

# KEEP WILDLIFE TRUSTEES' ANNUAL REPORT IN THE WILD



**BORN  
FREE**  
FOUNDATION



**THE BORN FREE FOUNDATION LIMITED  
TRUSTEES' ANNUAL REPORT  
& AUDITED GROUP FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2012**

Charity Number 1070906 Company Number 3603432

The Born Free Foundation is a  
Charitable Company Limited by Guarantee

# REFERENCE INFORMATION

<b>Name</b>	The Born Free Foundation Limited
<b>Status</b>	Born Free is a charitable company limited by guarantee. Its governing document is a Memorandum and Articles of Association
<b>Charity Registration Number</b>	1070906
<b>Company Registration Number</b>	3603432
<b>Principal Office and Registered Address</b>	3 Grove House, Foundry Lane, Horsham, West Sussex, RH13 5PL
<b>Website</b>	<a href="http://www.bornfree.org.uk">www.bornfree.org.uk</a>
<b>Trustees</b>	Michael Reyner (Chair) Adam Batty (appointed March 2012) Rosamund Kidman Cox Michael Drake Peter Ellis Virginia McKenna OBE Andrew Newton Jenny Seagrove Dianne Thompson CBE (resigned December 2011) David Wynne Morgan
<b>Officers</b>	<b>Chief Executive:</b> Will Travers OBE <b>Secretary &amp; Treasurer:</b> Brian Bergin ACIS
<b>Advisers</b>	<b>Auditor:</b> Spofforths LLP, Comewell House, North Street, Horsham, RH12 1RD <b>Bankers:</b> HSBC, 67 West Street, Dorking, Surrey, RH4 1BW <b>Financial:</b> R K Shipman, The Lodge, 10a Southerhays West, Cathedral Close, Exeter, EX1 1QW <b>Legal:</b> Coole & Haddock, 14 Carfax, Horsham, RH12 1DZ

# CONTENTS

## **Trustees' Annual Report**

Chair's Introduction	3
Strategy and Plans	4-7
Chief Executive's Report and Review of Activities	8-17
Governance	18-19
Financial Review	20
Trustees' Responsibilities	21

<b>Independent Auditor's Report</b>	22
-------------------------------------	----

## **Financial Statements**

Group Statement of Financial Activities	23
Group Balance Sheet	24
Company Balance Sheet	25
Group Cash Flow Statement	26
Notes to the Financial Statements	27-36

# CHAIR'S INTRODUCTION

It gives me great pleasure to introduce the charity's Trustees' *Annual Report*, which sets out for our supporters and the general public what the Born Free Foundation has achieved in the past twelve months, and our future plans.

It has been another busy year, with many important developments in our charitable work. The economic environment continues to be difficult, so it is particularly encouraging that our income and project expenditure have held up quite well.

The section covering the charity's Strategy and Plans on pages 4 to 7 highlights how we are delivering our charitable objects and our Chief Executive comments in detail on our projects and key achievements on pages 8 to 17, summarising our animal welfare, conservation and education work.

So far as our Trustees are concerned, we were very sorry to see Dianne Thompson CBE retire from our Board after five years' valuable service. In her place we were fortunate to appoint Adam Batty, a young lawyer with a background in corporate governance and a lifetime's interest in wildlife conservation. As a result of Dianne's departure, Peter Ellis was appointed to replace her as chair of our Finance & General Purposes Committee.

I should like to highlight three particular aspects that for me demonstrate the range and quality of what we do:

- Our work on EU Zoos has been ground-breaking. This year saw the publication of the bulk of the *EU Zoo Enquiry* country reports and the preparation of our *Summary Findings* which was presented via an exhibition at the European Parliament in April 2012. This work has received a very positive reception both from the European Commission and from many Member States and holds out the prospect of significant improvements for wild animals in captivity in the EU through enhanced training and capacity-building and the effective enforcement of the EU Zoos Directive and associated national legislation.
- Further progress was made at *Ensessakotteh* in Ethiopia, a 77-hectare site where, through Born Free Ethiopia and in partnership with the Ethiopian Wildlife Conservation Authority and Born Free USA we provide rehabilitation and lifetime care for injured and orphan animals as well as animals confiscated from illegal trade. There were a number of new arrivals and we will soon be expanding our education and community activities.
- All our work depends on the quality of our fund raising efforts, particularly in these difficult economic times where many charities are competing for donations. Our Marketing and PR teams show great creativity in generating support, as typified in June 2011 by the memorable Savoy event to celebrate Virginia McKenna's 80th birthday.

More details of these and other projects will be found on subsequent pages, but of course none of our achievements would have been possible without our loyal and generous members and adopters and our many Patrons, sponsors and donors.

Finally, I would like to thank our staff, our excellent volunteers and my fellow Trustees for their continuing hard work and dedication. Will Travers and his senior team – Alison Hood (Campaigns Director), Anne Tudor (Marketing Director), Shirley Galligan (PR Director), Simon Allen (Operations Director), Stephen Chandler (Finance Manager) and Jo Wakefield (Office Operations Manager) – provide first class leadership. But we are exceptionally fortunate that we have so many talented long service employees, and that our new recruits have blended in so well.

*Michael Reyner*

Michael Reyner  
Chair of Trustees  
11 September 2012



# STRATEGY AND PLANS

## **The charity's mission is very well described in our formal Objects as set out below:**

- To preserve and conserve animal species in their natural habitat on an international basis and to undertake all relevant research activities in connection therewith or ancillary thereto, and to publish the useful results of such research, and to provide relevant educational materials and equipment and other support to communities in area where preservation and conservation are undertaken
- To prevent all types of cruelty and abuse of animals and wildlife, particularly in zoos and other places where animals are kept in captivity
- To educate the public and to advance the education of natural history, environmental studies, ecology, and resource conservation in industrial, urban, natural and marine environments
- To relieve the suffering of animals of any species which are in need of care and attention and (where appropriate) assist in the provision of improved facilities for the care of animals in captivity

## **We seek to fulfil our mission in five main ways:**

- By conceiving and implementing animal welfare and wildlife conservation projects under our own management
- By supporting such projects managed by other organisations
- By constantly developing our own competencies in animal welfare and wildlife conservation and helping like-minded people to do the same
- By carrying out and financing research to enable us to act as a thought-leader in animal welfare and wildlife conservation to influence public opinion and decision-makers
- By providing educational materials and opportunities for young people and adults in the UK and around the world

In developing these objectives the Trustees have had regard to the Charity Commission's guidance on public benefit.

Our work benefits the many millions of people in the UK and around the world who have a respect for animals in general and wildlife in particular. Through our conservation projects we also benefit the environment which is to everyone's advantage. Our education activities are valued by young people in the UK, and those we undertake in the developing world are of the most direct and practical benefit to young people and their communities. The academic research we sponsor advances our understanding of wildlife and the environment worldwide. The results of our work are freely available to all members of the public via our website and various publications. We also have a large group of active supporters who receive additional communications and play an important role in championing our cause through our Activate programme.

## **In pursuit of our Objects and in order to deliver our vision we have a well-defined campaign structure refined over the years:**

- Marine
- Zoo Check
- Primate
- Carnivore
- Elephants
- Global Initiatives and Education

# STRATEGY AND PLANS

As part of well-established planning process we identify a number of Key Objectives. Set out below are the outcomes of work on eleven Key Objectives from the Annual Plan 2011-12 (for the full range of our work see the Review of Activities on pages 8-17):

<b>Objectives</b>	<b>Outcomes</b>
Maintain our portfolio of programmes and projects with a view to carrying out a revision in 2012/13	Success. We maintained our programmes throughout the year.
Complete the <i>Ensessakotteh</i> Master Plan	Success. The Palace & Army lions were moved to new enclosures at the centre in Nov 11.
Prepare two captive bottle nose dolphins for release (Turkey) with associated PR and Marketing support	Partial success. Preparations went well and at the end of the reporting period all was ready for a release in May 2012.
With Born Free USA and others submit a Petition to the US Secretary of the Interior to list the African lion as endangered on the Endangered Species Act (ESA)	Success. The Petition was submitted and a response is expected in September 2012.
Complete the <i>EU Zoo Inquiry</i> Reports and put pressure on the EU Commission to review the application and working of the EU Zoos Directive	Success. Reports were completed and published with a high profile launch scheduled for April 2012.
Continue to construct Lion-proof Bomas in Kenya with a target of 50 by end 2011/12	Partial success. 30 were built. Local communities strongly support the project but need time to accumulate their contributions. (Co-funding is an important aspect of the project.)
Continue to press for an end to the exploitation of wild animals in circuses in England and Wales	Success. Government decision end Feb 12 to ban by 2014/15 through primary legislation with increased regulation in interim. (See below for more detail on Born Free's part.)
Conduct a high-profile Born Free/Virginia McKenna birthday celebration at the Savoy Hotel London to raise funds for our work with associated Marketing and PR	Success. Savoy dinner hugely successful, netting £153k.
Complete the Pride in Bournemouth event and plan for further joint Wild in Art/Born Free events including in Cape Town (South Africa) for lions and across Europe for polar bears	Success. Pride of Bournemouth was a success, with a high PR profile. New events were initiated in Cape Town, Northampton and Norwich.

# STRATEGY AND PLANS

Objectives	Outcomes
Increase the number of events benefitting Born Free Foundation	Success. A range of events took place including London Marathon (£7k) London - Paris Bike Ride (£9k). The Big Cat Nap was launched as a future annual event.
In collaboration with senior executives from Born Free USA, progress, as appropriate, the alignment of Born Free as a global brand	Postponed. External factors militated against proceeding with this objective.
Improve Membership and Adoption retention rates and introduce new Marketing products to engage public support	Success. Adoption retention improved and Membership retention was maintained. New products and improved communications with supporters were introduced.
Upgrade the ICT infrastructure and capacity within Born Free Foundation including membership database, financial, shop, images, online activities, social networking	Success. Wide-ranging upgrades to the UK & Kenya office IT systems completed. See Operations report.

# STRATEGY AND PLANS

## Future Plans

Born Free's Annual Plan Key Objectives in the coming year (2012/13) are set out below:

### International Wildlife Trade

- Establish a basis for the future operation of the African Elephant Coalition Bureau.
- Prepare for Convention on International Trade in Endangered Species of Fauna and Flora (CITES) 16th Conference of the Parties (CoP 16) (Mar 2013) including addressing specific issues relating to lions and elephants.

### South Africa

- Complete the incorporation of Born Free South Africa as a not-for-profit public benefit organisation and establish its operational infrastructure, corporate identity etc.
- Prepare for Pride of Cape Town public art event & auction to increase profile and revenue for Born Free in Africa's single biggest economy to support lion conservation and our long term operations there.

### Ensessakotteh, Ethiopia

- Assess feasibility of new long term projects in Ethiopia (cheetah release and Hariyamana Zoo closure and animal relocation/release).
- Complete at least four new animal enclosures and Education and Visitor Centre at *Ensessakotteh*.

### Captivity

- Complete and publish all reports for *EU Zoo Enquiry 2011* and publish new in-depth reports on UK zoos. Work with stakeholders (including EU Veterinary Services and EU Member States) to address short-comings identified in the report.
- Complete release of dolphins Tom & Misha (*Back to the Blue*). Hold post project review & write report.
- Host workshop and develop tools for implementation of the Compassionate Conservation concept.

### Marketing

- Restructure and launch membership scheme with new literature.
- Launch MOON-SIGN jewellery range.
- Run high profile fundraising events (Goodwood House).

### Media

- Influence practices of global tourism industry through agreed ABTA Codes of Practice and their implementation.

### Organisational Effectiveness

- Improve tools for internal and external communication and collaboration.
- Develop new interfaces and systems to improve the effectiveness of our delivery.

# CHIEF EXECUTIVE'S REPORT

Born Free has had a successful year despite the economic headwinds. The Chair of Trustees has mentioned the culmination of our work on the *EU Zoo Enquiry* and the continued development of our *Ensessakotteh* wildlife and education centre in Ethiopia which, in different ways, are significant achievements.

At the end of the reporting period two dolphins Tom and Misha, were being finally readied for their release back to the wild. This has been a challenging journey but an immensely satisfying one epitomising what Born Free is all about – keeping wildlife in the wild.

An even longer journey has been the fight by Born Free to end the keeping of wild animals by circuses in the United Kingdom, but the end is in sight. This year saw a clear commitment by the Government to end this inhuman practice by 2015.

At the same time wild animals face increasing pressure in the wild. As we report elsewhere, ivory poaching continues to devastate elephant populations and Kenyan lions face intense competition from the growing human population. Our lion-proof boma project is one way Born Free is making a difference.

Lastly, in addition to our intense marketing, fundraising and media activities we have upgraded much of our IT infrastructure increasing efficiency and the provision of a better service to our many supporters. In the end it is our supporters who enable us to make a difference and their loyalty through these difficult times is greatly appreciated.



Will Travers OBE  
Chief Executive  
Born Free Foundation



Will Travers, Chief Executive

Photo © M Daines

## Zoo Check

**Zoo Check, and its central message, remains at the core of Born Free.**

### The Programme

- Promotes Born Free's core aim to keep wildlife in the wild
- Challenges the multi-billion pound global zoo industry
- Investigates neglect and cruelty, and exposes suffering and exploitation
- Campaigns for tighter legislation
- Responds to public concerns about captive wild animals
- Engages the travel industry with the aim of phasing-out bad practice



Photo © BFF

### Annual Highlights

- *EU Zoo Inquiry 2011*: An extensive evaluation of the implementation and enforcement of the EC Zoos Directive (No1999/22) within 21 EU Member States culminated in the publication of the main *Summary Report*. As a result of this work, the European Commission is committed to taking steps to improving enforcement of the Directive.
- Commission-led Veterinary Training: The European Commission and the Federation of Veterinarians of Europe, in collaboration with Born Free, provided captive wild animal veterinary training in four EU member states in 2011-12, with further training planned.
- Wild Animals in Circuses in England: After years of campaigning and following a debate in the House of Commons unanimously voting in favour of a ban on wild animals in travelling circuses in England, the Government has committed to ending this practice (effective 2015).
- Standards of Modern Zoo Practice: Born Free consulted with DEFRA\* on updating the Standards, specifically with regard to elephants and more stringent zoo licensing rules.

\*Department for Environment, Food and Rural Affairs

# CHIEF EXECUTIVE'S REPORT

*"While it is vital that Born Free strongly calls for zoos and other captive wild animal practices to be phased-out, in the interim we must not forget the millions of animals who are confined in such 'environments'. Therefore we must champion tougher legislation and better enforcement as we continue to keep the plight of captive wild animals in the spotlight."*

**Alison Hood, Programmes Director**

## **Carnivore Programme**

### **Big Cat Projects**

**This project combines conservation initiatives, trade investigations and individual rescue and care.**

#### **The Project**

- Rescues big cats from appalling captive conditions
- Supports big cat conservation in the wild
- Develops humane solutions to mitigate human/big cat conflict
- Responds to public concerns about wild big cats

#### **Annual Highlights**

- **Big Cat Rescue:** Born Free rescued or rehomed four lions during the year (see Ethiopia report). At the end of this period Born Free was caring for a total of 31 rescued big cats at our specialist care facilities in Ethiopia, South Africa, Malawi and India.
- **Tiger Conservation:** As well as financing the Satpuda Landscape Tiger Programme's (SLTP) portfolio of grass-roots conservation activities, Born Free coordinated the Annual SLTP Seminar in Pench Tiger Reserve, attended by partners and invited guests, including Shri Praveen Pardehsi, the Principal Secretary for the Environment for Maharashtra State, who gratefully acknowledged Born Free's involvement and supported the network's efforts. A new funding model for the SLTP network was agreed that will embrace new organisations and individuals and encourage a more collaborative approach to future projects.
- **Lion Conservation:** Our efforts to reduce conflict between lions and local communities in Kenya continue through our 'Lion Proof Boma' building project. We have also supported efforts to assist lion Range States improve their lion protection and conservation measures and reduce the impact of trophy hunting (reported under Born Free USA).

*"Big Cats are at the heart of Born Free's history. Fifty or more years ago, when Elsa's story was unfolding and inspiring a generation worldwide, big cats were still relatively numerous, but now they are increasingly under threat. Today, in no small part due to the impact of that very story, big cats still persist in the wild. However, for most species, it is a perilous existence with a very uncertain future. Born Free's Big Cat Programme continues to protect wild lions, tigers and snow leopards with innovative and bold initiatives, reflecting the importance of Elsa's legacy."*

**Chris Wright, Programmes Officer**

### **Ethiopian Wolf Conservation Programme (Project)**

**This project, supported by Born Free for 14 years, helps protect what many regard as the world's rarest canid, together with the environment it inhabits, one of Ethiopia's main water-catchment areas.**

#### **The Project**

- Protects endangered Ethiopian wolves throughout the Afroalpine highlands of Ethiopia
- Builds capacity to strengthen wildlife conservation and protected areas in Ethiopia
- Implements domestic dog vaccination campaigns to reduce risk of rabies being transmitted to wild relatives
- Campaigns to educate younger generations and thereby encourage them to value and protect Afroalpine biodiversity



Photo © S Brend/BFF



Photo © M Harvey

# CHIEF EXECUTIVE'S REPORT

## Annual Highlights

- EWCP achieved its goal of publishing the 10-year National Action Plan for Ethiopian Wolf Conservation.
- As well as continuing with the vital domestic dog vaccinations and wolf monitoring activities, new initiatives included the identification and training of community wolf ambassadors in North Ethiopia and the Arsi Mountains.
- Training workshops were held in Bale and the North, targeting teachers working in the smaller rural schools around wolf habitat. The workshops helped strengthen conservation efforts in the schools.
- EWCP designed and distributed new education pamphlets to farmers within the wolf range, emphasising the benefits of sustainable resource use.
- EWCP carried out the first ever oral rabies vaccination trials on Ethiopian wolves; a huge step forward for the project. The results were very positive, and the coming year will see EWCP expanding these trials to other packs in the Bale Mountains.

*"The launch of the 10 year strategic plan for the conservation of Ethiopian wolves provides EWCP with a blue print to deliver the necessary conservation actions to protect the rarest carnivore in Africa (and arguably the world), including the ambitious target of restoring Ethiopian wolves to Gojjam before the end of this decade."*

**Professor Claudio Sillero, Head of Conservation**

## Bear Project

### The Project

- Monitors wild polar bears and campaigns to protect global populations
- Campaigns to prevent wild bear exploitation
- Researches wild bear populations in north east Turkey
- Campaigns against the illegal trade in bear gallbladders
- Supports the work of Animals Asia Foundation and their rescue of bears from bear farms
- Responds to public concerns about captive bears

### Annual Highlights

- Born Free continued to support KuzeyDoga, a Turkish organisation protecting large carnivores in their natural habitat in Turkey. Through camera traps and tracking equipment that Born Free helped provide, it was discovered that one wolf covered over 2,000sq km in 2 months.
- Claudio Sillero reviewed human-bear conflict issues during a site meeting with Whitley Award-winner and KuzeyDoga founder, Cagan Sekercioglu.
- KuzeyDoga's proposal to create Turkey's first wildlife corridor was officially authorised. The tracking and camera trap equipment Born Free helped provide will assist in the delineation of this vital reforested area which will be 81km long, covering 23,500 hectares.

*"Some brown bears in Eastern Turkey feed on rubbish dumps, becoming bolder and approaching settlements, which in turn may fuel antagonism and attract calls for a resumption of bear hunting. Born Free is working with KuzeyDoga to address the causes of this conflict, lobbying local governments to fence rubbish dumps."*

**Professor Claudio Sillero, Head of Conservation**



Photo © A. Walk

# CHIEF EXECUTIVE'S REPORT

## Elephant Programme

Wild elephant protection was the first species-specific conservation work undertaken by Born Free and it continues as a main focus for the organisation.

### The Programme

- Protects wild elephants and their habitat
- Fights the brutal ivory trade
- Helps care for rescued elephants
- Responds to public concerns about wild elephants

### Annual Highlights

• **African Elephant Protection:** 2011/12 was a terrible year for wild elephants. Internationally, over 27,000kgs of illegal raw ivory was seized and elephant poaching has continued at high levels, including in strongholds such as Tanzania.

As part of its support for the Kenya Wildlife Service, Born Free attended the burning of 5 tonnes of confiscated ivory in Tsavo, organised by the Lusaka Agreement Task Force – an inter-governmental law enforcement agency, dedicated to bringing wildlife criminals to justice.

Results from the 2011 Tsavo elephant census demonstrated that while elephant populations face renewed pressure across much of Africa, numbers remain steady in Kenya thanks to effective conservation measures. The unique salt-mining Mount Elgon elephants, which Born Free has helped protect for more than 10 years, may be increasing in number, from just 89 in 2000 to approximately 300 today.

• **Asian Elephant Protection:** Born Free's fieldwork in Sri Lanka came fully on stream. In human/elephant conflict areas we encourage selected farmers to cultivate cash crops that are not attractive to elephants ('elephant resistant crops') but provide a secure income. This provides the basis for practical environmental education from organic farming methods to raising awareness about the impacts of agricultural expansion and habitat encroachment.

At the Elephant Transit Home Born Free continued fostering Matilda, one of the rescued elephants. We supported the construction of pens to help contain newly arrived animals during quarantine, avoiding the previous practice of tethering. We also provided new beds, bedding and mosquito nets for the staff that sleep at the facility every night in order to give the three-hourly, round-the-clock feeds.

Born Free collected data on the conditions of elephants in captivity at religious pageants and elephant-back ride locations. Important factors such as open wounds on the legs and access to clean water were noted, and analysis / reporting will take place next year.

*"Watching that pile of ivory go up in smoke in Kenya gave me cause for hope – hope that, once more, the world was turning its back on the ivory trade and renewing its commitment to fighting elephant poaching... But it's going to be a huge task."*

**Shelley Waterland, Programmes Manager**

## Primate Programme

### The Programme

- Supports the global conservation of wild apes through UNEP's 'GRASP' initiative (Great Ape Survival Partnership)
- Investigates and campaigns against the illegal bushmeat trade
- Funds sanctuaries for rescued great apes and monkeys
- Supports primate habitat protection, for example Eastern Lowland gorilla conservation in Kahuzi-Biega National Park, Democratic Republic of Congo
- Responds to public concerns about wild primates



Photo © G. Logan



Photo © G. Logan

# CHIEF EXECUTIVE'S REPORT

## Annual Highlights

• **Kahuzi Biega National Park:** In addition to our regular funding, Born Free secured a grant of AU\$20,000 (£12,900) per year for three years from Humane Society International (Australia) for this important but under-resourced park. This will support the re-establishment of activities in the Kasese sector, one of the most critical sites for the Eastern Lowland gorilla made inaccessible for a decade due to civil unrest.

Born Free provided support from our Mugaruka and Chimanuka adoption, sending £6,500 to support school costs for local pygmy children and rations and equipment for ranger patrols.

• **Cameroon:** Born Free secured a further grant of £20,000 from the Rufford Foundation for the Last Great Ape (LAGA) organisation which, supplemented by a grant of £15,000 from Born Free funds, made a substantial contribution to their annual budget.

LAGA continued to successfully support wildlife law enforcement, initiating 56 prosecutions, 36 sentences, US\$100,000 (£62,500) in damages paid to the Ministry of Forests and Fauna and securing 371 articles in printed press and broadcast media.

Our support for Cameroon's Limbe Wildlife Centre enabled the renovation of the quarantine enclosure and provided additional environmental enrichment for their chimpanzees.

• **Primate Society of Great Britain:** Our regular grant of £1,000 was split between two projects. The first aimed to provide public education and establish a system of community monitoring for the critically endangered brown-headed spider monkey and other primates in North West Ecuador.

The second was to conduct a survey on crop raiding by various primates, including the endangered Drill in the Calabar state of Nigeria.

*"Born Free's work on primates manages to achieve both breadth and depth with worldwide project support for high priority endangered species focussing on conservation of great apes, especially in Cameroon, and rescue, rehabilitation and release efforts."*

**David Jay, Programme Officer**

## Marine Programme

### The Programme

- Funds the conservation of marine turtles, dugongs, sharks and dolphins
- Educates people about the conservation and protection of marine species and their environment
- Responds to public concerns about wild marine species

### Annual Highlights

• **Back to the Blue:** Throughout this financial year, Born Free continued with the rehabilitation programme for Tom and Misha the two dolphins we rescued from a filthy swimming pool in Turkey in 2010. This high profile project presented many challenges from the reconditioning of the animals ready for their life back in the wild, to overcoming administrative and political hurdles. (Tom and Misha were successfully released on May 8th 2012.)

• **Sea Sense:** Born Free's support helped maintain Sea Sense's programme of community turtle nest protection which recorded 379 nests from which 33,000 hatchlings reached the sea.

The development of ecotourism activities on key beaches progressed in collaboration with participating hotels.

Four dugong awareness workshops were held in the critical Rufiji Delta area, and Sea Sense made two presentations at the 31st International Sea Turtle Symposium.

In March, Sea Sense conducted Tanzania's first ever turtle satellite-tagging operation to find out more about their movements between nesting seasons.



Photo © J Foster

# CHIEF EXECUTIVE'S REPORT

*"Back to the Blue has been a challenging project on many levels; from animal care and re-conditioning to the almost continual political and practical problems of working in Turkey. Ultimately though we hope it will be a challenge to the captivity industry and that its story will change people's acceptance of cetaceans in captivity."*

**Alison Hood, Programmes Director**

## **Global Initiatives and Education Programme**

### **The Programme**

- Seeks to respond to emergency situations around the world
- Works on one-off projects
- Includes Born Free's participation in international multi-species coalitions such as Species Survival Network (SSN), of which Born Free is a founder member
- Supports schools and communities close to Born Free funded projects (Global Friends)

### **Annual Highlights**

- **Species Survival Network (SSN):** Will Travers, as President of the Board of SSN, attended the CITES\* Standing Committee 61 (Geneva) in August 2011 which included the commissioning of an independent report concerning a Decision-Making Mechanism for future trade in ivory to be reviewed at the next meeting of the Standing Committee in 2012. SSN remains deeply opposed to such a process believing that anticipation of future trade will only make matters worse for Africa's elephants.

\*Convention on International Trade in Endangered Species

SSN continues to be well-represented in all the CITES regions and is working with Parties on species as diverse as parrots, lions, rhino, tigers and chameleons.

- **People and Wildlife Centre:** Working with the team at the Lilongwe Wildlife Centre in Malawi, Born Free Foundation accredited the Centre as the first such facility recognizing its high standards of animal welfare, its comprehensive engagement with the local communities and, ultimately, in becoming operationally self-sufficient.
- **Global Friends:** Born Free continued to support schools and communities in a variety of ways.

In Ethiopia, fostering respect for wildlife and the Ethiopian wolf, Born Free helped to provide fencing for a tree nursery and textbooks and desks.

Born Free continued to support PoPoF (Pole Pole Foundation) in Democratic Republic of Congo, primarily with funding for the salaries of the staff, several of who were previously involved in illegal exploitation within nearby Kahuzi-Biega National Park.

*"Wildlife and communities are inherently linked. You cannot protect wildlife without the support of the local community. Born Free strives to include local communities in every wildlife project we undertake and believe that fostering respect for wild animals, and their habitat, in the local area is the only way to protect the environment and the world for future generations."*

**Andrina Murrell, Programmes Officer**

## **2011/12: Other Highlights**

### **Born Free USA**

Born Free USA is a registered not-for-profit (501 c 3) with offices in Sacramento and Washington DC, together with a Primate Sanctuary in Texas and a Canadian representative, based in Toronto. The organisation promotes the core philosophies of Born Free to the American people.

- In October 2011, Born Free USA led a media firestorm, when some 50 captive exotic animals were released by their owner in Ohio and slain in the streets. We spoke with ABC, the BBC, CNN, Los Angeles Times and USA Today, among others. Our staff subsequently helped craft a successful bill in Ohio restricting the private possession of exotic animals.

# CHIEF EXECUTIVE'S REPORT

- We spearheaded successful bear gallbladder/bile trade bills in New York and Hawaii, testified against a bear hunt in Nevada, had our bear protection bill introduced in Vermont, and supported a tiger-trade ban in New Jersey. We also played a role in reintroducing the federal Captive Primate Safety Act, which would prohibit the interstate movement of primates if they are kept as pets.
- In November 2011 we agreed to provide lifetime care to 112 macaques and one baboon from the bankrupt Wild Animal Orphanage. The movement of animals to the Born Free USA Primate Sanctuary was scheduled for mid-2012.
- Our Primate Sanctuary welcomed a snow monkey from a Kansas backyard, a baboon from a Wisconsin basement, and a rhesus macaque from a Mississippi roadside zoo.
- Born Free continued to advocate, along with other NGOs\*, for the listing of the African lion as endangered on the US Endangered Species Act. If approved, such a listing would substantially end the import of wild lion trophies into the USA thus reducing the number of lions killed for this purpose by several hundred each year.

\*Non Governmental Organisations

*This primate rescue is an enormous undertaking, but it is also a great source of pride for all of us in the Born Free USA family. It would have been easy to say 'this is not our problem'. Instead, everyone stepped up to make sure these incredible individuals are assured a quality life for the rest of their days.*

**Tim Ajax, Born Free USA Primate Sanctuary Director**

## **Born Free Kenya**

Born Free Kenya is a registered branch of the Born Free Foundation, headquartered in Nairobi with a staff of eight.

Born Free Kenya has continued with its important work to protect wildlife and support communities in Kenya. Highlights include:

- **Anti-Poaching and Outreach:** During the year, our teams lifted 248 snares in the Tsavo, Naivasha and Machakos area. We noted a large decline in the number of snares in the Ruma conservation area.

We coordinated the treatment of four giraffes and 11 zebras, and worked with the Kenya Wildlife Service to secure the arrest of six poachers during this period.

The Born Free anti-poaching and outreach team was able to communicate our conservation education messages to 38,330 people.

- **Lion Conservation:** Following the success of the lion-proof boma project in the outskirts of Amboseli National Park, we extended our effort to areas around of Tsavo West and Chyulu National Parks. 30 lion-proof bomas were constructed, protecting livestock belonging to about 220 Maasai pastoralists.

BF Kenya is in the process of expanding its lion conservation efforts to Samburu, through support for the work of Ewaso Lions.

- **Animal Welfare:** Born Free assessed the status of several captive facilities and noted that there were no significant improvements since the previous survey. The apparent mushrooming of captive animal facilities at the coast is particularly troubling and we hope to take this up with the Kenya Wildlife Service.

*"Kenya is not only historically important to Born Free but, as a country, is a conservation leader in Africa. Kenya's approach to wildlife is one that Born Free supports but we all realize that success cannot be achieved by one entity alone. That is why Born Free Kenya partners with KWC as well as with other NGOs at every opportunity to assist in a national effort to keep wildlife in the wild."*

**Iregi Mwenja, Born Free (Kenya) Manager**

# CHIEF EXECUTIVE'S REPORT

## **Born Free Ethiopia**

Born Free Foundation Ethiopia (BFFE) is a registered not-for-profit in Ethiopia and is a branch of the Born Free Foundation. It is headquartered in Addis Ababa.

The Born Free Foundation Ethiopia team had another very good year.

- Completed construction of three more 'large carnivore ranges' to an internationally approved standard.
- Trans-located two adult male lions from temporary accommodation at the Presidential Palace to *Ensessakotteh*.
- Rescued two adult male lions from appalling conditions at the Harar Army Barracks.
- Individuals from seven other species, including primates, birds and ungulates, were rescued.
- Some animals successfully rehabilitated and returned to a life in the wild.
- Contracted an architect to design the Visitors' Education Centre.
- Hosted multiple school groups.
- Raised the profile of BFFE through organised visits to the Centre and other outreach activities.

*"2011 was one of the most exciting years of my life: the construction was challenging and complicated; rescuing the lions and then living with them is an on-going adventure; our team has grown but is well-motivated and committed and the support from BFF remains strong. We are all set for another big year in 2012."*

**Bereket Girma, Born Free Ethiopia**

## **Marketing**

The core objective of the Marketing Department is to undertake effective, high-profile and successful marketing and related activities to provide funding to the Foundation in order to meet programme and operational needs.

### **Annual Highlights**

- Extended relationship with Wild In Art concluding 'Pride in Bournemouth' and launching events in Cape Town, Northampton and Norwich.
- Redefined membership offering, including kids clubs.
- Increased outreach via web, social media sites and electronic media.
- Developed funding for Ethiopian work (*Ensessakotteh*) via many sources.
- Established and developed in-country sponsorship and marketing relationships through Kenya and South Africa offices.
- Expanded Christmas offering.
- Developed MOON-SIGN range of Catherine Best jewellery.
- Design and production of 22 European Zoo reports.
- Maintained and developed relationships with existing partners, notably Thomson Airways and Land Rover.
- Developed new relationships including Global Plantations, Wild about Beauty, Green Gem, and Redbush Tea.
- Expanded Tiger Coalition partnership with the Clinton Partnership to increase fundraising and awareness opportunities.
- Increased the number of Born Free events.
- Redesigned the fundraisers' kit.
- Maintained a productive and effective marketing mix (Corporate, events, design and literature, merchandise, legacy, adoption, membership, etc.)

*"This year has seen the expansion of ongoing relationships and ideas ensuring that income and awareness continues in a difficult climate. It is such loyalty and innovation that underpins our work in the field and our success."*

**Anne Tudor, Marketing Director**

# CHIEF EXECUTIVE'S REPORT

## Public Relations

Our core objective is to maintain and build on the Charity's global media platform and its reputation and status as a leader in the field of animal welfare and conservation. Born Free's PR Department provides PR support across Programmes and Marketing as well as initiating PR-driven exposure for the Foundation and its philosophies in both a pro-active and re-active way.

## Annual Highlights

### Support for Our Campaigns

- The dolphins Tom and Misha were part of a successful PR campaign throughout the year. The *Sunday Times Magazine* ran a four-page spread feature also exposing the captive dolphin industry.
- A feature article and appeal on the Ethiopian lion rescue was placed in the *Sunday Express*. The Editor paid tribute to Virginia McKenna.
- The plight of Africa's elephants featured in *Vanity Fair* whilst an influential piece in the *Sunday Times* looked into solutions for human-elephant conflict.
- The reports on European zoos were widely publicised in respected European media.
- Born Free and other animal welfare groups, working with the *Independent*, handed a large petition in to Downing Street calling for a ban on wild animals in circuses. Born Free was also prominently quoted in a number of high profile media zoo and circus stories, including the re-homing of Anne the elephant.

### Support for our Fundraising Activities

- Virginia McKenna's 80th birthday gala evening at the Savoy achieved high-level celebrity and media attendance. The Shere Khan necklace, sold at auction on the evening, was modelled in advance by Joanna Lumley and photographed by John Swannell and featured in over 1,600 web-sites and publications such as *Vogue*, *Hello*, and the *Telegraph*.
- The Tiger Gala at the Mandarin Oriental was featured in the national press.
- Working with Land Rover, promo videos highlighted our work in the field, with on-going features in Land Rover's *One Life Magazine*.
- Born Free's Christmas campaign was supported by a TV advertisement starring Martin Clunes and associated media coverage.
- A spectacular PR campaign was launched in South Africa for 'Pride of Cape Town' fronted by Queen guitar legend Brian May, with support from Land Rover and Virginia McKenna. 'Pride in Bournemouth', launched with Patron Martin Clunes and Virginia McKenna, was covered by the BBC and the *Daily Telegraph*.
- 'WildcreW', the new kids club was re-launched with CBBC presenters Chris Jarvis & Pui Fan Lee as part of their Roadshow.

### Maintaining Born Free's Profile

- Virginia McKenna's Lifetime Achievement Award, presented by Brian May of Queen at the Wet Nose Awards was widely reported. Virginia talked about Born Free's work in other appearances and pieces such as the BBC *Antiques Programme*, *Put Your Money Where Your Mouth Is*, the *BBC Wildlife Magazine* and at the launch of the 'Virginia McKenna' rose at the Hampton Court Flower Show.
- In advance of her wedding to HSH Prince Albert of Monaco, Charlene Wittstock talked about Born Free in the media. *Hello Magazine* ran a lead feature on the engagement of Born Free Patron Nick Knowles to Jessica Rose Moore at the Born Free Rescue Centre at Shamwari Reserve, South Africa.
- The BBC programme '*Elsa: The Lioness That Changed the World*', documenting the 'Born Free' story and the life of George Adamson, won the 'Conservation Hero' award at the prestigious Jackson Hole Film Festival. This was picked up in the wider media.

*"Born Free has managed to maintain a high profile across all media. Campaigns like the rehabilitation of the dolphins showcased Born Free's ability to deliver a solid worldwide media news story, whilst maintaining an action-packed media agenda across the board. As always, our thanks to our media partners and the celebrity Patrons who help profile our work."*

**Shirley Galligan, PR Director**

# CHIEF EXECUTIVE'S REPORT

## **Operations**

The Operations Department comprises the Administration, Member and Support Services (AMSS) and Finance teams, providing the infrastructure and support essential to Born Free's work.

### **Administration, Member and Support Services**

The AMSS team provides a personal and timely service to all our members, animal adopters and donors and the essential administrative support. The team also coordinates the efforts of our volunteers.

### **Finance**

The finance team provides the essential financial back office support for Born Free operations world-wide.

### **Annual Highlights**

- The Born Free main servers and network were upgraded to provide a faster, more reliable IT system, with expanded storage capacity for the increasing number of electronic images and footage. A server was installed in the Kenya office.
- The CARE customer relationship database was upgraded to give greater functionality and a more versatile, user-friendly 'front end'.
- An interface was created between the on-line shop and CARE providing faster handling of supporters' orders and reducing staff workload.
- Born Free's computer workstations worldwide were upgraded and converted to run Office 2010. This was largely done with donated hardware and software.
- A number of initiatives ensured Born Free's continued compliance with matters such as contract management, VAT, employment law and rules on overseas payments.
- Born Free submitted an application to register as a South African charity (non-profit company).
- In light of Born Free's increased profile overseas, applications were filed for EU trademarks to complement existing UK cover.

*"The developments and upgrades to our IT systems and the various governance initiatives involved a lot of work but there is great satisfaction in having put them in place. They will provide much of the unseen infrastructure that Born Free needs for the future."*

**Simon Allen, Operations Director**

# GOVERNANCE

## **Status and Objects**

The charity is a company limited by guarantee. Our governing document is a Memorandum & Articles of Association, which dates from 1998. Our formal Objects are set out in the section on Strategy & Plans on page 4.

## **Governing Body and Structure**

Our governing body is a Board of Directors. The Directors are the Trustees of the charity. As at 31 March 2012 there were nine members. There was one resignation and one appointment during the year.

Our structure remained unchanged during the year. Although most business is dealt with at quarterly meetings we have a Finance & General Purposes Committee and we use ad hoc working groups, who progress specific issues and report back to the Board. However, our Risk Management Working Group was set up on a permanent basis recognising the importance of the subject.

We have two overseas branches – in Ethiopia and Kenya - and two subsidiaries – Born Free Trading Ltd, Born Free Films Ltd (which is dormant). We hope to set a further charitable subsidiary in South Africa, where we have significant commitments and opportunities.

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

## **Decision making**

The Board formally set out how it saw its role some years ago and has subsequently periodically reviewed the position. After a full scale review last year which resulted in a number of small but useful, practical matters being put into effect we have not made any more changes.

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 charitable projects, financial control and investments.

Operational responsibility is delegated to the Chief Executive Officer. The Board is assisted by a Secretary who advises us on governance generally and also acts as Treasurer in monitoring financial matters on our behalf.

The Board receives two formal reports in advance of its meetings – a Quarterly Report that deals with charitable projects and operational matters and a Treasurer's Report that covers financial and related matters.

## **Trustees**

The changes during the year were reported in the Chair's Introduction and above.

As anticipated we did need to recruit and it followed our established practise. We carry out a skills audit to identify the qualities sought in potential candidates and a trustee's working group manages the appointment process, reporting to the full Board. We provide new trustees with structured induction that included comprehensive documentation, individual briefings and the opportunity to visit our offices to meet staff.

## **Risk Management**

Our philosophy on risk management is well-established and has been steadily refined. A Risks Register is maintained. The assessment of risks on the register is documented and rated in terms of the likelihood of occurrence and the potential impact. The whole situation is reviewed annually by a Risk Management Working Group. We took the opportunity to fine tune our approach in light of the Charity Commission's updated advice.

We can confirm that the major risks to which the charity is exposed as identified by the Trustees have been reviewed and systems have been established to mitigate those risks.

## **Reserves**

We comment on this matter in our Financial Review.

# GOVERNANCE

## **Investments**

Our portfolio has performed satisfactorily, given our particular ethical requirements and the general state of markets around the world. We continued with our two fund managers - Quilter who focus on UK equities and worldwide fixed interest and Charles Stanley who manage a portfolio of non UK equities. Both provided us with regular written reports and meet with the F&GP Committee.

## **Grants**

Born Free made grants to organisations who share the aims and values of the charity. Organisations seeking grants provide documentation outlining how the grant will be spent. The expenditure is regularly reviewed by Foundation staff.

## **Disclosure of Information to Auditors**

So far as each Director at the date of approval is aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the Board of Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

# FINANCIAL REVIEW

This was quite a difficult year for us because of the background economic situation but we weathered it in reasonable shape.

## **Income & Fundraising**

Our total Income at just under £3.2m was 4% lower than last year.

Our strategy is to seek as much diversification in our income streams as possible, so that we are not over reliant on any one aspect, and this has served us well. The results of this approach will be seen in the Accounts on page 23.

Our trading subsidiary, which provides a vehicle for related commercial activity such as merchandise sales, found the going very hard but still made a small profit.

## **Charitable Expenditure**

Our expenditure on charitable projects fell but still amounted to almost £2.2m. The breakdown by project is set out in the Accounts on page 23 and details of projects themselves are in the CEO's Report section.

Our policy continues to be to give priority to maintaining support for core projects and where we can to achieve a continuing, steady increase in spending, subject to maintaining reserves adequate to under-pin our long term commitments.

## **Reserves**

There has been no change in our policy, which is that, having regard to our significant long term obligations (eg Shamwari; Ensessakotteh in Ethiopia; the Elephant Transit Home in Sri Lanka; the Tiger Sanctuary in India; the Ethiopian Wolf Conservation Project), we should maintain our reserves of about £4m in real terms (based at September 2010). The relevant figure was below target after inflation, at just under £4.2m. However we expect that this could well fall in the new financial year as we draw down cash to maintain project spend.

## **Investments**

During the year we received income of £93,042 (25% more than last year) and saw our investments increase in value by 3% to just over £2.2m.

Our decision to appoint a second fund manager to create a portfolio of non UK equities has now been carried through resulting in a more diversified portfolio.

In monitoring the performance of our appointed fund managers we use individual benchmarks, reflecting our asset allocation policy.

As we have very specific constraints regarding ethical investments we accept that sometimes we may sacrifice the possibility of gains (for example we will not invest in businesses that test their products on animals, such as cigarette manufacturers, or cause significant environmental damage, such as mining companies), so our core aim is to achieve a better return than we could through simply using cash deposits. We received reports from the ethical analysts we retain and remain satisfied with our holdings but keep the position under active review.

# TRUSTEES' RESPONSIBILITIES

Under the Charities Act 2011 and the Companies Act 2006, the Trustees are required to prepare a report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, that period. In preparing those accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue its operations.

The Trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the regulations under Section 42(1) of the Charities Act 1993. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

This report was approved by the trustees on 11 September 2012 and signed on their behalf by

A handwritten signature in black ink that reads "B. H. Bergin". The signature is written in a cursive style and is positioned above a horizontal line.

**Brian Bergin**  
Secretary

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF THE BORN FREE FOUNDATION LIMITED

We have audited the group and parent company financial statements of The Born Free Foundation Limited for the year ended 31 March 2012 which comprise the Group Statement of Financial Activities, Group Balance Sheet, Company Balance Sheet, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

### Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 21, the trustees (who are also the directors of The Born Free Foundation 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. The other information comprises only the Reference Information page. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Matters on which we are required to report by exception

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

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

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group and company's affairs at 31 March 2012, and of its 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.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Richard Spofforth, BSc, FCA, Senior Statutory Auditor**  
For and on behalf of Spofforths LLP  
Chartered Accountants and Statutory Auditor  
Comewell House, North Street  
Horsham, West Sussex, RH12 1RD



**Spofforths**  
CHARTERED ACCOUNTANTS

# GROUP STATEMENT OF FINANCIAL ACTIVITIES

Incorporating the Income and Expenditure Account and the Statement of Total Recognised Gains and Losses

## FOR THE YEAR ENDED 31 MARCH 2012

	Notes	Unrestricted funds £	Restricted funds £	2012 £	2011 As restated £
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income					
Donations	4	736,860	194,192	<b>931,052</b>	1,099,778
Legacies	4	693,051	20,297	<b>713,348</b>	764,023
Tax received		143,139	-	<b>143,139</b>	200,288
Membership base subscription		121,830	-	<b>121,830</b>	135,795
Membership subscriptions to specific projects	4	-	75,523	<b>75,523</b>	79,937
Adoptions	4	-	299,756	<b>299,756</b>	348,461
Activities for generating funds					
Events, lotteries and other activities		618,906	-	<b>618,906</b>	368,538
Trading income of subsidiary undertaking	15	113,809	-	<b>113,809</b>	127,822
Royalties		14,661	-	<b>14,661</b>	11,771
Investment income	3	93,042	-	<b>93,042</b>	74,666
Other income		49,418	-	<b>49,418</b>	83,046
<b>Total incoming resources</b>		<b>2,584,716</b>	<b>589,768</b>	<b>3,174,484</b>	<b>3,294,125</b>
<b>Resources expended</b>					
<b>Cost of generating funds</b>					
Cost of generating voluntary income					
Donations		96,110	-	<b>96,110</b>	117,594
Legacies		8,156	-	<b>8,156</b>	13,699
Membership subscriptions		103,654	-	<b>103,654</b>	91,915
Fundraising and publicity		840,975	-	<b>840,975</b>	581,591
Cost of subsidiary trading company		99,421	-	<b>99,421</b>	96,920
Investment management costs		20,681	-	<b>20,681</b>	17,789
<b>Charitable activities</b>					
Zoocheck		-	245,091	<b>245,091</b>	202,906
Elephants		-	127,903	<b>127,903</b>	117,523
Bears		-	41,954	<b>41,954</b>	24,432
Wolves		-	2,435	<b>2,435</b>	232,717
Big cats		-	523,290	<b>523,290</b>	561,605
Primates		-	222,691	<b>222,691</b>	369,682
Marine		-	38,511	<b>38,511</b>	51,784
Information services and education		-	474,363	<b>474,363</b>	527,301
Other projects		-	551,418	<b>551,418</b>	510,849
<b>Governance</b>	7	30,538	-	<b>30,538</b>	27,274
<b>Other resources expended</b>					
Taxation	8	448	-	<b>448</b>	1,080
<b>Total resources expended</b>	5	<b>1,199,983</b>	<b>2,227,656</b>	<b>3,427,639</b>	<b>3,546,661</b>
<b>Net incoming resources before transfers</b>	2	1,384,733	(1,637,888)	<b>(253,155)</b>	(252,536)
<b>Transfer between funds</b>	24, 25	(1,657,013)	1,657,013	-	-
<b>Net income for the year</b>		(272,281)	19,126	<b>(253,155)</b>	(252,536)
Foreign exchange differences on restatement of foreign currency opening reserves					
		7,406	-	<b>7,406</b>	(21,186)
Gains on investment assets					
		13,249	-	<b>13,249</b>	115,156
<b>Net movement in funds</b>		<b>(251,626)</b>	<b>19,126</b>	<b>(232,500)</b>	<b>(158,566)</b>
<b>Funds at 1 April 2011 as restated</b>	23	<b>4,500,588</b>	<b>222,329</b>	<b>4,722,917</b>	<b>4,881,483</b>
<b>Funds at 31 March 2012</b>	21	<b>4,248,962</b>	<b>241,455</b>	<b>4,490,417</b>	<b>4,722,917</b>

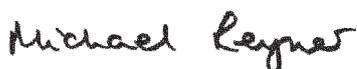
The notes on pages 27 to 36 form part of these accounts

# GROUP BALANCE SHEET

## AS AT 31 MARCH 2012

	Notes	2012		2011
		£	£	As restated £
<b>Fixed assets</b>				
Intangible fixed assets	10		<b>1</b>	1
Tangible fixed assets	11		<b>236,197</b>	140,571
Investment property	12		<b>175,000</b>	175,000
Investments	13		<b>2,219,561</b>	2,155,881
			<hr/>	<hr/>
			<b>2,630,759</b>	2,471,453
<b>Current assets</b>				
Stocks		<b>35,283</b>		50,878
Debtors	16	<b>252,028</b>		348,295
Cash at bank and in hand		<b>2,198,878</b>		2,514,420
		<hr/>		<hr/>
		<b>2,486,189</b>		2,913,593
<b>Creditors: amounts falling due within one year</b>				
	17	<b>(531,455)</b>		(419,773)
		<hr/>		<hr/>
<b>Net current assets</b>			<b>1,954,734</b>	2,493,820
<b>Total assets less current liabilities</b>				
			<b>4,585,493</b>	4,965,273
<b>Creditors: amounts falling due after more than one year</b>				
	18		-	(8,000)
<b>Provisions for liabilities</b>				
	19		<b>(95,076)</b>	(234,356)
			<hr/>	<hr/>
			<b>4,490,417</b>	4,722,917
			<hr/> <hr/>	<hr/> <hr/>
<b>Funds</b>				
<b>Unrestricted funds</b>				
General			<b>4,223,238</b>	4,473,816
Non-charitable	15		<b>25,707</b>	26,755
Minority interests			<b>17</b>	17
			<hr/>	<hr/>
	25		<b>4,248,962</b>	4,500,588
<b>Restricted funds</b>				
	24		<b>241,455</b>	222,329
			<hr/>	<hr/>
			<b>4,490,417</b>	4,722,917
			<hr/> <hr/>	<hr/> <hr/>

These financial statements were approved by the Trustees and authorised for issue on 11 September 2012 and signed on their behalf by:



Michael Reyner  
Trustee

Company number: 3603432

The notes on pages 27 to 36 form part of these accounts

# COMPANY BALANCE SHEET

## AS AT 31 MARCH 2012

	Notes	2012		2011
		£	£	As restated £
<b>Fixed assets</b>				
Tangible fixed assets	11		<b>235,895</b>	140,169
Investments	13		<b>2,219,561</b>	2,155,881
Investment property	12		<b>175,000</b>	175,000
Investment in subsidiary	14		<b>2</b>	2
			<hr/>	<hr/>
			<b>2,630,458</b>	2,471,052
<b>Current assets</b>				
Debtors	16	<b>256,189</b>		363,115
Cash at bank and in hand		<b>2,187,023</b>		2,503,532
		<hr/>		<hr/>
		<b>2,443,212</b>		2,866,647
<b>Creditors: amounts falling due within one year</b>				
	17	<b>(508,232)</b>		(398,790)
		<hr/>		<hr/>
<b>Net current assets</b>			<b>1,934,980</b>	2,467,857
<b>Provisions for liabilities</b>				
	19		<b>(95,076)</b>	(234,356)
			<hr/>	<hr/>
			<b>4,470,362</b>	4,704,553
<b>Funds</b>				
Unrestricted funds	25		<b>4,228,907</b>	4,482,224
Restricted funds	24		<b>241,455</b>	222,329
			<hr/>	<hr/>
			<b>4,470,362</b>	4,704,553
			<hr/> <hr/>	<hr/> <hr/>

These financial statements were approved by the Trustees and authorised for issue on 11 September 2012 and signed on their behalf by:

*Michael Reyner*

Michael Reyner  
Trustee

Company number: 3603432

# GROUP CASH FLOW STATEMENT

## FOR THE YEAR ENDED 31 MARCH 2012

	2012			2011
	£	£	£	As restated £
<b>Reconciliation of net incoming resources to net cash flow from operating activities</b>				
Net income for the year		(253,155)		(252,536)
Taxation		(448)		(1,080)
Depreciation		44,521		40,749
Decrease in stock		15,595		3,012
Decrease in debtors		96,267		7,696
Decrease in creditors		103,050		39,257
(Decrease)/increase in provisions		(139,280)		47,265
Investment income		(93,042)		(74,666)
Exchange adjustments in tangible fixed assets		(1,603)		6,334
Loss on sale of fixed asset		2,405		10,765
Foreign exchange differences on restatement of foreign currency opening reserves		7,406		(21,186)
		<b>(218,284)</b>		<b>(194,390)</b>
<b>Net cash inflow from operating activities</b>		<b>(218,284)</b>		<b>(194,390)</b>
<b>Returns on investments and servicing of finance</b>				
Investment income received		93,042		74,666
<b>Taxation</b>				
		1,080		924
<b>Capital expenditure and financial investment</b>				
Payments to acquire tangible fixed assets	(140,949)		(88,683)	
Payments to acquire investments	(369,781)		(757,667)	
Receipts from sale of investments	319,350		217,828	
		<b>(191,380)</b>		<b>(628,522)</b>
<b>Decrease in cash</b>		<b>(315,542)</b>		<b>(747,322)</b>
<b>Analysis of changes in net funds</b>				
	<b>Balance at 1 April 2011</b>	<b>Cash flows</b>	<b>Other changes</b>	<b>Balance at 31 March 2012</b>
	£	£	£	£
Cash at bank and in hand	2,514,420	(315,542)	-	2,198,878
Fixed asset investments	2,155,881	50,431	13,249	2,219,561
	<b>4,670,301</b>	<b>(265,111)</b>	<b>13,249</b>	<b>4,418,439</b>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2012

### 1 Principal accounting policies

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005 and applicable accounting standards.

#### Basis of consolidation

The Group Statement of Financial Activities (SOFA) and Group Balance Sheet consolidate the financial statements of the Foundation and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line-by-line basis.

The Foundation has taken advantage of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulation 2008, Schedule 1 Part 1 and adapted the Companies Act formats to reflect the special nature of the Foundation's activities. No separate SOFA or Income and Expenditure Account have been presented for the Foundation alone as permitted by section 408(3) of the Companies Act 2006 and paragraph 397 of the SORP.

#### Tangible fixed assets

Tangible fixed assets are recorded at cost or, in cases where fixed assets have been donated to The Born Free Foundation Limited, at valuation at the time of acquisition.

#### Depreciation

Depreciation has been provided at the following rates in order to write down the cost or valuation, less estimated residual value, of all tangible fixed assets over their expected useful lives. Assets under construction are not depreciated until they are completed.

Plant and office equipment	25% per annum reducing balance
Educational and fundraising vehicles	25% per annum reducing balance
Furniture and equipment	25% per annum reducing balance
Computer equipment	33% per annum straight line

#### Incoming resources

All incoming resources are included in the SOFA when the Foundation is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income:

Voluntary income: Voluntary income including legacies represents amounts received and recorded at offices and projects during the year. Membership and adoption income is recognised in the financial statements when it is received.

Investment income: Investment income is recognised in the financial statements when it is receivable.

Activities for generating funds comprises amounts receivable during the year.

#### Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources.

Fundraising expenditure represents the direct costs of fundraising and general publicity for the Foundation and includes the salaries and other direct costs of fundraising and publicity staff.

Governance costs are those costs associated with the governance arrangements of the Foundation as opposed to those costs associated with fundraising or charitable activity. Included within this category are costs associated with the strategic as opposed to day-to-day management of the Foundation's activities.

Support costs, which include the central office functions, are allocated across the categories of charitable expenditure, governance costs and costs of generating funds. The basis of the cost allocation has been explained in note 6 to the financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2012

### 1 Principal accounting policies (cont.)

#### Investments

Investments in subsidiaries are stated at cost less provision for any impairment.

Investments listed on a recognised stock exchange are included in the balance sheet at market value. Investments sold are revalued to market value at the date of sale. The change in the value of investments is reflected in the SOFA.

#### Investment property

The investment property is stated at market value at the balance sheet date in accordance with the Statement of Recommended Practice. Any surplus or deficit arising on the revaluation is taken directly to the fund as an unrealised gain or loss. No depreciation is charged on the investment property.

#### Value added tax

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

#### Hire purchase and leased assets

All other leases are regarded as operating leases and the payments made under them are charged to the SOFA on a straight line basis over the lease term.

#### Stocks

Stocks are consistently valued at the lower of cost and net realisable value less provision for slow moving items.

#### Pensions

The Foundation operates a defined contribution pension plan. Contributions are charged to the SOFA as they become payable.

#### Branches of the Born Free Foundation Limited

The branches produce audited branch financial statements to 31 March or 31 December each year. The financial statements are incorporated into the main financial statements at the year end to produce the financial statements for the group.

#### Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.

### 2 Net incoming resources before transfers

	<b>2012</b>	<i>2011</i>
	<b>£</b>	<i>£</i>
Depreciation	<b>44,521</b>	<i>40,749</i>
Auditor's remuneration - audit fees	<b>17,400</b>	<i>18,800</i>
- other fees	<b>885</b>	<i>754</i>
Costs of branch audit	<b>893</b>	<i>700</i>
Loss on disposal of fixed assets	<b>2,405</b>	<i>10,765</i>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2012

### 3 Investment income

	Unrestricted funds £	Restricted funds £	2012 £	2011 £
Dividend income	72,118	-	<b>72,118</b>	58,023
Interest received	20,924	-	<b>20,924</b>	16,643
	<u>93,042</u>	<u>-</u>	<u><b>93,042</b></u>	<u>74,666</u>

### 4 Restricted income

	Restricted donations £	Restricted legacies £	Member plus contributions £	Adoptions £	2012 £	2011 £
Zoocheck	6,395	-	9,574	-	<b>15,969</b>	48,770
Elephants	45,035	12,000	11,046	69,944	<b>138,025</b>	195,785
Bears	553	-	8,414	22,203	<b>31,170</b>	38,501
Wolves	7,123	1,297	8,230	5,573	<b>22,223</b>	118,669
Big cats	39,329	7,000	14,184	150,846	<b>211,359</b>	364,219
Primates	83,382	-	8,513	26,572	<b>118,467</b>	196,875
Marine	3,842	-	8,081	9,682	<b>21,605</b>	29,242
Information services and education	8,534	-	7,481	3,486	<b>19,501</b>	95,211
Other projects	-	-	-	11,450	<b>11,450</b>	13,126
	<u>194,192</u>	<u>20,297</u>	<u>75,523</u>	<u>299,756</u>	<u><b>589,768</b></u>	<u>1,100,397</u>

### 5 Resources expended

	Grant funding of activities £	Activities undertaken directly £	Support costs £	2012 £	2011 <i>As restated</i> £
<b>Cost of generating funds</b>					
Cost of generating voluntary income					
Donations	-	55,472	40,638	<b>96,110</b>	117,594
Legacies	-	7,279	877	<b>8,156</b>	13,699
Membership subscriptions	-	57,523	46,131	<b>103,654</b>	91,915
Fundraising and publicity	-	736,124	104,851	<b>840,975</b>	581,591
Cost of subsidiary trading company	-	89,197	10,224	<b>99,421</b>	96,920
Investment management costs	-	20,681	-	<b>20,681</b>	17,789
<b>Charitable activities</b>					
Zoocheck	3,867	208,540	32,684	<b>245,091</b>	202,906
Elephants	49,456	57,725	20,722	<b>127,903</b>	117,523
Bears	25,000	10,823	6,131	<b>41,954</b>	24,432
Wolves	600	1,315	520	<b>2,435</b>	232,717
Big cats	146,171	270,403	106,716	<b>523,290</b>	561,605
Primates	83,569	89,577	49,545	<b>222,691</b>	369,682
Marine	22,230	10,865	5,416	<b>38,511</b>	51,784
Information services and education	30,361	247,155	196,847	<b>474,363</b>	527,301
Other projects	50,454	411,906	89,058	<b>551,418</b>	510,849
<b>Governance</b>	-	30,538	-	<b>30,538</b>	27,274
<b>Other resources expended</b>					
Taxation	-	448	-	<b>448</b>	1,080
	<u>411,708</u>	<u>2,305,571</u>	<u>710,360</u>	<u><b>3,427,639</b></u>	<u>3,546,661</u>

Included within grants funding of activities are grants to individuals of £2,932 (2011: £22,095). All remaining grants were made to institutions. £139,280 (2011: £143,715) was paid to Oxford University including £80,250 (2011: £85,000) for wolves. There is a remaining commitment of £85,076 (2011: £224,356) to fund the Bill Travers Chair and Ethiopian Wolf Conservation.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2012

### 6 Analysis of support costs

	Property	General support salaries	Finance, IT and general office costs	Other support costs	2012	2011
	£	£	£	£	£	As restated £
<b>Cost of generating funds</b>						
Cost of generating voluntary income						
Donations	2,366	21,530	15,649	1,093	<b>40,638</b>	46,241
Legacies	-	-	877	-	<b>877</b>	939
Membership subscriptions	4,310	28,091	13,470	260	<b>46,131</b>	47,639
Fundraising and publicity	8,996	51,884	42,658	1,313	<b>104,851</b>	100,611
Cost of subsidiary trading company	781	7,209	2,234	-	<b>10,224</b>	10,019
<b>Charitable activities</b>						
Zoocheck	729	8,620	23,301	34	<b>32,684</b>	25,237
Elephants	871	11,831	6,753	1,267	<b>20,722</b>	22,330
Bears	316	3,737	1,985	93	<b>6,131</b>	3,328
Wolves	17	200	258	45	<b>520</b>	14,909
Big cats	4,626	54,722	32,662	14,706	<b>106,716</b>	105,697
Primates	1,141	35,513	12,619	272	<b>49,545</b>	46,234
Marine	271	3,209	1,890	46	<b>5,416</b>	6,412
Information services and education	7,744	115,832	25,606	47,665	<b>196,847</b>	180,849
Other projects	3,829	55,409	20,843	8,977	<b>89,058</b>	68,639
<b>Total support costs</b>	<b>35,997</b>	<b>397,787</b>	<b>200,805</b>	<b>75,771</b>	<b>710,360</b>	<b>679,084</b>

Support costs have been allocated based on estimated staff time spent on the activities of the Foundation.

### 7 Governance

	2012	2011
	£	£
Governance costs are made up of the following:		
External audit	<b>18,293</b>	19,500
Internal staff costs	<b>12,245</b>	7,774
	<b>30,538</b>	27,274

### 8 Taxation

The Born Free Foundation Limited is a registered charity and is thus exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. Corporation tax of £448 is due by Born Free Trading Limited, a wholly owned subsidiary (2011: £1,079).

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2012

### 9 Trustees, directors and employees

Staff costs were as follows:

	<b>2012</b>	<i>2011</i>
	<b>£</b>	<i>As restated</i>
		<i>£</i>
Wages and salaries	<b>1,114,656</b>	<i>1,039,985</i>
Social security costs	<b>96,751</b>	<i>91,490</i>
Pension costs	<b>48,379</b>	<i>45,523</i>
	<b>1,259,786</b>	<i>1,176,998</i>

The Trustees' remuneration was £nil (2011: £nil).

2 (2011: 5) Trustees received reimbursement for travel expenses amounting to £355 (2011: £5,337).

No employees' emoluments for the year exceeded £60,000 (2011: 1 employee fell within the band from £60,000 to £69,999).

The average number of staff employed by the Foundation during the year was as follows:

	<b>2012</b>	<i>2011</i>
	<b>Number</b>	<i>Number</i>
Charitable projects	<b>20</b>	<i>19</i>
Information services and education	<b>3</b>	<i>3</i>
Fundraising and publicity	<b>7</b>	<i>6</i>
Member and support services	<b>4</b>	<i>4</i>
Governance	<b>1</b>	<i>1</i>
Kenya branch	<b>8</b>	<i>8</i>
Ethiopia branch	<b>3</b>	<i>3</i>
Unpaid part time volunteers	<b>10</b>	<i>12</i>
	<b>56</b>	<i>56</i>

Of the non-voluntary staff, 11 (2011: 11) are employed on a part time basis.

In Ethiopia the charity also has locally contracted staff involved in its activities whose numbers can vary significantly from time to time according to project progress. At 31 March 2012 they numbered 39 (2011: 31).

### 10 Intangible fixed assets

	<b>Group</b>	<b>Company</b>
	<b>£</b>	<b>£</b>
<b>Cost - film rights</b>		
At beginning of year	<b>1</b>	<b>-</b>
<b>Net book value at 31 March 2012</b>	<b>1</b>	<b>-</b>
<i>Net book value at 31 March 2011</i>	<i>1</i>	<i>-</i>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2012

### 11 Tangible fixed assets

Group	Asset in the course of construction	Plant and office equipment	Educational and fundraising vehicles	Furniture and equipment	Computer equipment	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 April 2011	34,775	87,164	121,866	34,432	155,440	433,677
Additions	80,484	222	31,266	13,301	15,676	140,949
Disposals	-	-	(18,018)	-	(3,507)	(21,525)
Exchange adjustment	-	98	4,150	234	328	4,810
<b>At 31 March 2012</b>	<b>115,259</b>	<b>87,484</b>	<b>139,264</b>	<b>47,967</b>	<b>167,937</b>	<b>557,911</b>
<b>Depreciation</b>						
At 1 April 2011	-	48,776	78,577	23,296	142,457	293,106
Charged for the year	-	10,286	17,973	5,841	10,421	44,521
Disposals	-	-	(15,613)	-	(3,507)	(19,120)
Exchange adjustment	-	63	2,692	180	272	3,207
<b>At 31 March 2012</b>	<b>-</b>	<b>59,125</b>	<b>83,629</b>	<b>29,317</b>	<b>149,643</b>	<b>321,714</b>
<b>Net book value</b>						
<b>At 31 March 2012</b>	<b>115,259</b>	<b>28,359</b>	<b>55,635</b>	<b>18,650</b>	<b>18,294</b>	<b>236,197</b>
<i>At 31 March 2011</i>	<i>34,775</i>	<i>38,388</i>	<i>43,289</i>	<i>11,136</i>	<i>12,983</i>	<i>140,571</i>
<b>Company</b>						
	Asset in the course of construction	Plant and office equipment	Educational and fundraising vehicles	Furniture and equipment	Computer equipment	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 April 2011	34,775	84,813	121,866	33,632	154,729	429,815
Additions	80,484	222	31,266	13,301	15,676	140,949
Disposals	-	-	(18,018)	-	(3,507)	(21,525)
Exchange adjustment	-	98	4,150	234	328	4,810
<b>At 31 March 2012</b>	<b>115,259</b>	<b>85,133</b>	<b>139,264</b>	<b>47,167</b>	<b>167,226</b>	<b>554,049</b>
<b>Depreciation</b>						
At 1 April 2011	-	46,566	78,577	22,603	141,900	289,646
Charged for the year	-	10,251	17,973	5,814	10,383	44,421
Disposals	-	-	(15,613)	-	(3,507)	(19,120)
Exchange adjustment	-	63	2,692	180	272	3,207
<b>At 31 March 2012</b>	<b>-</b>	<b>56,880</b>	<b>83,629</b>	<b>28,597</b>	<b>149,048</b>	<b>318,154</b>
<b>Net book value</b>						
<b>At 31 March 2012</b>	<b>115,259</b>	<b>28,253</b>	<b>55,635</b>	<b>18,570</b>	<b>18,178</b>	<b>235,895</b>
<i>At 31 March 2011</i>	<i>34,775</i>	<i>38,247</i>	<i>43,289</i>	<i>11,029</i>	<i>12,829</i>	<i>140,169</i>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2012

12 Investment property	Group	2011	Company	2011
	2012	As restated	2012	As restated
	£	£	£	£
Investment property	<u>175,000</u>	<u>175,000</u>	<u>175,000</u>	<u>175,000</u>

The freehold investment property was valued by the Trustees on 31 March 2012 at £175,000.

13 Fixed asset investments	Group and company	
	2012	2011
	£	£
All investments are held within the UK		
At 1 April 2011	<b>2,155,881</b>	1,500,886
Additions	<b>369,781</b>	757,667
Disposals at market value	<b>(319,350)</b>	(217,828)
Change in market value	<b>13,249</b>	115,156
Market value at 31 March 2012	<u><b>2,219,561</b></u>	<u>2,155,881</u>
Historical cost at 31 March 2012	<u><b>1,782,879</b></u>	<u>1,670,754</u>

14 Investment in subsidiary undertakings	Company
	£
Cost at beginning and end of year	<u><u>2</u></u>

## 15 Subsidiary undertakings

During the year, the Foundation held two subsidiaries, both of which are incorporated in England & Wales. Born Free Trading Limited makes gift aid payments out of profits to The Born Free Foundation Limited. Born Free Films Limited is a dormant company.

Name:	Nature of business:	Type of share:	Holding:
Born Free Trading Limited	Sale of Born Free merchandise and services	Ordinary	100%
Born Free Films Limited	Film development	Ordinary	83%

The accounts of the trading subsidiary companies are prepared to 31 March each year and the results of the companies are consolidated into these accounts on a line by line basis and are summarised below:

	Born Free Trading Limited	Born Free Films Limited	Total
	£	£	£
Turnover	113,809	-	113,809
Cost of sales	(74,779)	-	(74,779)
<b>Gross profit</b>	<b>39,030</b>	-	<b>39,030</b>
Administrative expenses	(36,871)	-	(36,871)
Interest payable	(20)	-	(20)
<b>Profit on activities before taxation</b>	<b>2,139</b>	-	<b>2,139</b>
Corporation tax	(448)	-	(448)
<b>Profit retained in the subsidiary</b>	<u><b>1,691</b></u>	<u>-</u>	<u><b>1,691</b></u>
<b>Net assets at 31 March 2012</b>	<u><b>28,446</b></u>	<u><b>(2,739)</b></u>	<u><b>25,707</b></u>

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2012

16 Debtors	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Other debtors	83,227	83,376	72,766	82,211
Amounts owed by group undertakings	-	-	14,710	16,043
Prepayments and accrued income	168,801	263,019	168,713	262,961
Other taxes and social security	-	1,900	-	1,900
	<b>252,028</b>	<b>348,295</b>	<b>256,189</b>	<b>363,115</b>

Prepayments and accrued income includes £9,436 (2011: £32,918) with regard to legacies receivable which have not yet been received.

17 Creditors: amounts falling due within one year	Group		Company	
	2012	2011	2012	2011
	£	As restated £	£	As restated £
Trade creditors	80,050	71,086	75,625	63,631
Amounts owed to group undertakings	-	-	1,980	-
Accruals and deferred income	352,747	311,877	344,023	307,926
Other creditors	11,643	8,730	1,147	233
Corporation tax	448	1,080	-	-
Other taxes and social security	86,567	27,000	85,457	27,000
	<b>531,455</b>	<b>419,773</b>	<b>508,232</b>	<b>398,790</b>

18 Creditors: amounts falling due after more than one year	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Loans	-	8,000	-	-

## 19 Provisions for liabilities and charges

Group and company	Other projects	Dilapidations	Total
	£	£	£
Balance at start of year	224,356	10,000	234,356
Released in the year	(139,280)	-	(139,280)
	<b>85,076</b>	<b>10,000</b>	<b>95,076</b>

The provisions included in the financial statements for other projects relate to the funding of the Bill Travers Chair at Oxford University and the funding for the Ethiopian Wolf Conservation Programme.

## 20 Contingent asset

At 31 March 2012 the Foundation had been notified of legacy bequests estimated at £240,887 (2011: £345,211). The Foundation had not been informed of the final amount receivable by the year end and as such these amounts have not been included within legacy income for the year ended 31 March 2012.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2012

### 21 Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2012 are represented by:			
Intangible fixed assets	1	-	1
Tangible fixed assets	236,197	-	236,197
Investment property	175,000	-	175,000
Investments	2,219,561	-	2,219,561
Net current assets	1,628,203	326,531	1,954,734
Provisions for liabilities and charges	(10,000)	(85,076)	(95,076)
	<b><u>4,248,962</u></b>	<b><u>241,455</u></b>	<b><u>4,490,417</u></b>

### 22 Share capital

The Foundation is a company limited by guarantee and not having a share capital. Each member is a guarantor in the sum of £1. The Trustees are all members.

### 23 Prior year adjustment

The financial statements for the year ended 31 March 2011 have been restated to reflect the Foundation's ownership of the cottage located in Skye, Scotland, and its potential liability for payroll taxes. The effect of the prior year adjustment has been to include the cottage as an investment property at the trustees' valuation of £175,000 and to provide for payroll taxes of £151,713 of which £49,986 has been included in the SOFA for the year 2011. For the group and company, opening restricted reserves at 1 April 2011 have been reduced by £4,953 to £222,329, opening unrestricted reserves have been increased by £28,239 to £4,500,588 and for the company, opening unrestricted reserves have increased by £28,239 to £4,482,224 (See notes 24 and 25).

### 24 Restricted funds

Group and Company	At 1 April 2011 As restated £	Incoming £	Outgoing £	Transfers £	At 31 March 2012 £
Zoo check	-	15,969	(245,091)	229,122	-
Elephants	208,259	138,025	(127,903)	-	<b>218,381</b>
Bears	14,070	31,170	(41,954)	-	<b>3,286</b>
Wolves	-	22,223	(2,435)	-	<b>19,788</b>
Big cats	-	211,359	(523,290)	311,931	-
Primates	-	118,467	(222,691)	104,224	-
Marine	-	21,605	(38,511)	16,906	-
Information services and education	-	19,501	(474,363)	454,862	-
Other miscellaneous projects	-	11,450	(551,418)	539,968	-
	<b><u>222,329</u></b>	<b><u>589,768</u></b>	<b><u>(2,227,656)</u></b>	<b><u>1,657,013</u></b>	<b><u>241,455</u></b>

The effect of the prior year adjustment referred to in note 23 has been to reduce opening funds at 1 April 2011 for elephants by £4,581 and for Bears by £372 to the amounts stated above.

# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2012

### 25 Unrestricted funds

Group	At 1 April 2011 As restated £	Incoming £	Outgoing £	Transfers £	At 31 March 2012 £
General unrestricted	4,500,588	2,584,716	(1,179,328)	(1,657,013)	<b>4,248,962</b>
	<u>4,500,588</u>	<u>2,584,716</u>	<u>(1,179,328)</u>	<u>(1,657,013)</u>	<u><b>4,248,962</b></u>

Company	At 1 April 2011 As restated £	Incoming £	Outgoing £	Transfers £	At 31 March 2012 £
General unrestricted	4,482,224	2,470,907	(1,067,210)	(1,657,013)	<b>4,228,907</b>
	<u>4,482,224</u>	<u>2,470,907</u>	<u>(1,067,210)</u>	<u>(1,657,013)</u>	<u><b>4,228,907</b></u>

### 26 Operating lease commitments

At 31 March 2012 the Foundation had annual commitments under non-cancellable operating leases as set out below:

Operating leases which expire:

Between two and five years (other)	<b>21,240</b>	9,144
Between two and five years (land and buildings)	<b>74,000</b>	-
After five years (land and buildings)	-	74,000
	<u><b>95,240</b></u>	<u>83,144</u>

### 27 Capital commitments

Expenditure authorised by the trustees:

- contracted for	-	31,000
	<u>-</u>	<u>31,000</u>

### 28 Transactions with directors and trustees

The Chief Executive Officer is a son of Virginia McKenna who is a trustee. He received remuneration of £58,000 (2011: £69,997) in the year.

### 29 Related parties

Included within other debtors in the financial statements are amounts owed by Born Free USA. Born Free USA is an independent registered not-for-profit organisation with common objectives to those of the Foundation but not under the control of the Trustees of the Foundation. Andrew Newton is a trustee of both the charity Born Free USA and The Foundation. Will Travers OBE is also appointed as Chief Executive Officer for both charities. The balance outstanding at the year end was £10,444 (2011: £8,437).

In the opinion of the trustees the Foundation is controlled by them.

