



THE BORN FREE FOUNDATION

KEEP WILDLIFE IN THE WILD

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st MARCH 2019

Registered Company number 3603432. Registered Charity number 1070906
The Born Free Foundation is a Charitable Company Limited by Guarantee

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The Born Free Foundation

Reference and administrative information

Board of Trustees	Michael Reyner (Chair) Peter Ellis Virginia McKenna OBE Jenny Seagrove Liz Tinlin (resigned 15 May 2019) Graeme Young Kate Stephenson (was known as Kate Snowdon) Sue Olsen (resigned 17 June 2019) Sean Cassidy (appointed 6 March 2019) Elaine Olson-Williams (appointed 6 March 2019) Sharon Peake (appointed 6 March 2019) Adam Batty (resigned 13 November 2018) Anne Wignall (resigned 4 March 2019)
Secretary to the Trustees	Linda Cheney
President	Will Travers
Chief Executive	Howard Jones

The Born Free Foundation

Reference and administrative information (continued)

Registered information

Registered charity name	The Born Free Foundation
Charity number	1070906
Company registration number	3603432
Registered office	Broadlands Business Campus Langhurstwood Road Horsham West Sussex RH12 4QP

Professional advisors

Auditors	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
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Bankers	HSBC UK 67 West Street Dorking Surrey RH4 1BW
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Solicitors	Stone King LLP Boundary House 91, Charterhouse Street London EC1M 6HR
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Investment advisors	R K Shipman Limited 1 Barnfield Crescent Exeter EX1 1QY
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Chair's Introduction

For the year ended 31 March 2019

I am delighted again to introduce Born Free Foundation's Annual Report, which details, for both our supporters and the wider public, our major achievements over the last year and our future plans.

2018/9 was an excellent year for the charity. We had a very strong year in terms of fundraising, bringing in £6.1 million; this was up 23% versus the previous year. Whilst half of the growth came from an unusually strong contribution from legacies, it was encouraging to see good performance across many income lines; the charity has a diverse and well-balanced source of revenues, which provides a solid foundation from which we can build.

This success enabled us to spend £4.2 million on our charitable activities, all in support of our mission to 'Keep Wildlife in the Wild'. During the year, we conducted a thorough strategic review and crystallised nine areas of strategic priority to focus our efforts; these are detailed later in this report. Our expenditure continues to underpin a wide range of vital, high-impact initiatives and programmes. We invest directly in field conservation programmes, to protect endangered wildlife populations and to reduce human/wildlife conflict, through initiatives such as our support for Ethiopian Wolves or our building now of over 275 lion-proof bomas in Amboseli in Kenya. We run our own rescue and sanctuary operations, this year for example rescuing King, the lion cub, from an apartment in Paris to Shamwari in South Africa. We campaign vigorously on a range of topics, including petitioning the UK Government to review the laws on keeping wild animals as pets and helping to secure the passage of the Ivory Bill, which has at last banned commercial trade in ivory products. Finally, we continue to play a shaping voice in the conservation community on wildlife policy issues, both in the UK and internationally, including through the critical CITES discussions, opposing the extension of badger culling, highlighting the threats from wildlife crime and leading the campaign against canned hunting.

We have a healthy level of free reserves, (defined as net assets less tangible fixed assets, restricted reserves, and minority interests) at £5.11 million. This remains above the charity's target of £4.0 million and so we are continuing to invest from our reserves in a range of one-off projects. These include, for example, further expansion of our capacity and upgrading of our facilities in our sanctuaries at Ensessa Koteh in Ethiopia and Shamwari in South Africa, thereby enabling us to rescue and care for more animals.

I should like, as ever, to thank our staff and our volunteers for their outstanding support, commitment and skill. Led by Will Travers, our President, and Howard Jones, our CEO, the organisation continues to expand both its ambition and impact. We are fortunate in having such a dedicated and professional team; the continued success of the charity is testament to their individual and collective efforts.

I would also like to thank our team of Trustees for their support and counsel. During 2018/9, we welcomed three new Trustees in Sean Cassidy, Elaine Olson-Williams and Sharon Peake, who have brought valuable new capabilities, experience and perspectives. Four Trustees also stepped down from the Board: Adam Batty, Sue Olsen, Anne Wignall and Liz Tinlin. They all contributed passion, energy and insight and the charity owes them a debt of thanks. We continue to review the capabilities the Trustees need to bring and believe that carefully refreshing the Board's composition is important in ensuring its effectiveness.

Together with the management team, the Trustees look forward to continuing to drive our work in the coming year. The world remains a perilous place for our wildlife and there is so much more that we want and need to do.

Michael Reyner
Chair of Trustees

The Born Free Foundation

Report of the Trustees and strategic report For the year ended 31 March 2019

The Trustees present their report and accounts for the year ended 31 March 2019 including the Strategic Report for the company.

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

STRUCTURE, GOVERNANCE & MANAGEMENT

Status and Objects

The charity is a company limited by guarantee. Our governing document is a Memorandum & Articles of Association, 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 2019 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 programmed 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.

In addition to the above, there are two further non-executive sub-committees. The Marketing & Partnerships Committee reviews and advises on commercial development and the management of High Net Worth Individuals, while the Programmes Committee advises the management on field projects and policy. Executive authority and line management of both these areas remains with the CEO. Safeguarding is dealt with formally through an independent third-party representative known to the team and who is outside the line management structure. This person reports to a nominated safeguarding trustee.

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 connected organisation in America called Born Free USA (see note 21).

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

Decision making

The Board has reviewed and approved a 5-year strategic plan, proposed by the executive, which provides the basis for all subsequent planning, annual objectives and operational goals. A formal review of our governance arrangements was last carried out by Haysmacintyre in March 2014.

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

Operational responsibility is delegated to the Chief Executive Officer. A Secretary who advises it on general governance assists the Board. This role was outsourced to Semple Associates Ltd., but has subsequently been brought back in house.

The Board receives two formal reports in advance of its meetings – a Quarterly Report that deals with progress to achieving project goals and operational matters and a Treasurer’s Report that covers financial and related matters.

Trustees

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

MISSION & PRIORITIES

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

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

To achieve this, we adhere to nine working priorities:

1. We work to stop captive animal suffering, challenge the captive animal industry, and phase out zoos.
2. We strive to eliminate trophy and canned hunting by exposing its fundamental immorality and demonstrating alternative solutions.
3. We are fighting to end the illegal wildlife trade, with a particular focus on tackling the trade in ivory, lions, cheetah, pangolins, and trade in live animals and other animal parts.
4. We have been involved in the rescue and rehabilitation of countless individual animals, saving them from a life of suffering in captivity.
5. We protect threatened species and their natural habitats and find Compassionate Conservation solutions so that people and wildlife can live together.
6. We have developed an integrated wildlife protection model, with particular emphasis on wildlife law-enforcement and community engagement.
7. We work to protect habitats and threatened species, focusing initially in West Africa and the Horn of Africa.

8. We protect UK wildlife by engaging in issues including policy, captive welfare standards, and public education and engagement.

9. Our educational activities inspire people, young and old, to respect wildlife and natural habitats. In developing these priorities, the Trustees have had regard to the guidance from the Charity Commission on public benefit.

ACHIEVEMENTS & PERFORMANCE

Building on the significant changes of the previous year, during which our entire operation was reviewed and strengthened, we continued towards the completion of our organisational strategy and 5-year plan. The result has been that Born Free has, from top to bottom, a clear understanding of direction, purpose and aims, which have been developed into priorities, work plans and a capacity to build evidence of our work, the impacts we have, and to turn that into compelling stories.

That latter element, the organisational rigour, skills and attention to our audience, is no game. The team has the freedom to operate and individuals can perform to the best of their ability, within a supportive, consistent and positive environment. The cycle between great work, reporting, evidence, translation into content that inspires and informs, and our capacity to influence and build movements for change is a huge step that we will follow towards our goal – to keep wildlife in the wild.

We can be confident of our steps because we are on solid ground. The fact that Born Free has a tremendous legacy, has been consistent and committed for many years, and true to its values, remains at the heart of who we are.

As part of these developments we have formed entirely new teams, with strategic leadership based in the UK, and with extensive, delegated, management networked across the world to our wider teams, our partners and programmes.

The biggest impacts and changes were to form the Conservation and Education Teams. Each with completely new leadership, and the need to recruit new people, these were built from scratch whilst relying upon existing skills, expertise and project work in place around the world, especially in Kenya, Ethiopia, South Africa and India. We continued with the formulation of our Policy Team, which proved its worth within months, setting out to build full analysis and intelligence for our more exposed, or vulnerable work (for example, in Ethiopia), such that risks can be mitigated, decisions based upon fact and strategy and that plans can be taken forward with confidence, or changed with purpose and certainty. This work will be extended each year, across all programmatic activity.

Beyond this, we have evolved our policy and strategy position, and our thinking, in order to take an integrated approach to wildlife protection. Whilst, for example, single interventions can have great local effect (such as the rescue and care of an individual lion, or supporting interventions against illegal wildlife trade, or mitigating human/wildlife conflict), we must frame these actions within a much broader context, a landscape that we must understand and over which we must take a clear view. The rescue and care of a lion is not a great achievement in itself, but it is transformational when we reveal how that lion ended up on the seat of a Ferrari, and how we must all play a part in defeating the business that lies behind. Equally, it is not enough to support anti-poaching interventions, whilst we have the knowledge, influence and intelligence to get to root causes. Born Free is building a unique capacity to take leadership with this approach, and we are confident with the moves we have made to support this.

Foremost in this thinking has been the simple word – education. It is slightly hackneyed to say that ‘we are a learning organisation’ so instead, we simply take the view that we are all learning, and that our experience and knowledge is not private property – our duty is to package what we know and make it useful to others. Otherwise, it isn’t learning, it is merely aggregation. Our job is to turn knowledge into intelligence, and informed action.

As a result, our new Education Team is not exclusive; it has a duty to become part of our lives, across all that we do. There are, however, many ways in which knowledge must be shared and so the team has embarked upon a series of programmes, some of which build on our existing support for schools, and many of which are entirely new.

In South Africa, we set up a Women’s Group in Patterson, a deprived township adjacent to Shamwari Private Game Reserve, which engages local women in conservation and wildlife debate, while also supporting their personal development. South Africa faces many human challenges, including high drug dependence, teenage pregnancy and unemployment – supporting and empowering communities, and women in particular, is a key step towards a resilient future where coexistence is the norm.

In Ethiopia, we set up five environment clubs, reaching students in local schools around Ensessa Kotteh with environmental, conservation and animal welfare education – supporting their extracurricular development and inspiring students to understand, then protect, their local environment.

In the UK, we have built partnerships to increase the reach and diversity of school and student engagement, including production company Ships in the Night, British International Education Association’s 2019 STEM Youth Innovation Competition and Last Chance to Paint (www.lastchancetopaint.com). In addition, we have embraced new ways to engage our audience directly, through workshops (Big Cat Workshop, July 2018) and free teaching resources (published on TES.com). To support this we have developed an Education Programme Strategy to direct our work for the coming five years as well as Child Protection and Safeguarding policies to ensure we are upholding the highest standards (including country specific appendices in line with local laws and regulations).

Closely associated with our education effort is, of course, our new Conservation Team. Reaching out around the world, particularly to our teams and partners in Kenya, Ethiopia, SE Asia, India, central and west Africa, this can be tough work, often in the frontline of human conflict, unplanned population movement, informal settlement, rampant resource exploitation and illegal wildlife activity, but it is where we are most needed and where our integrated approach has begun to lift our work beyond local impact.

However, those local interventions have been vital, for example in Cameroon, where we have been able to prove and implement the effectiveness of chilli fencing to prevent forest elephants entering the growing number of marginal farms. This working model is useful elsewhere, but Cameroon is currently inaccessible due to civil war. We continue to press the Commonwealth and UK government to do what it can to resolve this conflict.

Equally challenging work continues in the Babile Elephant Sanctuary in Ethiopia. Due to the dangers caused by civil conflict, mass migration, corruption and lack of enforcement of protected areas, we hired a specialist project manager to be based at Babile, lead the team and train the park rangers. This work continues to be very challenging indeed, with Born Free the only recognised or effective wildlife NGO in the region. Elsewhere in Ethiopia we have had success through our continuing support, in partnership with Oxford University WildCru, for the Ethiopian Wolf Conservation Project. Following near-disastrous losses during 2016 and 2017, due to disease, we witnessed birth of pups in almost all of the 30 packs in

Bale Mountains. The population remains on the edge of existence, perhaps with a total of 400 animals (total global population all in Ethiopia), but we are invested in this for as long as it takes.

Building on our substantial presence in Kenya, the significant move to generate an overall strategy was begun. This work continues and, with full involvement of the Kenya team, sets out three year work-plans for our Pride of Meru (lion monitoring, and – subsequently – extensive programmes for co-existence, for which we have recruited new leadership for the team) and Pride of Amboseli (conflict mitigation, education and testing of replicable approaches to co-existence) projects. This sets ambitious aims and our approach will include forming and exploring partnerships in Kenya and E Africa, to share knowledge and extend our impact. Along these lines, it is clear that our approach to learning and intelligence will be useful between programmes and between continents, with – for example – conflict mitigation, education, development and wildlife policy, enforcement, farming, being key considerations for our work in India (where our tiger conservation partnership is now under our more direct leadership and guidance), SE Asia, Ethiopia, West and Central Africa.

And among these extensive achievements and challenges, small victories count too. The gorilla population, within our project in the Tshivanga highlands sector of Kahuzi-Biega National Park in the DRC, grew in 2018; two new infants were recorded, and a new individual immigrated into the Chimanuka family, bringing the total population to 163 individuals. In Niger, our support of the Giraffe Conservation Foundation and the West African giraffe project, led to the re-introduction and the establishment of a new population of eight individuals in Gadabedji Biosphere Reserve. Finally, recognising personal achievement, Jackson Kabuyaya Mbeke, Director of the Gorilla Rehabilitation and Conservation Education (GRACE) in DRC received the Virginia McKenna Award for Compassionate Conservation.

At the core of what we do, of course, is compassionate conservation. We promote co-existence as the aim to which we all must aspire, for the survival of humans and wildlife, but individual animal welfare and our mission to defeat the concept and practice of wild animal captivity is at our heart.

As a result, we have put extra effort and resource into our Welfare and Captivity Team, in the UK and overseas, whilst promoting the overall leadership and authority of this team to demonstrate our pre-eminent position in these fields. Because of the wide range of development work (for example embarking on the production of our first Welfare and Captivity Strategy), building the team, supporting the development of far-reaching policy work, improving and investing in our sanctuary facilities and taking forward exciting new initiatives, we have deliberately (temporarily) reduced our work to relocate animals to sanctuaries, unless for genuine rescues. This has allowed the team to develop space and capacity, along with welfare protocols, care and safety measures and this work will continue into next year. We have also made dramatic improvements to our tiger sanctuary at Bannerghatta (we are considering handing this over to our partner in India, Wildlife SOS), and to the rescue centre at Ensessa Kotteh, Ethiopia, and Shamwari, in South Africa.

The extra sanctuary space created, together with new work with our partners near Capetown (Panthera Africa) will now allow a significant programme of rescue and relocation in the coming year. For now, we are delighted that we have, among all this work, successfully relocated King, a young male lion who had been kept illegally as an exotic pet in France, from a rescue centre in Belgium to Shamwari. And, an urgent rescue took place when we obtained agreement from the Ministry of Environment in Djibouti not to proceed with plans to kill the lioness Amalia, and to permit her to be rehomed at Ensessa Kotteh.

Without the support of the public we would find it hard to gain attention at a political level. So, we continued to work hard to stay in the public eye, promoting our campaigns against the exotic pet trade,

zoos, circuses and our growing efforts to identify alternatives to these cruelties. We began exploring a new on-line platform (Raise the Red Flag) which we will launch in 2019, which enables the public to register their concerns, with evidence, about animals they witness in captivity, around the world. We sought sponsorship for this major piece of work, which we will develop, host and manage into the most significant evidence-base for the case against captivity.

In the meantime, and building on our reputation for expertise and insight, we were invited to present evidence in the Westminster Parliament on proposals to ban wild animals in travelling circuses in England, and in the South Korean Assembly on the need for licensing for zoos in the country. Following this we reached more than 10,000 signatures on our No.10 petition calling for a review of the Dangerous Wild Animals Act 1976, and obtained recognition from the Petitions Committee that the original response from the Government on the issue was not satisfactory.

Clearly, the work of our three operational teams, above, does not go forward in channels, and – increasingly – all of our efforts are guided by policy insight and sound positioning. So, returning to the work of the new Policy Team, it becomes clear how integrated our approach is becoming, and how well-considered and assessed our investments (of time, resource and money) have become.

The following summary captures the importance and profile of Born Free on this agenda and demonstrates our cross-disciplinary mindset.

Following the release of our report ‘Cash before Conservation’ in April 2018, Born Free was invited to present at a Parliamentary Colloquium on lion breeding held in Cape Town in August 2018. This led to South Africa’s Portfolio Committee on Environmental Affairs submitting a resolution to Parliament in November 2018 calling for an end to the captive lion breeding industry, which breeds lions for tourism, canned hunting, and to supply lion bones for international trade. The Committee also asked the Government to reconsider its decision to increase South Africa’s export quota for lion skeletons from captive-bred lions, which it did, reducing the quota from 1,500 skeletons to 800.

By early 2019 Born Free’s campaign to persuade the UK Government to ban imports of trophies from threatened species had gained ground. By the end of the 2018/19 Financial Year, more than 200,000 people had signed our public petition launched in collaboration with 38 Degrees, and more than 150 MPs had signed the associated Early Day Motion. As of April 2019, Born Free was planning a hand-in of its petition to Downing Street and DEFRA, seeking meetings with Government ministers and opposition front bench representatives to further make the case.

An entirely new initiative saw our engagement with the UN Sustainable Development Goals and the post-2020 biodiversity framework, fitting within our new approach to integrated wildlife protection.

Through participation in a coalition of animal protection organisations (the Animal Issues Thematic Cluster), and via attendance at the High-Level Political Forum in New York, Born Free has been assessing its capacity to influence the UN process to implement the 2030 Sustainable Development Agenda. This has involved a comprehensive review of our advocacy objectives – both at UK and UN level – to ensure best use of our resources and alignment with our priorities.

The UN Convention on Biological Diversity (CBD) is recognised as the key international instrument to ensure the integration of biodiversity-related issues into the UN’s Sustainable Development Agenda, through the implementation of the Strategic Plan for Biodiversity and the associated Aichi Biodiversity Targets adopted by CBD in 2010. The Strategic Plan and associated targets will be updated in 2020, and

Born Free has developed a strategy for engaging with this process in order to identify whether and how we can influence the post-2020 biodiversity framework to ensure wildlife protection and animal welfare are integrated into the approach. This will begin with our attendance at CBD CoP14 in November 2018, and our engagement with the International Policy Forum and other relevant stakeholder groups. This is a vital step for Born Free and for our aims, as wildlife is almost wholly absent or un-represented at this level, other than for sustainable use. We believe that, from a closely considered position, and drawing on the strength of our experience and intelligence, we can make significant strides to see wildlife properly represented, for its intrinsic value, and for the integrity and diversity of nature, on an important stage.

Finally, in April 2018 the UK Government announced plans to introduce a 'ban on ivory sales in the UK', following a public consultation on the issue which attracted more than 70,000 responses, thanks in no small part to Born Free's supporter engagement strategy. Born Free subsequently worked alongside a coalition of NGOs to ensure that the proposed exemptions to the ban were minimal and enforceable.

The Ivory Act finally received Royal Assent in December 2018, with an expectation that it would be fully implemented within a year. Thanks to pressure from Born Free and others, the Government also committed to consulting on extending the definition of ivory to include other ivory-bearing species at risk (including hippo, narwhal and walrus).

Born Free continues to engage with stakeholders in the UK, EU and beyond to secure meaningful bans on ivory trade.

And all of this would not be possible without the capacity to engage audiences, build support, tell stories, and influence change. As a result, much effort has gone into resolving what that audience believes in our 'brand', how our messaging is understood and how we can build income, audience and support in order to do more of what the public expects. Foremost in this effort has been collaboration between our two business teams – Marketing & Fundraising and Partnerships.

These teams, working closely, have worked hard to form start-up strategies, with clear objectives to build revenue, audience, effective message and participation, leading to behavioural change. When under way properly, into next financial year, our progress and performance will be analysed, concentrating on success and developing the virtuous link between great operational delivery and giving evidence to our audience.

Time was spent identifying areas in which we could significantly enhance our marketing, communications and engagement with supporters and prospective supporters. Following research, we introduced quarterly marketing campaigns in April 2018. These campaigns provide a platform to educate the public on the breadth, depth and quality of our work.

In 2018-19 our campaigns included Long Live the King (rescue of lion cub King and highlighting the exotic pet trade), Elephants in Crisis (the plight of wild African elephants and the ivory trade), Adoptions (which perform well during the Christmas period) and Living with Tigers (showcasing our work in India, promoting co-existence). Each of these campaigns was supported with dedicated website pages, homepage takeovers, videos, infographics, blogs, articles and publications. This new approach to activity had a positive impact on donations as we saw a 20% increase from £731k in 2017-18 to £877k in 2018-19 (increase of £146k). In addition, we received much more PR coverage for our campaigns (year on year), with King's story being voted by the public to win the Daily Mirror Animal Honours Award for best rescue and Living with Tigers generating a reach of 13.4m; more than any other campaign.

In support of this, and following 6 months of development, at a cost of approximately £60,000, the new Born Free website went live on 12th April 2018. The new site replaced a legacy site which had been in operation for over 10 years and contained over 9000 pages of content (of which 50% were duplicates). Over the first months, we noticed a decrease in traffic (which was anticipated due to the change of server, and google search tools needing to recognise a new site), however, during the same period the number of sessions per user and the average session-time per use increased, and our bounce rate decreased, which highlights that the new site was more user friendly and engaging for the consumer. In 2018 we also made a decision to outsource the SEO & PPC work, which continues to grow and increase the awareness of the site. Hopes are high for next year.

Following a change of personnel, a positive decision was made to outsource PR activities. This was taken on by PMW who, following work on other marketing and communications initiatives have developed a strong understanding of our work, vision and mission. By outsourcing we were able to change our approach from reactive to proactive, allowing us to focus more on the media showcasing 'our work' and 'our success' rather than traditionally responding to requests, or profiling celebs. Our PR reach increased from 10.4m in 2017-18 to 11m in 2018-19 (growth of 600k), with the value increasing from £868k in 2017-18 to £1m in 2018-19 (growth of £130k). Again, we expect this trajectory to continue, built on an organised approach and fully-considered plan.

The relatively untapped potential (for Born Free) of corporate sponsorship has been high on the agenda during this year. As a result, the team has been entirely replaced and a full plan put together. These may be early days, but things are working well, with quick success as British Airways Holidays (BAH) became headline corporate partners with Born Free.

Tying-in immensely well with our advice to British Airways on cutting out the marketing of holidays that exploit captive animals, BA made an initial donation of £110k, with an agreement to provide foundation annual support of £50k (with projects to be determined). The initial donation will be divided, with some being allocated to provide building materials in order to expand the sanctuary space at Panthera Africa, with another allocation towards the relocation (next year) and lifetime care of Alpha and Cora (2 lionesses rescued from a zoo in Spain). Additional funding may also be provided to help launch Raise the Red Flag (see above), our animal welfare reporting initiative. BAH are keen to be headline sponsors of this new platform as RTRF aligns with BAH changing their business-wide animal welfare policy. They are the first global holiday company to stop selling tourists attractions where animals are a central theme. Finally, IAG (owners of BA) have become our international carriers of rescued animals, through BA Cargo.

Several more, significant, corporate partners are moving towards commitment, as this is written, with more to report next year.

Finally, Virginia's Circle of Compassion was developed to encourage supporters of Born Free to join an exclusive membership group at the cost of £2000 per year. The initiative is for women only and the funds raised will be used to support projects that either empower, work with, provide support to or inspire women. It is hoped that when empowered women in the UK support Born Free Projects, we can encourage more females into the world of conservation, education and animal welfare. The initiative currently has 42 members. Our aim is to meet with the members annually to discuss three projects (put forward by BF) that their collective funds can support. We anticipate that the group will also bring new members to the circle as well as discuss other projects for potential support.

Drawing this report to a close, is a short summary of the essential support services that keep us all working, safely, effectively and properly resourced.

A key part of our strategy is to become a carbon-neutral organisation by 2023, and a range of initiatives are being put into place to achieve this. In addition, we aim to be resource neutral, or impact neutral, by the same date, having reduced, re-used, mitigated or replaced single-use plastics and other 'problem' materials within our product and consumables lifecycles.

Specific initiatives underway this past year have included a survey, by Climate Stewards, of Born Free's carbon footprint. The survey indicated that 79.6% of carbon generated was due to international air travel. This extraordinary insight has inspired plans to reduce this. Boring, but important was that our stationary supply changed to Paper Round, a company that specialises in providing recycled stationary. We endeavour to purchase recycled equipment whenever possible and we have achieved over 60% reduction in value terms, so far.

This will not be plain sailing and we will be open about our success and the challenges, for others to learn from. But, as we get under way, some of the basics of good management are being addressed and reinforced.

We completed asset management and inventory registers for our offices and teams in Kenya. Our teams in Ethiopia have had theirs in place for a while and these have been reviewed. Both registers have been prepared for reconciliation with asset holdings and valuations on SAGE, to be completed next year. We also completed the purchase of our Kenya property, a move that will enable us to manage this major asset properly and within sustainable principles.

Among these developmental changes, growth in revenue, efficiencies and greater spend on our operation work, our core costs and – in particular – salary costs have remained stable, as we grow, not by major change in size of our team, but by being smart about partnerships, the coherence of our projects and the impacts they have. As a result, we are proud of the high ratio of charity spend against administrative costs of 3.5:1 and of the equitable standards that we maintain within our team. The proportion of females to males within the core team remains at 2:1 with 55% of middle/senior managers being female. The ratio of pay for CEO to lowest paid is 3.9:1 which establishes a benchmark for others to follow.

Finally, a comprehensive, independent, staff survey was carried out early in the year. Individual responses, interviews and focus groups were conducted, with results showing an engagement rate of 93%, with views reflecting an excellent, across the board improvement in staff satisfaction over the previous survey in 2016.

The year has passed extraordinarily quickly, and whilst this has been focussed on change, then establishing a comprehensive organisational strategy, with all supporting processes, and organisational development, we have moved swiftly to have our teams working according to new ideas, firm plans, clear objectives and with the freedom to be as good as they can be. Born Free is truly set for the future and is now well-placed to grow, to great effect, according to those values and principles set down almost 35 years ago.

Howard Jones
Chief Executive Officer

FINANCIAL REVIEW

Our income for 2018/19 now stands at £6.09m an increase of 23% from the previous year. Again legacies have provided a major contribution to making up 39% of total income, an increase of 4% from 2018. Income from adoptions has continued to increase, with an increase of 7% in previous years. Donations and gifts which now include membership subscriptions have increased by 37% from previous years.

Our expenditure devoted to charitable activities during the year increased slightly by 2% to £4.21m (an increase of £102k) Details of project expenditure are set in the statement of Financial Activities, and in the Strategic Report.

The operating deficit of £184k was cleared by gains in our investment portfolio of £262k, leaving a slight surplus at the end of the year of £78k.

Our net assets now stand at £6.79m of which £6.74m is unrestricted. Our free reserves (defined as net assets less tangible fixed assets, restricted reserves, and minority interest) are at £5.11 million. This level still exceeds the £4.0m deemed appropriate to meet our 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 19/20 where this has been deemed prudent.

Sarah Curran
Head of Finance

Reserves policy

In the trustees' view, the reserves should provide the charity with adequate financial stability and the means to address any unforeseen circumstances, provide lifetime care for all animals in its care, to even out 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 down-turn, and change in global security.

To meet the above objectives, it has been agreed that free reserves should not fall below £4,000,000. At the end of the year the group had a level of free reserves of £5,111,767 well in excess of the reserve level set. The Board has sanctioned expenditure of £584,000 as part of an active process of 'investing in our future' to address some longer-term strategic objectives aimed at provided greater security, and stability to some of our projects.

The finance and general purposes committee will review the amount of reserves on an annual basis to ensure that they are sufficient to meet the group's continued obligations.

Investment performance, policy and objectives

During the year £600k was withdrawn from the investment portfolio in order to finance the purchase of freehold property. At the end of the year the valuation of the residual portfolio stood at £4.1m (2018 £4.4m). This is under the control of two investment managers. The performance of the overall fund and that of each manager is monitored against the benchmark of the FTSE WMA Growth Index and reviewed to ensure the application of our ethical criteria. We accept that these criteria may mean that gains are not always maximised (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. Targets for average annual growth were set in 2013 and the portfolio continues to return in excess of the highest target of 6% per annum.

Risk management

Our philosophy on risk management is well-established and 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 the likelihood of occurrence and the potential impact.

The whole situation is reviewed annually by a Risk Management Working Group comprising Trustees and members of the Executive.

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

The key risks faced by Born Free in 2018/19 as identified in the Risk Register were:

1. Reputation damage. Born Free obtains all of its non-investment funding through personal and corporate donations. Brand protection and character defence are paramount when publicising the work we do to enhance the focus on our core purpose. We work closely with legal partners to ensure Trade Mark compliance in the UK, EU and Africa.
2. Loss of income. Large, single source incomes are carefully managed by our Marketing Team to ensure mutual goals are achieved and Born Free's ongoing value proposition meets the needs of our supporters. Marketing pipelines of prospective and potential corporate supporters are maintained and reviewed regularly to provide a diverse income portfolio.
3. Business Continuity. Effective disaster recovery plan is in place with all server data backed up daily to facilities off site. All staff have the ability to work remotely and the UK, Kenyan and Ethiopian offices have 24hr, 7 day per week security monitoring. Insurance policies for all countries and eventualities are maintained.
4. Civil disturbance. Local political developments and potential civil disobedience in all countries that Born Free operates in are monitored closely through a variety of sources. Close communication is maintained with key personnel in each country to ensure all locally employed staff take appropriate action when required to ensure their personal safety. Emergency plans are in place to provide food and care for those animals in Born Free's custody.

Fundraising

The Trustees take their responsibilities under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on their fundraising activities.

The charity is committed to its donors and remains dedicated to treating all donors and supporters with the highest level of care, consideration and respect. The charity undertakes fundraising activity via multiple channels including direct mail, email, social media, online communications, in-house publications and through carefully selected partners.

The charity is registered with the Fundraising Regulator and abides by the Regulator's Code of Fundraising Practice and the Fundraising Promise. The charity is careful to ensure that it takes all reasonable steps to treat a donor fairly, enabling donors to make an informed decision about any potential donation. The charity adopts guidance on best fundraising practice provided by regulatory bodies, and will continue to do so as these are updated.

The charity works to ensure that every donor, where possible, is kept up-to-date on the impact their support has had and to share any successes which can be attributed to that individual's donation.

During the year to 31 March 2019, the charity received zero complaints in relation to fundraising.

Matt Smithers
Head of Marketing & Fundraising

PLANS FOR THE FUTURE

Working to a rolling 5-year plan, the cycle of implementation, monitoring, reporting and evaluation is in place, enabling us to provide evidence of our work and its impact, adapted to audience. However, whilst the value of this process is now clear, and the benefits beginning to appear, through increased levels of audience and supporter engagement, higher revenue and a properly managed relationship between results and further investment, we do not yet have a fully-informed and adaptable framework for sharing our content and information. Putting in place an interactive platform for reporting, business information, evidence, activity and outputs will allow us finally to make the jump from merely managing and translating information, to generating intelligence. This will benefit, and provide value to, all those who engage with us, and to the team itself. We intend implementing this platform (for which we have completed justification and feasibility) between 2020-21, as the next big thing to transform our performance, and how we are understood.

Beyond processes, and working from a similar implementation timescale, we will embark upon fulfilling the third of our three organisational Impact Goals. Impact Goals 1 & 2 are, respectively, End Wild Animal Exploitation and Suffering and Protect Threatened Species in the Wild. Impact Goal 3 is really the master card – Inspire Behaviour Change and Respect for Animals (in a world where co-existence is the norm). We have set down the headline objectives that will lead us in this quest:

1. Inspiring movements for co-existence
2. Educating local populations to support and practice co-existent behaviours
3. Highlighting the intrinsic value of wildlife

Clearly, these are big tasks and, whilst forming and developing our own education team is a small part of setting about on our quest, this will require the very best of all of us to achieve our goal. More than this, it will rely upon us being so clear, so compelling and so well evidenced in our work, that our stories become accepted wisdom, building movements for change that aren't about the push of traditional education, but the pull of populations needing to learn about a common and survive-able future. And we want those populations, those audiences, to learn from us.

This is why we have been putting in place such resilient and intelligent processes, and building a culture of excellence, based upon sound management and sure-footed, consistent leadership. To be believed, for

our stories to be accepted and used as evidence, we must be founded on our unquestioned achievements over a long period, the very best practice, and the integrity and clarity of our message.

This step-change will occupy us, within our strategic plan, for the next five years, during which time we will transform the business in terms of audience, reach and income, in order to support this intention. As a question of scale, we do not expect the size of our team to alter greatly, but we do expect our partnerships and sponsorships to leverage and replicate our impacts, far beyond our current reach. As benchmarks, with an income rising to £9.2m by 2023/4, we expect these health indicators, for the business to be attained and maintained, by 2024:

1. Legacies to produce no more than 35% of total revenue (excluding extraordinary gifts)
2. Restricted funding to be no more than 10% of income (excluding grants and large gifts)
3. Charitable spend, as a proportion of total, to meet or exceed 70%
4. Cost of doing business in revenue generation to not exceed 15% (or 25%, including personnel)

This is an ambitious and achievable programme, set out in clear terms, and relying upon a team that is increasingly well-equipped to deliver. Born Free is a leader in the field, increasingly recognised as a generator of ideas, alternatives, solutions and actions that actually work, and that bring people along on the journey. The stakes have never been higher and our plans must be set to match.

Statement of Trustees' responsibilities

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

In so far as the Trustees are aware:

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

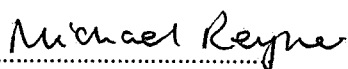
The Trustees are responsible for the maintenance and integrity of the charity and the financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

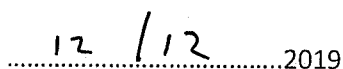
Saffery Champness LLP were auditors during the period and their reappointment will be considered at the annual general meeting.

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

On behalf of the board



Michael Reyner
Chair of Trustees

 2019

Opinion

We have audited the financial statements The Born Free Foundation for the year ended 31 March 2019 which comprise the consolidated statement of financial activities, the group and charity balance sheets, the consolidated cash flow statement and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2019 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

**Independent auditors' report to the members
For the year ended 31 March 2019**

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

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- the group or 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.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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, and for such internal control as the Trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Independent auditors' report to the members
For the year ended 31 March 2019**

Auditors' responsibilities for the audit of the financial statements

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

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of our report

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



.....
Cara Turlington (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Saffery Champness LLP
Chartered Accountants
Statutory Auditors

71 Queen Victoria Street
London
EC4V 4BE

.....
19 December 2019

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

The Born Free Foundation

Consolidated statement of financial activities (incorporating an income and expenditure account)
For the year ended 31 March 2019

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
Income and endowments from					
Donations and legacies	2	3,461,885	1,455,425	4,917,310	2,829,528
Charitable activities	3	755,849	-	755,849	1,149,652
Other trading activities	4	293,632	14,326	307,958	763,440
Investment income	5	105,098	-	105,098	109,817
Other income		3,489	-	3,489	97,118
Total		4,619,953	1,469,751	6,089,704	4,949,555
Expenditure on					
Raising funds		2,101,777	-	2,101,777	1,898,357
Charitable activities		-	4,206,188	4,206,188	4,104,646
Total	6	2,101,777	4,206,188	6,307,965	6,003,003
Net gains on investments	13	262,493	-	262,493	108,131
Net income/(expenditure)		2,780,669	(2,736,437)	44,232	(945,317)
Foreign exchange gains		33,933	-	33,933	(19,318)
Transfers between funds	20	(2,548,019)	2,548,019	-	-
Net movement in funds		266,583	(188,418)	78,165	(964,635)
Reconciliation of funds					
Total funds brought forward		6,470,137	238,340	6,708,477	7,673,112
Total funds carried forward	19	6,736,720	49,922	6,786,642	6,708,477

Continuing operations

All incoming resources and resources expended arise from continuing activities.

The notes on pages 24 to 48 form part of these financial statements.

The Born Free Foundation

Consolidated and charity balance sheets
At 31 March 2019

		Group 2019 £	Charity 2019 £	Group 2018 £	Charity 2018 £
Fixed assets					
Intangible assets		1	-	1	-
Tangible assets	11	1,624,952	1,624,952	905,797	905,690
Investments	12	4,307,836	4,307,921	4,598,840	4,598,840
		<u>5,932,789</u>	<u>5,932,873</u>	<u>5,504,638</u>	<u>5,504,530</u>
Current assets					
Stocks	14	26,464	-	27,380	-
Debtors	15	1,204,880	1,241,646	423,686	423,285
Cash at bank and in hand		328,364	305,524	1,218,470	1,125,275
		<u>1,559,708</u>	<u>1,547,170</u>	<u>1,669,536</u>	<u>1,548,560</u>
Creditors: amounts falling due within one year	16	<u>(705,838)</u>	<u>(756,347)</u>	<u>(333,801)</u>	<u>(329,960)</u>
Net current assets		<u>853,870</u>	<u>790,823</u>	<u>1,335,735</u>	<u>1,218,600</u>
Total assets less current Liabilities		<u>6,786,659</u>	<u>6,723,696</u>	<u>6,840,393</u>	<u>6,723,130</u>
Provisions	17	-	-	(131,879)	(131,879)
Net assets		<u>6,786,659</u>	<u>6,723,696</u>	<u>6,708,494</u>	<u>6,591,251</u>
Funds					
Unrestricted funds	20	6,736,720	6,673,774	6,470,137	6,352,911
Restricted funds		49,922	49,922	238,340	238,340
		<u>6,786,642</u>	<u>6,723,696</u>	<u>6,708,477</u>	<u>6,591,251</u>
Minority interest		17	-	17	
Total funds		<u>6,786,659</u>	<u>6,723,696</u>	<u>6,708,494</u>	<u>6,591,251</u>

The total income of the Charity as an individual entity for the year was £6,058,500 (2018 - £5,746,214) and its net income was £135,220 (2018 - (£292,877)). A Statement of Financial Activities for the Foundation as an individual entity is not included using the exemption given in section 408 of the Companies Act 2006.

The financial statements were approved by the Board of Trustees on *12 December* 2019 and were signed on its behalf by

Michael Reyner

Michael Reyner
Chair of Trustees

The notes on pages 24 to 48 form part of these financial statements.
Company number 3603432

The Born Free Foundation

Consolidated cash flow statement
For the year ended 31 March 2019

	Notes	2019 £	2018 £
Cash flows from operating activities			
Cash generated from operations	A	(905,417)	(1,164,104)
Net cash used in operating Activities		<u>(905,417)</u>	<u>(1,164,104)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(852,194)	(302,448)
Purchase of fixed asset investments		(1,748,138)	(593,967)
Sale of tangible fixed assets		-	-
Sale of fixed asset investments		2,510,545	512,396
Investment income		105,098	109,817
Net cash generated by/(used in) investing Activities		<u>15,311</u>	<u>(274,202)</u>
Change in cash and cash equivalents in the reporting period	B	(890,106)	(1,438,306)
Cash and cash equivalents at the beginning of the reporting period		<u>1,218,470</u>	<u>2,656,776</u>
Cash and cash equivalents at the end of the reporting period	B	<u>328,364</u>	<u>1,218,470</u>

The notes on pages 24 to 48 form part of these financial statements.

Notes to the cash flow statement
For the year ended 31 March 2019

A. Reconciliation of net income to net cash flow

	2019 £	2018 £
Net income for the reporting period (as per the statement of financial activities)	(44,232)	(945,317)
Adjustments for:		
Depreciation charges	152,184	249,342
Loss/(profit) on disposal of fixed assets	1,901	-
Gains on investments	(262,493)	(108,131)
Investment income	(105,098)	(109,817)
(Increase)/decrease in stocks	916	(14,978)
(Increase)/decrease in debtors	(781,194)	(107,700)
Increase/(decrease) in creditors	371,954	69,609
Increase/(decrease) in provisions	(131,879)	(191,845)
Non cash movements in foreign exchange	(195,940)	(5,267)
Net cash inflow from operating activities	(905,417)	(1,164,104)

B. Analysis of cash and cash equivalents

	At 31 March 2018 £	Movement £	At 31 March 2019 £
Cash at bank and in hand	1,218,470	(890,106)	328,364
	1,218,470	(890,106)	328,364

1. Accounting policies

1.1 Accounting convention

The financial statements of the charitable company and group 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)", Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

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

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

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

1.2 Basis of aggregation

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

1.3 Basis of consolidation

The group financial statements consolidate the financial statements of the Charity and its subsidiaries for the year ended 31 March 2019. The statement of financial activities (SOFA) and the balance sheet consolidate the financial statements on a line by line basis where appropriate.

Details concerning the subsidiary companies, along with its results and financial position are set out in note 12.

1.4 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Incoming resources

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

1.5.1 Legacy, donations and gifts are included in the accounts when the amount due can be quantified with reasonable probability and the timing of the receipt is known.

1.5.2 Income from investments and Gift Aid have been accounted for when receivable.

1 Accounting policies (continued)

1.5.3 Other trading activities comprise amounts receivable during the year from various fundraising events held by the charity and from income generated by its trading subsidiaries.

1.6 Resources expended

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

1.6.1 Expenditure on raising funds represents the costs of fundraising and general publicity for the charity.

1.6.2 Expenditure on charitable activities includes the costs of conservation and preservation of animals undertaken to further the purposes of the charity.

1.7 Tangible fixed assets

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

Freehold property	2% per annum on cost
Leashold property	Over the life of the lease agreement (5% - 10%)
Plant and office equipment	25% per annum reducing balance
Educational and fundraising vehicles	25% per annum reducing balance
Fixtures, fittings and equipment	25% per annum reducing balance
Computer equipment	33% per annum on cost

No depreciation is provided on freehold land.

1.8 Investments

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

1.9 Investment property

Investment property is stated at market value in the balance sheet. The Statement of Financial Activities includes the net gains or losses arising on revaluations and disposals throughout the year. No depreciation is charged on investment property.

1.10 Stocks

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

1 Accounting policies (continued)

1.11 Financial instruments

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

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

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

1.11.1 Basic financial assets

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

1.11.2 Basic financial liabilities

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

1.11.3 Financial instruments held by the Charity

Financial assets

The loan to the subsidiary is deemed to be a basic financial asset, which is measured at transaction price as it bears interest at a market rate.

The other debtors and prepayments do not constitute financing transactions and are deemed to be basic financial assets and are measured at transaction cost.

There has been no impairment of the financial assets in the year.

Financial liabilities

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

1 Accounting policies (continued)

1.12 Leasing commitments

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

1.13 Taxation

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

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

1.14 Foreign currencies

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

1.15 Fund accounting

Funds held by the charity and group are split into different types:

1.15.1 Unrestricted general funds

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

1.15.2 Restricted funds

Restricted funds are those funds donated to the Charity where the donor has stipulated they be used for the benefit of a specific project or for a particular administrative cost.

1.16 Pension costs and other post-retirement benefits

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

Notes to the financial statements (continued)
For the year ended 31 March 2019

2. Donations and legacies		
	2019	2018
	£	£
Donations and gifts	1,927,334	963,193
Legacies	2,389,687	1,725,155
Corporates and Trusts	600,289	141,180
	<u>4,917,310</u>	<u>2,829,528</u>
3. Charitable activities		
	2019	2018
	£	£
Adoptions income	755,849	705,469
Membership base subscriptions	-	315,286
Membership subscriptions to specific projects	-	128,897
	<u>755,849</u>	<u>1,149,652</u>
4. Other trading activities		
	2019	2018
	£	£
Income of trading subsidiary (note 12)	162,314	214,379
Events and raffles	145,644	549,061
	<u>307,958</u>	<u>763,440</u>
5. Investment income		
	2019	2018
	£	£
Dividend income	104,755	109,196
Bank interest received	343	621
	<u>105,098</u>	<u>109,817</u>

Notes to the financial statements (continued)
For the year ended 31 March 2019

6. Expenditure

During 2019 the charity reviewed its descriptions of charitable activities in light of the new strategy adopted by the organisation. As a result, costs for charitable activities and raising funds have been presented in different formats in 2019 and 2018. The Trustees believe representing 2018 information in the 2019 format would not give useful information to the users of the accounts and therefore this exercise has not been carried out.

6.1 Raising funds

6.1.1 2019

	2019 Total £
Staff costs	513,934
Investment management costs	27,919
Direct Costs	1,068,608
Cost of Sales	93,821
Property	47,670
Depreciation	87,486
Other support costs (note 7)	262,339
	2,101,777

6.1.2 2018

	Direct Activities £	Support Costs (note 7) £	2018 Total £
Donations	100,458	74,999	175,457
Legacies	6,345	11,084	17,429
Membership subscriptions	68,845	74,299	143,144
Fundraising and publicity	1,250,088	161,802	1,411,890
Cost of trading subsidiary	103,067	14,700	117,767
Investment management costs	32,670	-	32,670
	1,561,473	336,884	1,898,357

Notes to the financial statements (continued)
For the year ended 31 March 2019

6.2 Charitable activities costs

6.2.1 2019

	Direct costs £	Support Costs (note 7) £	Totals 2019 £
Conservation	962,938	663,278	1,624,247
Welfare	989,263	468,719	1,458,448
Policy	143,321	193,019	339,273
Education	44,549	109,830	157,681
Behavioural Change	-	631,271	581,839
	<u>2,140,071</u>	<u>2,066,117</u>	<u>4,206,188</u>

Included in direct costs are grants made to individuals of £5,710.

6.2.2 2018

	Grant funding activities £	Direct Costs £	Support Costs £	2018 Total Costs £
Zoocheck	18,233	227,428	47,739	293,400
Elephants	280,493	238,736	53,521	572,750
Bears	13,668	2,464	3,743	19,875
Wolves	47,913	25,416	13,591	86,920
Big cats	424,585	447,475	386,333	1,258,393
Primates	123,317	104,311	43,218	270,846
Marine	38,874	19,524	12,417	70,815
Information services and education	21,170	337,985	366,715	725,870
Other projects	579,143	112,349	114,285	805,777
	<u>1,547,396</u>	<u>1,515,688</u>	<u>1,041,562</u>	<u>4,104,646</u>

Included within 2018 grant funding activities are grants to individuals of £6,519.

Notes to the financial statements (continued)
For the year ended 31 March 2019

7. Support costs

	2019 £
Salaries	1,588,300
Property	119,337
IT & General office costs	175,317
Finance	21,637
Other support	318,079
Depreciation	56,169
Governance costs	49,617
	<u>2,328,456</u>

	2018 £
Property	42,640
General support salaries	599,444
Finance, IT and General office costs	485,343
Other support and Governance costs	251,019
	<u>1,378,446</u>

	2019 Total	2018 Total
		£
Raising funds	262,339	336,884
Charitable activities	2,066,117	1,041,562
	<u>2,328,456</u>	<u>1,378,446</u>

Governance costs includes:

	2019 £	2018 £
Auditors' remuneration	18,718	20,674

Notes to the financial statements (continued)
For the year ended 31 March 2019

8. Net income/expenditure

	2019	2018
	£	£
Auditors' remuneration, including the audit fees of subsidiaries	18,718	20,674
Depreciation	152,184	249,342
(Loss) on disposal of fixed assets	(1,901)	-
	<u>168,999</u>	<u>270,016</u>

9. Trustees' remuneration, benefits and expenses

There was no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Travel and subsistence expenses totalling £5,122 were paid to 4 trustees in the year ended 31 March 2019 (2018: £1,696 to one Trustee).

Donations were received from Trustees in the year amounting to £6,144 (2018: £1,590).

Notes to the financial statements (continued)
For the year ended 31 March 2019

10. Staff costs

	2019 £	2018 £
Wages and salaries	1,844,761	1,684,283
Social security costs	148,046	134,343
Other pension costs	150,559	118,742
	<u>2,143,366</u>	<u>1,901,368</u>

The average monthly number of employees (based on head count) during the year was 78 (2018: 81). This includes 4 unpaid volunteers in both years.

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

	2019 Number	2018 Number
£60,000 to £69,999	1	1
£90,000 to £99,999	-	1
£100,000 to £109,999	-	1
£110,000 to £119,999	1	-
£120,000 to £129,999	1	-
	<u>1</u>	<u>1</u>

The key management personnel comprise Stephen Chandler Head of Compliance, Sarah Curran Head of Finance, Chris Draper Head of Welfare & Captivity, Laura Gosset Head of Education, Elizabeth Greengrass Head of Conservation, Mark Gumbrell Head of Business Sustainability, Mark Jones Head of Policy, Howard Jones CEO, Nikki Mason Head of Enterprise & Partnership, Matt Smithers Head of Fundraising and Will Travers, President.

The total employee benefits of the key management personnel of the charity were £655,630 (2018: £631,537).

Notes to the financial statements (continued)
For the year ended 31 March 2019

11. Tangible fixed assets

Group

	Assets under construction £	Freehold Property £	Leasehold premises £	Plant, furniture and equipment £	2019 Total £
Cost					
At 1 April 2018	38,735	-	729,799	1,044,823	1,813,357
Additions	143,668	690,791	-	17,735	852,194
Disposals	-	-	-	(7,362)	(7,362)
Exchange adjustments	-	-	-	54,963	54,963
At 31 March 2019	182,403	690,791	729,799	1,110,159	2,713,152
Depreciation					
At 1 April 2018	-	-	111,100	796,460	907,560
Charge for year	-	-	71,677	80,507	152,184
Eliminated on disposal	-	-	-	(5,461)	(5,461)
Exchange adjustments	-	-	-	33,917	33,917
At 31 March 2019	-	-	182,777	905,423	1,088,200
Net book value					
At 31 March 2019	182,403	690,791	547,022	204,736	1,624,952
At 31 March 2018	38,735	-	618,699	248,363	905,797

Included in freehold property is land of £152,761 (2018: £152,761) which is not depreciated.

Capital commitments

The charity had no building commitments as at the year-end (2018: £nil).

Notes to the financial statements (continued)
For the year ended 31 March 2019

11. Tangible fixed assets (continued)

Charity

	Assets under construction £	Freehold Property £	Leasehold premises £	Plant, furniture and equipment £	2019 Total £
Cost					
At 1 April 2018	38,735	-	729,799	1,040,795	1,809,329
Additions	143,668	690,791	-	17,735	852,194
Disposals	-	-	-	(7,362)	(7,362)
Exchange adjustments	-	-	-	54,963	54,963
At 31 March 2019	182,403	690,791	729,799	1,106,131	2,709,124
Depreciation					
At 1 April 2018	-	-	111,100	792,539	903,639
Charge for year	-	-	71,677	80,507	152,184
Eliminated on disposal	-	-	-	(5,461)	(5,461)
Exchange adjustments	-	-	-	33,810	33,810
At 31 March 2019	-	-	182,777	901,395	1,084,172
Net book value					
At 31 March 2019	182,403	690,791	547,022	204,736	1,624,952
At 31 March 2018	38,735	-	618,699	248,256	905,690

Notes to the financial statements (continued)
For the year ended 31 March 2019

12. Fixed asset investments

Group		Quoted investments £	Property £	Totals £
Market value				
At 1 April 2018		4,423,838	175,000	4,598,838
Additions		1,748,138	-	1,748,138
Disposals		(2,510,545)	-	(2,510,545)
Realised and unrealised gains		471,405	-	471,405
At 31 March 2019		4,132,836	175,000	4,307,836
Net book value				
At 31 March 2019		4,132,836	175,000	4,307,836
At 31 March 2018		4,423,838	175,000	4,598,838
Historic cost of investments		3,655,022	175,000	3,830,022
Charity	Shares in group undertakings £	Quoted investments £	Property £	Totals £
Market value				
At 1 April 2018	85	4,423,838	175,000	4,598,923
Additions	-	1,748,138	-	1,748,138
Disposals	-	(2,510,545)	-	(2,510,545)
Realised and unrealised gains	-	471,405	-	471,405
At 31 March 2019	85	4,132,836	175,000	4,307,921
Net book value				
At 31 March 2019	85	4,132,836	175,000	4,307,921
At 31 March 2018	85	4,423,838	175,000	4,598,923
Historic cost of investments	85	3,655,022	175,000	3,830,107

Notes to the financial statements (continued)
For the year ended 31 March 2019

12. Fixed asset investments (continued)

Quoted investments are held as follows:

Group and charity

	Total 2019 £
UK Fixed interest	875,904
UK Equities	1,246,578
Overseas Equities	1,429,213
Property investments	146,635
Cash deposits	434,506
	4,132,836

There were no individual significant investments at 31 March 2019 relative to the total investment fund value.

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

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

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

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

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

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

Notes to the financial statements (continued)
For the year ended 31 March 2019

12. Fixed asset investments (continued)

	Born Free Trading Limited		Born Free Foundation South Africa	
	31 March 2019 £	31 March 2018 £	31 March 2019 £	31 March 2018 £
Turnover	162,314	214,379	-	-
Cost of sales	(88,258)	(74,105)	-	-
Gross profit	74,056	140,274	-	-
Administrative expenses	(34,047)	(45,193)	(16)	(75)
Other income	-	-	191	213
Net profit/(loss)	40,009	95,081	175	137
Assets – fixed and current	69,250	143,069	2,950	2,775
Liabilities	(6,413)	(17,440)	-	-
	62,837	125,629	2,950	2,775
Share capital	2	2	-	-
Retained reserves	62,835	125,627	2,950	2,775
	62,837	125,629	2,950	2,775

In 2019 the following transactions took place between the Trust and its wholly owned subsidiaries:

Staff and administration costs were recharged by the Charity to Born Free Trading Limited totalling £18,000 (2018: £18,000).

Born Free Trading Limited made a donation under gift aid to the charity of £102,801 (2018: £nil).

At 31 March 2019 the charity owed Born Free Trading Limited £14,202 (2018: £13,630).

At 31 March 2019 Born Free Films Limited owed the charity £2,775 (2018: £2,775).

Notes to the financial statements (continued)
For the year ended 31 March 2019

13. Gains/(losses) on investments

	2019 £	2018 £
Realised gains/(losses)	208,912	42,999
Unrealised (losses)/gains	262,493	108,131
	<u>471,405</u>	<u>151,130</u>

14. Stocks

Group

	2019 £	2018 £
Stocks	26,464	27,380

Charity

	2019 £	2018 £
Stocks	-	-

Notes to the financial statements (continued)
For the year ended 31 March 2019

15. Debtors

Group: Amounts falling due within one year

	2019 £	2018 £
Trade debtors	270,879	-
Other debtors	679,199	357,057
Prepayments and accrued income	254,802	66,629
Amounts due from subsidiaries	-	-
	1,204,880	423,686
	1,204,880	423,686

Charity: Amounts falling due within one year

	2019 £	2018 £
Trade debtors	263,037	-
Other debtors	678,218	365,414
Prepayments and accrued income	254,802	57,871
Amounts due from subsidiaries	45,589	-
	1,241,646	423,285
	1,241,646	423,285

Notes to the financial statements (continued)
For the year ended 31 March 2019

16. Creditors

Amounts falling due within one year

Group	2019 £	2018 £
Trade creditors	220,506	105,491
Amounts owed to subsidiaries	-	-
Corporation tax	5,808	14
OTSS	46,317	44,302
Other creditors	1,541	74,195
Accruals and deferred income	431,666	109,799
	<u>705,838</u>	<u>333,801</u>

Charity	2019 £	2018 £
Trade creditors	217,093	96,165
Amounts owed to subsidiaries	57,035	13,630
Corporation tax	5,808	-
OTSS	46,317	44,302
Other creditors	1,428	72,193
Accruals and deferred income	428,666	103,670
	<u>756,347</u>	<u>329,960</u>

The charity had the following grant commitments included within accruals above:

Group and Charity	2019 £	2018 £
Opening commitments	131,879	323,724
New commitments in the year	184,140	180,095
Grants paid in the year	(110,537)	(371,940)
	<u>205,482</u>	<u>131,879</u>

The Born Free Foundation

Notes to the financial statements (continued)
For the year ended 31 March 2019

17. Provisions

Group and charity	2019 £	2018 £
Opening balance	131,879	323,724
Movement in the year	(131,879)	(191,845)
	-	131,879

18. Operating lease commitments

As at 31 March 2019 the charity had commitments under non-cancellable operating leases as follows:

Group and Charity	2019 £	2018 £
Land and Buildings		
Within one year	83,181	68,230
Between one and five years	89,020	25,623
In more than five years	267,060	-
	439,261	418,753
Other leases		
Within one year	10,006	10,282
Between one and five years	12,250	22,256
In more than five years	-	-
	22,256	32,538

Notes to the financial statements (continued)
For the year ended 31 March 2019

19. Net Assets by fund

Group

	Unrestricted funds £	Restricted funds £	Total funds £
Intangible Fixed Assets	1	-	1
Tangible Fixed Assets	1,624,952	-	1,624,952
Investments	4,307,836	-	4,307,836
Current Assets	1,509,786	49,922	1,559,708
Current liabilities	(705,838)	-	(705,838)
Net assets	6,736,737	49,922	6,786,659

Charity

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible Fixed Assets	1,624,952	-	1,624,952
Investments	4,307,921	-	4,307,921
Current Assets	1,497,248	49,922	1,547,170
Current liabilities	(756,347)	-	(756,347)
Net assets	6,673,774	49,922	6,723,696

Notes to the financial statements (continued)
For the year ended 31 March 2019

20. Movement in funds

	At 1 April 2018 £	Net movement in funds £	Transfers between funds £	At 31 March 2019 £
Unrestricted funds				
General fund	6,470,154	2,769,903	(2,548,019)	6,736,737
Restricted funds				
Elephants	16,123	(16,123)	-	-
Bears	222,217	(222,217)	-	-
Conservation	-	(591,087)	591,087	-
Welfare	-	(1,010,580)	1,010,580	-
Policy	-	(315,080)	315,080	-
Education	-	49,922	-	49,922
Behavioural Change	-	(631,271)	631,271	-
	238,340	(2,497,598)	2,548,019	49,922
Total	6,708,494	78,165	-	6,786,659

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	4,619,953	(2,101,777)	296,426	2,814,602
Restricted funds				
Elephants	-	(16,123)	-	(16,123)
Bears	-	(222,217)	-	(222,217)
Conservation	796,788	(1,387,875)	-	(591,087)
Welfare	447,402	(1,457,982)	-	(1,010,580)
Policy	21,260	(336,340)	-	(315,080)
Education	204,301	(154,379)	-	49,922
Behavioural Change	-	(631,271)	-	(631,271)
	1,469,751	(4,206,188)	-	(2,736,437)
Total	6,089,704	(6,307,965)	296,426	78,165

20. Movement in funds (continued)

Restricted funds are for the following purposes:

Elephants – Monitoring populations of forest and savannah elephants in response to human encroachment of habitat and poaching and developing co-existence models for conservation.

Bears – The rescue, rehabilitation, and release of bears in Russia as victims of logging of their natural habitat in Northern Siberia.

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

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

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

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

Behavioural Change – The need to encourage people to alter their behaviour towards wildlife is fundamental to achieving our aims and underlies everything we do.

21. Related party transactions

Transactions with the subsidiary companies are detailed in note 12.

The charity made a payment of £176,758 to The Pangea Trust (England and Wales Company registration number 10893190, Charity registration number 1177137) during the year. The Born Free Foundation is the sole member of the charitable company but additional members are due to be appointed. Elaine Olson-Williams, Michael Reyner and Will Travers are the trustees of The Pangea Trust. Transactions with the subsidiary companies are detailed in note 12.

The President is a son of Virginia McKenna who is a trustee. He received remuneration of £92,800 during the year (2018 - £90,627) which is included in the key management personnel expenditure in note 10. Virginia McKenna is not involved in decisions regarding employment or levels of remuneration which are benchmarked independently.

The charity made a payment of £10,000 (2018 – £10,000) to Nice Little Effort Limited (England and Wales Company registration number 10595075). The President, Will Travers, is one of the two directors of the company.

Included within debtors in the financial statements are amounts owed from Born Free USA, which is a United States 501(c)(3) foundation. Whilst The Born Free Foundation has a common interest, and both Will Travers and Michael Reyner are Directors of Born Free USA, it does not control Born Free USA. During the year the charity made a grant of £70,000 to the US charity.

Elaine Olson-Williams, a trustee of the charity, is a partner of MHA MacIntyre Hudson. During the year MHA MacIntyre Hudson provided accountancy support to the charity totalling £13,235 plus VAT (2018 – £nil). Services were provided on reduced commercial terms.

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

22. Comparative statement of financial activities

	Unrestricted funds £	Restricted funds £	2018 Total funds £
Income and endowments from			
Donations and legacies	2,246,474	583,054	2,829,528
Charitable activities	315,286	834,366	1,149,652
Other trading activities	763,440	-	763,440
Investment income	109,817	-	109,817
Other income	97,118	-	97,118
Total	3,532,135	1,417,420	4,949,555
Expenditure on			
Raising funds	1,898,357	-	1,898,357
Charitable activities	-	4,104,646	4,104,646
Total	1,898,357	4,104,646	6,003,003
Net gains on investments	108,131	-	108,131
Net income	1,741,909	(2,687,226)	(945,317)
Foreign exchange gains	(19,318)	-	(19,318)
Transfers between funds	(2,448,637)	2,448,637	-
Net movement in funds	(726,046)	(238,589)	(964,635)
Reconciliation of funds			
Total funds brought forward	7,196,200	476,929	7,673,129
Total funds carried forward	6,470,154	238,340	6,708,494