of key management personnel.

During the year to 31 March 2021, the charity made eight redundancy payments, totalling £64,614. There were no balances outstanding in respect of these payments at the year end. In 2019-20, the charity made one termination payment. Due to the non-disclosure agreement in place, the charity has not disclosed the amount of the payment in these financial statements.

The Born Free Foundation

**Notes to the financial statements (continued)
For the year ended 31 March 2021**

12. Tangible fixed assets

Group and charity

	Assets under construction £'000	Freehold Property £'000	Leasehold premises £'000	Plant, furniture & equipment £'000	2021 Total £'000
Cost					
At 1 April 2020	141	815	730	1,232	2,918
Additions	37	-	-	96	133
Transfers	(141)	-	141	-	-
Disposals and write outs	-	(12)	(309)	(763)	(1,084)
At 31 March 2021	37	803	562	565	1,967
At 1 April 2020	-	15	252	976	1,243
Depreciation	-	20	29	101	150
Impairment	-	-	416	-	416
Disposals and write outs	-	-	(272)	(698)	(970)
At 31 March 2021	-	35	425	379	839
Net book value					
At 31 March 2021	37	768	137	186	1,128
At 31 March 2020	141	800	478	256	1,675

Included in freehold property is land of £152,761 (2020: £152,761) which is not depreciated. During the year, the Charity moved premises and undertook a review of its fixed asset register. This led to the write out from the Register of a number of historic assets that had been fully depreciated and were no longer in use.

Capital commitments

The charity had no significant (over £50k) capital commitments as at the year-end (2020: £nil).

The Born Free Foundation

Notes to the financial statements (continued)
For the year ended 31 March 2021

13. Fixed asset investments

Group and charity

	2021 £'000s	2020 £'000s
Market value at 1 April	3,612	4,308
New funds introduced	60	25
Funds withdrawn	(1,002)	(750)
Reinvested income	44	74
Management fees including VAT	(27)	(34)
Net gain/(loss) on revaluation	727	(11)
	<u>3,414</u>	<u>3,612</u>
Historic cost of investments	<u>2,703</u>	<u>3,233</u>

Quoted investments are held as follows:

Group and charity

	2021 £'000s	2020 £'000s
UK Fixed interest	399	750
Overseas Fixed interest	132	81
UK Equities	750	825
Overseas Equities	1,490	1,205
Property investments	245	201
Alternatives	120	134
Cash deposits	279	416
	<u>3,414</u>	<u>3,612</u>

14. Stocks

	2021 £'000s	2020 £'000s
Goods held for resale	31	26

The Charity held no stocks in 2021 (2020: nil)

15. Debtors: Amounts falling due within one year

	Group		Charity	
	2021 £'000s	2020 £'000s	2021 £'000s	2020 £'000s
Trade debtors	16	9	11	9
Other debtors	43	212	31	208
Prepayments and accrued income	557	253	557	253
Amounts due from subsidiaries	-	-	62	9
	<u>616</u>	<u>474</u>	<u>661</u>	<u>479</u>

The Born Free Foundation

**Notes to the financial statements (continued)
For the year ended 31 March 2021**

16. Creditors: Amounts falling due within one year

	Group		Charity	
	2021 £'000s	2020 £'000s	2021 £'000s	2020 £'000s
Trade creditors	218	81	205	78
Other tax and social security	30	32	30	33
Other creditors	62	20	62	20
Grant commitments	258		258	-
Accruals and deferred income	39	212	34	208
	607	345	589	339

Analysis of grant commitments (Group and Charity)

	2021 £'000s	2020 £'000s
Opening commitments	-	-
New commitments in year	418	-
Grants paid in year	(160)	-
Commitments at year end	258	-

17. Subsidiaries

The charity holds 20% or more of the share capital of the following companies:

Company	Country of incorporation	Class	Shares %	£
Born Free Trading Limited	England & Wales	Ordinary	100%	2
Born Free Films Limited	England & Wales	Ordinary	83%	83
Born Free Foundation South Africa	South Africa	-	-	-

Born Free Trading Limited undertakes the sale of Born Free merchandise and services. The company makes gift aid donations to the charity out of profits generated.

Born Free Films Limited undertakes film development but is a dormant company.

Born Free Foundation South Africa was set up to receive sponsorship and fundraise for projects in South Africa but has limited activity to date.

The Born Free Foundation

Notes to the financial statements (continued) For the year ended 31 March 2021

A summary of the result of these undertakings is set out below:

	Born Free Trading Limited		Born Free Foundation South Africa	
	2021 £'000s	2020 £'000s	2021 £'000s	2020 £'000s
Turnover	277	115	-	-
Cost of sales	(180)	(68)	-	-
Gross profit	97	47	-	-
Administrative expenses	(95)	(49)	-	-
Other income	-	-	-	-
Tax	-	(2)	-	-
Net profit/(loss)	2	(4)	-	-
Current assets	109	69	3	3
Current liabilities	(80)	(6)	-	-
	29	63	3	3
Share capital	-	-	-	-
Retained reserves	29	63	3	3
	29	63	3	3

Born Free Films remained dormant in the year to 31 March 2021.

In 2021 the following transactions took place between the Foundation and its wholly owned subsidiaries:

- Staff and administration costs were recharged by the Charity to Born Free Trading Limited totalling £18,000 (2020: £18,000).
- Born Free Trading Limited made no donations under gift aid to the charity (2020: £30,000).

At 31 March 2020 Born Free Trading Limited owed the charity £61,793 (2020: £9,340).

At 31 March 2021 Born Free Films Limited owed the charity £2,839 (2020: £2,839).

The Born Free Foundation

**Notes to the financial statements (continued)
For the year ended 31 March 2021**

18. Operating lease commitments

As at 31 March 2021 the Group and Charity had commitments under non-cancellable operating leases as follows:

	2021	2020
	£'000s	£'000s
Within one year	37	99
Between one and five years	54	91
In more than five years	5	178
	<u>96</u>	<u>368</u>

The Charity's UK offices were moved to new premises in January 2021 at a substantially lower rental than the previous offices. This accounts for the significant year on year decrease in operating lease commitments.

19. Net Assets by fund

Group

	2021			2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	funds	funds	funds	funds	funds	funds
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Tangible Fixed Assets	1,128	-	1,128	1,675	-	1,675
Investments	3,414	-	3,414	3,612	-	3,612
Current Assets	1,610	51	1,661	690	210	900
Current liabilities	(607)	-	(607)	(345)	-	(345)
Net assets	<u>5,545</u>	<u>51</u>	<u>5,596</u>	<u>5,632</u>	<u>210</u>	<u>5,842</u>

Charity

	2021			2020		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	funds	funds	funds	funds	funds	funds
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
Tangible Fixed Assets	1,128	-	1,128	1,675	-	1,675
Investments	3,414	-	3,414	3,612	-	3,612
Current Assets	1,560	51	1,611	652	210	862
Current liabilities	(589)	-	(589)	(339)	-	(339)
Net assets	<u>5,513</u>	<u>51</u>	<u>5,564</u>	<u>5,600</u>	<u>210</u>	<u>5,810</u>

The Born Free Foundation

Notes to the financial statements (continued)
For the year ended 31 March 2021

20. Movement in funds

	At 1 April 2020	Income	Expenditure	Gains and Losses	Transfers	At 31 March 2021
Unrestricted funds						
General fund	5,632	5,744	(6,576)	699	(1,082)	4,417
Fixed asset reserve	-	-	-	-	1,128	1,128
	<u>5,632</u>	<u>5,744</u>	<u>(6,576)</u>	<u>699</u>	<u>46</u>	<u>5,545</u>
Restricted funds						
Conservation	117	62	(179)	-	4	4
Welfare	35	-	(18)	-	-	17
Policy	-	40	(40)	-	-	-
Education	58	30	(8)	-	(50)	30
	<u>210</u>	<u>132</u>	<u>(245)</u>	<u>-</u>	<u>(46)</u>	<u>51</u>
Total	<u>5,842</u>	<u>5,876</u>	<u>(6,821)</u>	<u>699</u>	<u>-</u>	<u>5,596</u>
	At 1 April 2019	Income	Expenditure	Gains and Losses	Transfers	At 31 March 2020
Unrestricted funds						
General fund	6,736	4,899	(5,956)	(43)	(4)	5,632
Restricted funds						
Conservation	-	191	(74)	-	-	117
Welfare	-	184	(149)	-	-	35
Policy	-	30	(30)	-	-	-
Education	50	4	-	-	4	58
	<u>50</u>	<u>409</u>	<u>(253)</u>	<u>-</u>	<u>4</u>	<u>210</u>
Total	<u>6,786</u>	<u>5,308</u>	<u>(6,209)</u>	<u>(43)</u>	<u>-</u>	<u>5,842</u>

General funds represent the funds of the charity which are not designated for particular purposes by the Trustees.

The Fixed asset reserve represents the net book value of fixed assets in use by the charity. It is disclosed separately from the general funds as the assets are not readily realisable and are unlikely to be liquidated at the value disclosed.

Restricted funds are for the following purposes:

Conservation – Delivering a range of projects in specifically chosen eco-systems, according to our priorities, that enable us to create evidence-based solutions to reach a co-existent future between humans and wildlife.

The Born Free Foundation

Notes to the financial statements (continued) For the year ended 31 March 2021

Welfare – A broad approach to identify and protect individual animals in the context of our aim, which is to keep wildlife in the wild. This involves campaigns against the keeping of captive animals and the rescue and rehabilitation of the victims of trade, legal and illegal, and cruelty.

Policy – Creating an intelligence base across political, economic and social factors from which we can inform our own programmatic activity and campaign or lobby, internationally, to achieve our aims.

Education – Creating innovative approaches and programs for public engagement, including schools, drawing on our evidence base and knowledge, which we share on an open society basis.

21. Related party transactions

Transactions with the subsidiary companies are detailed in Note 17.

The Executive President is a son of Virginia McKenna, who is a trustee. He received remuneration of £102,659 during the year (2020 - £112,584) which is included in the key management personnel expenditure in Note 11. Virginia McKenna is not involved in decisions regarding employment or levels of remuneration, which are benchmarked independently.

The charity received income of £nil (2020: £1,085) from Nice Little Effort Limited (England and Wales Company registration number 10595075). The Executive President, Will Travers, is one of the two directors of the company.

Included within debtors in the financial statements are amounts owed of £4,109 (2020: £7,555) from Born Free USA, which is a United States 501(c)(3) foundation. Whilst The Born Free Foundation has a common interest, and both Will Travers and Michael Reyner are Directors of Born Free USA, it does not control Born Free USA.

Elaine Olson-Williams, a trustee of the charity, is a partner in MHA MacIntyre Hudson. During the year, MHA MacIntyre Hudson provided accountancy support to the charity totalling £nil (2020: £6,680 - services were provided on reduced commercial terms).

Michael Reyner, chair of the charity, Elaine Olson-Williams and Will Travers are Trustees of the Pangea Trust. During the year, the charity made a grant payment of £75,000 to the Pangea Trust.

The total staff costs of the charity detailed in Note 10 include the provision of a personal assistant's time to Virginia McKenna, the Co-Founder and a Trustee of the Charity. The cost represents time spent in relation to charitable activities and was paid directly to the personal assistant.

Notes to the financial statements (continued)
For the year ended 31 March 2021

22. Prior year comparatives for the statement of financial activities

	Unrestricted funds £'000s	2020 Restricted funds £'000s	Total funds £'000s
Income from			
Donations and legacies	4,413	402	4,815
Other trading activities	390	7	397
Investment income	76	-	76
Other income	20	-	20
Total	4,899	409	5,308
Expenditure on			
Raising funds	1,604	-	1,604
Charitable activities	4,352	253	4,605
Total	5,956	253	6,209
Net gains/(losses) on investments	(11)	-	(11)
Net income	(1,068)	156	(912)
Foreign exchange gains	(32)	-	(32)
Transfers between funds	(4)	4	-
Net movement in funds	(1,104)	160	(944)
Total funds brought forward	6,736	50	6,786
Total funds carried forward	5,632	210	5,842

23. Contingent assets

The Born Free Foundation was left an interest in a residential property that is subject to a life tenancy of up to 40 years from 2015. The value of the freehold has not been included in the financial statements as the charity does not control the property and has no entitlement to the underlying value at this time. A valuation will be made when the tenancy expires.