

OAK TREE ANIMALS' CHARITY
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

ArmstrongWatson[®]
Accountants, Business & Financial Advisers

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

CONTENTS

| | Page |
|---|---------|
| Reference and administrative details of the Charity, its Trustees and advisers | 1 |
| Trustees' report | 2 - 8 |
| Independent auditors' report on the financial statements | 9 - 12 |
| Consolidated statement of financial activities | 13 |
| Consolidated balance sheet | 14 |
| Charity balance sheet | 15 |
| Consolidated statement of cash flows | 16 |
| Notes to the financial statements | 17 - 42 |

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

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2021

| | |
|-----------------------------------|---|
| Trustees | Ms E J C Hoyles (appointed 27 February 2021) Mr M B Squires Mr L A Tomlinson (appointed 11 November 2021) Mr S Wells Mr P T Armer (resigned 17 May 2021) Ms R L Griffiths (resigned 6 May 2021) Mr D M Jordan (resigned 10 February 2022) |
| 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 Fairview House Victoria Place Carlisle Cumbria CA1 1HP |

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

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 January 2021 to 31 December 2021. 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.

Objectives and activities

a. Objectives and aims

Working for our community; caring for animals; making a difference. Oak Tree has been helping animals for 113 years. We are passionate about animal welfare and believe that every animal matters, helping hundreds of animals every year. In 2021 we were able to assist 2,615 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.

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, 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 while 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives and activities (continued)

b. Strategies for achieving objectives and aims

Our 2021 Strategy "Onwards and Upwards in a Changing World 2021 - 2024", outlines four strategic priorities to allow us to achieve our aims and objectives:

1. Animal Welfare - Rehoming
2. Animal Welfare - Community
3. Education
4. Sustainability

c. Activities undertaken to achieve objectives

Animal Welfare - Rehoming

Animal welfare is at the heart of our Charity. The welfare of the cats, dogs, equines and other animals is of the utmost importance. Every animal is unique with individual needs and our staff work hard to ensure that animals in our rehoming programme benefit from an enriched environment and positive and fulfilling interactions with humans during their time with us.

We assess our animals thoroughly, providing veterinary, behavioural and training support to ensure that they have the best possible chance of finding their own loving, forever home.

Animal Welfare - Community

We provide support, where it is needed, at the heart of our community. As a charity, a proactive community approach is key to our success. We tailor our support to the individual animals and owners to improve and maintain animal welfare in our region.

We are committed to our development to ensure that we provide a professional, relevant, knowledgeable and approachable service that can be accessed by all within the Borders. We also provide a voice for animals regionally and nationally through our advocacy work.

Education

Education is key to the improvement of animal welfare. We seek to support and advise animal owners and all who come into contact with animals to prevent issues arising. From preventative healthcare and nutrition advice, training and behaviour support, to helping new owners make the right pet choices.

We offer approachable, knowledgeable and professional training to all. In addition, we provide a range of onsite programmes and work with schools and community groups to provide insight into animal welfare issues, animal interactions and offer volunteering opportunities for individuals and groups.

Sustainability

We are committed to ensuring our Charity has a sustainable and bright future, enabling us to deal with the animal welfare challenges that will arise in the 21st century and beyond.

Our knowledge, experience and financial resources must continue to ensure that animals and our community have our care and support during these changing times. We seek to ensure this through the development of our fundraising programme and subsidiary Trading Company.

Our commitment not only extends to our Charity's sustainability but also our wider impact on our region and our environment. During the first part of our strategy period, we will review our activities and identify viable opportunities to improve our environmental impact. These will then be implemented.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Objectives and activities (continued)

d. Volunteers

Our volunteers 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. Main activities undertaken to further the Charity's purposes for the public benefit

When establishing strategies and deciding upon the main activities, 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.

Achievements and performance

a. Review of activities

2021 continued to provide challenges for organisations and our community. The launch of our new Strategy "Onwards and Upwards in a Changing World" provided us with the foundations to tackle these challenges, innovate and identify opportunities to support our community.

In 2021, with your support, we were able to help 2,615 animals who needed our assistance through our community and rehoming programmes.

The pandemic created many new challenges for pet owners, including the emergence of new dog behaviour issues on a wider scale and financial hardship.

With your support, in 2021 we were able to:

- Neuter 160 cats through our Trap Neuter Return (TNR) programme
- Provide supported neutering for those in financial difficulty for 120 animals
- Help 1,522 people and their pets through our community projects
- Provide short-term foster placements for 52 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 have worked tirelessly to make sure every case we are able to help has the right outcome for both animal and owner. We have continued to build our relationships with partners to provide pet support as needed, insight and advice, and ensure that pet owners were supported throughout this challenging period. These have included local and county councils, Cumbria Community Resilience Group and other local charities and organisations.

The emergence of increased numbers of canine behaviour issues has been one of the most notable outcomes from the pandemic. Relinquishment requests due to behavioural reasons in dogs aged 6-18 months have increased. These appear to be linked to lack of early socialisation opportunities throughout the lockdown periods in many cases. Our Behaviour and Training Team have not only proved invaluable to our internal dogs but also to our community, where the provision of classes and 1-2-1 sessions have enabled many pets and owners to remain together and successfully manage the unwanted behaviours.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance (continued)

Unfortunately, we have also seen a rise in number of cases needing support from our 'A Helping Paw' programme, providing temporary pet fostering during periods of homelessness or when fleeing domestic abuse. Our Community Team are essential to our proactive approach to animal welfare and we were delighted to receive three significant grants towards their work. Our sincerest thanks to the Petplan Charitable Trust and Pets at Home Foundation for funding towards a new electric van for this team; and to Box Power for funding towards a new Community Officer to help expand the reach of this team and their impact in our community. The Ostacchini Family Charitable Trust continue to generously support our Community Education programme too.

Following the extended Lockdown Period, during which our site, tearoom and Charity shops were closed, we were delighted to be able to welcome visitors back in April and May to our various facilities. Our first in-person event was our postponed Open Day in August, which raised over £2,700, and we were overwhelmed to see so many of our supporters coming out in support. Indeed, the level of generosity demonstrated by our ever-growing network of supporters throughout the pandemic, was truly remarkable - especially given the hardship faced by everyone during that time. On behalf of our whole team, we would like to thank you for your support, generosity and kind words throughout this challenging period.

We were extremely grateful to be chosen as one of the Mayor of Carlisle's chosen charities in 2021. Cllr Pamela Birks, Mayor of Carlisle, and the Mayor's Fundraising Committee carried out some wonderful city-wide fundraising activities to raise money for Oak Tree. We are so grateful to Cllr Birks for her ongoing support of Oak Tree throughout her mayoral tenure.

Financial review

a. Review of the year

Whilst generous legacies received from donors of £814,594 (2020: £316,592) have boosted overall income to over £1.4m, it is important to note that our aim to continue diversifying other income streams continues to be paramount to securing more reliable and sustainable net income to fund future capital investment and funding growth. To this end, income from other sources increased by 29.4% during the year.

As illustrated in the table below, a concerted effort in growing income from trading activities resulted in a year-on-year increase of 167%, with income from trading activities representing 49.7% of other income in 2021 compared to 24.2% in 2020. The majority of this increase was generated from the targeted growth in the number of charity shops in the group retail portfolio.

Given that 2021 began with a three-month lockdown due to the ongoing coronavirus pandemic, the growth in other income surpassed expectations.

Other (non-legacy) income

| | 2021 | | 2020 | |
|--------------------------------|---------|-------|---------|-------|
| | £ | % | £ | % |
| Donations (including Gift Aid) | 123,638 | 20.9% | 133,502 | 29.2% |
| Grants | 149,947 | 25.3% | 197,471 | 43.1% |
| Trading activities | 296,805 | 49.7% | 110,906 | 24.2% |
| Investments & other income | 24,289 | 4.1% | 15,975 | 3.5% |
| | 594,679 | | 457,854 | |

The net increase in funds during the year of £290,519 has more than compensated for the net decrease in 2020 of £208,768. The variance of £499,287 between 2020 and 2021 is due mainly to the increase in income from legacies of £498,002.

With the continued drive to diversify income streams, cash generated in other income streams can then be used to fund day-to-day operations, which will free up cash generated from legacies to be used to help fund future capital investment projects.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

a. Review of the year (continued)

The Charity owes a significant amount of gratitude to our supporters for their continued support of our work, which ultimately benefits the animals in our care and within our community. We would like to thank Animal Friends Pet Insurance Experts, The Rose Animal Welfare Trust, The Beryl Evetts and Robert Luff Animal Welfare Trust, Petplan Charitable Trust, The National Lottery Community Fund, The Ostacchini Family Charitable Trust, Pets at Home Foundation and HSBC UK Bank PLC among many others, for their generous support this year which has allowed us to achieve so much.

b. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

c. 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 £848,462.

d. 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.

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.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management (continued)

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.

Plans for future periods

2022, continues to provide an unsettled outlook financially, politically and within animal welfare. Dog relinquishment continues to rise, many with behaviour issues, and more owners are facing financial uncertainty. Our community programmes will continue to adapt to these situations and provide support wherever possible, however, we continue expect the demand for relinquishment to remain high as household finances become squeezed.

Rescue centre licensing in England and Wales remains a priority within the proposed legislations. It is anticipated that this will come into force in the next two years. We believe that this continues to be essential to ensure animal welfare for those most vulnerable animals, and will continue to advocate for this legislation to come into effect.

We remain committed to helping animals and owners throughout our region, responding to situations as they arise and ensuring we adapt our work in this ever changing world. The launch of our new strategy in 2021 provides us with the opportunity to tackle the immediate challenges we face as an organisation, allowing us not merely to survive but instead to thrive; supporting animals and their owners in a shifting landscape by providing high quality, relevant community and rehoming programmes.

Recession is likely in 2022 with inflation increasing and energy prices soaring. In order to address this, we will continue to diversify our income streams and, in particular build on our Trading and E-Commerce capacity to enable us to fund our work. We will expand our Charity Shop network which will not only provide us with an additional reliable income stream, but also serve as local community hubs where those in need can access our services.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

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 year. 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.

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: 1st September 2022

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

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 2021 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 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, 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
(A company limited by guarantee)

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 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.

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

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.

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

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.

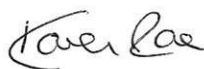
Auditing standards also limit the procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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 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)

for and on behalf of

Armstrong Watson Audit Limited

Chartered Accountants & Statutory Auditors

Carlisle

Date: 25/9/22

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

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

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | Note | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ | <i>As restated Total funds 2020 £</i> |
|---|------|------------------------------------|----------------------------------|-----------------------------|---|
| Income from: | | | | | |
| Donations and legacies | 4 | 1,022,413 | 76,889 | 1,099,302 | 649,860 |
| Other trading activities | 5 | 296,805 | - | 296,805 | 110,906 |
| Investments | 6 | 13,166 | - | 13,166 | 13,680 |
| Total income | | 1,332,384 | 76,889 | 1,409,273 | 774,446 |
| Expenditure on: | | | | | |
| Raising funds | 7 | 257,766 | - | 257,766 | 93,713 |
| Charitable activities | 8 | 873,390 | 30,660 | 904,050 | 906,067 |
| Total expenditure | | 1,131,156 | 30,660 | 1,161,816 | 999,780 |
| Net income/(expenditure) before net gains on investments | | 201,228 | 46,229 | 247,457 | (225,334) |
| Net gains on investments | | 43,062 | - | 43,062 | 16,566 |
| Net movement in funds | | 244,290 | 46,229 | 290,519 | (208,768) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 2,138,417 | 17,635 | 2,156,052 | 2,364,820 |
| Net movement in funds | | 244,290 | 46,229 | 290,519 | (208,768) |
| Total funds carried forward | | 2,382,707 | 63,864 | 2,446,571 | 2,156,052 |

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

The notes on pages 17 to 42 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 2021

| | Note | 2021 £ | <i>As restated</i> 2020 £ |
|---|------|-----------|---------------------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 1,125,912 | 1,123,359 |
| Investments | 15 | 458,114 | 558,450 |
| Investment property | 14 | 408,333 | 408,333 |
| | | 1,992,359 | 2,090,142 |
| Current assets | | | |
| Stocks | 16 | 7,644 | 12,464 |
| Debtors | 17 | 229,117 | 41,096 |
| Cash at bank and in hand | | 355,329 | 154,075 |
| | | 592,090 | 207,635 |
| Creditors: amounts falling due within one year | 18 | (101,207) | (94,860) |
| | | 490,883 | 112,775 |
| Total assets less current liabilities | | 2,483,242 | 2,202,917 |
| Creditors: amounts falling due after more than one year | 19 | (36,671) | (46,865) |
| Net assets excluding pension asset | | 2,446,571 | 2,156,052 |
| Total net assets | | 2,446,571 | 2,156,052 |
| Charity funds | | | |
| Restricted funds | 21 | 63,864 | 17,635 |
| Unrestricted funds | 21 | 2,382,707 | 2,138,417 |
| Total funds | | 2,446,571 | 2,156,052 |

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: 1st September 2022

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

CHARITY BALANCE SHEET
AS AT 31 DECEMBER 2021

| | Note | 2021 £ | As restated 2020 £ |
|---|------|-----------|--------------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 1,117,069 | 1,117,918 |
| Investments | 15 | 458,115 | 558,451 |
| Investment property | 14 | 408,333 | 408,333 |
| | | 1,983,517 | 2,084,702 |
| Current assets | | | |
| Stocks | 16 | 120 | 3,084 |
| Debtors | 17 | 231,670 | 54,784 |
| Cash at bank and in hand | | 337,577 | 142,548 |
| | | 569,367 | 200,416 |
| Creditors: amounts falling due within one year | 18 | (79,463) | (87,642) |
| | | 489,904 | 112,774 |
| Net current assets | | 489,904 | 112,774 |
| Total assets less current liabilities | | 2,473,421 | 2,197,476 |
| Creditors: amounts falling due after more than one year | 19 | (36,671) | (46,865) |
| Net assets excluding pension asset | | 2,436,750 | 2,150,611 |
| Total net assets | | 2,436,750 | 2,150,611 |
| Charity funds | | | |
| Restricted funds | 21 | 63,864 | 17,635 |
| Unrestricted funds | 21 | 2,372,886 | 2,132,976 |
| Total funds | | 2,436,750 | 2,150,611 |

The Charity's net movement in funds for the year was £286,139 (2020 - £(141,216)).

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: 1st September 2022

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

| | 2021 | 2020 |
|--|-----------------|------------------|
| | £ | £ |
| Cash flows from operating activities | | |
| Net cash used in operating activities (note 24) | 83,928 | (235,338) |
| | <hr/> | <hr/> |
| Cash flows from investing activities | | |
| Dividends, interests and rents from investments | 12,755 | - |
| Proceeds from the sale of tangible fixed assets | 100 | - |
| Purchase of tangible fixed assets | (26,584) | (23,774) |
| Proceeds from sale of investments | 237,941 | 239,765 |
| Purchase of investments | (94,543) | (69,531) |
| Interest received | 411 | 988 |
| | <hr/> | <hr/> |
| Net cash provided by investing activities | 130,080 | 147,448 |
| | <hr/> | <hr/> |
| Cash flows from financing activities | | |
| Cash inflows from new borrowing | - | 50,000 |
| Repayments of borrowing | (3,332) | - |
| Decrease/(increase) in investments | (9,422) | (6,927) |
| | <hr/> | <hr/> |
| Net cash (used in)/provided by financing activities | (12,754) | 43,073 |
| | <hr/> | <hr/> |
| Change in cash and cash equivalents in the year | 201,254 | (44,817) |
| Cash and cash equivalents at the beginning of the year | 154,075 | 198,892 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at the end of the year | 355,329 | 154,075 |
| | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 17 to 42 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 2021

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.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Income (continued)

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.

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

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 2021

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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.

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
- Valuation of investment property
- Contingent assets in relation to legacy income not yet received

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. Income from donations and legacies

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ |
|---|--|--|---------------------------------------|
| Grants | | | |
| Grants for general purposes | 23,064 | - | 23,064 |
| Grants for Animal projects | - | 10,000 | 10,000 |
| Grants for Community & Educational projects | - | 46,735 | 46,735 |
| COVID-19 related grants | 49,994 | - | 49,994 |
| Grants for Tea Room projects | - | 20,154 | 20,154 |
| | <hr/> 73,058 | <hr/> 76,889 | <hr/> 149,947 |
| Donations | 123,638 | - | 123,638 |
| Legacies | 814,594 | - | 814,594 |
| Similar incoming resources | 11,123 | - | 11,123 |
| | <hr/> 949,355 | <hr/> - | <hr/> 949,355 |
| Subtotal | | | |
| | <hr/> <hr/> 1,022,413 | <hr/> <hr/> 76,889 | <hr/> <hr/> 1,099,302 |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. Income from donations and legacies (continued)

| | <i>Unrestricted funds 2020 £</i> | <i>Restricted funds 2020 £</i> | <i>Total funds 2020 £</i> |
|---|--|--|---------------------------------------|
| Grants | | | |
| Grants for general purposes | 12,729 | - | 12,729 |
| Grants for Equine projects | - | 26,500 | 26,500 |
| Grants for Animal projects | 15,500 | 4,750 | 20,250 |
| Grants for Community & Educational projects | 500 | 44,872 | 45,372 |
| COVID-19 related grants | 92,620 | - | 92,620 |
| | 121,349 | 76,122 | 197,471 |
| Donations | 133,502 | - | 133,502 |
| Legacies | 316,592 | - | 316,592 |
| Similar incoming resources | 2,295 | - | 2,295 |
| | 452,389 | - | 452,389 |
| Subtotal | 573,738 | 76,122 | 649,860 |

5. Income from other trading activities

Income from fundraising events

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|--|--|---------------------------------------|
| Fundraising events, sponsorship and lottery income | 29,852 | 29,852 |
| | 29,852 | 29,852 |
| | <i>Unrestricted funds 2020 £</i> | <i>Total funds 2020 £</i> |
| Fundraising events, sponsorship and lottery income | 31,783 | 31,783 |
| | 31,783 | 31,783 |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Income from other trading activities (continued)

Income from non charitable trading activities

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|------------------------------------|--|---------------------------------------|
| Trading income in OTAC Trading Ltd | 266,953 | 266,953 |

Trading income in 2020 in OTAC Trading Ltd amounted to £79,123 of unrestricted funds.

6. Investment income

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|-----------------------------------|--|---------------------------------------|
| Investment income - dividends | 12,755 | 12,755 |
| Investment income - bank interest | 411 | 411 |
| | 13,166 | 13,166 |

| | <i>Unrestricted funds 2020 £</i> | <i>Total funds 2020 £</i> |
|-----------------------------------|--|---------------------------------------|
| Investment income - dividends | 12,713 | 12,713 |
| Investment income - bank interest | 967 | 967 |
| | 13,680 | 13,680 |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Expenditure on raising funds

Costs of raising voluntary income

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|----------------|--|---------------------------------------|
| Event expenses | 3,086 | 3,086 |

| | <i>Unrestricted funds 2020 £</i> | <i>Restricted funds 2020 £</i> | <i>Total funds 2020 £</i> |
|--------------------------------|--|--|---------------------------------------|
| Event expenses | 250 | - | 250 |
| OTAC Trading and support costs | 87,484 | 5,979 | 93,463 |
| | 87,734 | 5,979 | 93,713 |

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 2021 our volunteers gave over 84,000 hours of time equating to over £798,000 of support based on minimum wage (2020 – over 10,000 hours equating to over £87,200 of support).

Fundraising trading expenses

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|---|--|---------------------------------------|
| Direct costs in OTAC Trading Ltd | 68,674 | 68,674 |
| Administration expenses in OTAC Trading Ltd | 38,513 | 38,513 |
| Salary costs relating to OTAC staff | 144,415 | 144,415 |
| Depreciation in OTAC Trading Ltd | 3,078 | 3,078 |
| | 254,680 | 254,680 |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ |
|-----------------------|--|--|-----------------------------|
| Charitable activities | 873,390 | 30,660 | 904,050 |
| | <u>873,390</u> | <u>30,660</u> | <u>904,050</u> |
| | <i>Unrestricted funds 2020 £</i> | <i>Restricted funds 2020 £</i> | <i>Total 2020 £</i> |
| Charitable activities | 855,970 | 50,097 | 906,067 |
| | <u>855,970</u> | <u>50,097</u> | <u>906,067</u> |

9. Analysis of expenditure by activities

| | Activities undertaken directly 2021 £ | Support costs 2021 £ | Total funds 2021 £ |
|-----------------------|--|---|---------------------------------------|
| Charitable activities | 715,215 | 188,835 | 904,050 |
| | <u>715,215</u> | <u>188,835</u> | <u>904,050</u> |
| | <i>Activities undertaken directly 2020 £</i> | <i>Support costs 2020 £</i> | <i>Total funds 2020 £</i> |
| Charitable activities | 127,530 | 778,537 | 906,067 |
| | <u>127,530</u> | <u>778,537</u> | <u>906,067</u> |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Activities 2021 £ | Total funds 2021 £ |
|---|----------------------------------|---------------------------------------|
| Staff costs | 112,138 | 112,138 |
| Depreciation | 15,358 | 15,358 |
| Office costs | 7,161 | 7,161 |
| Computer costs | 13,696 | 13,696 |
| Bank charges | 3,454 | 3,454 |
| Audit and accountancy fees | 13,952 | 13,952 |
| Rates and premises costs | 7,253 | 7,253 |
| Payroll bureau charges | 11,174 | 11,174 |
| Bank loan interest | 216 | 216 |
| Sundry expenses | 895 | 895 |
| Bad debts recovered and cash under/over's | (1,957) | (1,957) |
| (Profit)/loss on disposal of fixed assets | 5,495 | 5,495 |
| | <u>188,835</u> | <u>188,835</u> |

The Trustees in the year have assessed the allocation between Direct and Support costs to more accurately reflect the charitable activity undertaken by the Group.

The 2020 comparatives remain unchanged other than for adjustments referred to in note 32.

| | <i>Activities 2020 £</i> | <i>Total funds 2020 £</i> |
|----------------------------|----------------------------------|---------------------------------------|
| Staff costs | 615,513 | 615,513 |
| Depreciation | 48,990 | 48,990 |
| Audit and accountancy fees | 12,425 | 12,425 |
| Other support costs | 101,609 | 101,609 |
| | <u>778,537</u> | <u>778,537</u> |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Auditors' remuneration

| | 2021 | <i>2020</i> |
|---|----------------------|---------------|
| | £ | £ |
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | 9,635 | 12,425 |
| Fees payable to the Charity's auditor in respect of: All non-audit services not included above | 3,200 | - |
| | <u>12,835</u> | <u>12,425</u> |

11. Staff costs

| | Group 2021 | <i>Group 2020</i> | Charity 2021 | <i>Charity 2020</i> |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| | £ | £ | £ | £ |
| Wages and salaries | 644,506 | 513,844 | 644,506 | 575,346 |
| Social security costs | 37,535 | 17,891 | 37,535 | 17,891 |
| Contribution to defined contribution pension schemes | 12,776 | 22,276 | 12,776 | 22,276 |
| | <u>694,817</u> | <u>554,011</u> | <u>694,817</u> | <u>615,513</u> |

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

| | Group 2021 | Charity 2021 |
|-------------------------------|-----------------------|-------------------------|
| | No. | No. |
| Facilities and office | 11 | 11 |
| Veterinary and animal welfare | 13 | 13 |
| Community | 2 | 2 |
| Shop and tea room | 7 | 7 |
| Fundraising | 5 | 5 |
| | <u>38</u> | <u>38</u> |

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

The wages and salaries figure includes £nil (2020 - £1,047) of expenses relating to staff uniforms, equipment and training.

Wages paid to 6 key management personnel totalled £169,502 (2020 - 6 employees, £146,932).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Tangible fixed assets

Group

| | Freehold property £ | Plant and machinery £ | Motor vehicles £ | Fixtures and fittings £ | Computer equipment £ | Total £ |
|--------------------------|---------------------------|-----------------------------|------------------------|-------------------------------|----------------------------|-------------------------|
| Cost or valuation | | | | | | |
| At 1 January 2021 | 1,085,606 | 34,271 | 49,151 | 209,437 | 3,670 | 1,382,135 |
| Additions | 13,892 | 2,985 | 380 | 8,332 | 995 | 26,584 |
| Disposals | - | - | - | (108,782) | - | (108,782) |
| At 31 December 2021 | <u>1,099,498</u> | <u>37,256</u> | <u>49,531</u> | <u>108,987</u> | <u>4,665</u> | <u>1,299,937</u> |
| Depreciation | | | | | | |
| At 1 January 2021 | 28,489 | 14,660 | 39,920 | 173,593 | 2,114 | 258,776 |
| Charge for the year | 4,022 | 4,236 | 2,308 | 7,356 | 513 | 18,435 |
| On disposals | - | - | - | (103,186) | - | (103,186) |
| At 31 December 2021 | <u>32,511</u> | <u>18,896</u> | <u>42,228</u> | <u>77,763</u> | <u>2,627</u> | <u>174,025</u> |
| Net book value | | | | | | |
| At 31 December 2021 | <u><u>1,066,987</u></u> | <u><u>18,360</u></u> | <u><u>7,303</u></u> | <u><u>31,224</u></u> | <u><u>2,038</u></u> | <u><u>1,125,912</u></u> |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. Tangible fixed assets (continued)

Charity

| | Freehold property £ | Plant and machinery £ | Motor vehicles £ | Fixtures and fittings £ | Total £ |
|--------------------------|---------------------------|-----------------------------|------------------------|-------------------------------|-------------------------|
| Cost or valuation | | | | | |
| At 1 January 2021 | 1,085,606 | 28,004 | 49,151 | 209,081 | 1,371,842 |
| Additions | 13,892 | - | 380 | 5,832 | 20,104 |
| Disposals | - | - | - | (108,782) | (108,782) |
| At 31 December 2021 | <u>1,099,498</u> | <u>28,004</u> | <u>49,531</u> | <u>106,131</u> | <u>1,283,164</u> |
| Depreciation | | | | | |
| At 1 January 2021 | 28,489 | 12,100 | 39,920 | 173,415 | 253,924 |
| Charge for the year | 4,022 | 2,385 | 2,308 | 6,642 | 15,357 |
| On disposals | - | - | - | (103,186) | (103,186) |
| At 31 December 2021 | <u>32,511</u> | <u>14,485</u> | <u>42,228</u> | <u>76,871</u> | <u>166,095</u> |
| Net book value | | | | | |
| At 31 December 2021 | <u><u>1,066,987</u></u> | <u><u>13,519</u></u> | <u><u>7,303</u></u> | <u><u>29,260</u></u> | <u><u>1,117,069</u></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 now been reclassified. Additions since the valuation amount to £32,831.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. Investment property

Group

Freehold
investment
property
£

Valuation

At 1 January 2021

408,333

At 31 December 2021

408,333

Charity

Freehold
investment
property
£

Valuation

At 1 January 2021

408,333

At 31 December 2021

408,333

Freehold property is included at valuation of £348,333 plus land at estimated market value of £60,000.

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. Fixed asset investments

| Group | Other fixed asset investments £ |
|----------------------------|--|
| Cost or valuation | |
| At 1 January 2021 | 558,450 |
| Additions | 94,543 |
| Disposals | (237,941) |
| Revaluations | 43,062 |
| | 458,114 |
| At 31 December 2021 | 458,114 |
| Net book value | |
| At 31 December 2021 | 458,114 |
| <i>At 31 December 2020</i> | 558,450 |

Other fixed asset investments includes £9,131 (2020 - £20,762) of cash balances in the investment portfolio.

| Charity | Investments in subsidiary companies £ | Other fixed asset investments £ | Total £ |
|----------------------------|--|--|--------------------|
| Cost or valuation | | | |
| At 1 January 2021 | 1 | 558,450 | 558,451 |
| Additions | - | 94,543 | 94,543 |
| Disposals | - | (237,941) | (237,941) |
| Revaluations | - | 43,062 | 43,062 |
| | 1 | 458,114 | 458,115 |
| At 31 December 2021 | 1 | 458,114 | 458,115 |
| Net book value | | | |
| At 31 December 2021 | 1 | 458,114 | 458,115 |
| <i>At 31 December 2020</i> | 1 | 558,450 | 558,451 |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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 | 275,157 | (254,679) | 20,478 | 9,823 |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Stocks

| | Group 2021 £ | <i>Group 2020 £</i> | Charity 2021 £ | <i>Charity 2020 £</i> |
|-------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Consumable stocks | 7,644 | 12,464 | 120 | 3,084 |

17. Debtors

| | Group 2021 £ | <i>Group As restated 2020 £</i> | Charity 2021 £ | <i>Charity As restated 2020 £</i> |
|------------------------------------|-----------------------------|---|-------------------------------|---|
| Due within one year | | | | |
| Trade debtors | 6,810 | 6,425 | - | - |
| Amounts owed by group undertakings | - | - | 6,114 | 22,025 |
| Other debtors | 188,736 | 12,379 | 187,233 | 10,711 |
| Prepayments and accrued income | 33,571 | 22,292 | 38,323 | 22,048 |
| | 229,117 | 41,096 | 231,670 | 54,784 |

18. Creditors: Amounts falling due within one year

| | Group 2021 £ | <i>Group As restated 2020 £</i> | Charity 2021 £ | <i>Charity As restated 2020 £</i> |
|------------------------------------|-----------------------------|---|-------------------------------|---|
| Bank loans | 9,996 | 3,135 | 9,996 | 3,135 |
| Trade creditors | 37,431 | 30,587 | 21,192 | 29,973 |
| Other taxation and social security | 12,391 | 9,730 | 12,391 | 9,730 |
| Other creditors | 2,130 | - | 2,130 | - |
| Accruals and deferred income | 39,259 | 51,408 | 33,754 | 44,804 |
| | 101,207 | 94,860 | 79,463 | 87,642 |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

| | Group 2021 £ | <i>Group 2020 £</i> | Charity 2021 £ | <i>Charity 2020 £</i> |
|------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank loans | 36,671 | 46,865 | 36,671 | 46,865 |

Included within the above are amounts falling due as follows:

| | Group 2021 £ | <i>Group 2020 £</i> | Charity 2021 £ | <i>Charity 2020 £</i> |
|-----------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Between one and two years | | | | |
| Bank loans | 9,996 | 9,575 | 9,996 | 9,575 |
| Between two and five years | | | | |
| Bank loans | 26,675 | 30,255 | 26,675 | 30,255 |
| Over five years | | | | |
| Bank loans | - | 7,035 | - | 7,035 |

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 2021 £ | <i>Group As restated 2020 £</i> | Charity 2021 £ | <i>Charity As restated 2020 £</i> |
|---|-----------------------------|---|-------------------------------|---|
| Financial assets | | | | |
| Measured at market value - Investment portfolio | 458,114 | 558,450 | 458,114 | 558,450 |
| Measured at amortised cost - Cash at bank and in hand | 355,329 | 154,075 | 337,577 | 156,231 |
| Amounts owed by group undertakings | - | - | 6,114 | 22,025 |
| | 813,443 | 712,525 | 801,805 | 736,706 |
| Financial liabilities | | | | |
| Bank loans | (46,667) | (50,000) | (46,667) | (50,000) |
| Trade creditors | (37,431) | (30,587) | (21,192) | (29,973) |
| | (84,098) | (80,587) | (67,859) | (79,973) |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

21. Statement of funds

Statement of funds - current year

| | Balance at 1 January 2021 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 December 2021 £ |
|----------------------------------|--------------------------------------|-------------------------|---------------------------|-------------------------|---|
| Unrestricted funds | | | | | |
| General funds | 2,138,417 | 1,332,384 | (1,131,156) | 43,062 | 2,382,707 |
| Restricted funds | | | | | |
| Equine welfare | 16,000 | - | - | - | 16,000 |
| Animal welfare | 1,087 | 30,660 | (30,660) | - | 1,087 |
| Community projects and education | 548 | - | - | - | 548 |
| Tea room | - | 20,154 | - | - | 20,154 |
| Electric van | - | 26,075 | - | - | 26,075 |
| | <u>17,635</u> | <u>76,889</u> | <u>(30,660)</u> | <u>-</u> | <u>63,864</u> |
| Total of funds | <u><u>2,156,052</u></u> | <u><u>1,409,273</u></u> | <u><u>(1,161,816)</u></u> | <u><u>43,062</u></u> | <u><u>2,446,571</u></u> |

The Equine Welfare fund represents funds to repair fencing and field shelters and to pay relevant staff costs.

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

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

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

The Electric Van fund represents funds received to purchase an electric van.

We are extremely grateful to those funders who supported our equine veterinary bills and fencing repairs this year.

Thank you to all those who supported our small animal welfare veterinary bills throughout 2021.

We really appreciate those grant funders who chose to support our community projects and education programmes in our 2021 through the funding for a community van, our Helping Paw project, the creation of education resources and signage, supporting community neutering and veterinary costs and our Trap Neuter Return programmes, thank you.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

21. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 January 2020 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers in/out £</i> | <i>Gains/ (Losses) £</i> | <i>Balance at 31 December 2020 £</i> |
|----------------------------------|--|-----------------------|--------------------------|-----------------------------------|----------------------------------|--|
| Unrestricted funds | | | | | | |
| General fund | 2,322,259 | 698,324 | (943,704) | 44,972 | 16,566 | 2,138,417 |
| Restricted funds | | | | | | |
| Sensory garden | 6,150 | - | - | (6,150) | - | - |
| Equine welfare | 13,307 | 26,500 | (8,307) | (15,500) | - | 16,000 |
| Animal welfare | 12,245 | 4,750 | (11,525) | (4,383) | - | 1,087 |
| Community projects and education | 10,306 | 44,872 | (35,691) | (18,939) | - | 548 |
| Woodland maintenance | 553 | - | (553) | - | - | - |
| | <u>42,561</u> | <u>76,122</u> | <u>(56,076)</u> | <u>(44,972)</u> | <u>-</u> | <u>17,635</u> |
| Total of funds | <u><u>2,364,820</u></u> | <u><u>774,446</u></u> | <u><u>(999,780)</u></u> | <u><u>-</u></u> | <u><u>16,566</u></u> | <u><u>2,156,052</u></u> |

22. Summary of funds

Summary of funds - current year

| | Balance at 1 January 2021 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 December 2021 £ |
|------------------|--|-------------------------|---------------------------|----------------------------------|--|
| General funds | 2,138,417 | 1,332,384 | (1,131,156) | 43,062 | 2,382,707 |
| Restricted funds | 17,635 | 76,889 | (30,660) | - | 63,864 |
| | <u><u>2,156,052</u></u> | <u><u>1,409,273</u></u> | <u><u>(1,161,816)</u></u> | <u><u>43,062</u></u> | <u><u>2,446,571</u></u> |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

22. Summary of funds (continued)

Summary of funds - prior year

| | <i>Balance at 1 January 2020 £</i> | <i>Income £</i> | <i>Expenditure £</i> | <i>Transfers in/out £</i> | <i>Gains/ (Losses) £</i> | <i>Balance at 31 December 2020 £</i> |
|------------------|--|---------------------|--------------------------|-----------------------------------|----------------------------------|--|
| General funds | 2,322,259 | 698,324 | (943,704) | 44,972 | 16,566 | 2,138,417 |
| Restricted funds | 42,561 | 76,122 | (56,076) | (44,972) | - | 17,635 |
| | <u>2,364,820</u> | <u>774,446</u> | <u>(999,780)</u> | <u>-</u> | <u>16,566</u> | <u>2,156,052</u> |

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total funds 2021 £ |
|-------------------------------------|--|--|---------------------------------------|
| Tangible fixed assets | 1,125,912 | - | 1,125,912 |
| Fixed asset investments | 458,114 | - | 458,114 |
| Investment property | 408,333 | - | 408,333 |
| Current assets | 528,226 | 63,864 | 592,090 |
| Creditors due within one year | (101,207) | - | (101,207) |
| Creditors due in more than one year | (36,671) | - | (36,671) |
| Total | <u>2,382,707</u> | <u>63,864</u> | <u>2,446,571</u> |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

23. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | <i>Unrestricted funds 2020 £</i> | <i>Restricted funds 2020 £</i> | <i>Total funds 2020 £</i> |
|-------------------------------------|--|--|---------------------------------------|
| Tangible fixed assets | 1,123,359 | - | 1,123,359 |
| Fixed asset investments | 558,450 | - | 558,450 |
| Investment property | 408,333 | - | 408,333 |
| Current assets | 190,000 | 17,635 | 207,635 |
| Creditors due within one year | (94,860) | - | (94,860) |
| Creditors due in more than one year | (46,865) | - | (46,865) |
| Total | <u><u>2,138,417</u></u> | <u><u>17,635</u></u> | <u><u>2,156,052</u></u> |

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

| | Group 2021 £ | <i>Group 2020 £</i> |
|--|-----------------------------|--------------------------------|
| Net income/expenditure for the year (as per Statement of Financial Activities) | 290,519 | <i>(208,768)</i> |
| Adjustments for: | | |
| Depreciation charges | 18,435 | <i>48,994</i> |
| Interest received | (411) | <i>(988)</i> |
| Gains on investments | (43,062) | <i>(16,566)</i> |
| Loss on the sale of fixed assets | 5,495 | <i>-</i> |
| Decrease in stocks | 4,820 | <i>1,555</i> |
| Decrease/(increase) in debtors | (188,021) | <i>3,359</i> |
| Decrease in creditors | (3,847) | <i>(2,924)</i> |
| Land gifted by way of legacy | - | <i>(60,000)</i> |
| Net cash provided by/(used in) operating activities | <u><u>83,928</u></u> | <u><u><i>(235,338)</i></u></u> |

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

25. Analysis of cash and cash equivalents

| | Group 2021 | <i>Group 2020</i> |
|--|-----------------------|-----------------------|
| | £ | £ |
| Cash in hand | 3,301 | 100 |
| Notice deposits (less than 3 months) | 352,028 | 153,975 |
| Total cash and cash equivalents | 355,329 | 154,075 |

26. Analysis of changes in net debt

| | At 1 January 2021 | Cash flows | At 31 December 2021 |
|--------------------------|----------------------------------|-------------------|------------------------------------|
| | £ | £ | £ |
| Cash at bank and in hand | 154,075 | 201,254 | 355,329 |
| Debt due within 1 year | (3,135) | (6,861) | (9,996) |
| Debt due after 1 year | (46,865) | 10,194 | (36,671) |
| | 104,075 | 204,587 | 308,662 |

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 £213,269 of legacy income will be due to the Charity, however as the amounts are still relatively uncertain, only £175,357 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.

28. Capital commitments

| | Group 2021 | <i>Group 2020</i> | Charity 2021 | <i>Charity 2020</i> |
|--|-----------------------|-----------------------|-------------------------|-------------------------|
| | £ | £ | £ | £ |
| Contracted for but not provided in these financial statements | | | | |
| Acquisition of tangible fixed assets | 10,272 | - | 10,272 | - |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

29. 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 £2,130 (2020 - £nil) were payable to the fund at the balance sheet date and are included in creditors.

30. Operating lease commitments

At 31 December 2021 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group 2021 £ | <i>Group 2020 £</i> | Charity 2021 £ | <i>Charity 2020 £</i> |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Not later than 1 year | 67,032 | 463 | 5,649 | - |
| Later than 1 year and not later than 5 years | 135,087 | - | 16,337 | - |
| | <u>202,119</u> | <u>463</u> | <u>21,986</u> | <u>-</u> |

At 31 December 2021 the Group and the Charity has future minimum lease receipts due as a lessor for each of the following periods:

| | Group 2021 £ | <i>Group 2020 £</i> |
|--|-----------------------------|-----------------------------|
| Not later than 1 year | 7,500 | 5,400 |
| Later than 1 year and not later than 5 years | 7,025 | 10,850 |
| | <u>14,525</u> | <u>16,250</u> |

31. 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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

32. Prior year adjustment/restatement of comparatives

The comparative figures have been adjusted to reflect land gifted by way of legacy not previously included. Investment property and legacy income have both been increased by £60,000 to reflect this.

The comparative figures have also been restated for a management charge to the Charity's subsidiary, OTAC Trading Ltd of £61,502. The consolidated figures remain the same however the Charity figures reflect an increase in debtors and income for this amount.

Investment property totalling £348,333 previously shown as part of tangible fixed assets has been reclassified to be shown as investment property. This has had no impact on the previously reported results for the year.

33. Controlling party

The Charity is under the control of the Trustees.