

KEEP WILDLIFE IN THE WILD

TRUSTEES' ANNUAL REPORT



**BORN
FREE**
FOUNDATION



**THE BORN FREE FOUNDATION LIMITED
TRUSTEES' ANNUAL REPORT
& AUDITED GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

Charity Number 1070906 Company Number 3603432

The Born Free Foundation is a
Charitable Company Limited by Guarantee

THE BORN FREE FOUNDATION LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

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THE BORN FREE FOUNDATION LIMITED
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2016

Name	The Born Free Foundation Limited
Status	Born Free is a charitable company limited by guarantee. Its governing document is a Memorandum and Articles of Association.
Charity Registration Number	1070906
Company Registration Number	3603432
Principal Office and Registered Address	Broadlands Business Campus, Langhurstwood Rd., Horsham, West Sussex, RH12 4QP
Trustees	Michael Reyner (Chair) Adam Batty Zara Boland Michael Drake Peter Ellis Virginia McKenna OBE Sue Olsen Jenny Seagrove Anne Wignall David Wynne Morgan Sue Olsen
Officers	President & CEO: Will Travers OBE Secretary to The Trustees: Kirsty Semple (Semple Associates Ltd)
Advisers :	
Auditor	haysmacintyre, 26 Red Lion Square, London, WC1R 4 AG
Bankers	HSBC, 67 West Street, Dorking, Surrey, RH4 1BW
Financial	R K Shipman Ltd, 1 Barnfield Crescent, Exeter, EX1 1QY
Legal	Coole & Haddock, 14 Carfax, Horsham, RH12 1DZ Eversheds LLP, Ketts House, Station Road, Cambridge, CB1 2JY

THE BORN FREE FOUNDATION LIMITED

CHAIR'S INTRODUCTION

FOR THE YEAR ENDED 31 MARCH 2016

It gives me great pleasure once again to introduce Born Free Foundation's Annual Report, which sets out, for our supporters and the general public, our achievements over the last year and our future plans.

2015/6 represented another year of significant progress for the charity, following the successful completion of our merger with Care for the Wild. We raised, by some margin, record levels of revenue: our total income was £6.6 million (up 75% vs the previous year) and, whilst this performance was helped by an unusually high level of legacies (which we would not expect to be repeated in 2016/7), performance was strong across most other income lines as well.

As a result, we were able to raise our expenditure on charitable activities by nearly £500,000 (17%), across a wide range of important and exciting initiatives and programmes that are detailed later in the report. We have, for example, continued to expand our rescue operations at Ensessakoteh in Ethiopia and have completed and have opened our new visitor and education centre there; we have expanded our conservation efforts into new areas including primate projects in Guinea-Bissau; we have supported a number of high profile animal rescues, including lions from Bulgaria to Shamwari and a range of UK wildlife; we launched our 'One Click Away' research, in partnership with Blue Cross, highlighting the online trade in exotic pets; and we continue to play a shaping voice in the international conservation community ahead of this year's critical CITES discussions.

The surplus of £2.1 million achieved in 2015/6 has strengthened our already healthy reserves to £7.4 million. This is about £2.0 million higher than our targeted levels and so we are actively developing plans to invest these funds in a range of specific initiatives as well as expanding our underlying programmatic activity further. The challenges faced by animals around the world are, sadly, many and acute and there is much more that we would like to do to increase our impact still further. Given our level of reserves, we will be comfortable running planned operating losses over the next three years as we invest further in key areas of charitable activity.

I should like, as ever, to thank our staff and our excellent volunteers for their outstanding dedication, effort and skill. At the end of 2015/6, we said farewell to two key members of the team. Adam Roberts stepped down from his role as CEO of Born Free Foundation to focus on his leadership of Born Free USA; his prodigious work ethic and motivating leadership made an important contribution to our development for which he deserves great thanks. Will Travers, our President, has stepped back into the CEO role on an interim basis and we have launched a formal search to recruit a new CEO. At the same time, Anne Tudor retired from her position as Marketing Director. Anne has been a pivotal part of the development of Born Free since its creation over 30 years ago; her energy and commitment have been tireless and invaluable. We wish her well for the future. Despite these departures, we are fortunate in having a skilled and experienced team; the continued success of the charity over the last year is a testament to them.

I would also like to thank our team of Trustees, along with our new secretary Kirsty Semple, for their support and counsel. Together with the management team, we look forward to continuing to drive our work in the coming year.

Michael Reyner
Chair of Trustees

THE BORN FREE FOUNDATION LIMITED

STRUCTURE GOVERNANCE AND MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2016

STATUS AND OBJECTS

The charity is a company limited by guarantee. Our governing document is a Memorandum & Articles of Association, which dates from 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 2016 there were eleven members.

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 use *ad hoc* working groups, for example on risk management, which progress specific issues and report back to the Board. In June 2013 we set up a Remuneration Committee.

We have overseas branches in Kenya and Ethiopia, a charitable non-profit subsidiary company in South Africa and two other subsidiaries – Born Free Trading Ltd, Born Free Films Ltd (which is dormant). We have a companion organisation in America called Born Free USA.

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. We regularly monitor how we are performing our duties. A formal review of our governance arrangements was last carried out by Haysmacintyre in March 2014.

We continue to see our prime function as ensuring 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 President and the Chief Executive Officer. The Board is assisted by a Secretary who advises it on governance generally, and a Treasurer who monitors financial matters on its 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

When we recruit, we follow a well-established practice. We carry out a skills audit to identify the qualities sought in potential candidates and a Trustees' working group manages the appointment process, reporting to the full Board. We provide new Trustees with a structured induction that includes comprehensive documentation, individual briefings and the opportunity to visit our offices to meet staff.

THE BORN FREE FOUNDATION LIMITED

OBJECTIVES & ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2016

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 areas 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 guidance from the Charity Commission 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 and growing group of active supporters who receive additional communications and play an important role in championing our cause through our Activate and BF-Enews programmes.

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

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

Full details of our activities in these and other areas are set out below.

THE BORN FREE FOUNDATION LIMITED

OBJECTIVES & ACTIVITIES (continued)

FOR THE YEAR ENDED 31 MARCH 2016

Some of the key objectives in the year ended 31 March 2016 and the outcomes of this work include:

2015/16 Strategic Objectives	2015/16 Strategic Outcomes
To deliver all key objectives as regard to Born Free's portfolio of programmes and campaigns	Ongoing. The Charity has performed strongly across its portfolio.
To complete the integration of Care For The Wild activities across all key activities including campaigns, marketing, fund raising, communications and administration	Completed. Care For The Wild continues to exist as a strong brand name within the Born Free family but its adoptions, campaigns and marketing have been amalgamated with those of Born Free, as have its staff who have been an excellent addition to our team
To officially open the new Education Centre at Ensessakotteh, Ethiopia	Completed. The centre was opened on 30 th April 2015
To undertake all work necessary to overhaul and, where appropriate, redesign the Born Free websites to create a global platform	Ongoing. The new website is in the final stages of design and preparations are now in place to migrate all data from the existing sites. The new website will go live in January 2017
To begin long term preparation for CITES 2016 including at a species level, country level (capacity building) and at a strategic advocacy level	Completed. The Born Free team will travel to Johannesburg prepared to participate fully in the conference in September 2016
To work with the Chairs of Born Free USA and Born Free Foundation to determine how Born Free as a global entity should function	Close, ongoing collaboration across many activities while maintaining legal independence.
To register Born Free Sri Lanka with the relevant authorities	Ongoing. Due to the resignation of the Director General of the SL Wildlife Department and a review by Ministers all applications have been suspended. However Born Free is monitoring the situation very closely and anticipates that this will be completed at the earliest opportunity
To support and enhance Born Free's influence within the EU both at a Parliamentary and Commission level across key initiatives including captivity, tourism and wildlife trafficking	Ongoing. Preparations for the 2016 CITES meeting at a European level have been a priority as has been a review of progress towards implementation of the minimum standards required by the EU Zoos Directive. Contingency planning has been undertaken concerning the possible outcomes of the EU Referendum.
To deliver enhanced Marketing and PR objectives as set out in the Annual Plan	PR and media have reached new audiences and, together with Marketing, have secured important core income across a range of disciplines.
To integrate financial systems and subsequent management of the Born Free Foundation (now combined with Care For The Wild).	Completed. Care For The Wild's former headquarters has been sold and its finances amalgamated with that of Born Free.

THE BORN FREE FOUNDATION LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2016

ACHIEVEMENTS & PERFORMANCE

This has been a year of team performance. Everyone from Campaigns to Accounts, Office Operations to Press and PR, Events to Publications, Digital Media and Corporate Relations, has worked hard to deliver on our promises both to our supporters and to the animals we serve. Our portfolio of projects has been maintained and, where possible, strengthened. The 2015/16 Trustees' Annual Report gives you further details – about our programmes and our finances but here are just a few of my highlights:

Thirty-two years ago, *Pole Pole*, the last African elephant at the London Zoo was destroyed. In St. James' Piccadilly, an audience gathered to hear some of our long-serving and deeply-valued Patrons speak in her memory, including Jenny Seagrove, Martin Clunes, Helen Worth, Rula Lenska and Ian Redmond. Learning lessons from the past informs our decisions for the future.

Our wild animals rescues included not only more lions, destined for Shamwari in South Africa, but two bears from Georgia (subsequently relocated to Greece), the first country in Europe to ban wild animal circuses.

We declared 2016, the 50th anniversary of the premiere of the film *Born Free*, to be our 'Year of the Lion', and with good reason. New data suggests that wild lion numbers may have fallen to just 20,000 across all of Africa. The US Government responded by declaring the African lion as *Threatened* under its Endangered Species Act legislation.

Here in the UK, together with others, we continued to call for an end to the misguided and largely ineffective culling of badgers and for greater protection of other species such as hares and seals, while in the remote forests of the Democratic Republic of the Congo, we stepped up our efforts to protect the now highly endangered Eastern Lowland Gorilla.

There are far too many highlights to describe in these few short words but our website, www.bornfree.org.uk provides a wonderful opportunity to find out more.

Born Free is a living story. A story about a young lioness who was given her chance of a wild life but, at a more profound level, a story about freedom, something we prize above almost all else. The freedom to choose, to make mistakes, to seek our own space - and those we share it with. Freedom to let go and relinquish control – the most selfless kind of love.

Yes, I am proud of The Born Free Foundation - a highly professional, experienced and effective organisation, dedicated to ending the exploitation of wild animals and the keeping of wildlife in the wild – with all the challenges that represents. But even more than that, I am proud to be part of Born Free, an organisation built on real values that do not change, that are steadfast and that endure.

Will Travers, OBE
President & CEO

THE BORN FREE FOUNDATION LIMITED

STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2016

CONSERVATION

Working in partnership with the Ethiopian Wildlife Conservation Authority (EWCA), Save the Elephants and the PAMS Foundation, Born Free has implemented a second phase to the ‘Conserving Elephants at the Babile Elephant Sanctuary’ project. The project focuses on stopping elephant poaching through strengthened law enforcement and working towards the reduction of human pressure inside the sanctuary. This year the PAMS Foundation has provided much needed basic ranger training and Born Free has financially supported the payment of ranger per diems. In addition, Born Free has employed a dedicated conservation officer to monitor project implementation. Since the middle of July, four suspected poachers and two ivory traffickers have been arrested. Elephants have been monitored and rangers have raised awareness in areas where there is a high risk of human-elephant conflict. Elephant deaths have also been documented; since the middle of July, two elephants have been killed for their ivory, while one was killed for crop raiding. This project is challenging: there are only 25 rangers covering nearly 7,000 km² but the PAMS Foundation will conduct further training in October and then assess ranger operations at a later date to maximise efficiency. Within the last year, extensive areas of natural habitat have been converted to farms, and addressing this and other issues related to illegal settlement inside the sanctuary will begin in earnest with *woreda-level* meetings in September.

Born Free has been supporting the core activities of the Ethiopian Wolf Conservation Programme (EWCP) since its inception in 1996. This is a partnership between the University of Oxford and the EWCA, under the aegis of the IUCN Canid Specialist Group. The main focus of EWCP work in the last quarter has been the establishment of two new projects to support two new Afroalpine National Parks, the Arsi Mountains NP and Borena Saynt NP. In addition to providing equipment, training and logistic support these projects are developing livelihood support initiatives to reduce the pressure upon the Afroalpine habitats the wolves depend upon. EWCP deploys Wolf Ambassadors in both parks, recruited from the local communities and charged with monitoring wolves and providing an early threat reporting system.

Once widespread, the West African giraffe currently only survives in Niger, West Africa. Since the 1990s, when the population plummeted to just 50 individuals, the global population has been increasing, as a result of support from GOs and NGOs. This year, Born Free has supported the Giraffe Conservation Foundation to implement a thorough and updated census/count of the global population, in order to accurately ascertain the status of this giraffe and inform future conservation action and efforts.

We have been supporting the Marine Megafauna Foundation (MMF) since 2015. Located in Tofu Bay, work focuses on the conservation of the rich marine life and charismatic marine fauna off the coast of Mozambique and on environmental education and awareness of the local communities that are dependent on it. This year, Born Free is supporting MMF’s Sustainable Seas Project, the objective of which is to promote sustainable fishing practices that will lead to a reduction in the use of gill-nets – a major threat to marine species – and result in a measurable increase in the biomass of fish. Already, the project has met with unprecedented support from the local fishing communities which have requested that a management plan for a six-month no-take zone within the bay be extended to encompass a larger portion of the bay. In effect, a 16 km² area will be closed to fishing (including gill-net fishing) and diving. The project will monitor the impact of this on the marine fauna.

Over the last two years Born Free has extended its support of conservation field projects into the Guinean forests of West Africa, which are considered a biodiversity hotspot and a priority area for primate conservation. In Guinea Bissau, Born Free is supporting the University of Porto and the University of Cardiff to implement a project to protect primates from logging and hunting with the aim of developing a long-term sustainable, country-scale conservation management strategy. The project focuses on the Western chimpanzee, the red colobus, the black and white colobus and the Guinea baboon. The objectives are to i) evaluate the conservation status of primate species and select key areas to be protected; ii) assemble a collaborative national working group dedicated to primate conservation to articulate conservation efforts in Guinea-Bissau; and iii) engage the public in primate conservation. In Southwest Cameroon, Born Free – with support from the Arcus Foundation and WildCRU, is currently implementing a set of surveys at the Banyang-Mbo Wildlife Sanctuary to determine the status of its chimpanzee and forest elephant populations. The surveys are being carried out by Dr Elizabeth Greengrass, who first surveyed the site a decade ago and determined it supported a significant population of the rarest chimpanzee subspecies, the Nigeria-Cameroon chimpanzee. Elephant poaching and bush meat hunting were, however, rampant and encounter rates of important primate species, such as the endemic drill, were extremely low. With little attention paid to this site in the interim years, the short-term aim of these surveys is to determine the current status of important fauna populations. In the longer term, Born Free hopes to establish a monitoring programme that will safeguard and ensure the recovery of these populations. In future, it is hoped that the project will collaborate more closely

THE BORN FREE FOUNDATION LIMITED

STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2016

with the Korup Rainforest Conservation Society, in neighbouring Korup National Park, to protect forest elephant on a landscape scale and to increase awareness and environmental education among the local human population.

In its 12th year, the Satpuda Landscape Tiger Partnership took heart from the results of India's national census published the previous year showing an increase in tiger numbers in central India, and shored up efforts to continue delivering on a holistic landscape oriented conservation strategy. Through its network of local NGOs, the programme sustained a multi-pronged approach to key threats faced by tigers, focusing on human-tiger conflict, habitat protection, conservation education and legal action, while addressing core needs of communities living in and around tiger habitat, such as the provision of health services and employment opportunities, thereby leveraging support for tiger conservation. This year saw the addition of another partner to the network, bringing the total to 8 organisations, and the SLTP team was augmented with an in-country part time Network Coordinator to allow for greater administrative support for the programme, while providing an *in situ* role to accommodate marketing, PR and fundraising opportunities.

CAPTIVITY

As part of our commitment to an increased focus on the keeping of exotic pets in the UK, we held a successful launch of our joint report with Blue Cross entitled "One Click Away", examining the online sale of exotic pets. Our reception at Westminster garnered significant interest from Parliamentarians, many of whom signed our pledge to help us work on the issue. The launch was complemented by a Westminster Hall debate tabled by Henry Bellingham MP, which further raised the profile of the issues involved in the sale and keeping of wild animals as pets in the UK, and the work of Born Free.

Our core activity of investigating and campaigning on the keeping of animals in zoos continues unabated. Zoo site visits were undertaken by members of the team in a range of countries globally including India, Sri Lanka, Ethiopia and in many European countries. Following previous successes in exposing non-compliance in European zoos (The EU Zoo Inquiry), Born Free continues to seek improvements in EU zoo regulation. This has included consultation with competent authorities across the EU in order to develop capacity-building initiatives. In the UK, we have maintained our scrutiny on the implementation and effectiveness of the inspections and standards under Zoo Licensing Act 1981, and we continue to update our records on UK zoos – the most comprehensive in existence.

On the use of animals in global tourism, we have continued to provide objective guidance to travel businesses concerning the use of animals in tourism, including exclusive working agreements with STA Travel and ABTA, as well as assisting the Animals in Tourism specialists, Global Spirit. The welfare of animals in captivity across Asia continues to generate concern in the media and from tourists. Consequently, we have increased our efforts to expose and investigate zoos in the region, and participated in the Asia for Animals conference in Kuching, Malaysia, where we presented on our work investigating animal welfare in zoos worldwide and on the conservation claims of zoos.

Over the last twelve months, the Born Free Foundation has continued to put pressure on governments and decision-makers to bring an end to the use of wild animals in circuses, with a primary focus on the governments of the UK. During this period, a public consultation carried out in Scotland found 98% respondents supporting a complete ban on the use of wild animals in circuses. Meanwhile, Wales indicated its intention to take action by launching a consultation with experts, including various members of the Born Free team, to consider evidence in support of a ban on ethical grounds. Born Free met with officials in Northern Ireland and continued liaison with campaign partners in the Republic of Ireland. Unfortunately, and despite numerous repeated promises, the Westminster Government failed to deliver on its promise of a ban before the end of 2015.

Born Free remains committed to ending the use of captive cetaceans (whales, dolphins and porpoises) for entertainment purposes. This year, our focus has been on building the capacity of other NGOs through the coalitions Dolphinarium-Free Europe and the World Cetacean Alliance, in order to develop a consistent, coordinated approach to challenging the captive cetacean industry. Collaborative work has successfully ensured the issues have been discussed in the European Parliament, with influential Parliamentarians calling for an end to the exploitation. Members of the team are proud to have been invited to participate as expert advisors on the Whale Sanctuary Project, an initiative to develop a seaside sanctuary for captive cetaceans in North America which looks set to offer a viable alternative to life in captivity. The project is currently looking for suitable sites.

THE BORN FREE FOUNDATION LIMITED

STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2016

Our international conference, Compassionate Conservation 2015, co-funded with the Centre for Compassionate Conservation, brought together an impressive line-up of world-renowned scientists and experts from the fields of animal welfare and wildlife conservation at the University of British Columbia in Vancouver to discuss how and why conservation is evolving to adopt a more compassionate approach for the future. Born Free's work at the forefront of the compassionate conservation movement is widely recognised and we continue to push for greater recognition. The 4th Virginia McKenna Award for Compassionate Conservation, which provides support and recognition for practitioners and projects that promote and develop the consideration of animal welfare in conservation practice, was awarded to Neotropical Primate Conservation (NPC), a wildlife conservation and rescue organisation targeting the illegal wildlife trade in Peru. NPC also educates local communities about the pressures faced by wildlife from hunting, the dangers of keeping wild animals as pets, and illegal trafficking, while over the past nine years, it has organised and participated in the confiscation and rescue of more than 3,900 wild animals.

RESCUE & CARE

Following the implementation of Bulgaria's ban on wild animals in circuses in January 2015 and a subsequent request for help from the Ministry of Environment and Water in Bulgaria, Born Free rescued two lions, Jora and Black, from a circus in Bulgaria to a life of care in South Africa. The lions, who are brothers, had spent months confined to a barren circus trailer with no exercise cage, and Jora had compulsively sucked the end of Black's tail; sadly necessitating the amputation of the end of Black's tail once they were rescued. The lions are now thriving at Shamwari following their arrival in September 2015, bringing the total number of animals in care at the centres to 10 lions, six leopards plus two white lions rescued by Shamwari itself. There is on-going discussion regarding the possible merger of the two separate rescue centre sites at Shamwari.

In April 2015 former President of Ethiopia, Girma Wolde-Giorgis, joined Virginia McKenna OBE, to mark the official opening of the new visitor and education centre at Ensessakotteh, Wildlife Rescue, Conservation and Education Centre. The ceremony also celebrated the completion of an important new lion enclosure at the centre that will provide a natural and desperately needed refuge for rescued lions. The Centre has taken in a wide range of wild animals in the last year, including cheetah, hyaena, primates and birds of prey, some of whom can be rehabilitated for release, and is proving to be a much-needed resource in the region.

Three brown bear cubs, sisters Mollie and Georgia, and little Louisa, were found scavenging for food in Georgia after the floods in 2015. The cubs had been taken to a dog shelter in Georgia, where Louisa had to live alone as the shelter had neither the experience nor facilities to permit her to be integrated with Mollie and Georgia. Alongside our partners at The Mayhew Animal Home, a pet animal rescue charity, and following an appeal which raised £57k, Born Free was able to coordinate a transfer of the cubs to our friends at the Arcturos Bear Sanctuary in Greece. Kryiakos, our adopted bear already housed at Arcturos, and his twin brother Manolis, found as orphaned cubs in the wild, continue to do well.

In June 2015, vet John Knight visited the Lilongwe Wildlife Centre (LWC) to carry out detailed health checks on lions Bella and Simba under anaesthetic. 13 year old Bella was rescued from a Romanian zoo in March 2009 with skeletal deformities as a result of a poor early diet; while Simba was rescued from a French circus in Feb 2014 with a chronic weakness and reluctance for movement, and an ongoing purulent nasal discharge. X-rays showed Bella's arthritis was worsening; Simba's condition seemed more serious. Several abnormalities were found including signs of pneumonia, a prolapsed intervertebral disc in the lower neck with displaced vertebra, and changes to a hip strongly suggestive of cancer of the femur. Fortunately, sustained treatment with a combination of antibiotics cleared up the discharge and painkillers are keeping both lions comfortable and relatively active. A subsequent site visit in February 2016 by members of the Born Free team confirmed that both animals were doing as well as could be expected, and we continue to monitor their progress thanks to the efforts of the team at LWC.

Elsa, a lioness confiscated by the Italian authorities from a circus in 2015 along with several other animals, continues to be housed at the sanctuary in Italy and is doing well. Our ability to relocate her to Shamwari depends on the outcome of a court case; unfortunately, it will probably be the summer of 2017 at the earliest before the case is completed (it got underway in June 2015), as this case is complicated by the other animals in the confiscation, which will all be dealt with together. An enclosure for Elsa is on standby in Shamwari, in the continued hope she can be rescued.

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STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2016

The GRI-Zambia Primate Project (ZPP), set up by and with on-going critical support from Born Free, released a troop of 29 rescued vervet monkeys back to the wild this year. All had been rescued from illegal captivity in Zambia and are adapting well to a life of freedom in Kafue National Park. ZPP achieved Zambia's first arrest and prosecution for keeping a primate in captivity, sending out a strong signal via the Zambian media that stealing primates from the wild and keeping them as pets will no longer be tolerated.

Closer to home, we awarded three grants to UK wildlife projects: Folly Wildlife Rescue, to cover running costs for deer rescues; The Fox Project, towards the purchase of a new wildlife ambulance to cover a large part of Kent, South East London and East Sussex; and West Sussex Wildlife Protection, to purchase essential heating equipment for outside fox rehabilitation pens. Our in-house wildlife rehabilitation specialist, Tarnya Knight, rescued a total of 268 animals, and her rescue stories were used on social media and in the Wildlife Times. Her orphaned ducklings proved very popular with an appearance on Meridian TV, various local papers and 48 online links including The Telegraph and photos of the day in The Guardian in January 2016. Finally, hedgehogs that Tarnya had overwintered were all released in April.

Born Free's Bannerghatta Tiger Facility is now in its 14th year. After initially rehoming tigers rescued from poor captive conditions in Europe, it has moved its emphasis to taking in rescued 'conflict tigers' from India itself. Old age has claimed all but one of the tigers which were originally homed at the sanctuary, leaving Roque, a 17 year old rescued from a pet shop in Barcelona, Spain. The conflict tigers in the facility have been caught in the wild following a conflict incident such as killing cattle ('cattle lifters') or killing a person, and sadly face no prospect of returning to the wild. Born Free is therefore committed to giving these animals the best possible lifetime care. Due to the dangers they pose to humans, most conflict tigers in India are kept in indoor quarters. This year, plans were developed to further secure the facility's infrastructure so that its conflict tigers could become the first in India with permanent access to the outdoors.

WILDLIFE POLICY

Born Free's policy work continues to focus on multilateral environmental agreements, specifically CITES (Convention on International Trade in Endangered Species) and CMS (Convention on the Conservation of Migratory Species of Wild Animals), and European Union and UK wildlife policy and legislation.

The year began with Born Free organising and hosting an event and mini-conference at the European Parliament in April, aimed at persuading EU policy makers to develop an Action Plan Against Wildlife Trafficking. Following these efforts and subsequent meetings and submissions, the European Commission published its Communication containing a comprehensive draft EU Action Plan in February 2016, containing many of Born Free's suggested elements. Born Free will continue to work with the MEPs for Wildlife Group it helped create, as well as key contacts in the European Commission, Council and Member States, to push for the strongest protective measures when the Action Plan is finally adopted, hopefully before the end of 2016.

Born Free continues to play a key role in coordinating international animal protection NGO engagement with CITES through the Species Survival Network (SSN), with Will Travers maintaining his position as SSN President, and Born Free staff chairing and participating in SSN Working Groups on animals in captivity, elephants, rhinos, Asian big cats and pangolins, and chairing a lion NGO coalition.

A Born Free delegation attended both the 25th CITES Animals Committee meeting in September 2015 in Tel Aviv, Israel, and the 66th CITES Standing Committee meeting in January 2016 in Geneva, Switzerland. Born Free delegates actively participated in working groups on captive breeding, pangolins, rhinos, cheetahs, Asian big cats and elephants at these key meetings. Through these processes and by working directly with representatives of CITES Parties, Born Free helped to identify and develop important proposals to transfer African lions, pangolins, Barbary macaques and Appendix II Elephant populations to CITES Appendix I, and contributed to many other key submissions aimed at improving wildlife protection, which will be considered at the 17th Conference of the Parties to CITES due to take place in South Africa in September 2016.

Born Free also continues to liaise closely with the UK CITES authorities through the regular meetings of the Conservation Liaison Group of which Born Free is an active member.

Following the successful adoption of the Resolution on the Conservation and Management of the African Lion at CMS CoP11? in November 2014, Born Free co-financed a Review of Lion Conservation Strategies, which was conducted by Dr Hans Bauer and presented by Born Free to CMS delegates at the Standing Committee in Bonn in November 2015. As

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STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2016

a result, the CMS Secretariat undertook to convene an African Lion Range State meeting in spring 2016 to discuss collaborative conservation strategies for African lions, and to progress with the listing of lions on the CMS appendices.

In the UK, Born Free has consolidated its policy work principally through its membership of Wildlife and Countryside Link ('Link'), a coalition of 45 British voluntary organisations concerned with the conservation and protection of wildlife and the countryside. Born Free now chairs Link's Wildlife Crime and Trade Working Group through which it is progressing efforts to increase wildlife crime recording, improve sentencing guidelines for wildlife crimes, encourage stronger wildlife protection legislation, and collectively liaise with the UK police, Border Agency, judicial bodies, Home Office and CITES authorities. Through the Link Crime and Trade Working Group and in its own name, Born Free helped to secure long-term government funding for the UK National Wildlife Crime Unit, which was announced in March 2016. Born Free also participates in Link's Animal Welfare Strategy Group, and helps direct Link's strategic direction through its policy directors' forum.

Born Free continues to lobby against the unjustified, ineffective and inhumane culling of badgers in England, through its close association with the Badger Trust and wider organisations within the Team Badger coalition. Born Free has taken on the specific role of liaising with veterinary authorities, as well as supporting and speaking at public meetings and peaceful protests on the issue. In addition, Born Free continues to work with industry, government, retailers, researchers and other NGOs to eliminate the shooting of seals by aquaculture and fisheries interests in Scotland, through its membership of the Salmon Aquaculture and Seals Working Group.

At the very end of the financial year, Born Free was awaiting news on our International Union for the Conservation of Nature (IUCN) membership application. Our successful application was formally announced in mid-April 2016.

MARKETING

2015-16 was a successful year for the marketing department as we recorded some of our best financial results in the past 10 years. These positive results have allowed the charity to grow our supporter base, engage with more individuals, invest in field work and raise awareness of a number of Born Free projects.

Following the successful integration of our new CRM (Raiser's Edge) and the merger with Care for the Wild, our supporter development has gone from strength to strength. Across the key six supporter development areas (Adoption, Appeals, Donations, Membership, Merchandise & Raffle), we saw an increase in donor activity of 7%, taking our active supporter base from 31589 to 33867 (an increase of 2278 supporters).

In addition to our growing supporter base, loyalty amongst our donors continues to strengthen, as our retention rates hit 65% in 2015-16. A large part of this retention can be attributed to our strong direct debit strategy.

Our supporter engagement excelled last year as we continued to produce an excellent range of world-class publications including a triannual Wildlife Times magazine sent to 8,000 members, donors, corporates and business friends; a bi-annual Adopt magazine sent to 18,000 adopters; a monthly Born Free-mail enews sent to 59,000 electronic supporters; and a monthly Crew News children's emagazine. Fundraising literature included three major appeals sent to 30,000 supporters, focusing on ape conservation; the Jora & Black lion rescue; and the bear cub rescue; while two 'mini' appeals raised funds for marine turtle conservation and a new aviary at our Ethiopian rescue centre. Also three raffles raised funds for Ethiopian wolves, lion conservation and UK wildlife rescue. Other literature included an annual legacy mailing, supporter leaflets, reanimation mailings, adverts, posters, fundraising packs, merchandise catalogue, plus campaign literature and reports.

Born Free's presence online and on social media has again proved extremely valuable to engage supporters and raise awareness of Born Free projects. Last year saw over 1.1m visitors to the Born Free website, generating over 2.9m page views. We also reached record numbers through social media with over 250,000 followers on Facebook and 70,000 on twitter. Social media is now starting to generate income for Born Free and will continue to play a significant role in our marketing strategy going forward.

The support of our valuable fundraisers continued this year, as we saw increased numbers in our 'Run Wild' teams in the Brighton and London Marathons and other local runs. There were also additional activities in 2015/16 including a Kuoni HQ fundraising walk and the Walk for Elsa.

THE BORN FREE FOUNDATION LIMITED

STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2016

There were a number of high-profile events in 2015/16, including, Pride in the Park (Derby), Elephantastic (Horsham), Special Service for Animals (St James' Church London), Screening of Blood Lions (RGS) and Out of Africa (Stamford). These events played a key role in educating the public about key issues and allowed Born Free to generate funds to support core projects. All of the events in 2015-16 were warmly received by the attendees.

The area of corporate partnership development has had an exciting year, with many new potential high value collaborations and recent additions successfully embedded. The Land Rover relationship has been of notable success following the successful partnership review in which the annual funding was allocated for 16/17. Two highlights were the engagement of JLR staff in a number of fundraising activities in the UK under the Kenya Do It initiative which raised funds to purchase a brand new LR Discovery vehicle for UK deployment.

This year has also seen exciting new partnerships developing with travel corporates including Etihad, with whom we have secured free flights, donation of air miles and sale of our Elsa bracelets in the in-flight magazine. The partnership with the Taj Hotels group has expanded since the launch earlier this year and the hotel has extended its support of the Foundation to their associated companies including the Bombay Brasserie and Greaves Travel, with whom we have developed a partnered India holiday.

PUBLIC RELATIONS

This is a critical time for Born Free in the perilous race to save the world's wildlife. As numbers continue to crash across continents and oceans, international governments and politicians often appear on the back foot and unable to force the pace of change needed to stop this impending catastrophe.

The role of the world's media has never been more vital: reporting these stories with vigour, and positioning wild animal issues high on their news agenda. Born Free works hard to promote this high level of media coverage in our bid to save threatened wildlife around the world.

Our legacy and heritage has been a strong focus this year, with the 50th Anniversary of the film 'Born Free'. This iconic movie, starring Virginia McKenna and Bill Travers, received a special screening in the principality of Monaco with His Serene Highness Prince Albert of Monaco II in attendance. This honour has been a highlight of our year.

We are all part of a new and exciting era where a breaking news story like the tragedy of Cecil the lion, brutally taken down in his prime, can create a media maelstrom that challenges the ethics of our modern connected global society, leading to a momentous public outcry of grief and sorrow. These mass public statements reinforce our knowledge that the public appetite is there and hungry for wildlife conservation and animal welfare. Born Free leads the way with its stance on compassionate conservation and the individual animal at the heart of every story.

The media is a powerful and influential tool for telling our story. At Born Free we have the capacity and ability to influence, and project, global news stories across the spectrum of news, current affairs, documentary and opinion. Backed by a growing team of informed experts and scientists we are qualified and able to promote progressive and compassionate wildlife management, and to challenge the status quo where it fails.

This year Born Free has featured in thousands of media articles: from the broadsheets and journals, such as the Times, the Telegraph, New Scientist, the Mail on Sunday, Times of India, BBC Wildlife Magazine - to broadcast media, including CCN, BBC, Sky and Discovery. Some of our most memorable stories and events included:

- The exciting auction of the Land Rover Defender at Bonhams Auction House in London, with Virginia McKenna, Will Travers and Joanna Lumley. This travelled widely as a good news story.
- Rescuing the three bears in Georgia that were caught up in the terrible floods in Tbilisi made international news.
- Discovering the 'Lost Lions of Africa' in the Alataash region of Ethiopia, was a worldwide news story
- Rescuing the two lions from Bulgaria and their story made international headlines
- Launching a new partnership with Taj Hotels Palaces and Resorts

THE BORN FREE FOUNDATION LIMITED

STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2016

- Seeing our wonderful celebrity supporters, from Gary Lineker and his son Harry, along with much-loved comedian Vic Reeves raise funds for us on prime-time panel game shows, to Nick Knowles and Peter Andre paying tribute to Born Free on the BBC One Show.
- Will Travers responding as the first spokesperson to the speech by HRH Duke of Cambridge on live news, as the Prince spoke about the trade in ivory in China
- The BBC Travel Show visiting Meru, the heartlands of Born Free, and telling our story.

Along with established partnerships such as Land Rover, new and exciting ones have been developed with the Taj Hotels, Palaces & Resorts and international airline carriers such as Etihad. These will spread Born Free's compelling story across the globe and into territories in India, Asia and the Middle East. Through their media portals and outreach we speak to ever more people and connect them to their wildlife.

Our ambitions in this new age of conservation and welfare never exhaust or tire. They are fired up and fuelled by the animals and communities we serve. Born Free makes no apologies for pushing our name out there, taking responsibility, and being in the spotlight. Because, if you are reading, listening to, or watching us, you too might be making that difference needed to change the world and save our fragile wildlife.

SUPPORTER SERVICES & ADMINISTRATION

The supporter services and administration team has continued to provide customer facing assistance in a timely and efficient manner throughout the year, working closely with the Marketing department on activities such as appeals and updating memberships and adoptions. The team has continued to expand their knowledge of our CRM system Raiser's Edge, through ongoing training and continued shared experience.

With the successful integration of the Care For The Wild staff into Broadlands the former head office of this charity was sold to a local free church who plan to use it for conventions and prayer meetings.

In collaboration with Survey Solutions, an employee engagement company based in Twickenham, The Born Free Foundation ran a survey of all employees to measure staff satisfaction, listen to their views, and understand what motivates them and what they feel Born Free could do better. The result was a wide ranging report which the Trustees are using as a basis for organisational strategy in the future.

Broadlands Business Campus was sold by its owners to Praxis, a property maintenance company as part of a portfolio totalling £64M. Praxis has instigated an intensive programme of maintenance and repair to the fabric and structure of the buildings at Broadlands, as well as renewing the signage at the campus.

FINANCIAL REVIEW

Our income for 2015/16 at £6.6m was the highest in the charity's history. £3m (45%) of this income was derived from legacies, a far larger contribution than in previous years. Non-legacy income also performed especially well and was the second highest it has been over the last ten years, with donations and adoptions contributing significantly. There was a useful windfall from the sale of the former Care for the Wild premises (a profit of £132k).

As a consequence of our strong revenue performance, we increased our expenditure devoted to charitable activities by 17% to £3.4m (an additional £500k), but with total expenditure only reaching £4.5m we still ended the year with a significant operating surplus of £2.1m. Full details of project expenditure are set out in the Statement of Financial Activities and in the Strategic Report (Achievements and Performance).

Despite disappointing losses from a difficult year for our investments (£199k) and adverse foreign exchange movements (£10k) the large operating surplus pushed our closing net assets to a record £7.9m, and our unrestricted reserves now stand at £7.4m, higher than the circa. £4.5m which had previously been deemed appropriate with regard to our significant

THE BORN FREE FOUNDATION LIMITED

STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2016

long-term obligations (e.g. for animals in sanctuaries). The review of these obligations is ongoing, but already planned levels of charitable expenditure have been increased for the year 2016/7 where this has been deemed prudent.

Our investment portfolio is valued at £3.6m and is under the control of three investment managers. The performance of these managers is monitored against individual benchmarks reflecting our asset allocation policy, and reviewed to ensure the application of our ethical criteria. We accept that these criteria may mean that gains are not always maximised (we will not, for example, invest in businesses associated with animal testing or that cause significant environmental damage), but our aim is to achieve a better return than we could through simply using cash deposits.

Care for the Wild which merged with Born Free last year has now been formally de-registered as an independent charity with the Charity Commission, the offices have been sold and all operations have been integrated with those of Born Free.

PLANS FOR THE FUTURE

2016/17 Strategic Objectives
Ensessakoteh, Ethiopia: Continue to upgrade animal care facilities with a view to attaining GFAS (Global Federation of Animal Sanctuaries) Standards.
Global Website: Create a new global website representing the best of Born Free around the world.
CITES: Develop plans for attending CITES (Convention on the International Trade in Endangered Species of Wild Fauna and Flora) and promoting Born Free's precautionary agenda on key wildlife trade issues including: ivory trade, rhino horn trade, lion conservation, trophy hunting and pangolin scale trade.
Supporters and donors: Develop and launch new initiatives to enhance our relationship with supporters and donors.
Grants: Hire a specific grant-writing officer to increase our ability to access resources available from grant-making trusts and foundations.
Review of EU Zoos: Carry out investigations and publish a further report in the EU Zoo Enquiry series, evaluating the application of the EU Zoo's Directive at national level, exposing ongoing deficiencies in meeting effective minimum standards.
Circus campaigns: Seek to draw to a conclusion our 20 year campaign to end the use of wild animals in UK circuses and to expand the campaign into other territories.
Internal restructuring: To carry out a number of restructuring activities to take advantage of the wealth of experience and expertise that resides in Born Free.
UK portfolio: Enhance our current UK wildlife portfolio and our influence on UK-related wildlife protection policy.
Overseas entities: Upgrade the capacity of our overseas entities in Kenya, Ethiopia, Sri Lanka and South Africa.
Board development: Create opportunities for sharing experience and expertise at Board level both at Born Free Foundation and Born Free USA.

THE BORN FREE FOUNDATION LIMITED

RISK MANAGEMENT

FOR THE YEAR ENDED 31 MARCH 2016

Our philosophy on risk management is well-established and has been steadily refined. We have a formal policy and processes. A Risks Register is maintained and the assessment of risks on the register is documented and rated in terms of likelihood of occurrence and the potential impact.

The whole situation is reviewed annually by a Risk Management Working Group which is a sub-set of the Finance and General Purposes Committee and includes members of the Board and the executive, including the Operations Manager.

The more significant risks identified by the charity are as follows:

1. Loss of CEO (excluding by resignation/retirement)
Mitigation: No exceptionally high-risk activities. Trustees' key person policy in place.
2. Loss of other key staff
Mitigation: Active process of staff retention in place. Notice period allows for handover. Master contracts register provides some continuity of knowledge and is being upgraded (2016/17)
3. Ultra vires activity.
Mitigation: Trustees to continue to receive regular reports on planned and active projects.
4. Serious interruptions to facilities at Broadlands Business Campus.
Mitigation: Simple but effective disaster recovery plan adopted including off-site data back-up plan.
5. Major Information Technology failure.
Mitigation: Robust IT equipment and redundancy and replacement programme as part of IT Strategy.
6. Theft of confidential data
Mitigation: New Data Protection Policy reflecting latest ICO guidance. IP system Firewalls and Anti-Virus software installed and updated regularly.
7. Destruction of confidential data.
Mitigation: New Data Protection Policy reflecting latest ICO guidance. All confidential data backed up regularly and stored in line with ICO policy.
8. Staff workload Imbalance.
Mitigation. Monitoring of staff built into annual planning and APR process. Standing item for Finance and General Purposes Committee.
9. Major Political or environmental problems or civil unrest resulting in substantial impact on important project.
Mitigation: Maintain strategic Reserve to enable significant funds to be applied to disaster recovery. Mitigation actions identified and discussed with Senior Staff.
10. Major damage to brand through programme failure, key staff impropriety or major mis-management.
Mitigation. Seek specialist input from in-House PR and external consultants.
11. Civil action against charity for libel or damages up to £150,000
Mitigation: Specialist insurance in place. Strategic reserve at a sufficient level to cover. Retention of specialist lawyers. Risk analysis and risk mitigation processes deployed when developing projects.
12. Civil action of charity libel up to £5m
Mitigation specialist insurance in place. Cover up to £50m. Retention of specialist lawyers. Risk analysis and risk mitigation processes deployed when developing projects.
13. Loss of Data Controller licence.
Mitigation. Prevent egregious or persistent breaches of DPA
14. Major charity of other legal or tax compliance breach.
Mitigation: Complex regulation. Regular reviews with auditors.

THE BORN FREE FOUNDATION LIMITED

RESERVES POLICY

FOR THE YEAR ENDED 31 MARCH 2016

In line with the decision made by the Trustees some years ago, the Foundation retains reserves at a level designed to address any unforeseen circumstances, provide secure lifetime care for all the animals in its care, to even out any temporary fluctuations in income and to mitigate the impact of measures beyond its control that could reduce the predicted inflow of funds, for example, a loss in public confidence, economic downturn, change in global security, etc.

Based on advice from the CEO, in discussion with the Finance Director, and in light of increased commitments to live animals cared for by the Foundation and its representatives, particularly in Ethiopia, we have agreed that the level of core, retained reserves be set at £5 million.

Further, an active process of 'investing in our future' has been started which will incorporate suggestions made by senior members of the Born Free team to improve our service to wild animals in need, increase our capacity for the future and further build our support base.

Finally, a designated fund will be established to address some longer-term strategic objectives aimed, in particular, at providing greater security and stability to some of our projects.

The aim of these last two activities would be to, over the next 2-3 years, reduce the current reserve by slightly more than £2 million, thus achieving the Board's target of retaining £5 million in the reserve in real terms, benchmarked as of September 2016.

THE BORN FREE FOUNDATION LIMITED

REMUNERATION OF KEY MANAGEMENT PERSONNEL

FOR THE YEAR ENDED 31 MARCH 2016

The Foundation has a clear Remuneration Policy overseen by a Remunerations Committee comprising members of the Trustees, including the Chair, with input from the CEO. The remunerations process involves Charity Sector benchmarked salary analysis, consideration of Cost of Living increments, consideration of salary increases reflecting changes in roles and responsibilities, and the consideration of any annual bonuses based on merit. It is proposed that the Charity Sector benchmarking process is carried out every four years (next in FY2017/18).

THE BORN FREE FOUNDATION LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2016

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, for 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 a 'going concern' basis unless it is inappropriate to presume that the company will continue its operations.

2006 and the regulations under the Charities Act 2011. 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 21 September 2016 and signed on their behalf by

Kirsty Semple
Secretary

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BORN FREE FOUNDATION LIMITED

We have audited the financial statements of The Born Free Foundation for the year ended 31 March 2016 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities Statement in the Trustees' Report, the trustees (who are also the directors of the 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.

We have been appointed auditor under the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2016 and of the group's and the parent charitable company's incoming resources and application of resources, including the group's and the parent 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 matter prescribed by the Companies Act 2006

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

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:

- the parent charitable company has not kept adequate and sufficient accounting records, 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.

**Murtaza Jessa, Senior Statutory Auditor
for and on behalf of haysmacintyre, Statutory Auditors**

**26 Red lion Square
London
WC1R 4AG**

Dated 21 September 2016

haysmacintyre is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE BORN FREE FOUNDATION LIMITED

GROUP STATEMENTS OF FINANCIAL ACTIVITIES

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

FOR THE YEAR ENDED 31 MARCH 2016

	Note	Unrestricted Funds £	Restricted Funds £	2016 £	2015 £
INCOME FROM:					
<i>Donations and legacies:</i>					
Donations	4	1,489,332	375,375	1,864,707	1,438,190
Legacies	4	2,832,356	170,000	3,002,356	883,647
Gift aid received		111,342	-	111,342	157,951
Membership base subscription		102,997	-	102,997	102,245
Membership subscriptions to specific projects	4	1	147,718	147,719	121,168
Adoptions	4	14,171	559,609	573,780	411,035
<i>Other trading activities:</i>					
Events, lotteries and other activities		369,800	-	369,800	431,976
Trading income of subsidiary undertaking	14	135,373	-	135,373	118,004
<i>Investment income</i>	3	109,009	-	109,009	88,537
<i>Other Income:</i>					
Royalties		21,805	-	21,805	11,898
Gains on disposal of fixed assets		131,443	-	131,443	-
Other operating income		36,255	-	36,255	19,907
Total income		5,353,884	1,252,702	6,606,586	3,784,558
EXPENDITURE ON:					
<i>Raising funds:</i>					
Donations		118,343	-	118,343	101,244
Legacies		13,519	-	13,519	9,521
Membership subscriptions		105,317	-	105,317	106,054
Fundraising and publicity		745,819	-	745,819	812,480
Cost of subsidiary trading company		111,411	-	111,411	91,733
Investment management costs		28,641	-	28,641	25,483
<i>Charitable activities:</i>					
Zoocheck		5,850	339,191	345,041	298,509
Elephants		1,406	264,063	265,469	247,400
Bears		56	16,178	16,234	31,630
Wolves		937	230,459	231,396	47,506
Big cats		6,356	1,052,048	1,058,404	904,344
Primates		2,708	361,425	364,133	271,009
Marine		406	63,241	63,647	58,363
Information services and education		2,967	544,591	547,558	532,559
Other projects		3,559	494,727	498,286	499,149
<i>Other expenditure:</i>					
Taxation	7	-	-	-	160
Total expenditure	5	1,147,295	3,365,923	4,513,218	4,037,144

THE BORN FREE FOUNDATION LIMITED

GROUP STATEMENTS OF FINANCIAL ACTIVITIES (continued)
(Incorporating the Income & Expenditure Account and the Statement of Total Recognised Gains and Losses)

FOR THE YEAR ENDED 31 MARCH 2016

	Note	Unrestricted Funds £	Restricted Funds £	2016 £	2015 £
Net income/ (expenditure) before gains/ (losses) on investment assets		4,206,589	(2,113,221)	2,093,368	(252,586)
Gains/ (losses) on investment assets		(198,556)	-	(198,556)	315,704
Net income/ (expenditure) before transfers	2	4,008,033	(2,113,221)	1,894,812	63,118
Transfers between funds	21,22	(2,282,891)	2,282,891	-	-
Net income/ (expenditure) for the year		1,725,142	169,670	1,894,812	63,118
Net assets transferred from merger	14	-	-	-	1,294,178
Foreign exchange differences on restatement of foreign currency opening reserves		(10,246)	-	(10,246)	6,954
Net movement in funds		1,714,896	169,670	1,884,566	1,364,250
Funds at 1 April 2015		5,710,310	260,778	5,971,088	4,606,838
Funds at 31 March 2016	19	7,425,206	430,448	7,855,654	5,971,088

All of the charitable group's activities are continuing.

There were no other recognised gains and losses other than those stated above.

The accompanying notes form part of these accounts.

GROUP BALANCE SHEET

AS AT 31 MARCH 2016

	Note	2016		2015	
		£	£	£	£
FIXED ASSETS					
Intangible fixed assets	9		1		1
Tangible fixed assets	10		827,611		1,194,396
Investment property	11		175,000		175,000
Investments	12		3,586,574		3,717,989
			<u>4,589,186</u>		<u>5,087,386</u>
CURRENT ASSETS					
Stocks		17,266		24,883	
Debtors	15	820,907		431,961	
Cash at bank and in hand		3,029,565		951,441	
		<u>3,867,738</u>		<u>1,408,285</u>	
CREDITORS : amounts falling due within one year	16	(269,946)		(230,623)	
		<u>3,867,738</u>		<u>1,408,285</u>	
NET CURRENT ASSETS			<u>3,597,792</u>		<u>1,177,662</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,186,978</u>		<u>6,265,048</u>
Provision for liabilities	17		(331,324)		(293,960)
NET ASSETS			<u>7,855,654</u>		<u>5,971,088</u>
FUNDS OF THE GROUP:					
Unrestricted funds					
General			7,425,189		5,710,293
Minority interests			17		17
	22		<u>7,425,206</u>		<u>5,710,310</u>
Restricted funds	21		430,448		260,778
			<u>7,855,654</u>		<u>5,971,088</u>

The financial statements were approved and authorised for issue by the Trustees on 21 September 2016 and were signed on their behalf by:

Michael Reyner
Trustee

The accompanying notes form part of these accounts.

COMPANY BALANCE SHEET

AS AT 31 MARCH 2016

	Note	2016		2015	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	10		827,423		785,514
Investments	12		3,586,574		3,033,093
Investment property	11		175,000		175,000
Investment in subsidiary	13		-		2
			<u>4,588,997</u>		<u>3,993,609</u>
CURRENT ASSETS					
Debtors	15	816,317		416,907	
Cash at bank and in hand		2,975,952		705,427	
			<u>3,792,269</u>		<u>1,122,334</u>
CREDITORS: amounts falling due within one year	16	(251,558)		(117,490)	
			<u>3,540,711</u>		<u>1,004,844</u>
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>8,129,708</u>		<u>4,998,453</u>
Provision for liabilities	17		(331,324)		(293,960)
			<u>7,798,384</u>		<u>4,704,493</u>
FUNDS OF THE CHARITY:					
Unrestricted funds	22		7,367,936		4,587,889
Restricted funds	21		430,448		116,604
			<u>7,798,384</u>		<u>4,704,493</u>

The financial statements were approved and authorised for issue by the Trustees on 21 September 2016 and were signed on their behalf by:

Michael Reyner
Trustee

The accompanying notes form part of these accounts.

THE BORN FREE FOUNDATION LIMITED

GROUP CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2016

	2016	2015
	£	£
Net income for the reporting period	1,894,812	63,118
Adjustments for:		
Taxation	-	(160)
Depreciation	140,913	112,275
Losses/(gains) on investments	198,556	(315,704)
(Profit)/loss on sale of fixed assets	(131,443)	-
Decrease/(increase) in stock	7,617	(3,724)
(Increase)/decrease in debtors	(388,946)	(125,766)
Increase/(decrease) in creditors	39,323	31,012
(Decrease)/increase in provisions	37,364	(16,013)
Dividends and interest from investments	(109,009)	(88,537)
Acquired on merger	-	1,294,178
Exchange adjustments in tangible fixed assets	7,548	(2,030)
Foreign currency opening reserves	(10,246)	6,954
Net cash provided by/(used in) operating activities	<u>1,686,489</u>	<u>955,603</u>
Cash flow from investing activities:		
Dividends and interest from investments	109,009	88,537
Purchase of tangible fixed assets	(188,445)	(445,935)
Purchase of investments	(2,315,140)	(341,017)
Proceeds from the sale of fixed assets	538,212	-
Proceeds from the sale of investments	2,247,999	288,864
Taxation	-	160
Investments obtained on acquisition of subsidiary	-	(664,666)
Tangible fixed assets obtained on acquisition of subsidiary	-	(410,297)
Net cash provided by/(used in) investing activities	<u>391,635</u>	<u>(1,484,354)</u>
Change in cash and cash equivalents in the reporting period	2,078,124	(528,751)
Changes in cash and cash equivalents at the beginning of the period	951,441	1,480,192
Cash and cash equivalents at the end of the period	<u><u>3,029,565</u></u>	<u><u>951,441</u></u>
Analysis of cash and cash equivalents	Balance at	Balance at
	31 March 2016	31 March 2015
	£	£
Cash in hand	2,501,676	620,979
Notice deposits	527,889	330,462
	<u><u>3,029,565</u></u>	<u><u>951,441</u></u>

THE BORN FREE FOUNDATION LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with 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) (effective 1 January 2015) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

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.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No restatement has been required in making the transition to FRS 102 and the Charities SORP FRS 102.

Preparation of accounts on a going concern basis

The trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

Income

All income including donations are recognised once the charity has entitlement to the income, it is probable that income will be received and the amount of income receivable can be measured with reasonable accuracy. The following specific policies apply to categories of income:

Legacies, donations and gifts are recognised when receivable or it becomes probable that they will be received and the value can be measured with sufficient reliability. Membership and adoption income is recognised in the financial statements when it is received.

Income from investment: Income from investment is recognised in the financial statements when it is receivable.

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.

Expenditure

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.

Expenditure on raising funds represents the costs of fundraising and general publicity for the Foundation and includes the salaries and other direct costs of fundraising and publicity staff together with an allocation of support costs.

Expenditure on charitable activities include the costs of conservation and preservation of animals undertaken to further the purposes of the charity and their associated support costs.

THE BORN FREE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

Expenditure (continued)

Support costs, which assist the work of the charity but are not directly attributable to any specific activity are allocated across the categories of expenditure for raising funds and charitable activities. The basis of the cost allocation has been explained in note 6 to the financial statements. Governance costs which are included in support costs are those costs associated with the governance arrangements of the Foundation and includes costs associated with the strategic management of the Foundation's activities.

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 in the course of construction are not depreciated until they are completed.

Freehold property	50 years straight line
Leasehold premises	20 years straight line
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

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 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.

Cash and bank

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity and group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Fund accounting

Funds held by the charity and group are either:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

THE BORN FREE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2016

1. ACCOUNTING POLICIES (continued)

Value added tax

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

Leased assets

All 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. The Trust has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

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 INCOME BEFORE TRANSFERS	2016 £	2015 £
Depreciation	140,913	112,276
Auditor's remuneration - audit fees (inc CftW: £8,000(2015: £10,800))	26,600	28,360
- other fees (inc merger related due diligence)	950	12,800
Costs of branch audit	1,677	1,241
	<u>170,140</u>	<u>154,677</u>

3. INCOME FROM INVESTMENTS	Unrestricted funds £	Restricted funds £	2016 £	2015 £
Dividend income	108,081	-	108,081	83,333
Interest received	928	-	928	5,204
	<u>109,009</u>	<u>-</u>	<u>109,009</u>	<u>88,537</u>

THE BORN FREE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2016

4. RESTRICTED INCOME

	Donations/ Legacies £	Member Plus Contributions £	Adoptions £	2016 £	2015 £
Zoocheck	12,012	18,180	-	30,192	45,161
Elephants	215,309	25,902	166,471	407,682	208,951
Bears	7,080	14,970	44,134	66,184	44,925
Wolves	12,307	11,906	12,154	36,367	42,597
Big cats	225,897	39,362	218,415	483,674	254,787
Primates	41,208	15,327	46,523	103,058	78,773
Marine	9,515	12,457	29,312	51,284	37,150
Information services and education	5,857	9,554	-	15,411	15,057
Other projects	16,190	60	42,600	58,850	33,719
	<u>545,375</u>	<u>147,718</u>	<u>559,609</u>	<u>1,252,702</u>	<u>761,120</u>

5. EXPENDITURE

	Grant Funding Activities £	Activities Undertaken Directly £	Support Costs £	2016 £	2015 £
Raising funds					
Donations	-	53,093	65,250	118,343	101,244
Legacies	-	8,848	4,671	13,519	9,521
Membership subscriptions	-	56,607	48,710	105,317	106,054
Fundraising and publicity	-	627,238	118,581	745,819	812,480
Cost of subsidiary trading company	-	100,097	11,314	111,411	91,733
Investment management costs	-	28,641	-	28,641	25,483
Charitable activities					
Zoocheck	4,462	280,957	59,622	345,041	298,509
Elephants	114,437	99,736	51,296	265,469	247,400
Bears	12,194	2,025	2,015	16,234	31,630
Wolves	180,600	34,292	16,504	231,396	47,506
Big cats	307,066	420,815	330,523	1,058,404	904,344
Primates	217,081	106,777	40,275	364,133	271,009
Marine	40,408	14,324	8,915	63,647	58,363
Information services and education	28,770	284,554	234,234	547,558	532,559
Other projects	166,037	275,726	56,523	498,286	499,149
Taxation	-	-	-	-	160
	<u>1,071,055</u>	<u>2,393,730</u>	<u>1,048,433</u>	<u>4,513,218</u>	<u>4,037,144</u>

THE BORN FREE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2016

5. EXPENDITURE (continued)

Included within grants funding of activities are grants to individuals of £14,257 (2015: £13,003). All remaining grants were made to institutions. £173,115 (2015: £161,598) was paid to Oxford University including £85,000 (2015: £82,500) for Ethiopian Wolf Conservation. There is a remaining commitment of £314,845 (2015: £293,960) to fund the Bill Travers Chair, Ethiopian Wolf Conservation and the Central Africa Lion Project.

6. ANALYSIS OF SUPPORT COSTS

	Property	General support Salaries	Finance, IT and general office costs	Other support and governance costs	2016	2015
	£	£	£	£	£	£
Expenditure on:						
Raising funds						
Donations	2,032	23,063	36,690	3,465	65,250	51,280
Legacies	45	-	2,204	2,422	4,671	1,931
Membership subscriptions	2,472	27,322	17,059	1,857	48,710	50,966
Fundraising and publicity	4,070	44,459	62,447	7,605	118,581	130,550
Cost of subsidiary trading company	479	7,674	2,799	362	11,314	11,053
Charitable activities						
Zoocheck	644	6,870	46,229	5,879	59,622	55,391
Elephants	1,194	22,539	16,088	11,475	51,296	49,141
Bears	47	454	1,407	107	2,015	2,222
Wolves	780	7,581	7,171	972	16,504	17,868
Big cats	4,636	151,793	66,979	107,115	330,523	237,753
Primates	1,376	13,976	22,130	2,793	40,275	40,480
Marine	362	4,127	3,974	452	8,915	9,471
Information services and education	4,256	170,620	24,161	35,197	234,234	219,545
Other projects	2,202	21,613	28,961	3,747	56,523	58,018
Total support costs	24,595	502,091	338,299	183,448	1,048,433	935,669

Support costs have been allocated based on estimated staff time spent on the activities of the Foundation. Included in Other support costs are Governance Costs of £35,877 (2015: £51,026).

Governance costs include:

External audit	34,137	29,601
Internal staff costs	1,740	21,425
	<u>35,877</u>	<u>51,026</u>

7. 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 £Nil (2015: £160) is due by Born Free Trading Limited, a wholly owned subsidiary.

THE BORN FREE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2016

8. TRUSTEES, DIRECTORS AND EMPLOYEES

	2016	2015
	£	£
Staff costs were as follows:		
Wages and salaries	1,462,617	1,305,792
Social security costs	115,392	107,032
Pension costs	59,458	50,640
	<u>1,637,467</u>	<u>1,463,464</u>

The Trustees' remuneration was £Nil (2015: £Nil).

1 Trustee (2015: 2 Trustees) received reimbursement for travel and subsistence expenses amounting to £1,517 (2015: £526).

2 Employees' emoluments for the year exceeded £60,000(2015: 2):

	2016	2015
	Number	Number
£60,001 - £70,000	<u>2</u>	<u>2</u>

The total employee benefits of the key management personnel of the charity and group was £435,653 (2015: £486,945).

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

	2016	2015
	Number	Number
Charitable projects	24	20
Information services and education	4	4
Fundraising and publicity	8	9
Member and support services	5	5
Governance	-	1
Kenya branch	16	16
Ethiopia branch	4	5
Unpaid part time volunteers	5	6
	<u>66</u>	<u>66</u>

Of the non-voluntary staff, 9 (2015:10) 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 2016 they numbered 44 (2015: 38).

9. INTANGIBLE FIXED ASSETS

	Group	Company
	£	£
Costs - film rights:		
Net book value at 31 March 2016	<u>1</u>	<u>-</u>
Net book value at 31 March 2015	<u>1</u>	<u>-</u>

THE BORN FREE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2016

10. TANGIBLE FIXED ASSETS

GROUP	Asset in the course of construction £	Freehold property £	Leasehold premises £	Plant and office equipment £	Educational and fundraising £	Furniture and equipment £	Computer equipment £	Total £
Cost								
At 1 April 2015	339,818	443,202	126,481	202,318	377,452	57,938	204,641	1,751,850
Additions	60,945	-	-	3,915	16,779	1,713	105,093	188,445
Disposals	-	(443,202)	-	(106,792)	-	-	(19,749)	(569,743)
Exchange adj	-	-	-	(399)	(12,732)	(871)	(800)	(14,802)
At 31 March 2016	400,763	-	126,481	99,042	381,499	58,780	289,185	1,355,750
Depreciation								
At 1 April 2015	-	37,180	9,649	177,081	175,600	43,651	114,293	557,454
Charge for the year	-	-	11,410	7,901	52,993	3,896	64,713	140,913
Disposals	-	(37,180)	-	(106,045)	-	-	(19,749)	(162,974)
Exchange adj	-	-	-	(197)	(6,073)	(455)	(529)	(7,254)
At 31 March 2016	-	-	21,059	78,740	222,520	47,092	158,728	528,139
Net book value								
At 31 March 2016	400,763	-	105,422	20,302	158,979	11,688	130,457	827,611
At 31 March 2015	339,818	406,022	116,832	25,237	201,852	14,287	90,348	1,194,396
COMPANY								
Cost								
At 1 April 2015	339,818	-	126,481	89,620	377,452	57,138	203,929	1,194,438
Transfer from merger	-	-	-	3,389	-	-	-	3,389
Additions	60,945	-	-	3,915	16,779	1,713	105,092	188,444
Disposals	-	-	-	-	-	-	(19,749)	(19,749)
Exchange adj	-	-	-	(399)	(12,731)	(871)	(800)	(14,801)
At 31 March 2016	400,763	-	126,481	96,525	381,500	57,980	288,472	1,351,721
Depreciation								
At 1 April 2015	-	-	9,649	67,160	175,600	42,885	113,630	408,924
Transfer from merger	-	-	-	1,528	-	-	-	1,528
Charge for the year	-	-	11,410	7,858	52,993	3,887	64,701	140,849
Disposals	-	-	-	-	-	-	(19,749)	(19,749)
Exchange adj	-	-	-	(196)	(6,074)	(455)	(529)	(7,254)
At 31 March 2016	-	-	21,059	76,350	222,519	46,317	158,053	524,298
Net book value								
At 31 March 2016	400,763	-	105,422	20,175	158,981	11,663	130,419	827,423
At 31 March 2015	339,818	-	116,832	22,460	201,852	14,253	90,299	785,514

THE BORN FREE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2016

11. INVESTMENT PROPERTY

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Investment property	175,000	175,000	175,000	175,000

The freehold investment property was valued by the Trustees on 31 March 2016 at £175,000.

12. FIXED ASSET INVESTMENTS

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
All investments are held within the UK				
At 1 April 2015	3,717,989	2,685,466	3,033,093	2,685,466
Additions	2,315,140	1,005,683	3,000,036	334,771
Disposals at market value	(2,397,870)	(288,864)	(2,397,870)	(279,454)
Change in market value	(48,685)	315,704	(48,685)	292,310
Market value at 31 March 2016	<u>3,586,574</u>	<u>3,717,989</u>	<u>3,586,574</u>	<u>3,033,093</u>
Historical cost at 31 March 2016	<u>3,285,111</u>	<u>2,786,297</u>	<u>3,285,111</u>	<u>2,214,108</u>

13. INVESTMENT IN SUBSIDIARY UNDERTAKING

	Company
	£
Cost at beginning and end of year	<u>2</u>

14. SUBSIDIARY UNDERTAKINGS

At the beginning of the year, the Foundation held three subsidiaries, two of which are incorporated in England & Wales with the third registered in South Africa. 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. Born Free Foundation South Africa has been set up predominantly to receive sponsorship for fundraising events to be held in South Africa.

In the previous year a formal merger process took place with another charity – Care for the Wild International. Its net assets were transferred to Born Free in total. In the year to 31 March 2016 all of its income and expenditure is included in Born Free operations. Care for the Wild was deregistered as a charity in December 2015.

Name	Nature of business	Type of share	Holding
Born Free Foundation South Africa	Fundraising for Born Free Foundation	-	100%
Born Free Trading Limited	Sale of Born Free merchandise and services	Ordinary	100%
Born Free Films Limited	Film Development	Ordinary	83%

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

THE BORN FREE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2016

14. SUBSIDIARY UNDERTAKINGS (continued)	Born Free Foundation South Africa £	Born Free Trading Limited £	Born Free Films Limited £	Total £
Turnover/Income	-	135,234	-	135,234
Cost of sales	-	(77,029)	-	(77,029)
Gross profit	-	58,205	-	58,205
Expenditure	-	-	-	-
Administrative expenses	(431)	(58,205)	-	(58,636)
Interest receivable	125	-	-	125
(Deficit)/surplus on activities before taxation	(306)	-	-	(306)
Corporation tax	-	-	-	-
(Deficit)/surplus retained in the subsidiary	(306)	-	-	(306)
Net assets at 31 March 2016	2,134	30,548	(2,739)	29,943

15. DEBTORS	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Other debtors	43,981	57,654	43,971	30,921
Amounts owed by group undertakings	-	-	-	24,802
Prepayments and accrued income	776,926	374,307	772,346	361,184
	<u>820,907</u>	<u>431,961</u>	<u>816,317</u>	<u>416,907</u>

Prepayments and accrued income includes £21,000 (2015: £Nil) with regard to legacies receivable which have not yet been received.

16. CREDITORS: amounts falling due within one year	Group		Company	
	2016 £	2015 £	2016 £	2015 £
Trade creditors	71,711	96,824	52,551	55,391
Amounts owed to group undertakings	310	651	8,176	-
Accruals and deferred income	165,922	104,409	159,440	53,394
Other creditors	598	1,012	-	-
Corporation tax	14	147	-	1
Other taxes and social security	31,391	27,580	31,391	8,704
	<u>269,946</u>	<u>230,623</u>	<u>251,558</u>	<u>117,490</u>

THE BORN FREE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2016

17. PROVISIONS FOR LIABILITIES AND CHARGES	Other projects £	Dilapidations £	Total £
Group company			
Balance at start of year	293,960	-	293,960
Net movement in obligations in the period	37,364	-	37,364
	<u>331,324</u>	<u>-</u>	<u>331,324</u>

The provisions included in the financial statements for other projects relate to the funding of the Bill Travers Chair at Oxford University, funding for the Ethiopian Wolf Conservation Programme and the Central Africa Lion Project, and funding for the Border Point Project in Ethiopia.

18. CONTINGENT ASSET

At 31 March 2016 the Foundation had been notified of legacy bequests estimated at £1,354,655 (2015: £1,483,340). The Foundation had not been informed of the final amount receivable by the year end or an estimate thereof as at the time of signing the accounts and as such these amounts have not been included within legacy income for the year ended 31 March 2016.

19. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 March 2016 are represented by:			
Intangible fixed assets	1	-	1
Tangible fixed assets	827,611	-	827,611
Investment property	175,000	-	175,000
Investments	3,586,574	-	3,586,574
Net current assets	2,836,020	761,772	3,597,792
Provisions for liabilities and charges	-	(331,324)	(331,324)
	<u>7,425,206</u>	<u>430,448</u>	<u>7,855,654</u>

20. 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.

21. RESTRICTED FUNDS	At 1 April 2015 £	Incoming £	Outgoing £	Transfers £	At 31 March 2016 £
Group and Company					
Zoo check	-	30,192	(339,191)	308,999	-
Elephants	82,446	407,682	(264,063)	-	226,065
Bears	69,258	66,184	(16,178)	-	119,264
Wolves	435	36,367	(230,459)	194,286	629
Big cats	62,370	483,674	(1,052,048)	550,717	44,713
Primates	6,688	103,058	(361,425)	260,684	9,005
Marine	27,517	51,284	(63,241)	5,428	20,988
Information services and education	2,944	15,411	(544,591)	529,180	2,944
Other miscellaneous projects	9,120	58,850	(494,727)	433,597	6,840
	<u>260,778</u>	<u>1,252,702</u>	<u>(3,365,923)</u>	<u>2,282,891</u>	<u>430,448</u>

THE BORN FREE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2016

21. RESTRICTED FUNDS (continued)

Restricted Funds

Funds which are categorised as Restricted arise from allocated membership income (members are given the choice of having their membership subscription support chosen programmes when they join), income for the adoption and support of specific animals, and donations and legacies where support for a particular project has been specified by the donor.

These projects and animals are grouped under various Programme headings and the objectives of those programmes and the purposes for which the funds are held as follows:

Zoo Check

- Promote the core aim of keeping wildlife in the wild
- Campaign for tighter animal welfare legislation
- Investigate neglect and cruelty, and expose suffering and exploitation
- Respond to public concerns about captive wild animals
- Challenge the global zoo industry
- Engage with the travel industry to phase out bad practice within animal related attractions

Elephants

- Protect wild elephants and their habitats
- Fight the ivory trade
- Help care for rescued elephants
- Respond to public concerns about wild elephants

Bears

- Support the conservation of bear species in the wild
- Support the care of rescued bears in sanctuaries

Wolves

- Protect the world's rarest canid and its environment

Big cats

- Rescue big cats from captive conditions
- Support big cat conservation in the wild
- Develop solutions to mitigate human/big cat conflict
- Investigate the trade in big cats and their parts
- Respond to public concerns about wild big cats

Primates

- Fund sanctuaries for rescued great apes and monkeys
- Support rehabilitation and release programmes for rescued primates
- Support primate habitat protection
- Campaign against the illegal bushmeat trade
- Respond to public concerns about wild primates

Marine

- Fund the conservation of marine turtles, dugongs, sharks and dolphins
- Educate people about the conservation and protection of marine species and the environment
- Respond to public concerns about wild marine species

Information Services and education

- Support schools and communities close to Born Free funded projects
- Participate in international multi-species coalitions

Other Projects

Support species which do not fall into any other programme category (e.g. giraffe, hippopotamus)

THE BORN FREE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2016

22. UNRESTRICTED FUNDS	At 1 April 2015 £	Income £	Expenditure £	Transfers gains/losses £	At 31 March 2016 £
Group					
General unrestricted	5,710,310	5,353,884	(1,147,295)	(2,491,693)	7,425,206
Company					
General unrestricted	4,587,889	6,313,866	(1,042,126)	(2,491,693)	7,367,936

23. OPERATING LEASE COMMITMENTS

**2016
£** **2015
£**

At 31 March 2016 the Foundation had commitments under non-cancellable operating leases as set out below:

Operating leases which expire:

One year	-	1,607
Between one and two years	16,777	-
Between two and five years	224,172	313,475
	<u>240,949</u>	<u>315,082</u>

24. TRANSACTIONS WITH DIRECTORS AND TRUSTEES

The President is a son of Virginia McKenna who is a trustee. He received remuneration of £64,364 (2015:£61,272) in the year.

25. RELATED PARTIES

Included within creditors in the financial statements are amounts owed to 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. Adam Roberts was appointed Chief Executive Officer for both charities. Will Travers is President of Born Free Foundation and Secretary of Born Free USA. The balance outstanding at the year-end was £8,176 (2015: £7,835).

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

THE BORN FREE FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2016

26. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (2015)

	Note	Unrestricted Funds £	Restricted Funds £	2015 £
INCOME FROM:				
<i>Donations and legacies:</i>				
Donations	4	1,334,236	103,954	1,438,190
Legacies		883,647	-	883,647
Gift aid received		157,951	-	157,951
Membership base subscription		102,245	-	102,245
Membership subscriptions to specific projects	4	-	121,168	121,168
Adoptions	4	9,744	401,291	411,035
<i>Other trading activities:</i>				
Events, lotteries and other activities		431,976	-	431,976
Trading income of subsidiary undertaking		118,004	-	118,004
<i>Investment income</i>	3	88,537	-	88,537
<i>Other Income:</i>				
Royalties		11,898	-	11,898
Other operating income		19,907	-	19,907
Total income		3,158,145	626,413	3,784,558
EXPENDITURE ON:				
<i>Raising funds:</i>				
Donations		101,244	-	101,244
Legacies		9,521	-	9,521
Membership subscriptions		106,054	-	106,054
Fundraising and publicity		812,480	-	812,480
Cost of subsidiary trading company		91,733	-	91,733
Investment management costs		25,483	-	25,483
<i>Charitable activities:</i>				
Zoocheck		7,639	290,870	298,509
Elephants		2,181	245,219	247,400
Bears		78	31,552	31,630
Wolves		1,297	46,209	47,506
Big cats		8,698	895,646	904,344
Primates		3,602	267,407	271,009
Marine		639	57,724	58,363
Information services and education		4,296	528,263	532,559
Other projects		3,674	495,475	499,149
<i>Other expenditure:</i>				
Taxation		160	-	160
Total expenditure	5	1,178,779	2,858,365	4,037,144

THE BORN FREE FOUNDATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 31 MARCH 2016****26. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES (2015) CONTINUED**

	Note	Unrestricted Funds £	Restricted Funds £	2015 £
Net income/(expenditure) before gains/ (losses) on investment assets		1,979,366	(2,231,952)	(252,586)
Gains/ (losses) on investment assets		315,704	-	315,704
Net income/(expenditure) before transfers		2,295,070	(2,231,952)	63,118
Transfers between funds		(2,214,864)	2,214,864	-
Net income/(expenditure) for the year		80,206	(17,088)	63,118
Net assets transferred from merger		1,159,471	134,707	1,294,178
Foreign exchange differences on restatement of foreign currency opening reserves		6,954	-	6,954
Net movement in funds		1,246,631	117,619	1,364,250
Funds at 1 April 2014		4,463,679	143,159	4,606,838
Funds at 31 March 2015		5,710,310	260,778	5,971,088