

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

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OAK TREE ANIMALS' CHARITY
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2023**

Trustees	Ms E J C Hoyles (resigned 24 May 2023) Mr M B Squires Mr S Wells Ms L Taylor Ms M L Sullivan (resigned 6 September 2023) Ms J M Hansel Mrs R Armstrong (appointed 29 February 2024) Mrs G S Lowry (appointed 29 February 2024)
Company registered number	10404912
Charity registered numbers	1169511 and SC048389
Registered office	Oak Tree Farm Wetheral Shields Carlisle Cumbria CA48JA
Chief executive officer	Ms C A Johnson
Independent auditors	Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditors James Watson House Montgomery Way Rosehill Carlisle Cumbria CA1 2UU

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report together with the audited financial statements of the Charity for the period 1 January 2023 to 31 December 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Welcome to the Annual Report and Financial Statements of Oak Tree Animals' Charity.

Our Vision

Our vision is a world where understanding and empathy ensure that all animals are treated with kindness and respect.

Our Mission

Our mission is to help companion animals in need; finding them a safe and comfortable home and helping the community understand their needs, through support and education.

Our Values

Our values are integral to our everyday work. They reflect what we stand for and how we evaluate ourselves

- We are proud to be non-judgemental and compassionate in our approach to animals and the people who care for them
- We are proactive and value our work with partner organisations to find effective and evidence-based approaches to animal welfare
- We aim to find the right home for the animals in our care, providing ongoing support and advice to ensure life-long partnerships; and
- We strive to be innovative, flexible and responsive to meet the needs of animals and our community in changing times.

OAK TREE ANIMALS' CHARITY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Objectives and activities

a. Objectives and aims

Working for our community; caring for animals; making a difference. Oak Tree has been helping animals for 115 years. We are passionate about animal welfare and believe that every animal matters; helping thousands of animals every year. In 2023 we were able to assist 4,471 animals and their owners.

Our mission is to help companion animals in need; finding them a safe and comfortable home and helping the community to understand their needs through support and education.

2023 continued to provide challenges for pet owners as the social, political and economic climate remained uncertain. Following the pandemic boom in new dogs, the most recent survey by Dogs Trust shows that the number of puppy owners and dogs aged under one year old has decreased significantly post-covid. This reduction could also be linked to the increase in cost of living and associated financial struggles. In 2023, 19% of people were looking at how they could switch to cheaper dog food; 13.8% considering skipping non-emergency vet care and over 30% looking at reducing items like dog day care, dog walkers and grooming fees. 92% of people said that they were less likely to get a dog in 2024 due to the cost of living (Dogs Trust, National Survey Results 2023).

Financial concern is causing difficult choices for pet owners, and there is a real risk of increased relinquishment with a reduced number of households looking to adopt. A perfect storm,

We find dogs, cats and horses loving new homes, rescuing and rehabilitating them to give them the best chance of a bright future. Rehoming is intrinsically reactive - something has gone wrong. Our proactive community approach seeks to find solutions for pet owners, wherever practical and appropriate, thus keeping pets in loving homes and avoiding unnecessary stress and heartache. We work alongside our partners at foodbanks, social services, housing associations and other local organisations to help vulnerable pet owners who desperately need our help. Our 'A Helping Paw' programme provides vital short-term fostering for those who are homeless or fleeing domestic violence, helping them rebuild lives whilst knowing their pet is safe and well cared-for. We run community clinics and training classes to offer welfare advice and support and we also work with schools and community groups to educate the next generation of pet owners.

b. Strategies for achieving objectives and aims

In early 2024 we will be launching our new three-year strategy to help us navigate these challenges. This strategy is built around four key pillars.

- 1 Animal Welfare: Community and Rehoming
- 2 Human Behaviour
- 3 Collaboration
- 4 Sustainability

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

Animal Welfare: Community and Rehoming

Animal welfare is at the heart of our Charity. Our proactive community-based approach, combined with our flexible rehoming services allows us to ensure that we are able to find solution for animals and their owners in our community.

Human Behaviour

To effect real change for animal welfare we need to ensure that our education and community approach provides both practical, evidence-based solutions and long-lasting behaviour change.

Collaboration

Partnerships with other organisations have been vital for our success to date. Collaborations are essential to provide effective, timely support, improve animal welfare, avoid duplication of service, and to make every penny of our supporters donations go further.

Sustainability

Financial and environmental sustainability are vital to ensure that we are here for future generations of animals and owners in our region. Throughout this strategy we will seek to build on our income generation plans, manage our costs and seek to minimise our impact on our environment wherever possible.

d. Volunteers

Our volunteers are amazing and make an invaluable contribution to our Charity and the animal and pet owners in our community. Without them we would be unable to achieve the scale of the work that we do. We would like to thank them for their dedication and commitment to our work and improving the lives of animals in our region.

e. Public Benefit

The Board of Trustees has considered the guidance produced by the Charity Commission on the provision of public benefit and confirms that public benefit is provided by the Charity's activities.

The Charity operates at Oak Tree Farm, a temporary shelter for animals while a new home is sought for them. The Charity provides advice and support to pet owners and gives peace of mind when an animal has to be taken into care because the owner is no longer able to keep it.

The Charity operates an education service on animal welfare issues to our community including individuals, schools, nurseries, further education establishments, businesses and community groups.

When establishing strategies and deciding upon the main activities, the trustees have had regard to Charity Commission guidance on public benefit.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

a. Review of activities

In 2023, with your support, we were able to help 4,471 animals who needed our assistance through our animal welfare programmes. This includes 2,351 dogs, 1,760 cats, 68 horses and 292 other animals.

With your support, in 2023 we were able to:

- Neuter 294 cats through our Trap Neuter Return (TNR) programme
- Provide supported neutering and vet care for those in financial difficulty for 117 animals
- Help 356 people and their pets through our behaviour and training team
- Provide short-term foster placements for 96 animals through our 'A Helping Paw' programme where their owners are fleeing domestic violence or are homeless.

as well as supporting many other animals through other community-based programmes.

Our staff and volunteer teams work tirelessly to make sure every case we are able to help has the right individual outcome for both animal and owner. Collaboration with partners is key and we have continued to build our relationships with other charities and organisations to ensure we are able to support animals in owners in need, signpost to services appropriately, avoid duplication of service and adapt and develop our programmes effectively in response to need.

Unwanted dog behaviour continues to be a key primary reason for relinquishment (34% of dog intake in 2023). Our behaviour and training team developed their work throughout 2023 to include increased provision for 1-2-1 sessions, new classes and increased telephone and email services. With the increase we have seen in dog reactivity issues in both our intake and community dogs, we held our first online Understanding Canine Reactivity Workshop aiming to help owners understand what their dogs are going through and how to implement ethical, positive training methods to help them.

A proactive approach to welfare remains our priority. To help provide that front-line, first response service we launched our Ask@ service run by our welfare experts for pet owners seeking advice to any questions about pet ownership. Calls in 2023 were varied and included advice around the XL Bully ban, dog reactivity towards humans, parasite treatment, travel anxiety and recall issues.

Education is key to ensure that we continue to improve animal welfare with young people, our wider community and local professionals. In 2023 our Education Team worked with 881 adults and 1,233 children, providing a range of learning opportunities and activities to promote animal welfare. Our online learning resources were downloaded over 8,500 times.

For the second year we were invited to work collaboratively with eight other welfare charities across the UK to have an educational and welfare presence at the Appleby Horse Fair. Our team spoke with travellers about horse care, answering questions and giving support as needed.

We were delighted to welcome so many visitors to Oak Tree Farm and our shops in 2023. In 2023 we saw our Charity Shop network grow throughout Cumbria and Northumberland to include a presence in Blaydon, Ponteland and Durham. These shops not only generate vital income for our work, but also provide access points to our services at the heart of our community. Our shops have developed networks within their community, providing opportunities for partnership working with local foodbanks, support services and directly to pet owners in need.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

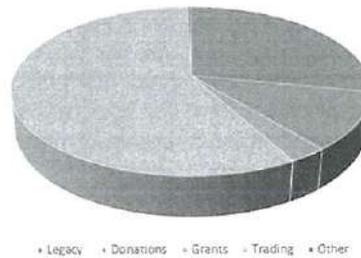
Financial review

a. Review of the year

We continue to diversify our income streams with the development of our Trading Subsidiary and we are extremely grateful for the generous legacies left to Oak Tree.

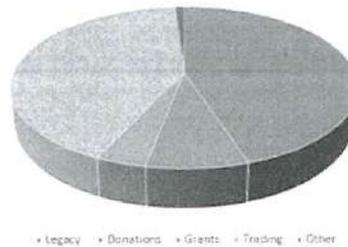
2023	TOTAL	% OF INCOME
Legacy	676,043	28.22
Donations	261,736	10.93
Grants	69,916	2.92
Trading	1,379,802	57.60
Other	7,869	0.33

2023 Income by Type



2022	TOTAL	% OF INCOME
Legacy	1,045,632	45.04
Donations	186,314	8.03
Grants	100,813	4.34
Trading	980,755	42.25
Other	7,793	0.34

2022 Income by Type



The key financial facts for year ended 31st December 2023 are: income: £2,395,366, expenditure: £2,437,769 (with the difference between income and expenditure being a deficit of £42,303). There was a gain on investments of £12,744 and a gain on revaluation of fixed assets of £75,000 during 2023. Total unrestricted reserves at the end of 2023 were £2,682,385, with £723,089 being accessible reserves, and the remainder being tangible fixed assets, primarily our land and buildings.

By comparison, the accounts of year ending 31st December 2022 showed income of £2,321,307, and expenditure of £1,970,470 producing a surplus for the period of £350,837.

We would like to thank all of those supporters and funders who so generously supported our work this year: Alice Noakes Memorial Charitable Trust, Animal Friends Insurance, Armstrong Watson, ADCH with Mars Petcare, Box Power CIC; Burns Pet Nutrition, Caledonia Park, Carlisle Refrigeration, Cartmell Shepherd, Co-operative Local Community Fund, Cumbria County Council, Groundwork Tesco Community Grants, Health4Horses, HSBC, Kierweb, Marjorie Coote Animal Charity Trust, Mrs DM France-Hayhurst Charitable Trust, PetPlan Charitable Trust, Postcode Neighbourhood Trust, The Arthur Camp Foundation Trust, The Astor Foundation, The Audrey Emma Lamb Trust, The Barry Green Memorial Fund, The Catherine Cookson Charitable Trust, The Charity of Stella Symons, The David Family Foundation, The Elise Pilkington Charitable Trust, The Emerson Foundation, The Michael and Shirley Hunt Charitable Trust, The Prowting Charitable Foundation, The Rose Animal Welfare Trust, The Tula Trust, The Walker Trust, The Turnpike Charitable Trust.

OAK TREE ANIMALS' CHARITY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

b. Reserves policy

Each year the Board of Trustees reviews the reserves of the charity in line with the Charity's investment policy, looking at income and expenditure and the overall value of reserves.

At the balance sheet date, unrestricted reserves excluding tangible fixed assets amounted to £723,089.

c. Investments policy

Under the constitution and rules of the Charity, the Board of Trustees has the power to make any investments as deemed fit, mindful that any such investment should be of an ethical nature and true to the objectives of the Charity.

The investment policy sets out the requirement for reserves to be invested conservatively and in line with the Charity Commission guidelines with a diversified portfolio to minimise risk. An ethical policy has been adopted to avoid investments that conflict with the aims of the Charity. This policy precludes direct investment in companies involved in vivisection or drug testing on animals.

OAK TREE ANIMALS' CHARITY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management

a. Constitution

Oak Tree Animals' Charity is registered as a charitable company limited by guarantee and was set up by a Trust deed.

b. Methods of appointment or election of Trustees

The management of the Group and the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. Day to day management is delegated to the Chief Executive Officer, Ms C A Johnson.

c. Policies adopted for the induction and training of Trustees

All new trustees undergo a period of induction and training, supported by the Trustee Board and the Senior Management Team. It is vital our trustees have up-to-date relevant knowledge relating to governance and our sector, and hence this commitment to training continues throughout their period of trusteeship.

d. Pay policy for key management personnel

The Board of Trustees sets the remuneration of the management team in line with fair market rates, taking into consideration the specific requirements of the role. The performance and level of remuneration is reviewed annually.

e. Related party relationships

The Charity has a wholly owned subsidiary trading company, OTAC Trading Limited, to promote hospitality, retail and events from Oak Tree Farm and other Charity properties. All profits from the trading company are donated to the Charity.

f. Financial risk management

The Trustees have assessed the major risks to which the Group and the Charity are exposed, in particular those related to the operations and finances of the Group and the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

g. Decision making

The Board of Trustees meets throughout the year to make decisions regarding the direction and governance of the Charity in accordance with the governing document. No business is transacted at any general meeting unless a quorum of three members is present, with decisions taken through a vote indicated by a show of hands, with each member entitled to one vote. In the event of deadlock the Chair of the Board may cast an additional deciding vote. A resolution may also be made in writing by simple majority of the members who would have been entitled to vote on it were it held at a general meeting.

OAK TREE ANIMALS' CHARITY
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Plans for future periods

2024 has some significant challenges ahead. Pet owners across the UK are struggling with the increased cost of living and pet costs. Shelters across the UK are seeing an increase in the number of significant behaviour issues in dogs and cats and intake lists throughout the county are at record levels. Our own cost levels are rising and our generous donors are also facing their own financial challenges.

With our commitment to our region, our proactive, community-based approach and our strategic model for sustainability, we believe we are in a strong position to meet these challenges and ensure animals and their owners received the support they need, now and in the future.

2024 sees the launch of our new strategy period and will see our Charity:

- Continuing to focus on fostering options and develop alternate rehoming models
- Broadening our approach to education with a specific focus on human behaviour change
- Increasing the use of our charity shop network to meet all of our four strategic pillars
- Creating a sustainable and resilient structure for our Charity's future
- Diversifying our income streams
- Embedding our ask@ service throughout our whole community to encourage early intervention
- Enhancing our collaborations with other charities and our peers to maximise our impact.

Statement of Trustees' responsibilities

The Trustees (who are also the 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Disclosure of information to auditors

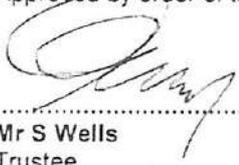
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Armstrong Watson Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
Mr S Wells
Trustee
Date: 13/9/24

OAK TREE ANIMALS' CHARITY
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OAK TREE ANIMALS' CHARITY

Opinion

We have audited the financial statements of Oak Tree Animals' Charity (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, 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 Group's and of the parent charitable company's affairs as at 31 December 2023 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, the Charities Act 2011, the Charities (Reports and Accounts) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

OAK TREE ANIMALS' CHARITY
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OAK TREE ANIMALS' CHARITY
(CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006, the Charities Act 2011, the Charities (Reports and Accounts) Regulations 2008, the Charities and Trustees Investment (Scotland) Act 2005, and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, 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 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OAK TREE ANIMALS' CHARITY
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the not for profit sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF OAK TREE ANIMALS' CHARITY
(CONTINUED)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Auditing standards also limit the procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with the Charities (Reports and Accounts) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Karen Rae FCCA (Senior statutory auditor)

Armstrong Watson Audit Limited
Chartered Accountants & Statutory Auditors
Carlisle

Date: 13 September 2024

Armstrong Watson Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

OAK TREE ANIMALS' CHARITY
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	974,401	33,294	1,007,695	1,332,759
Other trading activities	5	1,379,802	-	1,379,802	980,755
Investments	6	7,869	-	7,869	7,793
Total income		2,362,072	33,294	2,395,366	2,321,307
Expenditure on:					
Raising funds	7	631,608	-	631,608	489,279
Charitable activities	8	1,592,104	214,057	1,806,161	1,481,191
Total expenditure		2,223,712	214,057	2,437,769	1,970,470
Net income/(expenditure) before net gains/(losses) on investments		138,360	(180,763)	(42,403)	350,837
Net gains/(losses) on investments		12,744	-	12,744	(69,676)
Net income/(expenditure)		151,104	(180,763)	(29,659)	281,161
Transfers between funds	21	19,986	(19,986)	-	-
Net movement in funds before other recognised gains/(losses)		171,090	(200,749)	(29,659)	281,161
Other recognised gains/(losses):					
Gains on revaluation of fixed assets		75,000	-	75,000	-
Net movement in funds		246,090	(200,749)	45,341	281,161
Reconciliation of funds:					
Total funds brought forward		2,436,295	291,437	2,727,732	2,446,571
Net movement in funds		246,090	(200,749)	45,341	281,161
Total funds carried forward		2,682,385	90,688	2,773,073	2,727,732

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 19 to 47 form part of these financial statements.

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)
REGISTERED NUMBER: 10404912

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	1,538,405	1,177,321
Investments	15	287,558	311,204
Investment property	14	133,333	408,333
		1,959,296	1,896,858
Current assets			
Stocks	16	13,785	7,345
Debtors	17	360,034	966,188
Cash at bank and in hand		679,788	49,545
		1,053,607	1,023,078
Creditors: amounts falling due within one year	18	(223,240)	(164,762)
Net current assets		830,367	858,316
Total assets less current liabilities		2,789,663	2,755,174
Creditors: amounts falling due after more than one year	19	(16,590)	(27,442)
Total net assets		2,773,073	2,727,732
Charity funds			
Restricted funds	21	90,688	291,437
Unrestricted funds	21	2,682,385	2,436,295
Total funds		2,773,073	2,727,732

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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



Mr S Wells

Trustee

Date: 13/4/24

The notes on pages 19 to 47 form part of these financial statements.

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)
REGISTERED NUMBER: 10404912

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	1,508,957	1,157,957
Investments	15	287,559	311,205
Investment property	14	133,333	408,333
		1,929,849	1,877,495
Current assets			
Stocks	16	273	273
Debtors	17	380,500	952,673
Cash at bank and in hand		592,278	24,149
		973,051	977,095
Creditors: amounts falling due within one year	18	(142,048)	(118,158)
		831,003	858,937
Net current assets			
		2,760,852	2,736,432
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	19	(16,590)	(27,442)
		2,744,262	2,708,990
Total net assets			
		2,744,262	2,708,990
Charity funds			
Restricted funds	21	90,688	291,437
Unrestricted funds	21	2,653,574	2,417,553
		2,744,262	2,708,990
Total funds			
		2,744,262	2,708,990

The Charity's net movement in funds for the year was £35,272 (2022 - £272,240).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

.....
Mr S Wells

Trustee

Date: 13/12/24

The notes on pages 19 to 47 form part of these financial statements.

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities (note 24)	685,897	(292,729)
Cash flows from investing activities		
Dividends, interests and rents from investments	6,336	7,180
Purchase of tangible fixed assets	(89,137)	(90,902)
Proceeds from sale of investments	36,262	77,234
Interest received	1,533	613
Net cash used in investing activities	(45,006)	(5,875)
Cash flows from financing activities		
Repayments of borrowing	(10,000)	(10,000)
Decrease/(increase) in investments	-	2,820
Interest paid	(648)	-
Net cash used in financing activities	(10,648)	(7,180)
Change in cash and cash equivalents in the year	630,243	(305,784)
Cash and cash equivalents at the beginning of the year	49,545	355,329
Cash and cash equivalents at the end of the year	679,788	49,545

The notes on pages 19 to 47 form part of these financial statements

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

Oak Tree Animals' Charity is a company limited by guarantee registered in England and Wales and also a Charity registered with both the Charity Commission and the Office of the Scottish Charity Regulator. The principal activity of the Charity is the care and rehoming of animals in need as well as community education and engagement on animal welfare.

These accounts are presented in pounds sterling and are rounded to the nearest pound unless stated otherwise.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Oak Tree Animals' Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

The Trustees have reviewed the budgets and cashflow forecasts for the coming 12 months in their going concern assessment, including various scenarios where income is reduced and costs are increased. They are confident that through the management of current funds available and prudent planning, they have sufficient resources available to meet their needs for a period beyond 12 months from the point of signing.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

2. Accounting policies (continued)

2.3 Income (continued)

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated goods, professional services and facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

As it is impractical to measure the fair value of goods donated for resale, the donated goods are recognised when they are sold.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Wages and salaries have been apportioned in line with the activities undertaken by the employee.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Volunteers

The value of the services provided by volunteers is not incorporated into these financial statements.

Further details of their contribution is provided in note 7 to these financial statements and in the Trustees' report.

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.7 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the revaluation model, tangible fixed assets whose fair value can be measured reliably shall be carried at a revalued amount, being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The charity has adopted the revaluation model to revalue items of freehold property whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the Statement of Financial Activities and added to reserves in a separate Revaluation reserve.

Investment property rented to other group entities and accounted for under the cost model is stated at historic cost less accumulated depreciation and any accumulated impairment losses.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, on a straight line and reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	-	2% reducing balance
Plant and machinery	-	15% reducing balance/20% straight line
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	15% reducing balance/25% straight line
Computer equipment	-	33% reducing balance

Depreciation is charged on a monthly basis from the calendar month following acquisition or on the bringing into use of the asset, whichever is the latter. A full month is charged in the month of disposal.

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

The investment portfolio held as fixed asset investments are measured at market value.

Fixed assets and investments are subject to review for impairment when there is an indication of a reduction in their carrying value.

Any impairment is recognised in the year in which it occurs in the corresponding category in the Statement of Financial Activities.

2.10 Stocks

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

2.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.12 Cash at bank and in hand

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

2.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.14 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.15 Operating leases

The Group as lessee

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight-line basis over the lease term.

The Group as lessor

Rental income from operating leases is credited to the Consolidated statement of financial activities on a straight-line basis over the lease term.

2.16 Pensions

The Group operates a defined contribution pension scheme and the assets of this scheme are held separate to those of the Group in an independently administered fund. The pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.17 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

3. **Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Depreciation and impairment of fixed assets

Depreciation rates are calculated based on the estimated useful life of each class of asset held. Assets are reviewed annually for any signs of impairment and if such impairment exists, judgement is exercised to determine if the asset is correctly valued.

The carrying amount of fixed assets is included within the tangible fixed assets note.

Valuation of investment property

The investment property is valued by a professional valuer periodically. In the interim periods the Trustees exercise their judgement to assess whether the valuation remains accurate before making any adjustments as deemed necessary.

Contingent assets in relation to legacy income not yet received

Legacy income is inherently complex and takes a significant amount of time from the point of notification to the point funds are received by the Charity. The Trustees exercise judgement based on their past experience with legacy receipts to determine when it is likely the income will be received and how much will be received.

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

4. Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Grants			
Grants for general purposes	36,622	15,298	51,920
Grants for Equine projects	-	-	-
Grants for Animal projects	-	6,750	6,750
Grants for Community & Educational projects	-	11,246	11,246
	<hr/>	<hr/>	<hr/>
	36,622	33,294	69,916
	<hr/>	<hr/>	<hr/>
Donations	261,736	-	261,736
Legacies	676,043	-	676,043
	<hr/>	<hr/>	<hr/>
Subtotal	937,779	-	937,779
	<hr/>	<hr/>	<hr/>
	974,401	33,294	1,007,695
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

4. Income from donations and legacies (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Grants			
Grants for general purposes	53,352	21,991	75,343
Grants for Animal projects	-	1,000	1,000
Grants for Community & Educational projects	-	21,000	21,000
COVID-19 related grants	-	3,470	3,470
	-	-	-
	<u>53,352</u>	<u>47,461</u>	<u>100,813</u>
Donations	186,314	-	186,314
Legacies	795,632	250,000	1,045,632
Subtotal	<u>981,946</u>	<u>250,000</u>	<u>1,231,946</u>
	<u>1,035,298</u>	<u>297,461</u>	<u>1,332,759</u>

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £
Fundraising events, sponsorship and lottery income	6,870	6,870
	<u>6,870</u>	<u>6,870</u>

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Fundraising events, sponsorship and lottery income	8,100	8,100
	<u>8,100</u>	<u>8,100</u>

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Trading income in OTAC Trading Ltd	1,372,932	1,372,932
	<u>1,372,932</u>	<u>1,372,932</u>

Trading income in 2022 in OTAC Trading Ltd amounted to £972,655 of unrestricted funds.

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Investment income - dividends	6,336	6,336
Investment income - bank interest	1,533	1,533
	<u>7,869</u>	<u>7,869</u>
	<u><u>7,869</u></u>	<u><u>7,869</u></u>
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Investment income - dividends	7,180	7,180
Investment income - bank interest	613	613
	<u>7,793</u>	<u>7,793</u>
	<u><u>7,793</u></u>	<u><u>7,793</u></u>

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £
Event expenses	25,066	25,066
	25,066	25,066
	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Event expenses	7,051	7,051
	7,051	7,051

Volunteers play a full part in the life of Oak Tree, supporting animal care, administration, governance and facilities functions; manning events, organising collections and undertaking a wide variety of fundraising activities.

In 2023 our volunteers gave over 52,000 hours of time equating to an incredible £541,840 of support based on minimum wage (2022 – over 36,696 hours equating to over £346,969 of support).

Fundraising trading expenses

	Unrestricted funds 2023 £	Total funds 2023 £
Direct costs in OTAC Trading Ltd	308,375	308,375
Administration expenses in OTAC Trading Ltd	284,036	284,036
Depreciation in OTAC Trading Ltd	14,131	14,131
	606,542	606,542

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

7. Expenditure on raising funds (continued)

Fundraising trading expenses (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Direct costs in OTAC Trading Ltd	425,257	425,257
Administration expenses in OTAC Trading Ltd	47,671	47,671
Depreciation in OTAC Trading Ltd	9,300	9,300
	482,228	482,228
	482,228	482,228

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Charitable activities	1,592,104	214,057	1,806,161
	1,592,104	214,057	1,806,161
	1,592,104	214,057	1,806,161

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total 2022 £</i>
Charitable activities	1,437,378	43,813	1,481,191
	1,437,378	43,813	1,481,191
	1,437,378	43,813	1,481,191

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Charitable activities	1,421,600	384,561	1,806,161

	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Charitable activities	1,187,917	293,274	1,481,191

Analysis of support costs

	Activities 2023 £	Total funds 2023 £
Staff costs	34,537	34,537
Depreciation	63,923	63,923
Office costs	14,257	14,257
Volunteer costs	11,499	11,499
Computer costs	18,727	18,727
Bank charges	8,141	8,141
Audit and accountancy fees	21,414	21,414
Rates and premises costs	99,805	99,805
Payroll bureau charges	1,765	1,765
Equipment hire	9,154	9,154
Bank loan interest	648	648
Sundry expenses	12,188	12,188
Bad debts recovered and cash under/over's	1,566	1,566
Staff training	2,212	2,212
Legal and professional fees	41,894	41,894
Repairs and maintenance	42,831	42,831
	<u>384,561</u>	<u>384,561</u>

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Activities</i> 2022 £	<i>Total</i> <i>funds</i> 2022 £
Staff costs	41,057	41,057
Depreciation	30,192	30,192
Office costs	13,575	13,575
Volunteer costs	9,198	9,198
Computer costs	13,505	13,505
Bank charges	5,749	5,749
Audit and accountancy fees	15,047	15,047
Rates and premises costs	63,548	63,548
Payroll bureau charges	1,665	1,665
Equipment hire	9,352	9,352
Bank loan interest	648	648
Sundry expenses	4,231	4,231
Bad debts recovered and cash under/over's	1,516	1,516
Staff training	2,722	2,722
Legal and professional fees	28,118	28,118
Repairs and maintenance	53,151	53,151
	<u>293,274</u>	<u>293,274</u>

10. Auditors' remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	14,780	13,285
Fees payable to the Charity's auditor in respect of: All non-audit services not included above	<u>3,520</u>	<u>3,520</u>

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

11. Staff costs

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	1,201,564	1,042,363	1,201,564	1,042,363
Social security costs	78,844	39,749	78,844	39,749
Contribution to defined contribution pension schemes	18,870	9,914	18,870	9,914
	<u>1,299,278</u>	<u>1,092,026</u>	<u>1,299,278</u>	<u>1,092,026</u>

The average number of persons employed by the Charity during the year was as follows:

	Group 2023 No.	Group 2022 No.	Charity 2023 No.	Charity 2022 No.
Facilities and office	11	10	11	10
Veterinary and animal welfare	14	14	14	14
Community	4	3	4	3
Shop and tea room	34	24	34	24
Fundraising	5	6	5	6
	<u>68</u>	<u>57</u>	<u>68</u>	<u>57</u>

No employee received remuneration amounting to more than £60,000 in either year.

Wages paid to 5 key management personnel totalled £167,003 (2022 - 6 employees, £181,734).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, expenses totalling £NIL were reimbursed or paid directly to Trustees (2022 - £190).

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

13. Tangible fixed assets

Group	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation						
At 1 January 2023	1,126,807	37,256	76,299	131,964	18,513	1,390,839
Additions	-	15,102	25,595	37,965	10,475	89,137
Transfers between classes	350,000	-	-	-	-	350,000
At 31 December 2023	<u>1,476,807</u>	<u>52,358</u>	<u>101,894</u>	<u>169,929</u>	<u>28,988</u>	<u>1,829,976</u>
Depreciation						
At 1 January 2023	44,986	22,774	49,073	88,815	7,870	213,518
Charge for the year	35,500	5,974	13,205	16,406	6,968	78,053
At 31 December 2023	<u>80,486</u>	<u>28,748</u>	<u>62,278</u>	<u>105,221</u>	<u>14,838</u>	<u>291,571</u>
Net book value						
At 31 December 2023	<u>1,396,321</u>	<u>23,610</u>	<u>39,616</u>	<u>64,708</u>	<u>14,150</u>	<u>1,538,405</u>
At 31 December 2022	<u>1,081,821</u>	<u>14,482</u>	<u>27,226</u>	<u>43,149</u>	<u>10,643</u>	<u>1,177,321</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets (continued)

Charity

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2023	1,126,807	28,004	76,299	123,134	1,354,244
Additions	-	11,333	16,095	37,495	64,923
Transfers between classes	350,000	-	-	-	350,000
At 31 December 2023	<u>1,476,807</u>	<u>39,337</u>	<u>92,394</u>	<u>160,629</u>	<u>1,769,167</u>
Depreciation					
At 1 January 2023	44,986	16,513	49,073	85,715	196,287
Charge for the year	35,500	3,423	10,830	14,170	63,923
At 31 December 2023	<u>80,486</u>	<u>19,936</u>	<u>59,903</u>	<u>99,885</u>	<u>260,210</u>
Net book value					
At 31 December 2023	<u>1,396,321</u>	<u>19,401</u>	<u>32,491</u>	<u>60,744</u>	<u>1,508,957</u>
At 31 December 2022	<u>1,081,821</u>	<u>11,491</u>	<u>27,226</u>	<u>37,419</u>	<u>1,157,957</u>

Freehold property was revalued in November 2019 by William Bashall Associates to a market value of £1.415m. This included land of £465,000 which is not depreciated as well as investment property of £348,333 which has been reclassified. Additions since the valuation amount to £60,140.

During the year a property changed use and was transferred out of investment property and into freehold property at its market value as agreed by the Trustees.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

14. Investment property

Group

	Freehold investment property £
Valuation	
At 1 January 2023	408,333
Surplus on revaluation	75,000
Transfers between classes	(350,000)
At 31 December 2023	133,333

Charity

	Freehold investment property £
Valuation	
At 1 January 2023	408,333
Surplus on revaluation	75,000
Transfers between classes	(350,000)
At 31 December 2023	133,333

Freehold property is included at valuation of £348,333 plus land at estimated market value of £60,000. During the year a property changed use and was transferred out of investment property and into freehold property at its market value as agreed by the Trustees.

The valuation was made by William Bashall Associates in November 2019 on an open market value for existing use basis. It is the opinion of the Trustees that this valuation has not materially altered at the period end date.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

15. Fixed asset investments

	Other fixed asset investments £
Group	
Cost or valuation	
At 1 January 2023	311,204
Disposals	(36,262)
Revaluations	12,616
	287,558
At 31 December 2023	287,558
 Net book value	
At 31 December 2023	287,558
At 31 December 2022	311,204

Other fixed asset investments includes £4,971 (2022 - £23,132) of cash balances in the investment portfolio.

	Investments in subsidiary companies £	Other fixed asset investments £	Total £
Charity			
Cost or valuation			
At 1 January 2023	1	311,204	311,205
Disposals	-	(36,262)	(36,262)
Revaluations	-	12,616	12,616
	1	287,558	287,559
At 31 December 2023	1	287,558	287,559
 Net book value			
At 31 December 2023	1	287,558	287,559
At 31 December 2022	1	311,204	311,205

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

15. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
OTAC Trading Limited	10502353	Oak Tree Farm, Wetheral Shields, Carlisle, Cumbria, CA4 8JA	Charitable retailer	Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
OTAC Trading Limited	1,372,932	(1,294,398)	78,534	28,813

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

16. Stocks

	Group 2023 £	<i>Group</i> <i>2022</i> £	Charity 2023 £	<i>Charity</i> <i>2022</i> £
Consumable stocks	<u>13,785</u>	<u>7,345</u>	<u>273</u>	<u>273</u>

17. Debtors

	Group 2023 £	<i>Group</i> <i>2022</i> £	Charity 2023 £	<i>Charity</i> <i>2022</i> £
Due within one year				
Trade debtors	11,258	5,512	5,135	-
Amounts owed by group undertakings	-	-	60,405	-
Other debtors	325,420	920,086	302,803	920,087
Prepayments and accrued income	23,356	40,590	12,157	32,586
	<u>360,034</u>	<u>966,188</u>	<u>380,500</u>	<u>952,673</u>

18. Creditors: Amounts falling due within one year

	Group 2023 £	<i>Group</i> <i>2022</i> £	Charity 2023 £	<i>Charity</i> <i>2022</i> £
Bank loans	10,077	9,225	10,077	9,225
Trade creditors	87,804	54,672	63,352	29,398
Amounts owed to group undertakings	-	-	-	12,312
Other taxation and social security	22,582	9,229	22,582	20,762
Other creditors	3,974	3,739	3,974	3,739
Accruals and deferred income	98,803	87,897	42,063	42,722
	<u>223,240</u>	<u>164,762</u>	<u>142,048</u>	<u>118,158</u>

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19. Creditors: Amounts falling due after more than one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank loans	16,590	27,442	16,590	27,442
	<u>16,590</u>	<u>27,442</u>	<u>16,590</u>	<u>27,442</u>

Included within the above are amounts falling due as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Between one and two years				
Bank loans	10,332	10,077	10,332	10,077
	<u>10,332</u>	<u>10,077</u>	<u>10,332</u>	<u>10,077</u>
Between two and five years				
Bank loans	6,258	17,365	6,258	17,365
	<u>6,258</u>	<u>17,365</u>	<u>6,258</u>	<u>17,365</u>
Over five years				

The bank loan is a government backed Bounceback Loan which is unsecured and repayable over a period totalling 72 months, the first 12 months of which are interest and payment free. The final 60 months of the loan attracts interest at a fixed rate of 2.5%.

20. Financial instruments

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Financial assets				
Measured at market value - Investment portfolio	287,558	311,204	287,558	311,204
Measured at amortised cost - Cash at bank and in hand	679,788	49,545	592,278	24,149
Amounts owed by group undertakings	-	-	60,405	-
	<u>967,346</u>	<u>360,749</u>	<u>940,241</u>	<u>335,353</u>
Financial liabilities				
Bank loans	(26,667)	(36,667)	(26,667)	(36,667)
Trade creditors	(87,804)	(54,672)	(63,352)	(29,398)
Amounts owed to group undertakings	-	-	-	(12,312)
	<u>(114,471)</u>	<u>(91,339)</u>	<u>(90,019)</u>	<u>(78,377)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

21. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds						
General funds	2,436,295	2,362,072	(2,223,712)	19,986	87,744	2,682,385
Restricted funds						
Animal welfare	-	6,750	(6,750)	-	-	-
Community projects and education	-	11,246	(11,246)	-	-	-
Woodland maintenance	21,686	-	(1,700)	(19,986)	-	-
Tea room	19,751	-	(421)	-	-	19,330
Fencing	-	15,298	(13,956)	-	-	1,342
Cats welfare	250,000	-	(179,984)	-	-	70,016
	<u>291,437</u>	<u>33,294</u>	<u>(214,057)</u>	<u>(19,986)</u>	<u>-</u>	<u>90,688</u>
Total of funds	<u><u>2,727,732</u></u>	<u><u>2,395,366</u></u>	<u><u>(2,437,769)</u></u>	<u><u>-</u></u>	<u><u>87,744</u></u>	<u><u>2,773,073</u></u>

OAK TREE ANIMALS' CHARITY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

21. **Statement of funds (continued)**

The Animal Welfare fund represents funds for the improvements of dogs, cats and other small animal welfare and facilities on site.

The Community Projects and Education fund represents funds for relevant staff costs, veterinary costs, purchase and maintenance of technical equipment and transport costs.

The Woodland Maintenance fund represents funds received for the purchase of fixtures and equipment for the woodland area.

The Tea Room fund represents funds received for improvements to the tea room.

The fencing fund represents funds received for the creation, maintenance and repair of our equine fencing.

The Cats welfare fund represents legacy income received which is specifically to be spent on cats welfare.

Thank you to all those who supported our small animal welfare veterinary bills throughout 2023.

We really appreciate those grant funders who chose to support our community projects and education programmes in 2023 through the funding for our Helping Paw project, the creation of education resources, supporting community neutering, veterinary costs and our Trap Neuter Return programmes, thank you.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

21. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 January 2022 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 December 2022 £</i>
Unrestricted funds						
General funds	2,382,707	2,023,846	(1,926,657)	26,075	(69,676)	2,436,295
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds						
Equine welfare	16,000	1,000	(17,000)	-	-	-
Animal welfare	1,087	21,000	(22,087)	-	-	-
Community projects and education	548	3,470	(4,018)	-	-	-
Woodland maintenance	-	21,991	(305)	-	-	21,686
Tea room	20,154	-	(403)	-	-	19,751
Fencing	26,075	-	-	(26,075)	-	-
Cats welfare	-	250,000	-	-	-	250,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	63,864	297,461	(43,813)	(26,075)	-	291,437
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	<u>2,446,571</u>	<u>2,321,307</u>	<u>(1,970,470)</u>	<u>-</u>	<u>(69,676)</u>	<u>2,727,732</u>

OAK TREE ANIMALS' CHARITY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

22. Summary of funds

Summary of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2023 £
General funds	2,436,295	2,362,072	(2,223,712)	19,986	87,744	2,682,385
Restricted funds	291,437	33,294	(214,057)	(19,986)	-	90,688
	<u>2,727,732</u>	<u>2,395,366</u>	<u>(2,437,769)</u>	<u>-</u>	<u>87,744</u>	<u>2,773,073</u>

Summary of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2022 £
General funds	2,382,707	2,023,846	(1,926,657)	26,075	(69,676)	2,436,295
Restricted funds	63,864	297,461	(43,813)	(26,075)	-	291,437
	<u>2,446,571</u>	<u>2,321,307</u>	<u>(1,970,470)</u>	<u>-</u>	<u>(69,676)</u>	<u>2,727,732</u>

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	1,538,405	-	1,538,405
Fixed asset investments	287,558	-	287,558
Investment property	133,333	-	133,333
Current assets	962,919	90,688	1,053,607
Creditors due within one year	(223,240)	-	(223,240)
Creditors due in more than one year	(16,590)	-	(16,590)
Total	<u>2,682,385</u>	<u>90,688</u>	<u>2,773,073</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	1,135,884	41,437	1,177,321
Fixed asset investments	311,204	-	311,204
Investment property	408,333	-	408,333
Current assets	773,078	250,000	1,023,078
Creditors due within one year	(164,762)	-	(164,762)
Creditors due in more than one year	(27,442)	-	(27,442)
Total	2,436,295	291,437	2,727,732

24. Reconciliation of net movement in funds to net cash flow from operating activities

	<i>Group 2023 £</i>	<i>Group 2022 £</i>
Net income/expenditure for the year (as per Statement of Financial Activities)	(29,659)	281,161
Adjustments for:		
Depreciation charges	78,053	39,492
Interest received	(1,533)	(613)
Losses/(gains) on investments	(12,616)	69,676
Dividends, interests and rents from investments	(6,336)	-
Decrease/(increase) in stocks	(6,440)	299
Decrease/(increase) in debtors	606,154	(737,070)
Increase in creditors	57,626	54,326
Interest paid	648	-
Net cash provided by/(used in) operating activities	685,897	(292,729)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

25. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash in hand	100	975
Notice deposits (less than 3 months)	679,688	48,570
Total cash and cash equivalents	679,788	49,545

26. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	Other non- cash changes £	At 31 December 2023 £
Cash at bank and in hand	49,545	630,243	-	679,788
Debt due within 1 year	(9,225)	10,000	(10,852)	(10,077)
Debt due after 1 year	(27,442)	-	10,852	(16,590)
	12,878	640,243	-	653,121

27. Contingent assets

The Charity receives income from legacies, of which they recognise in the financial statements once the amount can be reasonably determined following probate and the final estate value is known.

At the balance sheet date, the Trustees have estimated that approximately £544,958 of legacy income will be due to the Charity, however as the amounts are still relatively uncertain, only £295,146 has been recognised as accrued income as this amount has been received between the year end date and the date of signing, with the balance of this income being disclosed here as a contingent asset.

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28. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund. Amounts totalling £1,761 (2022 - £3,739) were payable to the fund at the balance sheet date and are included in creditors.

29. Operating lease commitments

At 31 December 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Not later than 1 year	110,227	91,169	5,649	5,649
Later than 1 year and not later than 5 years	181,032	249,335	5,040	10,689
	<u>291,259</u>	<u>340,504</u>	<u>10,689</u>	<u>16,338</u>

At 31 December 2023 the Group and Charity has future minimum lease receipts due as a lessor for each of the following periods:

	Group 2023 £	<i>Group 2022 £</i>
Not later than 1 year	-	7,025
Later than 1 year and not later than 5 years	-	-
	<u>-</u>	<u>-</u>

30. Related party transactions

The charitable company has taken advantage of the exemptions available under section 33 of FRS 102 which dispenses with the need to disclose related party transactions with wholly owned subsidiaries within the group.

There are no transactions with related parties outside of the group.

Trustee remuneration and expenses have been disclosed in note 12.

31. Controlling party

The Charity is under the control of the Trustees.

