THE OAKLEA TRUST

England & Wales · Charity number 1091722

Details

Other names	THE WATTSFIELD TRUST
Status	Registered
Legal form	Charitable company
Company number	04416344
Registered	2002-04-24
Register	View on the Charity Commission register

Contact

Address	Third Floor - East Wing Station House Station Road Kendal Cumbria LA9 6ry
Phone	01539735025
Email	enquiries@oakleatrust.co.uk
Website	oakleatrust.co.uk

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Activities

Objects: A) TO PROMOTE THE RELIEF AND CARE OF PEOPLE WITH LEARNING AND OTHER DISABILITIES, THE ELDERLY OR INFIRM, AND THOSE WHO ARE SOCIALLY DISADVANTAGED WHO NEED ASSISTANCE BY THE PROVISION OF A SUITABLE HOME ENVIRONMENT AND/OR CARE AND SUPERVISION TO ENABLE THEM TO DEVELOP THEIR MENTAL, PHYSICAL AND SPIRITUAL CAPACITY; B) TO ADVANCE EDUCATION OF PEOPLE, IN PARTICULAR THOSE WITH LEARNING DISABILITIES OR WHO ARE SOCIALLY DISADVANTAGED, WHO REQUIRE EDUCATION, SPECIALIST TRAINING AND/OR SUPPORT TO ENABLE THEM TO ENTER EMPLOYMENT, TO ADVANCE IN THEIR EMPLOYMENT OR TO ENTER FURTHER STUDIES; C) TO PROVIDE OR ASSIST IN THE PROVISION OF FACILITIES IN THE INTERESTS OF SOCIAL WELFARE FOR RECREATION OR OTHER LEISURE TIME OCCUPATION FOR INDIVIDUALS WHO HAVE NEED FOR SUCH FACILITIES BY REASON OF THEIR LEARNING OR OTHER DISABILITY, YOUTH, AGE, INFIRMITY, FINANCIAL HARDSHIP OR SOCIAL CIRCUMSTANCES AND THE GENERAL PUBLIC WITH THE OBJECT OF IMPROVING THEIR CONDITIONS OF LIFE; AND D) TO FURTHER SUCH EXCLUSIVELY CHARITABLE AND ANCILLARY PURPOSES ACCORDING TO THE LAW OF ENGLAND AND WALES AS THE TRUSTEES IN THEIR ABSOLUTE DISCRETION DETERMINE FROM TIME TO TIME

Activities: Supporting children and adults with disabilities

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** Education/training, Disability, Accommodation/housing
- **Who:** Children/young People, Elderly/old People, People With Disabilities

Geography

- **Area of benefit:** NORTHERN ENGLAND
- Cumbria
- Durham
- Lancashire
- Northumberland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£10,683,126	£10,511,917	£2,214,139	375
2024-03-31	£9,915,162	£9,646,122	£2,042,930	367
2023-03-31	£9,504,282	£9,162,073	£1,773,890	374
2022-03-31	£9,353,849	£9,030,258	£1,431,681	345
2021-03-31	£8,714,286	£8,322,723	£1,108,090	390

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Trustees

Name	Role	Appointed
Anne Marie Kilkenny		2025-11-26
Craig Smith		2023-12-01
Derek Ridgway		2023-05-03
Dr Robin Jeremy Talbot		2023-05-03
Linda Adey		2017-11-08
Maxine Lorraine Denoual		2019-11-06

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THE OAKLEA TRUST

England & Wales - Charity number 1091722

Accounts

Registered Charity Number: 1091722
Registered Company Number: 04416344 (England and Wales)

The Oaklea Trust
(A Company Limited by Guarantee)

Trustees Annual Report and

Consolidated Financial Statements

for the year ended 31 March 2025

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THE OAKLEA TRUST

Charity Information

Trustees
C T J Harris, Chair
P H Smith, Vice Chair
S F O'Halloran (Resigned on 25 September 2024)
L J Adey
C A Smith (Appointed on 25 September 2024)
M L Denoual
C Mitchell (Resigned on 30 June 2025)
D Ridgway
R J Talbot
S F Welch (Resigned on 28 May 2024)

Company Secretary
J S Hall (Appointed on 2 December 2024)

Key Management Personnel
Executive Team:

J S Hall	Chief Executive	(Appointed on 2 December 2024)
C Wigley	Chief Executive	(Resigned on 22 November 2024)
A Wolfenden	Director	

Finance Committee Members
P H Smith, Chair
J S Hall
A Wolfenden
D Ridgway
C Mitchell (resigned on 30 June 2025)
J Wood

Registered charity number
1091722

Registered Company number
04416344 (England and Wales)

Principal and registered office
Third Floor
East Wing
Station House
Station Road
Kendal
Cumbria
LA9 6RY

Auditors
Azets Audit Services
Fleet House
New Road
Lancaster
United Kingdom
LA1 1EZ

Bankers
Handelsbanken
First Floor East
Bridge Mills
Stramongate
Kendal
Cumbria
LA9 4UB

Solicitors
Womble Bond Dickinson
1 Whitehall Riverside
Leeds
LS1 4BN

Report of the Trustees for the year ended 31 March 2025

OAKLEA TRUST STATEMENT OF RECOMMENDED PRACTICE (SORP) REPORT FINANCIAL YEAR 2024/25

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the Financial Statements of the Charity for the year ended 31" March 2025.

The Trustees have adopted the provisions of 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 (FRS102).

OBJECTIVES AND ACTIVITIES

The Group's Vision, Mission, Values, and Working Behaviours are:

- **Vision**
  "We deliver the finest opportunities in the kindest possible way"
- **Mission**
  "To support and care for people and communities so they can learn, develop, and thrive"
- **Our Values**
  "Individuality, independence, interdependence, rights, respect, dignity, privacy, partnership, choice."
- **Our Working Behaviours**
  "Be kind, be part of a team, be innovative, be focused, be productive, be respectful, be resourceful"

The Group comprises of a Registered Charity, Oaklea Trust and its wholly owned social enterprise subsidiary, Right2Work C.I.C. All work is planned, developed and evaluated to best ensure delivery against the Group's Vision and Mission and Charitable Objectives, as captured in its Memorandum and Articles of Association.

In 2022, the Trustees and the Executive formally reviewed the Mission, Vision and Values statements of the Group and produced a five-year strategic plan (commencing in 2023) for the Group to make sure it has a clear direction of travel, is ready to modernise and delivers the greatest value.

The objectives of Oaklea Trust are fully detailed within the Memorandum and Articles of Association and can be summarised as follows:

- To promote the relief and care of people with learning and other disabilities and also people who are socially disadvantaged and need assistance in the areas of care and support, their home environment, education, training, recreation and to enter or advance in their employment.

The objectives of Right2Work C.I.C are also fully detailed within its Articles and can be summarised as follows:

- To carry on activities which benefit the community and in particular people who are disabled and/or disadvantaged. Through the development of the social enterprise and in the provision of supervision, training, employment, volunteering and social inclusion opportunities.

Strategic Priorities & Business Objectives - 2023 (five-year strategy)

In the year 2022 the Group developed its five-year strategic priorities to commence at the beginning of 2023. This includes 48 individual objectives within five main focus areas:

1. Deliver outstanding care, learning and personal development
2. Attract, develop and retain high quality team members
3. Diversify our revenue sources
4. Develop the Oaklea Group brand across the North of England
5. Enhance our Governance

Progress against these objectives are reported to the Board on a quarterly basis and are driven and monitored through our Executive Group and Senior Leadership Team.

Oaklea's focus for the medium term is to stabilise, following a period of change in leadership, and then to maximise delivery against its mission across the North of England, initially strengthening its presence and impact in the areas it currently operates in. To achieve this, in 2024-25 and beyond, priority will be given to engaging directly with beneficiaries, managing financial resources and employing quality people to do the job.

Managing resources
Quarterly Senior Leadership Team meetings are used to monitor progress against key performance indicators (KPI's) and the broader strategic objectives. KPI's are monitored under the headings of Empowering Quality People, Quality & Safety, Engaging Individuals & Communities, Seven Keys to Citizenship and Adequate Financial Resources.

Delivery against the strategy is measured through a rigorous annual quality audit cycle, where Trustees/Non-Executive Directors and senior staff team members undertake both desk research (to assess compliance, HR and financial record keeping) and visit each project in person to engage with beneficiaries, team members and other stakeholders, as appropriate. The findings from each audit conversation are captured centrally and reviewed by the Senior Leadership Team to encourage organisational learning and development. The individual reports are then collated into an annual Quality Audit Report which discusses customer outcomes, customer evaluation and quality and safety issues and is reviewed by the Executive Team and the Boards, as appropriate. In addition, employee renumeration is considered annually as part of the budget setting process.

Furthermore, to ensure wider team engagement in measuring and monitoring progress and a transparent approach to raising concerns and questions, Oaklea Trust's Employee Consultative Group meets quarterly to share information, consult with employees on changes or new ideas and to provide a platform to allow employees to voice their collective opinions, concerns, celebrations and suggestions.

Management of financial resources is achieved through partnership working between finance and operational teams. Focus is placed on developing accurate Management Accounts, cash flow monitoring and performance against financial KPI's. This is embedded within the monthly reporting mechanisms of the organisation and is monitored and reviewed by the Senior Leadership Team, Executive and Finance Committee on a quarterly basis. Any new business, areas of development or tenders are reviewed thoroughly with various scenarios modelled as part of the decision-making process to ensure that any new work contributes sufficiently to a sustainable financial future and meets the objectives of the Charity.

Investment in the training and development of employees is central to Oaklea Trust being well placed to deliver its regulatory duties and ensure good practice more generally through its non-regulated and central services. In order to empower quality people to do the job, Oaklea Trust have invested resources in a combination of online, in-person and accredited training opportunities, including, since 2023, providing access to an employee Leadership & Excellence programme (level 5 management), in conjunction with Kendal College.

Maximising the use of the Apprenticeship Levy has been approved as an important area of development for the Group and as such, both Oaklea Trust and Right2Work are fully engaged in the apprenticeship movement.

The operating agreement put in place to set out the working arrangements between the Charity and its wholly owned subsidiary CIC was reviewed in February 2024 and the revisions have been enacted in 2024-25 as planned. This review was led by a Governance group made up of Trustees of the Charity, Directors of the CIC, and members of the Executive team.

Public Benefit
The Charity Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.
The activities undertaken by the Charity are fully in line with its rules as stated within its Memorandum and Articles of Association and approved by the Charity Commission to be charitable.

ACHIEVEMENTS AND PERFORMANCE

Listening to our customers, learners, partners and team members

During 2024/25 Oaklea Group has supported hundreds of individual customers/learners through our bespoke programmes. In addition, we have engaged hundreds more through the Appleby Hub, The Furniture Warehouse and Community Works, each of which provides opportunities to both individuals and local groups and champions the development of stronger communities. Our ever-increasing presence on social media in 2024-25 demonstrates the importance of capturing and sharing important stories of success, learning, development and joy. In 2024-25 this work has formed an early part of our Brand Development work which will continue over the coming years.

Throughout the year we capture and review compliments, complaints and reviews. We ensure lessons are learned, successes shared and celebrated and the cause of complaints and concerns understood. We also survey our teams, partner organisations and the aforementioned Employee Consultative Group.

Focusing on Quality

The Oaklea Trust use the results of Care Quality Commission (CQC) inspections, Internal Quality Audits and the Customer & Stakeholder Evaluation Survey as key indicators of quality.
The CQC regulates some of the work undertaken by Oaklea Trust; they work to ensure services are safe, effective, caring, responsive and well-led.

In November 2024 CQC rated Oaklea Trust's Supported Living Programmes in Durham and Northumberland as Requiring Improvement. Improvements were started immediately and in January 2025 Oaklea Trust submitted a detailed Action Plan to CQC detailing how these would be extended and maintained overtime.

The annual cycle of Quality Audits that Oaklea Trust undertakes seek to capture evidence relating to the overall quality of the provision. Importantly, these will be extended in 2025 to ensure they also capture how each area of the action plan is being achieved and learned from in each area.
Customer outcomes are assessed against the organisation's 7 keys to citizenship.

FINANCIAL REVIEW

Results for the Year

2024-25 was a more difficult year for the Charity following change in contractual terms relating to our work across the county of Durham. However, Right2Work performed strongly to the year ending 31st March 2025, helping the Group as a whole to end the year with a small surplus.

The Charity continues to review each of its projects to ensure the best outcome for customers, employees and the Charity. Celebration of Success awards ceremony was a highlight in the charity's calendar. This event was attended by each of the Boards, employees, and customers/learners, giving people the opportunity to celebrate achievement whilst ensuring the family culture of the organisation is maintained.

The Oaklea Trust achieved a surplus of £171k for the year ending 31" March 2025.

For the year ended 31st March 2025, Right2Work has donated £271k to Oaklea Trust and contributed £34k to its own reserves, as a result of achieving an operating profit of £316k.

Through good planning, monitoring and management, the Charity and its subsidiary have been able to remain financially robust, and whilst it was a harder than forecast year, the result overall was solid and provides strong foundations from which the new Executive Team can address the future with confidence.

Fundraising

Fundraising is not currently a key area of Oaklea's work. In 2024-25 some small grants were secured from both independent and public bodies and some small donations were received. There is a commitment to exploring how this work area can be expanded in future.

Reserves

The Oaklea Trust has total reserves of £2,214k.

The group's unrestricted balance of £2,214k is partially supported by net fixed assets and net current assets. The majority of the unrestricted fund balance does not relate to liquid assets held, but rather net fixed assets (monies already spent on fixed assets less the balance of long-term loans held to finance those assets), leaving £646k supported by net current assets. The nature of the Charity's income is mainly predictable and has a direct correlation with the Charity's cost structure, allowing the Charity to operate with a lower reserves balance than many other organisations. However, the Board of Trustees does recognise the need to increase free reserves in support of the Oaklea Trust activities and growth.

The Board have previously set a reserves policy equivalent to 2 months unrestricted charitable expenditure and are currently reviewing the position to consider whether a minimum of 3 months would be more appropriate, given recent changes to employers National Insurance and the level of uncertainty at both a local and national level. As of 31st March 2025, the Trust has reserves equivalent to 1.3 months.

CHANGING PLANS AND PLANS FOR THE FUTURE PERIOD

Oaklea Trust and Right2Work are both well established and financially robust organisations. In April 2024 the Charity was looking, over the year ahead, to invest in the workforce, capital build programmes, expansion of their housing stock and recruitment. However, changes to the forecast during the year led to some of these areas of investment being put on hold.

As a result of the changing financial situation in 2024-25 and the impact of the UK Government's budget in October 2024 on the period 2025-26 and beyond, the next two years will now become a period of transition that is focused on building stability, developing teams and improving quality and governance. Growth is expected from 2026 onwards. The need to adopt this conservative position has been further evidenced by the limited LA settlements offered to Oaklea Trust and the impact of the ongoing uncertainty across the sector as a whole.

Right2Work is achieving good levels of growth and whilst uncertainty remains omnipresent there has been a strong increase in the number of people taking up our Supported Internships programme and other community-based offers. Early results for 2025-26 are stable.

STRUCTURE, GOVERNANCE AND ENGAGEMENT

The Oaklea Trust is a registered Charity and constituted as a company, limited by guarantee, as defined by the Companies Act 2006. The Oaklea Trust is controlled by its governing document, a Memorandum and Articles of Association.

The Oaklea Trust Board meets regularly throughout the year and in addition attends an annual away day with the Executive to review the strategic direction of the organisation, current and future challenges, goals and aims of the Charity. An annual combined meeting of the two Boards is scheduled for November 2025.

The Oaklea Trust also operates a Finance Committee and in 2024-25 a Remuneration Committee. The responsibilities of the Remuneration Committee transferred to the Finance Committee in September 2025. The Finance Committee ensures that the organisation operates within the best practice guidance of the Charity Commission and ensures thorough review and monitoring of the financial management of the organisation. The Finance Committee meets quarterly and operates within Terms of Reference as set by the Board of Trustees.

The Board of Trustees also delegate authority to the Executive as outlined in policy.

All employees and Trustees are recruited using open advertisement and in accordance with Recruitment and Selection Policies. Oaklea is a supporter of the disability confident campaign and has achieved Disability Confident status. Oaklea Trust's policy is to promote equality of opportunity to all in employment and the selection process irrespective of their gender, race, ethnic origin, disability, age, nationality, sexuality, marital status and social class. Oaklea oppose all forms of unlawful and unfair discrimination. Selection for employment, promotion, training and any other benefits is on the basis of aptitude and ability.

All new Trustees are given induction packs that provide information about their responsibilities under company and charity law. All Trustees conform to Oaklea Trust's Declaration of Interests policy. New Trustees join the organisation on a trial period prior to being formally appointed. Their role during this period is one of non-voting observer to gain an understanding of the complexities of the organisation and their responsibilities as a Trustee.

The Oaklea Trust's social enterprise subsidiary Right2Work C.I.C operates under its own Articles. Right2Work C.I.C. is a Community Interest Company and is wholly owned by Oaklea Trust. There is an asset lock in place which ensures that the Oaklea Trust is the recipient of any residual assets should the company be wound up. Right2Work C.I.C. is a 'not for profit' organisation and any surpluses or assets are used for the benefit of the community, save those donated to the Charity Oaklea Trust.

Right2Work C.I.C has its own Board with a minimum of three Directors, of which at least one must be from the Oaklea Trust Board of Trustees and at least one must be independent of the Oaklea Trust. As detailed elsewhere, the relationship between the two organisations is subject to an operating agreement.

The Trustees and Directors have a duty to identify and review the risks to which the Charity and its subsidiary are exposed. Both organisations keep a live Risk Register which is regularly discussed at Board meetings. This has been significantly reworked in 2024-25 and is now a dynamic document that is regularly updated and reviewed at Senior Leadership Team meetings, Executive Team meetings, by the Finance Committee and at Board meetings. There is a risk policy in place which ensures the assessment and monitoring of risk, each risk is scored and a key individual identified to take any actions as necessary.

The Oaklea Trust Strategic Risk Register focusses on the areas of: Finance, Contracts & Business Development, People, Data Management, IT & Infrastructure and Governance. Each of these risks is analysed into risk factors and control measures are put in place where necessary and appropriate.

The Right2Work C.I.C Risk Register focuses on the same areas. All of these issues are regularly under review and measures developed as appropriate.

Statement of Trustees' Responsibilities

The trustees, who are also the directors of The Oaklea Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

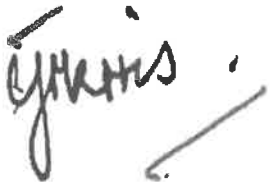
Auditor

In accordance with the company's Articles, a resolution proposing that Azets Audit Services be appointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Approved by order of the Board of Trustees on 17.12.2025 **and signed on its behalf by:**



Christopher Harris - Chair of Trustees

Independent Auditor's Report to the Members of The Oaklea Trust

Opinion
We have audited the financial statements of The Oaklea Trust (the "parent charity") and its subsidiary (the "group") for the year ended 31 March 2025 which comprise of the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related Notes to the Financial Statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern
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 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.

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

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

We have nothing to report in this regard.

Independent Auditor's Report to the Members of The Oaklea Trust

Opinions 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

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

Responsibilities of the trustees
As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Charitable Company and Group'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 Charitable Company or to cease operations, or have no realistic alternative but to do so.

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

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

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.

Independent Auditor's Report to the Members of The Oaklea Trust

Extent to which the audit was capable of identifying irregularities, including fraud
We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management, and from inspection of the charitable group's regulatory and legal correspondence. We discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The charitable group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation), pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising environmental, health and safety and employment legislation, and, in the current climate, Covid regulations. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the charitable group to commit fraud. Our risk assessment procedures included: enquiry of trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud and reading Board minutes. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:
- income recognition and in particular the risk that restricted income is incorrectly recognised within unrestricted income; and
- subjective accounting estimates.

As required by auditing standards we also identified and addressed the risk of management override of controls.

We performed the following procedures to address the risks of fraud identified:
- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias; and
- testing the recognition of income and in particular that it was appropriately recognised or deferred.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent Auditor's Report to the Members of The Oaklea Trust

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

Azets Audit Services

Susanna Cassey (Senior Statutory Auditor)

For and on behalf of Azets Audit Services Limited

17 Dec '25

Chartered Accountants
Statutory Auditor

Fleet House
New Road
Lancaster
United Kingdom
LA1 1EZ

Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 March 2025

	Notes	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total 2025 £	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total 2024 £
Income from:							
Donations and grants	3	708	8,202	8,910	15,895	4,949	20,844
Charitable activities	4	10,674,216	-	10,674,216	9,894,318	-	9,894,318
Total income		**10,674,924**	**8,202**	**10,683,126**	9,910,213	4,949	9,915,162
Expenditure on:							
Charitable activities	5	10,503,715	8,202	10,511,917	9,641,173	4,949	9,646,122
Total expenditure		**10,503,715**	**8,202**	**10,511,917**	9,641,173	4,949	9,646,122
Net income before transfers	6	**171,209**	-	**171,209**	269,040	-	269,040
Transfers between funds							
Net movement in funds		**171,209**	-	**171,209**	269,040	-	269,040
Total funds brought forward		2,042,930	-	2,042,930	1,773,890	-	1,773,890
Total funds carried forward		**2,214,139**	-	**2,214,139**	2,042,930	-	2,042,930

The Statement of Financial Activities includes all gains and losses recognised in the current period and the previous year and all relates to continuing operations.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

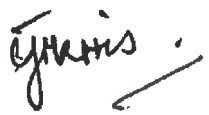
The notes on the appended pages form part of these Financial Statements.

Consolidated and Charity Balance Sheets as at 31 March 2025

	Notes	Consolidated 2025 £	Consolidated 2024 £	Charity 2025 £	Charity 2024 £
Fixed assets					
Intangible fixed assets	10	-	-	-	-
Tangible fixed assets	11	2,197,693	2,063,245	2,073,781	1,934,355
Investments	12	-	-	1	1
		2,197,693	2,063,245	**2,073,782**	1,934,356
Current assets					
Stock		10,706	8,481	-	-
Debtors	13	739,152	834,371	675,170	765,712
Cash at bank		844,739	999,411	655,207	842,214
		1,594,597	1,842,263	**1,330,377**	1,607,926
Creditors: Amounts falling due within one year	14	(948,471)	(1,152,609)	(756,329)	(956,363)
Net current assets		**646,126**	689,654	**574,048**	651,563
Creditors: Amounts falling due after more than one year	15	(629,680)	(709,969)	(616,447)	(691,742)
Net assets		**2,214,139**	2,042,930	**2,031,383**	1,894,177
Represented by:					
Unrestricted charity funds:					
- General	17	646,126	687,941	574,048	651,563
- Designated	17	1,568,013	1,354,989	1,457,335	1,242,614
Restricted charity funds	17	-	-	-	-
Total funds		**2,214,139**	2,042,930	**2,031,383**	1,894,177

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

The financial statements were approved by the Board of Trustees on ..17.12.2025.. and signed on its behalf by:



C T J Harris – Chair of Trustees

Company Registration Number: 04416344 (England and Wales)
Registered Charity Number: 1091722

Consolidated Cash Flow Statement for the year ended 31 March 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by operating activities	**23**	244,308	391,701
Taxation paid		(3,137)	(460)
Interest paid		(22,394)	(29,455)
Net Cash generated by operations		**218,777**	361,786
Cash flows from investing activities			
Purchase of tangible fixed assets		(290,865)	(227,165)
Proceeds from sale of tangible fixed assets		-	6,270
Net cash (used in) investing activities		**(290,865)**	(220,895)
Cash flows from financing activities			
Increase in / (repayment of) bank borrowings		(82,584)	(82,583)
Hire purchase creditor (decrease)		-	-
		(82,584)	(82,583)
Change in cash and cash equivalents in the year		**(154,672)**	58,308
Cash and cash equivalents brought forward		999,411	941,103
Cash and cash equivalents carried forward		**844,739**	999,411

Notes to the Consolidated Financial Statements for the year ended 31 March 2025

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Charitable company information

The charitable company is limited by guarantee, with the liability of members limited to £1 per member. The charitable company is registered in England and Wales with the Charity Commission. The registered office is Third Floor, East Wing Station House, Station Road, Kendal, Cumbria, United Kingdom, LA9 6RY.

If upon winding up or dissolution of the charitable company there remain any assets, after satisfying all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having objectives similar to the Charity.

Accounting convention

The financial statements have been prepared on a going concern basis in accordance with 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 (FRS102) (effective 1 January 2022) ("Charities SORP (FRS102)"), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

On the grounds that the charitable company's results are consolidated into the charitable company's group accounts the charitable company has taken advantage of certain exemptions conferred by section 1.11 of FRS102 as follows:

- Exemption from presenting a charitable company statement of cash flows as a primary statement to the financial statements.

Going concern

The Trustees have at the time of approving the financial statements a reasonable expectation that the charitable company and group have adequate resources to continue in operational existence for the foreseeable future. The charitable company and group has sufficient cash reserves to meet its requirements in the medium term. It is considered that there are currently no material uncertainties which impact on the charitable company being able to continue in its current form. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary, Right2Work CIC, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company has not been presented as the charitable company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

The income of the charitable company for the year was £9,641,126 (2024 - £9,097,269). Included in this was £270,903 Gift Aid asset transfer (2024 - £95,486) from the subsidiary. Expenditure amounted to £9,503,920 (2024 - £8,845,229). The net surplus of the charitable company for the year was £137,206 (2024 - £252,040 surplus).

Income
All income is included in the Consolidated Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- ***Donations*** are included in full in the Consolidated Statement of Financial Activities in the year in which they are receivable.
- ***Grants*** where the income is related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Income arising from grants and similar contracts specifically for the provision of activities or services which are provided as part of the charitable activities of the charity is recorded under the heading of income from charitable activities.

All other incoming resources are recognised on an accruals basis.

Fund accounting
Funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees;
- Designated funds - these are funds allocated from the general fund or received from third parties which have no restrictions on their uses but which are designated for a particular purpose according to the Trustees; or
- Restricted funds - these are funds that can only be used for particular restricted purposes, as specified by the donors, within the objects of the charity.

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

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to those activities and those of an indirect nature necessary to support them.

Support costs
Support costs relate to charitable activity and as such don't need to be allocated between different headings.

Governance costs comprise all costs relating to public accountability of the charity. The costs include statutory audit fees.

Operating leases
Rentals applicable to operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the term of the lease.

Staff costs
The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

Employee severance and redundancy pay is recognised within the accounts, on an accruals basis in the year in which the employee either left, or agreed to leave, the organisation.

Pension costs and other post-retirement benefits
The Charity operates a defined contribution pension scheme. The pension cost in the Consolidated Statement of Financial Activities represents the contributions payable for the year.

In addition, the Charity has an employee who is a member of the Cumbria County Council Pension Scheme which is a defined benefit scheme. The assets of the Scheme are held separately from those of the charitable company. Employer contributions in respect of this scheme are also charged to the Statement of Financial Activities in the period to which they relate.

Intangible fixed assets - goodwill
Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill has an expected life of ten years and shall be amortised on a systematic basis over its life.

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	not depreciated (see below)
Leasehold land and buildings	over the term of the lease
Fixtures and fittings	25% - 33% reducing balance
Computers	25% reducing balance
Motor vehicles	25% reducing balance

Land and buildings are not depreciated since it is considered that given the long life of the properties concerned, depreciation would be immaterial, if any. The Directors carry out an annual impairment review in accordance with accounting standards.

It is a policy that a full year's depreciation is charged on tangible fixed asset additions and no depreciation is charged on tangible fixed assets in the year they are disposed of.

It is a policy of the trustees that individual items with a cost below £350 are not capitalised.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

Fixed asset investments
Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Impairment of fixed assets
At each reporting end date, the reviews of the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

No impairment review was undertaken in the year but was replaced by a report for our bankers on each properties valuation.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments
The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset. Impairment losses are recognised in the income and expenditure account.

Creditors, loans and provisions
Creditors, loans and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial liabilities are only derecognised when, and only when, the group's obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

2 Critical accounting estimates and judgements

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets
The useful life and depreciation rate of tangible fixed assets are reviewed annually and amended when necessary.

Defined benefit scheme
The Trustees have decided not to comply with the regulations of Financial Reporting Standard No. 17 to disclose the surplus/deficit of the scheme in relation to their employee in the current year as they believe the figures are immaterial to the financial statements.

3 Donations and grants

	Unrestricted Funds	**Restricted Funds**	**Total**	Unrestricted Funds	Restricted Funds	Total
	2025 £	**2025 £**	**2025 £**	2024 £	2024 £	2024 £
General donations	708	-	**708**	15,895	191	16,086
Grants and sponsorship	-	8,202	**8,202**	-	4,758	4,758
	708	**8,202**	**8,910**	15,895	4,949	20,844

4 Charitable activities

	Unrestricted Funds	**Restricted Funds**	**Total**	Unrestricted Funds	Restricted Funds	Total
	2025 £	**2025 £**	**2025 £**	2024 £	2024 £	2024 £
Care and support in the Community	10,674,216	-	**10,674,216**	9,894,318	-	9,894,318
	10,674,216	**-**	**10,674,216**	9,894,318	-	9,894,318

5 Expenditure on charitable activities

	Unrestricted 2025 £	Restricted 2025 £	Total 2025 £	Unrestricted 2024 £	Restricted 2024 £	Total 2024 £
Direct costs:						
Staff costs	9,038,955	8,202	**9,047,157**	8,294,665	4,949	8,299,614
Staff related costs	171,420	-	**171,420**	185,258	-	185,258
Depreciation	156,417	-	**156,417**	121,032	-	121,032
Property costs	451,266	-	**451,266**	415,068	-	415,068
IT costs	126,744	-	**126,744**	114,062	-	114,062
Other direct costs	128,370	-	**128,370**	154,010	-	154,010
Other charitable expenditure	405,898	-	**405,898**	339,638	-	339,638
	10,479,070	**8,202**	**10,487,272**	9,623,733	4,949	9,628,682
Governance costs:						
Auditor remuneration	19,000	-	**19,000**	14,440	-	14,440
Governance costs	5,520	-	**5,520**	3,000	-	3,000
	24,520	-	**24,520**	17,440	-	17,440
Total expenditure on charitable activities	**10,503,715**	**8,202**	**10,511,917**	9,641,173	4,949	9,646,122

6 Net income for the year

This is stated after charging:

	2025 £	2024 £
Depreciation – owned assets	156,417	121,032
(Profit)/Loss on disposal of fixed assets	-	(986)
Lease expenditure	49,251	92,604
Auditors' remuneration: - audit services	19,000	14,440
- other services	5,645	3,000

7 Trustees' remuneration and benefits

No trustees' remuneration or other benefits were paid for the year ended 31 March 2025 (2024 - £nil).

Trustees' expenses

Trustees' expenses paid for the year ended 31 March 2025 amounted to £2,319 (2024: £2,870).

The expenses relate to 6 Trustees (2024: 4).

8 Staff costs

	2025 £	2024 £
Wages and salaries	8,145,324	7,522,048
Social security costs	710,654	601,361
Pension costs	191,179	176,205
	9,047,157	8,299,614

The total remuneration of the key management personnel was £320,698 (2024: £306,436).

Reimbursed expenses, which are all subject to the charity's processes of internal controls, do not form part of remuneration and are not included above.

One employee received remuneration between £60,000 - £70,000 during the year (2024: two).

One employee received remuneration between £70,000 - £80,000 band (2024: nil).

No employees received remuneration between £80,000 - £90,000 (2024: one).

8 Staff costs (continued)

The average number of employees (full and part time) based on headcount during the year was:

	2025 Number	2024 Number
Management	**50**	53
Administrative	**14**	15
Care and Support	**311**	299
	375	367

9 Taxation

The charitable activities of The Oaklea Trust are potentially exempt from taxation under Chapter 3 of part 11 of the Corporation Tax Act 2010.

Right2Work CIC is not exempt to corporation tax and so surpluses are subject to a taxation charge.

10 Intangible fixed assets

	Consolidated and Charity
	£
Cost	
At 1 April 2024 and 31 March 2025	7,800
Accumulated depreciation	
Balance at 1 April 2024 and 31 March 2025	7,800
Net book value	
At 31 March 2025	-
At 31 March 2024	-

11 Tangible fixed assets

Consolidated

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2024	1,875,576	132,054	412,399	429,970	104,971	**2,954,970**
Additions	144,592	14,771	77,718	40,038	13,746	**290,865**
Disposals	-	-	-	-	-	**-**
At 31 March 2025	**2,020,168**	**146,825**	**490,117**	**470,008**	**118,717**	**3,245,835**
Depreciation						
At 1 April 2024	189,758	26,857	246,291	363,222	65,597	**891,725**
Charge for the year	-	17,955	71,923	53,259	13,280	**156,417**
Transfer	1,528	(1,528)	-	-	-	**-**
Disposals	-	-	-	-	-	**-**
At 31 March 2025	**191,286**	**43,284**	**318,214**	**416,481**	**78,877**	**1,048,142**
Net book value						
At 31 March 2025	**1,828,882**	**103,541**	**171,903**	**53,527**	**39,840**	**2,197,693**
At 31 March 2024	1,685,818	105,197	166,108	66,748	39,374	2,063,245

11 Tangible fixed assets (continued)

Charity

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2024	1,875,576	40,907	386,126	415,303	-	**2,717,912**
Additions	144,592	8,438	72,610	40,038	-	**265,678**
Disposals	-	-	-	-	-	**-**
At 31 March 2025	**2,020,168**	**49,345**	**458,736**	**455,341**	**-**	**2,983,590**
Depreciation						
At 1 April 2024	191,286	12,308	227,872	352,091	-	**783,557**
Charge for the year	-	4,934	68,059	53,259	-	**126,252**
Eliminated on disposal	-	-	-	-	-	**-**
At 31 March 2025	**191,286**	**17,242**	**295,931**	**405,350**	**-**	**909,809**
Net book value						
At 31 March 2025	**1,828,882**	**32,103**	**162,805**	**49,991**	**-**	**2,073,781**
At 31 March 2024	1,684,290	28,599	158,254	63,212	-	1,934,355

12. Investments

The consolidated financial statements include the results of Right2Work C.I.C, a company limited by shares (incorporated in England and Wales, registered number 07708701), its sole member being The Oaklea Trust. The liability of the charity in the event of Right2Work C.I.C being wound up is limited by a sum not exceeding £1.

Income earned and expenditure incurred by Right2Work C.I.C have been recognised within the charitable activities of The Oaklea Trust's consolidated accounts on the basis that these activities are deemed to have charitable intentions and purposes.

13. Debtors

	Consolidated		Charity	
	2025	2024	**2025**	2024
	£	£	**£**	£
Trade debtors	221,504	304,103	126,083	192,176
Other debtors	409,654	381,397	358,286	346,003
Amounts due from fellow group undertakings	-	-	139,942	78,662
Prepayments and accrued income	107,994	148,871	50,859	148,871
	739,152	834,371	**675,170**	765,712

14. Creditors – Amounts falling due within one year

	Consolidated		Charity	
	2025	2024	**2025**	2024
	£	£	**£**	£
Bank Loans (see note 16)	75,396	82,684	75,396	82,684
Trade creditors	101,445	214,203	68,860	172,688
Other creditors	38,282	43,137	38,282	43,137
Other taxation and social security	171,331	157,713	136,637	131,463
Corporation tax	15,514	3,137	-	-
Accruals and deferred income	546,503	651,735	437,154	526,391
	948,471	1,152,609	**756,329**	956,363

Bank loans are repayable in quarterly instalments and interest is charged between 3.3% - 3.6%. Bank loans are secured by first legal charges over freehold and leasehold properties, and a debenture over all other property and assets.

15. Creditors – Amounts falling due after more than one year

	Consolidated		Charity	
	2025	2024	**2025**	2024
	£	£	**£**	£
Bank loans (see note 16)	412,723	488,018	412,723	488,018
Accruals and deferred income	203,724	203,724	203,724	203,724
Deferred tax	13,233	18,227	-	-
	629,680	709,969	**616,447**	691,742

The bank loans are secured by the charitable company, as noted above.

16. Bank loans

An analysis of the maturity of the loans is given below:

	Consolidated		Charity	
	2025	2024	**2025**	2024
	£	£	**£**	£
Bank loans falling due:				
Within one year	75,396	82,684	75,396	82,684
Between one and five years	412,723	488,018	412,723	488,018
Over five years	-	-	-	-
	448,119	570,702	**448,119**	570,702

17. Funds summary

Consolidated	Balance 1 April 2024 £	Income £	Expenditure £	Transfers £	Balance 31 March 2025 £
Unrestricted:					
General fund	687,941	10,674,924	(10,503,715)	(213,024)	646,126
Designated fund	1,354,989	-	-	213,024	1,568,013
Restricted funds:					
Restricted fund	-	8,202	(8,202)	-	-
Total Funds	**2,042,930**	**10,683,126**	**(10,511,917)**	**-**	**2,214,139**

Charity	Balance 1 April 2024 £	Income £	Expenditure £	Transfers £	Balance 31 March 2025 £
Unrestricted:					
General fund	651,563	9,641,126	(9,503,920)	(214,721)	574,048
Designated fund	1,242,614	-	-	214,721	1,457,335
Restricted funds:					
Restricted fund	-	-	-	-	-
Total Funds	**1,894,177**	**9,641,126**	**(9,503,920)**	**-**	**2,031,383**

The designated fund represents the net fixed assets (fixed assets less long term creditors) which are not liquid amounts, and are represented by long term amounts already spent within the charity.

The restricted income includes various grants received from the local councils during the year. All of the grants were spent as at 31 March 2025.

18. Analysis of net assets between funds

Consolidated	Unrestricted funds	Designated funds	Restricted funds	Total
	2025 £	2025 £	2025 £	2025 £
Fixed assets	-	2,197,693	-	**2,197,693**
Current Assets	1,594,597	-	-	**1,594,597**
Creditors due within one year	(948,471)	-	-	**(948,471)**
Creditors due after one year	-	(629,680)	-	**(629,680)**
Transfers	-	-	-	-
Total funds	**646,126**	**1,568,013**	**-**	**2,214,139**

Charity	Unrestricted funds	Designated funds	Restricted funds	Total
	2025 £	2025 £	2025 £	2025 £
Fixed assets	-	2,073,782	-	**2,073,782**
Current Assets	1,330,377	-	-	**1,330,377**
Creditors due within one year	(756,329)	-	-	**(756,329)**
Creditors due after one year	-	(616,447)	-	**(616,447)**
Transfers	-	-	-	-
Total funds	**574,048**	**1,457,335**	**-**	**2,031,383**

19. Company limited by guarantee

The charity is a company limited by guarantee and has no share capital. The members of the company undertake to contribute such amount as may be required to the company's assets. In the event of the charity being wound up, the liability in respect of each member is limited to £1.

20. Commitments

Operating lease commitments - Consolidated

The total future minimum lease payments under non-cancellable operating are as follows:

	Land and buildings		Other leases	
	2025 £	2024 £	**2025** £	2024 £
Expiring:				
Within one year	81,866	46,478	1,325	1,104
Between one and five years	323,088	155,584	338	1,385
Over five years	251,000	146,375	-	-
	655,954	348,437	**1,663**	2,489

Operating lease commitments - Charity

The total future minimum lease payments under non-cancellable operating are as follows:

	Land and buildings		Other leases	
	2025 £	2024 £	**2025** £	2024 £
Expiring:				
Within one year	44,766	46,478	1,325	1,104
Between one and five years	179,064	155,584	338	1,385
Over five years	153,554	146,375	-	-
	377,384	348,437	**1,663**	2,489

Capital commitments

At 31 March 2025 the charity had not approved any capital expenditure which has not been contracted for, nor entered any contracts for, capital expenditure which were not provided for (2024 - £nil).

21. Pension Commitments

The charity operates a defined contribution scheme. The pension costs charge for the year was £191,179 (2024: £176,205). At the balance sheet date £26,616 (2024: £26,616) was outstanding.

The charity also contributes to a pension scheme with Cumbria County Council. The pension cost charge represents contributions payable and amounted to £6,752 (2024: £6,305). At the balance sheet date the scheme was in surplus, resulting in a debtor of £5,700 (2024: £5,600 debtor).

The company has one employee who is a member of the defined benefit scheme. The Trustees have decided not to comply with the regulations of Financial Reporting Standard No. 17 to disclose the surplus/deficit of the scheme in relation to their employee in the current year as they believe the figures are immaterial to the financial statements.

22. Related party transactions

During the year the charitable company was under the control of its Board of Trustees. J S Hall, Chief Executive and Company Secretary (appointed 2 December 2024) is also company secretary of the trading subsidiary, Right2Work Limited (appointed 9 January 2025).

C Wigley, Chief Executive and Company Secretary (resigned 22 November 2024) was also a director of the trading subsidiary, Right2Work Limited up to 28 May 2024.

Right2Work Limited

On 18 July 2011 the charitable company incorporated a trading subsidiary.

At the year end date, the charitable company had provided an interest bearing loan.

During the year, in addition to the recharge of expenses, The Oaklea Trust has charged Right2Work CIC (a subsidiary of The Oaklea Trust) rent and service charges amounting to £14,520 (2024 - £16,606).

During the year, Right2Work CIC donated £270,903 (2024 - £95,486) to the parent, The Oaklea Trust.

At the year end, The Oaklea Trust had amounts due from Right2Work CIC of £139,942 (2024 – owed to Right2Work CIC of £78,662).

23. Reconciliation of net income/expenditure to net cash flow from operating activities

	2025 **£**	2024 £
Net movement in funds	171,209	269,040
Adjustments for:		
Depreciation charges	156,417	121,032
Amortisation charges	-	-
(Profit)/loss on disposal of tangible fixed assets	-	(986)
Taxation	10,519	4,850
Interest payable	22,394	29,455
(Increase)/Decrease in stock	(2,225)	(2,431)
(Increase)/Decrease in debtors	95,217	(48,862)
Increase/(Decrease) in creditors	(209,223)	19,603
Net cash provided by operating activities	**244,308**	391,701

24. Analysis of changes in net debt

	At 1 April 2024 **£**	**Cash flows**	**At 31 March 2025** **£**
Cash at bank and in hand	999,411	(154,672)	844,739
Loans falling due within one year	(82,684)	7,288	(75,396)
Loans falling due after more than one year	(488,018)	75,295	(412,723)
	428,709	**(72,089)**	**356,620**

THE OAKLEA TRUST

England & Wales - Charity number 1091722

Accounts

THE OAKLEA TRUST

Registered Charity Number: 1091722
Registered Company Number: 04416344 (England and Wales)

The Oaklea Trust
(A Company Limited by Guarantee)

Trustees Annual Report and

Consolidated Financial Statements

for the year ended 31 March 2024

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THE OAKLEA TRUST

Charity Information

Trustees

C T J Harris, Chair	
P H Smith, Vice Chair	
L J Adey	
S F O'Halloran	
C Smith	(Appointed 22 January 2024)
M L Denoual	
C Mitchell	
D Ridgway	
R J Talbot	
M A Scott	(Resigned 21 February 2024)
S F Welch	(Resigned 28 May 2024)

Company Secretary
C Wigley

Key Management Personnel

Executive Team:	
C Wigley	Chief Executive
A Wolfenden	Director
S Green	Director

Finance Committee Members
P Smith, Chair
C Wigley
D Ridgway
C Mitchell
J Wood
L Spring

Remuneration Committee Members
M Denoual, Chair
P Smith
J Wood

Registered charity number
1091722

Registered Company number
04416344 (England and Wales)

Principal and registered office
Third Floor
East Wing
Station House
Station Road
Kendal
Cumbria
LA9 6RY

Auditors
Azets Audit Services
Fleet House
New Road
Lancaster
United Kingdom
LA1 1EZ

Bankers
Handelsbanken
First Floor East
Bridge Mills
Stramongate
Kendal
Cumbria
LA9 4UB

Solicitors
Womble Bond Dickinson
1 Whitehall Riverside
Leeds
LS1 4BN

Report of the Trustees for the year ended 31 March 2024

OAKLEA TRUST STATEMENT OF RECOMMENDED PRACTICE (SORP) REPORT FINANCIAL YEAR 2023/24

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the Financial Statements of the Charity for the year ended 31st March 2024. The Trustees have adopted the provisions of 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 (FRS102).

OBJECTIVES AND ACTIVITIES

The group works towards the Vision and Mission through the work of the Charity, Oaklea Trust and its social enterprise subsidiary Right2Work C.I.C. In 2022, the Trustees and the Executive have formally reviewed the Mission, Vision and Values statements and have produced a five-year strategic plan (commencing in 2023) for the Group to make sure it is up to date and meets the aspirations of both companies.

The Group Vision, Mission, Values, and Working Behaviours are:

Vision
"We deliver the finest opportunities in the kindest possible way"

Mission
"To support and care for people and communities so they can learn, develop, and thrive"

Our Values
"Individuality, independence, interdependence, rights, respect, dignity, privacy, partnership, choice"

Working Behaviours
"Be kind, be part of a team, be innovative, be focused, be productive, be respectful, be resourceful"

The objectives of Oaklea Trust are fully detailed within the Memorandum and Articles of Association and can be summarised as follows:

To promote the relief and care of people with learning and other disabilities and also people who are socially disadvantaged and need assistance in the areas of care and support, their home environment, education, training, recreation and to enter or advance in their employment.

The objectives of Right2Work C.I.C are also fully detailed within its Articles and can be summarised as follows:

To carry on activities which benefit the community and in particular people who are disabled and / or disadvantaged through the development of the social enterprise and in the provision of supervision, training, employment, volunteering and social inclusion opportunities.

In the medium term Oaklea Trust has adopted a strategy to achieve its mission focussing on the regions of northern England, engaging with beneficiaries, managing financial resources and employing quality people to do the job.

Quarterly Senior Leadership Team meetings focus on this strategy, with monitoring of key performance indicators (KPI's) designed to assist the measurement and review of the strategic objectives. KPI's are monitored under the headings of Empowering Quality People, Quality & Safety, Engaging Individuals & Communities, Seven Keys to Citizenship and Adequate Financial Resources.

This strategy is measured through a rigorous annual quality audit cycle for every one of our projects, also including Trustee representation. Beneficiaries are included within this process through interviews and questionnaires. The individual quality audits are reviewed by the Senior Leadership Team to enable organisational learning and development and are brought together into an annual Quality Audit Report which discusses customer outcomes, customer evaluation and quality and safety issues.

Management of financial resources is achieved through partnership working between finance and operational teams focussing on the Management Accounts, cash flow monitoring and financial KPI's. This is embedded within the monthly reporting mechanisms of the organisation and is monitored and reviewed by the Senior Leadership Team, Executive and Finance Committee on a quarterly basis. Any new developments or tenders are reviewed thoroughly with various scenarios modelled as part of the decision-making process to ensure that any new work contributes sufficiently to a sustainable financial future and meets the objectives of the Charity.

In order to empower quality people to do the job, Oaklea Trust have invested resources in the training and development of its employees at all levels. This includes the funding of an employee Leadership & Excellence programme (level 5 management), in conjunction with Kendal College, which is due to commence during early 2023. The monthly reporting of KPI's includes monitoring of mandatory and compliance training, as well as developmental objectives, monitoring of Performance & Achievement Review statistics and the celebration of outstanding performance. The organisation has developed a plan to maximise the use of the Apprenticeship Levy and is fully engaged in the apprenticeship movement. Oaklea Trust continues to involve employees through the Employee Consultative Group that meets quarterly to share information, consult with employees on changes or new ideas and to provide a platform to allow employees to voice their collective opinions and suggestions. Employee renumeration is considered annually as part of the budget setting process by the Board's Remuneration Committee.

The operating agreement put in place to clarify working arrangements between the Charity and its wholly owned subsidiary CIC has been reviewed. This review was led by a Governance group made up of Trustees of the Charity, Directors of the CIC, and members of the Executive team.

Strategic Priorities & Business Objectives - 2023 (five-year strategy)

In the year 2022 the Group developed its five-year strategic priorities to commence at the beginning of 2023. This includes 48 individual objectives within five main focus areas:

1. Deliver outstanding care, learning and personal development
2. Attract, develop and retain high quality team members
3. Diversify our revenue sources
4. Develop the Oaklea Group brand across the North of England
5. Enhance our Governance

Progress against these objectives are reported to the Board on a quarterly basis and are driven and monitored through our Executive Group and Senior Leadership Team.

Public Benefit
The Charity Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

The activities undertaken by the Charity are fully in line with its rules as stated within its Memorandum and Articles of Association and approved by the Charity Commission to be charitable.

ACHIEVEMENTS AND PERFORMANCE

Engaging Beneficiaries in Reviewing Performance

During 2023/24 Oaklea Group has supported over 460 individual customers/learners. Added to this the countless customers in the wider community who have benefitted from the activities of the Appleby Hub, The Furniture Warehouse and Community Works, all of which champion the development of stronger communities.

Our compliments and complaints database confirm high levels of satisfaction.

Where there are areas for improvement we will listen and respond to customers and employees through our ECG (Employee Consultative Group) and our Internal Quality Audit process.

Focussing on Quality

The Oaklea Trust use the results of Care Quality Commission (CQC) inspections, Quality Audits and the Customer & Stakeholder Evaluation Survey as key indicators of quality.

The CQC regulates some of the work undertaken by Oaklea Trust; they work to ensure services are safe, effective, caring, responsive and well-led.

Oaklea Trust undertakes an annual cycle of Quality Audits across all of its activities.

Customer outcomes are assessed against the organisation's 7 keys to citizenship.

FINANCIAL REVIEW

Results for the Year

The Charity delivered a strong financial performance in the year to 31st March 2024. This was helped significantly by Local authorities recognising the need to invest more in the sector to enable the recruitment and retention of social care employees.

The Charity continues to review each of its projects to ensure the best outcome for customers, employees and the Charity. Celebration of Success awards ceremony has become a key part of the Charities calendar. This event is attended by the Boards, employees, and customers/learners, giving people the opportunity to celebrate achievement whilst ensuring the family culture of the organisation is maintained.

The Oaklea Trust achieved a surplus of £269k for the year ending 31st March 2024.

For the year ended 31st March 2024, Right2Work has donated £95k to Oaklea Trust and contributed £17k to its own reserves, as a result of achieving an operating profit of £118k.

Through good planning, monitoring and management, the Charity and its subsidiary have been able to remain financially robust, and increase reserves so as to continue to meet objectives for the coming period.

Fundraising

Oaklea Trust has not to date engaged heavily in public fundraising nor used professional fundraising consultants. Any fundraising or donations have generally been project specific.

Reserves

The Oaklea Trust has total reserves of £1,894k.

The group's unrestricted balance of £2,043k is partially supported by net fixed assets and net current assets. Most of the unrestricted fund balance does not relate to liquid assets held, but rather net fixed assets (monies already spent on fixed assets less the balance of long-term loans held to finance those assets), leaving £690k supported by net current assets. The nature of the Charity's income is mainly predictable and has a direct correlation with the Charity's cost structure, allowing the Charity to operate with a lower reserves balance than many other organisations. However, the Board of Trustees does recognise the need to increase free reserves in support of the Oaklea Trust activities and growth.

The Board have set a reserves policy equivalent to 2 months unrestricted charitable expenditure. At the year end the Charity had funds equivalent to (2 months worth). The Board have forecast a surplus for the coming financial year.

The Board has decided to designate reserves of £1,355k to support capital projects within the next 12 months. The Charity has a capital budget that is submitted for approval prior to the beginning of each financial year.

PLANS FOR FUTURE PERIODS

Oaklea Trust and Right2Work are both well established and financially robust organisations. The Charity is looking to invest during this next period in the following areas:

- Further development of its workforce through excellent training and development opportunities including our bespoke Leadership & Excellence programme.
- Continued development of Extra Care Housing site within Appleby, Cumbria.
- Take forward our continued planned capital investment within our housing stock.
- Take forward our initiatives such as Learning2Live, and initiatives that support and grow our scope of work within County Durham, and expand the work of Furniture Warehouse within the growth plan of our subsidiary (Right2Work CIC).
- Continue to meet the objectives outlined within our Five-Year Strategic Plan.
- Recruit further expertise to the Board of Right2Work and Oaklea Trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Oaklea Trust is a registered Charity and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. The Oaklea Trust is controlled by its governing document, a Memorandum and Articles of Association.

The Oaklea Trust Board meets regularly throughout the year and in addition attends an annual away day with the Executive to review the strategic direction of the organisation, current and future challenges, goals and aims of the Charity. An annual combined meeting of Boards is scheduled for November 2024.

The Oaklea Trust also operates a Finance Committee and a Remuneration Committee. The Finance Committee ensures that the organisation operates within the best practice guidance of the Charity Commission and ensures thorough review and monitoring of the financial management of the organisation. The Finance Committee meets quarterly and operates within Terms of Reference as set by the Board of Trustees.

The Remuneration Committee meets once a year to consider employee renumeration within the Charity in line with budgeted productions.

The Board of Trustees also delegate authority to the Executive as outlined in policy.

All employees and Trustees are recruited utilising open advertisement and in accordance with Recruitment and Selection Policies. Oaklea is a supporter of the disability confident campaign and has achieved *Disability Confident* status. Oaklea Trust's policy is to promote equality of opportunity to all in employment and the selection process irrespective of their gender, race, ethnic origin, disability, age, nationality, sexuality, marital status and social class. Oaklea oppose all forms of unlawful and unfair discrimination. Selection for employment, promotion, training and any other benefits is on the basis of aptitude and ability.

All new Trustees are given induction packs that provide information about their responsibilities under company and charity law. All Trustees conform to Oaklea Trust's Declaration of Interests policy. New Trustees join the organisation on a trial period prior to being formally appointed. Their role during this period is one of non-voting observer to gain an understanding of the complexities of the organisation and their responsibilities as a Trustee.

The Oaklea Trust's social enterprise subsidiary Right2Work C.I.C operates under its own Articles. Right2Work C.I.C. is a Community Interest Company and is wholly owned by Oaklea Trust. There is an asset lock in place which ensures that the Oaklea Trust is the recipient of any residual assets should the company be wound up. Right2Work C.I.C. is a 'not for profit' organisation and any surpluses or assets are used for the benefit of the community, save those donated to the Charity Oaklea Trust.

Right2Work C.I.C has its own Board with a minimum of three Directors, of which at least one must be from the Oaklea Trust Board of Trustees and at least one must be independent of the Oaklea Trust. The relationship between the two organisations is subject to an operating agreement.

The Trustees and Directors have a duty to identify and review the risks to which the Charity and its subsidiary are exposed. Both organisations keep a live Risk Register which is regularly discussed at Board meetings. There is a risk policy in place which ensures the assessment and monitoring of risk, each risk is scored and a key individual identified to take any actions as necessary.

The Oaklea Trust Strategic Risk Register which is regularly reviewed, focusses on the areas of: Financing, Contracts & Business Development, People, Data Management, IT & Infrastructure and Governance. Each of these risks is analysed into risk factors and control measures are put in place where necessary and appropriate. At the moment the key risks identified are: Impact of Living Wage Foundation and the impact of political changes on income flows through the public sector, the viability of existing Local Authority and NHS contracts and the capacity to develop new business, the speed at which digital technology is changing and the security of data, the changing nature of the sector and the changing nature of governance within it.

The Right2Work C.I.C Risk Register focuses on the same areas. All of these issues are regularly under review and measures are being developed as appropriate.

Statement of trustees' responsibilities
The trustees, who are also the directors of The Oaklea Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor
In accordance with the company's articles, a resolution proposing that Azets Audit Services be appointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor
Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Approved by order of the board of trustees on 6.11.24 and signed on its behalf by:

C T J Harris – Chair of Trustees

Independent Auditor's Report to the Members of The Oaklea Trust

Opinion
We have audited the financial statements of The Oaklea Trust (the "parent charity") and its subsidiary (the "group") for the year ended 31 March 2024 which comprise of the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related Notes to the Financial Statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern
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 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.

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

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

We have nothing to report in this regard.

Independent Auditor's Report to the Members of The Oaklea Trust

Opinions 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

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

Responsibilities of the trustees
As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Charitable Company and Group'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 Charitable Company or to cease operations, or have no realistic alternative but to do so.

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

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

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.

Independent Auditor's Report to the Members of The Oaklea Trust

Extent to which the audit was capable of identifying irregularities, including fraud
We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management, and from inspection of the charitable group's regulatory and legal correspondence. We discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The charitable group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation), pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising environmental, health and safety and employment legislation, and, in the current climate, Covid regulations. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the charitable group to commit fraud. Our risk assessment procedures included: enquiry of trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud and reading Board minutes. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:
- income recognition and in particular the risk that restricted income is incorrectly recognised within unrestricted income; and
- subjective accounting estimates.

As required by auditing standards we also identified and addressed the risk of management override of controls.

We performed the following procedures to address the risks of fraud identified:
- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias; and
- testing the recognition of income and in particular that it was appropriately recognised or deferred.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent Auditor's Report to the Members of The Oaklea Trust

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

Azets Audit Services

Susanna Cassey (Senior Statutory Auditor)
For and on behalf of Azets Audit Services Limited

22 November 2024

Chartered Accountants
Statutory Auditor

Fleet House
New Road
Lancaster
United Kingdom
LA1 1EZ

Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 March 2024

	Notes	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £
Income from:							
Donations and grants	3	15,895	4,949	20,844	906	171,994	172,900
Charitable activities	4	9,894,318	-	9,894,318	9,331,382		9,331,382
Total income		**9,910,213**	**4,949**	**9,915,162**	9,332,288	171,994	9,504,282
Expenditure on:							
Charitable activities	5	9,641,173	4,949	9,646,122	8,990,079	171,994	9,162,073
Total expenditure		**9,641,173**	**4,949**	**9,646,122**	8,990,079	171,994	9,162,073
Net income before transfers	6	**269,040**	-	**269,040**	342,209	-	342,209
Transfers between funds					-	-	-
Net movement in funds		**269,040**	-	**269,040**	342,209	-	342,209
Total funds brought forward		1,773,890	-	1,773,890	1,431,681	-	1,431,681
Total funds carried forward		**2,042,930**	-	**2,042,930**	1,773,890	-	1,773,890

The Statement of Financial Activities includes all gains and losses recognised in the current period and the previous year and all relates to continuing operations.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on the appended pages form part of these Financial Statements.

Consolidated and Charity Balance Sheets as at 31 March 2024

	Notes	Consolidated 2024 £	Consolidated 2023 £	Charity 2024 £	Charity 2023 £
Fixed assets					
Intangible fixed assets	10	-	-		-
Tangible fixed assets	11	2,063,245	1,962,398	1,934,355	1,891,423
Investments	12	-	-	1	1
		2,063,245	1,962,398	**1,934,356**	1,891,424
Current assets					
Stock		8,481	6,050	-	-
Debtors	13	834,371	785,508	765,712	686,509
Cash at bank		999,411	941,103	842,214	815,562
		1,842,263	1,732,661	**1,607,926**	1,502,071
Creditors: Amounts falling due within one year	14	(1,152,609)	(1,130,329)	(956,363)	(977,033)
Net current assets		**689,654**	602,332	**651,563**	525,038
Creditors: Amounts falling due after more than one year	15	(709,969)	(790,840)	(691,742)	(774,325)
Net assets		**2,042,930**	1,773,890	**1,894,177**	1,642,137
Represented by:					
Unrestricted charity funds:					
- General	17	687,941	398,607	651,563	321,313
- Designated	17	1,354,989	1,375,283	1,242,614	1,320,824
Restricted charity funds	17	-	-	-	-
Total funds		**2,042,930**	1,773,890	**1,894,177**	1,642,137

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

The financial statements were approved by the Board of Trustees on 6.11.24 and signed on its behalf by:

C T J Harris – Chair of Trustees

Company Registration Number: 04416344 (England and Wales)
Registered Charity Number: 1091722

Consolidated Cash Flow Statement for the year ended 31 March 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by operating activities	**23**	391,701	674,017
Taxation paid		(460)	-
Interest paid		(29,455)	(29,455)
Net Cash generated by operations		**361,786**	644,562
Cash flows from investing activities			
Purchase of tangible fixed assets		(227,165)	(160,933)
Proceeds from sale of tangible fixed assets		6,270	9,707
Net cash (used in) investing activities		**(220,895)**	(151,226)
Cash flows from financing activities			
Increase in / (repayment of) bank borrowings		(82,583)	(82,583)
Hire purchase creditor (decrease)		-	-
		(82,583)	(82,583)
Change in cash and cash equivalents in the year		**58,308**	410,753
Cash and cash equivalents brought forward		941,103	530,350
Cash and cash equivalents carried forward		**999,411**	941,103

Notes to the Consolidated Financial Statements for the year ended 31 March 2024

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Charitable company information

The charitable company is limited by guarantee, with the liability of members limited to £1 per member. The charitable company is registered in England and Wales with the Charity Commission. The registered office is Second Floor, East Wing Station House, Station Road, Kendal, Cumbria, United Kingdom, LA9 6RY.

If upon winding up or dissolution of the charitable company there remain any assets, after satisfying all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having objectives similar to the Charity.

Accounting convention

The financial statements have been prepared on a going concern basis in accordance with 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 (FRS102) (effective 1 January 2019) ("Charities SORP (FRS102)"), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

On the grounds that the charitable company's results are consolidated into the charitable company's group accounts the charitable company has taken advantage of certain exemptions conferred by section 1.11 of FRS102 as follows:

- Exemption from presenting a charitable company statement of cash flows as a primary statement to the financial statements.

Going concern

The Trustees have at the time of approving the financial statements a reasonable expectation that the charitable company and group have adequate resources to continue in operational existence for the foreseeable future. The charitable company and group has sufficient cash reserves to meet its requirements in the medium term. It is considered that there are currently no material uncertainties which impact on the charitable company being able to continue in its current form. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary, Right2Work CIC, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company has not been presented as the charitable company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

The income of the charitable company for the year was £9,097,269 (2023 - £8,642,076). Included in this was £95,486 Gift Aid asset transfer (2023 - £56,641) from the subsidiary. Expenditure amounted to £8,845,229 (2023 - £8,314,545). The net surplus of the charitable company for the year was £252,040 (2023 - £327,531 surplus).

Income
All income is included in the Consolidated Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- ***Donations*** are included in full in the Consolidated Statement of Financial Activities in the year in which they are receivable.
- ***Grants*** where the income is related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Income arising from grants and similar contracts specifically for the provision of activities or services which are provided as part of the charitable activities of the charity is recorded under the heading of income from charitable activities.

All other incoming resources are recognised on an accruals basis.

Fund accounting
Funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees;
- Designated funds - these are funds allocated from the general fund or received from third parties which have no restrictions on their uses but which are designated for a particular purpose according to the Trustees; or
- Restricted funds - these are funds that can only be used for particular restricted purposes, as specified by the donors, within the objects of the charity.

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

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to those activities and those of an indirect nature necessary to support them.

Support costs
Support costs relate to charitable activity and as such don't need to be allocated between different headings.

Governance costs comprise all costs relating to public accountability of the charity. The costs include statutory audit fees.

Operating leases
Rentals applicable to operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the term of the lease.

Staff costs
The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

Employee severance and redundancy pay is recognised within the accounts, on an accruals basis in the year in which the employee either left, or agreed to leave, the organisation.

Pension costs and other post-retirement benefits
The Charity operates a defined contribution pension scheme. The pension cost in the Consolidated Statement of Financial Activities represents the contributions payable for the year.

In addition, the Charity has an employee who is a member of the Cumbria County Council Pension Scheme which is a defined benefit scheme. The assets of the Scheme are held separately from those of the charitable company. Employer contributions in respect of this scheme are also charged to the Statement of Financial Activities in the period to which they relate.

Intangible fixed assets - goodwill
Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill has an expected life of ten years and shall be amortised on a systematic basis over its life.

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	not depreciated (see below)
Leasehold land and buildings	over the term of the lease
Fixtures and fittings	25% - 33% reducing balance
Computers	25% reducing balance
Motor vehicles	25% reducing balance

Land and buildings are not depreciated since it is considered that given the long life of the properties concerned, depreciation would be immaterial, if any. The Directors carry out an annual impairment review in accordance with accounting standards.

It is a policy that a full year's depreciation is charged on tangible fixed asset additions and no depreciation is charged on tangible fixed assets in the year they are disposed of.

It is a policy of the trustees that individual items with a cost below £350 are not capitalised.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

Fixed asset investments
Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Impairment of fixed assets
At each reporting end date, the reviews of the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

No impairment review was undertaken in the year but was replaced by a report for our bankers on each properties valuation.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments
The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset. Impairment losses are recognised in the income and expenditure account.

Creditors, loans and provisions
Creditors, loans and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial liabilities are only derecognised when, and only when, the group's obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

2 Critical accounting estimates and judgements

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets
The useful life and depreciation rate of tangible fixed assets are reviewed annually and amended when necessary.

Defined benefit scheme
The Trustees have decided not to comply with the regulations of Financial Reporting Standard No. 17 to disclose the surplus/deficit of the scheme in relation to their employee in the current year as they believe the figures are immaterial to the financial statements.

3 Donations and grants

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £
General donations	15,895	191	**16,086**	906	2,032	2,938
Grants and sponsorship		4,758	**4,758**	-	169,962	169,962
	15,895	**4,949**	**20,844**	906	171,994	172,900

4 Charitable activities

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £
Care and support in the Community	9,894,318		**9,894,318**	9,331,382	-	9,331,382
Care and support in the Community - other	-	-	-	-	-	-
	9,894,318	**-**	**9,894,318**	9,331,382	-	9,331,382

5 Expenditure on charitable activities

	Unrestricted 2024 £	Restricted 2024 £	Total 2024 £	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £
Direct costs:						
Staff costs	8,294,665	4,949	**8,299,614**	7,613,980	171,994	7,785,974
Staff related costs	185,258	-	**185,258**	146,298	-	146,298
Depreciation	121,032	-	**121,032**	104,199	-	104,199
Property costs	415,068	-	**415,068**	383,869	-	383,869
IT costs	114,062	-	**114,062**	114,213	-	114,213
Other direct costs	154,010	-	**154,010**	232,770	-	232,770
Other charitable expenditure	339,638	-	**339,638**	377,586	-	377,586
	9,623,733	**4,949**	**9,628,682**	8,972,915	171,994	9,144,909
Governance costs:						
Auditor remuneration	14,440	-	**14,440**	13,000	-	13,000
Governance costs	3,000	-	**3,000**	4,164	-	4,164
	17,440	-	**17,440**	17,164	-	17,164
Total expenditure on charitable activities	**9,641,173**	**4,949**	**9,646,122**	8,990,079	171,994	9,162,073

6 Net income for the year

This is stated after charging:

	2024 £	2023 £
Depreciation – owned assets	121,032	104,199
Intangible amortisation	-	-
(Profit)/Loss on disposal of fixed assets	(986)	(3,165)
Lease expenditure	92,604	55,412
Auditors' remuneration: - audit services	14,440	13,000
- other services	3,000	3,700

7 Trustees' remuneration and benefits

No trustees' remuneration or other benefits were paid for the year ended 31 March 2024 (2023 - £nil).

Trustees' expenses

Trustees' expenses paid for the year ended 31 March 2024 amounted to £2,870 (2023: £1,501).

The expenses relate to four Trustees (2023: six).

8 Staff costs

	2024 £	2023 £
Wages and salaries	7,522,048	7,073,315
Social security costs	601,361	556,399
Pension costs	176,205	156,260
	8,299,614	7,785,974

The total remuneration of the key management personnel was £306,436 (2023: £274,764).

Reimbursed expenses, which are all subject to the charity's processes of internal controls, do not form part of remuneration and are not included above.

Two employees received remuneration over £60,000 during the year (2023: one employee in the £60,000 - £70,000).
One employee was in the £80,000 - £90,000 band (2023: One employee in the £70,000 - £80,000).

8 Staff costs (continued)

The average number of employees (full and part time) based on headcount during the year was:

	2024 Number	2023 Number
Management	53	60
Administrative	15	13
Care and Support	299	301
	367	374

9 Taxation

The charitable activities of The Oaklea Trust are potentially exempt from taxation under Chapter 3 of part 11 of the Corporation Tax Act 2010.

Right2Work CIC is not exempt to corporation tax and so surpluses are subject to a taxation charge.

10 Intangible fixed assets

	Consolidated and Charity
	£
Cost	
At 1 April 2023 and 31 March 2024	7,800
Accumulated depreciation	
Balance at 1 April 2023	7,800
Impairment	-
Balance at 31 March 2024	-
Net book value	
At 31 March 2024	-
At 31 March 2023	-

11 Tangible fixed assets

Consolidated

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2023	1,875,576	20,546	307,523	419,189	137,540	**2,760,374**
Additions	-	111,508	104,876	10,781		**227,165**
Disposals	-	-	-	-	(32,569)	**(32,569)**
At 31 March 2024	**1,875,576**	**132,054**	**412,399**	**429,970**	**104,971**	**2,954,970**
Depreciation						
At 1 April 2023	189,758	9,745	185,514	333,204	79,755	**797,976**
Charge for the year	-	17,112	60,777	30,018	13,125	**121,032**
Disposals	-	-	-	-	(27,283)	**(27,283)**
At 31 March 2024	**189,758**	**26,857**	**246,291**	**363,222**	**65,597**	**891,725**
Net book value						
At 31 March 2024	**1,685,818**	**105,197**	**166,108**	**66,748**	**39,374**	**2,063,245**
At 31 March 2023	1,685,818	10,801	122,009	85,985	57,785	1,962,398

11 Tangible fixed assets (continued)

Charity

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2023	1,875,576	20,546	285,940	404,522	11,502	**2,598,086**
Additions	-	20,361	100,186	10,781	-	**131,328**
Disposals	-	-	-	-	(11,502)	**(11,502)**
At 31 March 2024	**1,875,576**	**40,907**	**386,126**	**415,303**	**-**	**2,717,912**
Depreciation						
At 1 April 2023	191,286	8,217	175,120	322,073	9,967	**706,663**
Charge for the year	-	4,091	52,752	30,018	-	**86,861**
Eliminated on disposal	-	-	-	-	(9,967)	**(9,967)**
At 31 March 2024	**191,286**	**12,308**	**227,872**	**352,091**	**-**	**783,557**
Net book value						
At 31 March 2024	**1,684,290**	**28,599**	**158,254**	**63,212**	**-**	**1,934,355**
At 31 March 2023	1,684,290	12,329	110,820	82,449	1,535	1,891,423

12. Investments

The consolidated financial statements include the results of Right2Work C.I.C, a company limited by shares (incorporated in England and Wales, registered number 07708701), its sole member being The Oaklea Trust. The liability of the charity in the event of Right2Work C.I.C being wound up is limited by a sum not exceeding £1.

Income earned and expenditure incurred by Right2Work C.I.C have been recognised within the charitable activities of The Oaklea Trust's consolidated accounts on the basis that these activities are deemed to have charitable intentions and purposes.

13. Debtors

	Consolidated		Charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Trade debtors	304,103	376,627	192,176	317,418
Other debtors	381,397	269,568	346,003	229,778
Amounts due from fellow group undertakings	-	-	78,662	-
Prepayments and accrued income	148,871	139,313	148,871	139,313
	834,371	785,508	**765,712**	686,509

14. Creditors – Amounts falling due within one year

	Consolidated		Charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Bank Loans (see note 16)	82,684	82,684	82,684	82,684
Trade creditors	214,203	179,664	172,688	90,461
Other creditors	43,137	56,389	43,137	56,389
Amounts owed to fellow group undertakings	-	-	-	161,933
Other taxation and social security	157,713	142,534	131,463	117,214
Hire purchase	-	-	-	-
Corporation tax	3,137	460	-	-
Accruals and deferred income	651,735	668,598	526,391	468,352
	1,152,609	1,130,329	**956,363**	977,033

Bank loans are repayable in quarterly instalments and interest is charged between 3.3% - 3.6%. Bank loans are secured by first legal charges over freehold and leasehold properties, and a debenture over all other property and assets.

15. Creditors – Amounts falling due after more than one year

	Consolidated		Charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Bank loans (see note 16)	488,018	570,601	488,018	570,601
Accruals and deferred income	203,724	203,724	203,724	203,724
Deferred tax	18,227	16,515	-	-
	709,969	790,840	**691,742**	774,325

The bank loans are secured by the charitable company, as noted above.

16. Bank loans

An analysis of the maturity of the loans is given below:

	Consolidated		Charity	
	2024	2023	**2024**	2023
	£	£	**£**	£
Bank loans falling due:				
Within one year	82,684	82,684	82,684	82,684
Between one and five years	488,018	570,601	488,018	570,601
Over five years	-	-	-	-
	570,702	653,285	**570,702**	653,285

17. Funds summary

Consolidated	**Balance 1 April 2023**	**Income**	**Expenditure**	**Transfers**	**Balance 31 March 2024**
	£	**£**	**£**	**£**	**£**
Unrestricted:					
General fund	398,607	9,910,213	(9,641,173)	20,294	687,941
Designated fund	1,375,283	-	-	(20,294)	1,354,989
Restricted funds:					
Restricted fund	-	4,949	(4,949)	-	-
Total Funds	**1,773,890**	**9,915,162**	**(9,646,122)**	**-**	**2,042,930**

Charity	**Balance 1 April 2023**	**Income**	**Expenditure**	**Transfers**	**Balance 31 March 2024**
	£	**£**	**£**	**£**	**£**
Unrestricted:					
General fund	321,313	9,092,320	(8,840,280)	78,210	651,563
Designated fund	1,320,824	-	-	(78,210)	1,242,614
Restricted funds:					
Restricted fund	-	4,949	(4,949)	-	-
Total Funds	**1,642,137**	**9,097,269**	**(8,845,229)**	**-**	**1,894,177**

The designated fund represents the net fixed assets (fixed assets less long term creditors) which are not liquid amounts, and are represented by long term amounts already spent within the charity.

The restricted income includes various grants received from the local councils during the year. All of the grants were spent as at 31 March 2024.

18. Analysis of net assets between funds

Consolidated	Unrestricted funds	Designated funds	Restricted funds	Total
	2024 £	2024 £	2024 £	2024 £
Fixed assets	-	2,063,245	-	**2,063,245**
Current Assets	1,842,263	-	-	**1,842,263**
Creditors due within one year	(1,152,609)	-	-	**(1,152,609)**
Creditors due after one year	-	(709,969)	-	**(709,969)**
Transfers	-	-	-	-
Total funds	**689,654**	**1,353,276**	**-**	**2,042,930**

Charity	Unrestricted funds	Designated funds	Restricted funds	Total
	2024 £	2024 £	2024 £	2024 £
Fixed assets	-	1,934,356	-	**1,934,356**
Current Assets	1,607,926	-	-	**1,607,926**
Creditors due within one year	(956,363)	-	-	**(956,363)**
Creditors due after one year	-	(691,742)	-	**(691,742)**
Transfers	-	-	-	-
Total funds	**651,563**	**1,242,614**	**-**	**1,894,177**

19. Company limited by guarantee

The charity is a company limited by guarantee and has no share capital. The members of the company undertake to contribute such amount as may be required to the company's assets. In the event of the charity being wound up, the liability in respect of each member is limited to £1.

20. Commitments – Consolidated and Charity

Operating lease commitments

The total future minimum lease payments under non-cancellable operating are as follows:

	Land and buildings		Other leases	
	2024	2023	**2024**	2023
	£	£	**£**	£
Expiring:				
Within one year	46,478	58,500	1,104	1,104
Between one and five years	155,584	151,644	1,385	2,492
Over five years	146,375	169,644		-
	348,437	**379,788**	**2,489**	**3,596**

Capital commitments

At 31 March 2024 the charity had not approved any capital expenditure which has not been contracted for, nor entered any contracts for, capital expenditure which were not provided for (2023 - £nil).

21. Pension Commitments

The charity operates a defined contribution scheme. The pension costs charge for the year was £176,205 (2023: £156,260). At the balance sheet date £26,616 (2023: £23,065) was outstanding.

The charity also contributes to a pension scheme with Cumbria County Council. The pension cost charge represents contributions payable and amounted to £6,305 (2023: £6,069). At the balance sheet date the scheme was in surplus, resulting in a debtor of £5,600 (2023: £5,400 debtor).

The company has one employee who is a member of the defined benefit scheme. The Trustees have decided not to comply with the regulations of Financial Reporting Standard No. 17 to disclose the surplus/deficit of the scheme in relation to their employee in the current year as they believe the figures are immaterial to the financial statements.

22. Related party transactions

During the year the charitable company was under the control of its Board of Trustees. CA Wigley, Chief Executive and Company Secretary was also a director of the trading subsidiary, Right2Work Limited.

Right2Work Limited

On 18 July 2011 the charitable company incorporated a trading subsidiary.

At the year end date, the charitable company had provided an interest bearing loan.

During the year, in addition to the recharge of expenses, The Oaklea Trust has charged Right2Work CIC (a subsidiary of The Oaklea Trust) rent and service charges amounting to £16,606 (2023 - £9,492).

During the year, Right2Work CIC donated £95,486 (2023 - £56,641) to the parent, The Oaklea Trust.

At the year end, The Oaklea Trust had amounts due from Right2Work CIC of £78,662 (2023 – owed to Right2Work CIC of £161,933).

23. Reconciliation of net income/expenditure to net cash flow from operating activities

	2024 £	2023 £
Net movement in funds	269,040	342,209
Adjustments for:		
Depreciation charges	121,032	104,199
Amortisation charges	-	-
(Profit)/loss on disposal of tangible fixed assets	(986)	(3,165)
Taxation	4,850	4,388
Interest payable	29,455	29,455
(Increase)/Decrease in stock	(2,431)	71
(Increase)/Decrease in debtors	(48,862)	372,494
Increase/(Decrease) in creditors	19,603	(175,634)
Net cash provided by operating activities	**391,701**	**674,017**

24. Analysis of changes in net debt

	At 1 April 2023 £	Cash flows	At 31 March 2024 £
Cash at bank and in hand	941,103	58,308	999,411
Loans falling due within one year	(82,684)	-	(82,684)
Loans falling due after more than one year	(570,601)	82,583	(488,018)
	287,818	**140,891**	**428,709**

THE OAKLEA TRUST

England & Wales - Charity number 1091722

Accounts

THE OAKLEA TRUST

Registered Charity Number: 1091722
Registered Company Number: 04416344 (England and Wales)

The Oaklea Trust
(A Company Limited by Guarantee)

Trustees Annual Report and

Consolidated Financial Statements

for the year ended 31 March 2023

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THE OAKLEA TRUST

Charity Information

Trustees

L J Adey	
M Bedworth	(Resigned 9 November 2022)
C T J Harris, Chair	
S F O'Halloran	
M A Scott	
M L Denoual	
S Grainger	(Resigned 7 September 2022)
Dr P H Smith, Vice Chair	
S Welch	
C Mitchell	(Appointed 3 May 2023)
D Ridgway	(Appointed 3 May 2023)
Dr R J Talbot	(Appointed 3 May 2023)

Company Secretary
C Wigley

Key Management Personnel

Executive Team:	
C Wigley	Chief Executive
A Wolfenden	Director
S Green	Director

Registered charity number
1091722

Registered Company number
04416344 (England and Wales)

Principal and registered office
Second Floor
East Wing
Station House
Station Road
Kendal
Cumbria
LA9 6RY

Auditors
Azets Audit Services
Fleet House
New Road
Lancaster
United Kingdom
LA1 1EZ

Bankers
Handelsbanken
First Floor East
Bridge Mills
Stramongate
Kendal
Cumbria
LA9 4UB

Solicitors
Womble Bond Dickinson
1 Whitehall Riverside
Leeds
LS1 4BN

Report of the Trustees for the year ended 31 March 2023

OAKLEA TRUST STATEMENT OF RECOMMENDED PRACTICE (SORP) REPORT FINANCIAL YEAR 2022/23

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the Financial Statements of the Charity for the year ended 31st March 2023. The Trustees have adopted the provisions of 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 (FRS102).

OBJECTIVES AND ACTIVITIES

The group works towards the Vision and Mission through the work of the Charity, Oaklea Trust and its social enterprise subsidiary Right2Work C.I.C. In 2022, the Trustees and the Executive have formally reviewed the Mission, Vision and Values statements and have produced a five-year strategic plan (commencing in 2023) for the Group to make sure it is up to date and meets the aspirations of both companies.

The Group Vision, Mission, Values, and Working Behaviours are:

Vision
"We deliver the finest opportunities in the kindest possible way"

Mission
"To support and care for people and communities so they can learn, develop, and thrive"

Our Values
"Individuality, independence, interdependence, rights, respect, dignity, privacy, partnership, choice"

Working Behaviours
"Be kind, be part of a team, be innovative, be focused, be productive, be respectful, be resourceful"

The objectives of Oaklea Trust are fully detailed within the Memorandum and Articles of Association and can be summarised as follows:

To promote the relief and care of people with learning and other disabilities and also people who are socially disadvantaged and need assistance in the areas of care and support, their home environment, education, training, recreation and to enter or advance in their employment.

The objectives of Right2Work C.I.C are also fully detailed within its Articles and can be summarised as follows:

To carry on activities which benefit the community and in particular people who are disabled and / or disadvantaged through the development of the social enterprise and in the provision of supervision, training, employment, volunteering and social inclusion opportunities.

In the medium term Oaklea Trust has adopted a strategy to achieve its mission focussing on the regions of northern England, engaging with beneficiaries, managing financial resources and employing quality people to do the job.

Quarterly Senior Leadership Team meetings focus on this strategy, with monitoring of key performance indicators (KPI's) designed to assist the measurement and review of the strategic objectives. KPI's are monitored under the headings of Empowering Quality People, Quality & Safety, Engaging Individuals & Communities, Seven Keys to Citizenship and Adequate Financial Resources.

This strategy is measured through a rigorous annual internal audit cycle for every one of our projects, also including Trustee representation. Beneficiaries are included within this process through interviews and questionnaires. The individual quality audits are reviewed by the Senior Leadership Team to enable organisational learning and development and are brought together into an annual Internal Quality Audit Report which discusses customer outcomes, customer evaluation and quality and safety issues. This annual QA is presented to the Board for further scrutiny.

Management of financial resources is achieved through partnership working between finance and operational teams focussing on the Management Accounts, cash flow monitoring and financial KPI's. This is embedded within the monthly reporting mechanisms of the organisation and is monitored and reviewed by the Senior Leadership Team, Executive and Finance Committee on a quarterly basis. Any new developments or tenders are reviewed thoroughly with various scenarios modelled as part of the decision-making process to ensure that any new work contributes sufficiently to a sustainable financial future.

In order to empower quality people to do the job Oaklea Trust have invested resources in the training and development of its employees at all levels. This includes the funding of an employee Leadership & Excellence programme (level 5 management), in conjunction with Kendal College which is due to commence during early 2023. The monthly reporting of KPI's includes monitoring of mandatory and compliance training as well as developmental objectives, monitoring of Performance & Achievement Review statistics and the celebration of outstanding performance. The organisation has developed a plan to maximise the use of the Apprenticeship Levy and is fully engaged in the apprenticeship movement. Oaklea Trust continues to involve employees through the Employee Consultative Group that meets quarterly to share information, consult with employees on changes or new ideas and to provide a platform to allow employees to voice their collective opinions and suggestions. Employee renumeration is considered annually as part of the budget setting process by the Board's Remuneration Committee.

Strategic Priorities & Business Objectives - 2023 (five-year strategy)

In the year 2022 the Group developed its five-year strategic priorities to commence at the beginning of 2023. This includes 48 individual objectives within five main focus areas:

1. Deliver outstanding care, learning and personal development
2. Attract, develop and retain high quality team members
3. Diversify our revenue sources
4. Develop the Oaklea Group brand across the North of England
5. Enhance our Governance

Progress against these objectives are reported to the Board on a quarterly basis and are driven and monitored through our Executive Group and Senior Leadership Team. Twelve of the current objectives have been achieved.

Public Benefit
The Charity Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

The activities undertaken by the Charity are fully in line with its rules as stated within its Memorandum and Articles of Association and approved by the Charity Commission to be charitable.

ACHIEVEMENTS AND PERFORMANCE

Engaging Beneficiaries in Reviewing Performance

During 2022/23 Oaklea Group has supported over 450 individual customers/learners. Added to this the countless customers in the wider community who have benefitted from the activities of the Appleby Hub, The Furniture Warehouse and Community Works, all of which champion the development of stronger communities.

Our compliments and complaints database confirm high levels of satisfaction.

Where there are areas for improvement we will listen and respond to customers and employees through our ECG (Employee Consultative Group) and our Internal Quality Audit process.

- **Focussing on Quality**

The Oaklea Trust use the results of Care Quality Commission (CQC) inspections, Internal Quality Audits and the Customer & Stakeholder Evaluation Survey as key indicators of quality.

The CQC regulates some of the work undertaken by Oaklea Trust; they work to ensure services are safe, effective, caring, responsive and well-led.

Oaklea Trust undertakes an annual cycle of Internal Quality Audits across all of its activities.

Customer outcomes are assessed against the organisation's 7 keys to citizenship.

FINANCIAL REVIEW

- **Results for the Year**

The Charity delivered a strong financial performance in the year to 31st March 2023. This was helped significantly by Local authorities recognising the need to invest more in the sector to enable the recruitment and retention of social care employees following the COVID pandemic.

The Charity continues to review each of its projects to ensure the best outcome for customers, employees and the Charity.

During the year because of this ongoing review, the Charity withdrew from 2 projects, in addition to converting a care home into a supported living project.

In addition, the Charity reviewed and strengthened the management structure in its projects to further enhance the support for its employees and customers.

The Oaklea Trust achieved a surplus of £342k for the year ending 31st March 2023.

For the year ended 31st March 2023, Right2Work has donated £57k to Oaklea Trust and contributed £17k to its own reserves, as a result of achieving an operating profit of £78k.

Through good planning, monitoring and management, the Charity and its subsidiary have been able to remain financially robust, and increase reserves so as to continue to meet objectives for the coming period.

- **Fundraising**

Oaklea Trust does not engage heavily in public fundraising and it does not use professional fundraising consultants. Any fundraising or donations are generally project specific.

- **Reserves**

The Oaklea Trust has total reserves of £1,774k.

The group's unrestricted balance of £1,774k is partially supported by net fixed assets and net current assets. Most of the unrestricted fund balance does not relate to liquid assets held, but rather net fixed assets (monies already spent on fixed assets less the balance of long-term loans held to finance those assets), leaving £602k supported by net current assets. The nature of the Charity's income is mainly predictable and has a direct correlation with the Charity's cost structure, allowing the Charity to operate with a lower reserves balance than many other organisations. However, the Board of Trustees does recognise the need to increase free reserves in support of the Oaklea Trust activities and growth.

The Board have set a reserves policy equivalent to 2 months unrestricted charitable expenditure. At the year end the Charity had funds equivalent to 2 months' worth. The Board have forecast a surplus for the coming financial year.

The Board has decided to designate reserves of £1,375k to support capital projects within the next 12 months relating to property maintenance and refurbishment, upgrading the fleet of vehicles and ensuring a robust IT structure.

PLANS FOR FUTURE PERIODS

The intercompany 'Operating Agreement' is being reviewed and updated to ensure good governance between the Charity and its subsidiary (Right2Work).

Oaklea Trust and Right2Work are both well established and financially robust organisations. The Charity is looking to invest during this next period in the following areas:

- Further development of its workforce through excellent training and development opportunities including our bespoke Leadership & Excellence programme.
- Continued development of Extra Care Housing within Appleby, Cumbria.
- Upgrade our catering facilities at the Hub within Appleby, Cumbria.
- Take forward our continued planned capital investment within our housing stock.
- Take forward our initiatives in supporting young people through contracts in "Multiply" and our Youth Futures project.
- Continue to meet the objectives outlined within our Five-Year Strategic Plan.
- Recruit further expertise to the Board of Right2Work and Oaklea Trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Oaklea Trust is a registered Charity and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. The Oaklea Trust is controlled by its governing document, a Memorandum and Articles of Association.

The Oaklea Trust Board meets regularly throughout the year and in addition attends an annual away day with the Executive to review the strategic direction of the organisation, current and future challenges, goals and aims of the Charity. An annual combined meeting of Boards is scheduled for November 2023.

The Oaklea Trust also operates a Finance Committee and a Remuneration Committee. The Finance Committee ensures that the organisation operates within the best practice guidance of the Charity Commission and ensures thorough review and monitoring of the financial management of the organisation. The Finance Committee meets quarterly and operates within Terms of Reference as set by the Board of Trustees.

The Remuneration Committee meets once a year to consider employee renumeration within the Charity in line with budgeted productions.

The Board of Trustees also delegate authority to the Executive as outlined in policy.

All employees and Trustees are recruited utilising open advertisement and in accordance with Recruitment and Selection Policies. Oaklea is a supporter of the disability confident campaign and has achieved *Disability Confident* status. Oaklea Trust's policy is to promote equality of opportunity to all in employment and the selection process irrespective of their gender, race, ethnic origin, disability, age, nationality, sexuality, marital status and social class. Oaklea oppose all forms of unlawful and unfair discrimination. Selection for employment, promotion, training and any other benefits is on the basis of aptitude and ability.

All new Trustees are given induction packs that provide information about their responsibilities under company and charity law. All Trustees conform to Oaklea Trust's Declaration of Interests policy. New Trustees join the organisation on a trial period prior to being formally appointed. Their role during this period is one of non-voting observer to gain an understanding of the complexities of the organisation and their responsibilities as a Trustee.

The Oaklea Trust's social enterprise subsidiary Right2Work C.I.C operates under its own Articles. Right2Work C.I.C. is a Community Interest Company and is wholly owned by Oaklea Trust. There is an asset lock in place which ensures that the Oaklea Trust is the recipient of any residual assets should the company be wound up. Right2Work C.I.C. is a 'not for profit' organisation and any surpluses or assets are used for the benefit of the community, save those donated to the Charity Oaklea Trust.

Right2Work C.I.C has its own Board with a minimum of three Directors, of which at least one must be from the Oaklea Trust Board of Trustees and at least one must be independent of the Oaklea Trust. The relationship between the two organisations is subject to an inter-company agreement.

The Trustees and Directors have a duty to identify and review the risks to which the Charity and its subsidiary are exposed. Both organisations keep a live Risk Register which is regularly discussed at

Board meetings. There is a risk policy in place which ensures the assessment and monitoring of risk, each risk is scored and a key individual identified to take any actions as necessary.

The Oaklea Trust Strategic Risk Register focusses on the areas of: Financing, Contracts & Business Development, People, Data Management, IT & Infrastructure and Governance. Each of these risks is analysed into risk factors and control measures are put in place where necessary and appropriate. At the moment the key risks identified are: Impact of Living Wage Foundation and the impact of political changes on income flows through the public sector, the viability of existing Local Authority and NHS contracts and the capacity to develop new business, the speed at which digital technology is changing and the security of data, the changing nature of the sector and the changing nature of governance within it.

The Right2Work C.I.C Risk Register focuses on the same areas. All of these issues are currently under review and measures are being developed as appropriate.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04416344 (England and Wales)

Registered Charity number
1091722

Registered Office
Second Floor
East Wing
Station House
Station Road
Kendal
Cumbria
LA9 6RY

Trustees
L J Adey
M Bedworth (Resigned 9 November 2022)
M L Denoual
S Grainger (Resigned 7 September 2022)
C T J Harris, Chair
S F O'Halloran
M A Scott
Dr P H Smith, Vice Chair
S F Welch
C Mitchell (Appointed 3 May 2023)
D Ridgway (Appointed 3 May 2023)
Dr R J Talbot (Appointed 3 May 2023)

Company Secretary
C Wigley

Auditors
Azets
Accountants
Fleet House
New Road
Lancaster
LA1 1EZ

Bankers
Handelsbanken
First Floor East
Bridge Mills
Stramongate
Kendal
Cumbria
LA9 4UB

Solicitors
Womble Bond Dickinson
1 Whitehall Riverside
Leeds
LS1 4BN

Key Management Personnel
In addition to the Trustees:

Executive Team
S Green, Director
C Wigley, Chief Executive
A Wolfenden, Director

Statement of trustees' responsibilities
The trustees, who are also the directors of The Oaklea Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor
In accordance with the company's articles, a resolution proposing that Azets Audit Services be appointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor
Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Approved by order of the board of trustees on 21/11/23 and signed on its behalf by:

CTJHarris

C T J Harris – Chair of Trustees

Independent Auditor's Report to the Members of The Oaklea Trust

Opinion
We have audited the financial statements of The Oaklea Trust (the "parent charity") and its subsidiary (the "group") for the year ended 31 March 2023 which comprise of the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related Notes to the Financial Statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern
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 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.

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

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

We have nothing to report in this regard.

Independent Auditor's Report to the Members of The Oaklea Trust

Opinions 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

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

Responsibilities of the trustees
As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Charitable Company and Group'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 Charitable Company or to cease operations, or have no realistic alternative but to do so.

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

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

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.

Independent Auditor's Report to the Members of The Oaklea Trust

Extent to which the audit was capable of identifying irregularities, including fraud
We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management, and from inspection of the charitable group's regulatory and legal correspondence. We discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The charitable group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation), pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising environmental, health and safety and employment legislation, and, in the current climate, Covid regulations. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the charitable group to commit fraud. Our risk assessment procedures included: enquiry of trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud and reading Board minutes. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:
- income recognition and in particular the risk that restricted income is incorrectly recognised within unrestricted income; and
- subjective accounting estimates.

As required by auditing standards we also identified and addressed the risk of management override of controls.

We performed the following procedures to address the risks of fraud identified:
- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias; and
- testing the recognition of income and in particular that it was appropriately recognised or deferred.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent Auditor's Report to the Members of The Oaklea Trust

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

Azets Audit Services

Susanna Cassey (Senior Statutory Auditor)
For and on behalf of Azets Audit Services Limited

6 Dec 2023

Chartered Accountants
Statutory Auditor

Fleet House
New Road
Lancaster
United Kingdom
LA1 1EZ

Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 March 2023

	Notes	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total 2023 £	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
Income from:							
Donations and grants	3	906	171,994	172,900	1,089	470,760	471,849
Charitable activities	4	9,331,382	-	9,331,382	8,871,610	10,390	8,882,000
Total income		**9,332,288**	**171,994**	**9,504,282**	8,872,699	481,150	9,353,849
Expenditure on:							
Charitable activities	5	8,990,079	171,994	9,162,073	8,549,108	481,150	9,030,258
Total expenditure		**8,990,079**	**171,994**	**9,162,073**	8,549,108	481,150	9,030,258
Net income before transfers	6	**342,209**	-	**342,209**	323,591	-	323,591
Transfers between funds		-	-	-	-	-	-
Net movement in funds		**342,209**	-	**342,209**	323,591	-	323,591
Total funds brought forward		1,431,681	-	1,431,681	1,108,090	-	1,108,090
Total funds carried forward		**1,773,890**	-	**1,773,890**	1,431,681	-	1,431,681

The Statement of Financial Activities includes all gains and losses recognised in the current period and the previous year and all relates to continuing operations.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on the appended pages form part of these Financial Statements.

Consolidated and Charity Balance Sheets as at 31 March 2023

	Notes	Consolidated 2023 £	Consolidated 2022 £	Charity 2023 £	Charity 2022 £
Fixed assets					
Intangible fixed assets	10	-	-	-	-
Tangible fixed assets	11	1,962,398	1,912,206	1,891,423	1,856,340
Investments	12	-	-	1	1
		1,962,398	1,912,206	**1,891,424**	1,856,341
Current assets					
Stock		6,050	6,121	-	-
Debtors	13	785,508	1,158,002	686,509	1,035,530
Cash at bank		941,103	530,350	815,562	512,229
		1,732,661	1,694,473	**1,502,071**	1,547,759
Creditors: Amounts falling due within one year	14	(1,130,329)	(1,305,503)	(977,033)	(1,230,267)
Net current assets		**602,332**	388,970	**525,038**	317,492
Creditors: Amounts falling due after more than one year	15	(790,840)	(869,495)	(774,325)	(856,909)
Net assets		**1,773,890**	1,431,681	**1,642,137**	1,316,924
Represented by:					
Unrestricted charity funds:					
- General	17	398,607	338,968	321,313	267,492
- Designated	17	1,375,283	1,092,713	1,320,824	1,049,432
Restricted charity funds	17	-	-	-	-
Total funds		**1,773,890**	1,431,681	**1,642,137**	1,316,924

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

The financial statements were approved by the Board of Trustees on 21/11/23 and signed on its behalf by:

C T J Harris – Chair of Trustees

Company Registration Number: 04416344 (England and Wales)
Registered Charity Number: 1091722

Consolidated Cash Flow Statement for the year ended 31 March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	23	674,017	251,423
Taxation paid		-	(6,227)
Interest paid		(29,455)	(11,359)
Net Cash generated by operations		**644,562**	233,837
Cash flows from investing activities			
Purchase of tangible fixed assets		(160,933)	(957,261)
Proceeds from sale of tangible fixed assets		9,707	-
Net cash (used in) investing activities		**(151,226)**	(957,261)
Cash flows from financing activities			
Increase in / (repayment of) bank borrowings		(82,583)	605,139
Hire purchase creditor (decrease)		-	(5,796)
		(82,583)	599,343
Change in cash and cash equivalents in the year		**410,753**	(124,081)
Cash and cash equivalents brought forward		530,350	654,431
Cash and cash equivalents carried forward		**941,103**	530,350

Notes to the Consolidated Financial Statements for the year ended 31 March 2023

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Charitable company information

The charitable company is limited by guarantee, with the liability of members limited to £1 per member. The charitable company is registered in England and Wales with the Charity Commission. The registered office is Second Floor, East Wing Station House, Station Road, Kendal, Cumbria, United Kingdom, LA9 6RY.

If upon winding up or dissolution of the charitable company there remain any assets, after satisfying all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having objectives similar to the Charity.

Accounting convention

The financial statements have been prepared on a going concern basis in accordance with 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 (FRS102) (effective 1 January 2019) ("Charities SORP (FRS102)"), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

On the grounds that the charitable company's results are consolidated into the charitable company's group accounts the charitable company has taken advantage of certain exemptions conferred by section 1.11 of FRS102 as follows:

- Exemption from presenting a charitable company statement of cash flows as a primary statement to the financial statements.

Going concern

The Trustees have at the time of approving the financial statements a reasonable expectation that the charitable company and group have adequate resources to continue in operational existence for the foreseeable future. Whilst the global economy has been significantly impacted by the COVID-19 virus, the charitable company and group still has cash reserves sufficient to meet its immediate requirements. It is considered that there are currently no material uncertainties which impact on the charitable company being able to continue in its current form. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary, Right2Work CIC, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company has not been presented as the charitable company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

The income of the charitable company for the year was £8,642,076 (2022 - £8,607,804). There was £56,641 Gift Aid asset transfer (2022 - £Nil) from the subsidiary. Expenditure amounted to £8,316,861 (2022 - £8,318,877). The net surplus of the charitable company for the year was £327,531 (2022 - £288,927 surplus).

Income
All income is included in the Consolidated Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- ***Donations*** are included in full in the Consolidated Statement of Financial Activities in the year in which they are receivable.
- ***Grants*** where the income is related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Income arising from grants and similar contracts specifically for the provision of activities or services which are provided as part of the charitable activities of the charity is recorded under the heading of income from charitable activities.

All other incoming resources are recognised on an accruals basis.

Fund accounting
Funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees;
- Designated funds - these are funds allocated from the general fund or received from third parties which have no restrictions on their uses but which are designated for a particular purpose according to the Trustees; or
- Restricted funds - these are funds that can only be used for particular restricted purposes, as specified by the donors, within the objects of the charity.

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

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to those activities and those of an indirect nature necessary to support them.

Support costs
Support costs relate to charitable activity and as such don't need to be allocated between different headings.

Governance costs comprise all costs relating to public accountability of the charity. The costs include statutory audit fees.

Operating leases
Rentals applicable to operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the term of the lease.

Staff costs
The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

Employee severance and redundancy pay is recognised within the accounts, on an accruals basis in the year in which the employee either left, or agreed to leave, the organisation.

Pension costs and other post-retirement benefits
The Charity operates a defined contribution pension scheme. The pension cost in the Consolidated Statement of Financial Activities represents the contributions payable for the year.

In addition, the Charity has an employee who is a member of the Cumbria County Council Pension Scheme which is a defined benefit scheme. The assets of the Scheme are held separately from those of the charitable company. Employer contributions in respect of this scheme are also charged to the Statement of Financial Activities in the period to which they relate.

Intangible fixed assets - goodwill
Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill has an expected life of ten years and shall be amortised on a systematic basis over its life.

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	not depreciated (see below)
Leasehold land and buildings	over the term of the lease
Fixtures and fittings	25% - 33% reducing balance
Computers	25% reducing balance
Motor vehicles	25% reducing balance

Land and buildings are not depreciated since it is considered that given the long life of the properties concerned, depreciation would be immaterial, if any. The Directors carry out an annual impairment review in accordance with accounting standards.

It is a policy that a full year's depreciation is charged on tangible fixed asset additions and no depreciation is charged on tangible fixed assets in the year they are disposed of.

It is a policy of the trustees that individual items with a cost below £350 are not capitalised.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

Fixed asset investments
Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Impairment of fixed assets
At each reporting end date, the reviews of the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

No impairment review was undertaken in the year but was replaced by a report for our bankers on each properties valuation.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments
The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset. Impairment losses are recognised in the income and expenditure account.

Creditors, loans and provisions
Creditors, loans and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial liabilities are only derecognised when, and only when, the group's obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

2 Critical accounting estimates and judgements

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets
The useful life and depreciation rate of tangible fixed assets are reviewed annually and amended when necessary.

Defined benefit scheme
The Trustees have decided not to comply with the regulations of Financial Reporting Standard No. 17 to disclose the surplus/deficit of the scheme in relation to their employee in the current year as they believe the figures are immaterial to the financial statements.

3 Donations and grants

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	2023	**2023**	**2023**	2022	2022	2022
	£	**£**	**£**	£	£	£
General donations	906	2,032	**2,938**	1,089	-	1,089
Grants and sponsorship	-	169,962	**169,962**	-	470,760	470,760
	906	**171,994**	**172,900**	1,089	470,760	471,849

4 Charitable activities

	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	2023	**2023**	**2023**	2022	2022	2022
	£	**£**	**£**	£	£	£
Care and support in the Community	9,331,382	-	**9,331,382**	8,871,610	10,390	8,882,000
Care and support in the Community - other	-	-	-	-	-	-
	9,331,382	-	**9,331,382**	8,871,610	10,390	8,882,000

5 Expenditure on charitable activities

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £
Direct costs:						
Staff costs	7,613,980	171,994	**7,785,974**	6,515,039	481,150	6,996,189
Staff related costs	146,298	-	**146,298**	436,730	-	436,730
Depreciation	104,199	-	**104,199**	89,734	-	89,734
Property costs	383,869	-	**383,869**	327,651	-	327,651
IT costs	114,213	-	**114,213**	94,157	-	94,157
Other direct costs	232,770	-	**232,770**	180,809	-	180,809
Other charitable expenditure	377,586	-	**377,586**	893,523	-	893,523
	8,972,915	**171,994**	**9,144,909**	8,537,643	481,150	9,018,793
Governance costs:						
Auditor remuneration	13,000	-	**13,000**	11,250	-	11,250
Governance costs	4,164	-	**4,164**	215	-	215
	17,164	-	**17,164**	11,465	-	11,465
Total expenditure on charitable activities	**8,990,079**	**171,994**	**9,162,073**	8,549,108	481,150	9,030,258

6 Net income for the year

This is stated after charging:	2023 £	2022 £
Depreciation – owned assets	104,199	89,734
Intangible amortisation	-	2,574
(Profit)/Loss on disposal of fixed assets	(3,165)	2,900
Lease expenditure	55,412	74,592
Auditors' remuneration: - audit services	13,000	11,250
- other services	3,700	3,500

7 Trustees' remuneration and benefits

No trustees' remuneration or other benefits were paid for the year ended 31 March 2023 (2022 - £nil).

Trustees' expenses

Trustees' expenses paid for the year ended 31 March 2023 amounted to £1,501 (2022: £215).

The expenses relate to six Trustees (2022: one).

8 Staff costs

	2023 £	2022 £
Wages and salaries	7,073,315	6,996,189
Social security costs	556,399	494,893
Pension costs	156,260	141,511
	7,785,974	**7,632,593**

The total remuneration of the key management personnel was £274,764 (2022: £263,808).

Reimbursed expenses, which are all subject to the charity's processes of internal controls, do not form part of remuneration and are not included above.

One employee received remuneration over £60,000 during the year (2022: two employees).
One employee was in the £70,000 - £80,000 band. (2022: One employee in the £60,000 - £70,000 band and one employee in the £80,000 - £90,000 band).

The average number of employees (full and part time) based on headcount during the year was:

	2023 Number	2022 Number
Management	**60**	66
Administrative	**13**	13
Care and Support	**301**	320
	374	399

9 Taxation

The charitable activities of The Oaklea Trust are potentially exempt from taxation under Chapter 3 of part 11 of the Corporation Tax Act 2010.

Right2Work CIC is not exempt to corporation tax and so surpluses are subject to a taxation charge.

10 Intangible fixed assets

	Consolidated and Charity
	£
Cost	
At 1 April 2022 and 31 March 2023	7,800
Accumulated depreciation	
Balance at 1 April 2022	7,800
Impairment	-
Balance at 31 March 2023	-
Net book value	
At 31 March 2023	-
At 31 March 2022	-

11 Tangible fixed assets

Consolidated

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2022	1,883,217	20,546	197,209	404,496	115,614	**2,621,082**
Additions	-	-	110,314	14,693	35,926	**160,933**
Disposals	(7,641)	-	-	-	(14,000)	**(21,641)**
At 31 March 2023	**1,875,576**	**20,546**	**307,523**	**419,189**	**137,540**	**2,760,374**
Depreciation						
At 1 April 2022	196,763	7,691	141,752	294,083	68,587	**708,876**
Charge for the year	-	2,054	43,762	39,121	19,262	**104,199**
Disposals	(7,005)	-	-	-	(8,094)	**(15,099)**
At 31 March 2023	**189,758**	**9,745**	**185,514**	**333,204**	**79,755**	**797,976**
Net book value						
At 31 March 2023	**1,685,818**	**10,801**	**122,009**	**85,985**	**57,785**	**1,962,398**
At 31 March 2022	1,686,454	12,855	55,457	110,413	47,027	1,912,206

11 Tangible fixed assets (continued)

Charity

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2022	1,875,576	20,546	186,923	389,829	11,502	**2,484,376**
Additions	-	-	99,017	14,693	-	**113,710**
Disposals	-	-	-	-	-	-
At 31 March 2023	**1,875,576**	**20,546**	**285,940**	**404,522**	**11,502**	**2,598,086**
Depreciation						
At 1 April 2022	191,286	6,163	138,180	282,952	9,455	**628,036**
Charge for the year	-	2,054	36,940	39,121	512	**78,627**
At 31 March 2023	**191,286**	**8,217**	**175,120**	**322,073**	**9,967**	**706,663**
Net book value						
At 31 March 2023	**1,684,290**	**12,329**	**110,820**	**82,449**	**1,535**	**1,891,423**
At 31 March 2022	1,684,290	14,383	48,743	106,877	2,047	1,856,340

12. Investments

The consolidated financial statements include the results of Right2Work C.I.C, a company limited by shares (incorporated in England and Wales, registered number 07708701), its sole member being The Oaklea Trust. The liability of the charity in the event of Right2Work C.I.C being wound up is limited by a sum not exceeding £1.

Income earned and expenditure incurred by Right2Work C.I.C have been recognised within the charitable activities of The Oaklea Trust's consolidated accounts on the basis that these activities are deemed to have charitable intentions and purposes.

13. Debtors

	Consolidated		Charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Trade debtors	376,627	768,732	317,418	697,488
Other debtors	269,568	247,369	229,778	245,295
Prepayments and accrued income	139,315	141,901	139,313	92,747
	785,508	1,158,002	**686,509**	1,035,530

14. Creditors – Amounts falling due within one year

	Consolidated		Charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Bank Loans (see note 16)	82,684	82,684	82,684	82,684
Trade creditors	179,664	155,834	90,461	131,576
Other creditors	56,389	62,000	56,389	61,701
Amounts owed to fellow group undertakings	-	-	161,933	142,971
Other taxation and social security	142,534	161,528	117,214	137,175
Hire purchase	-	-	-	-
Corporation tax	460	6,367	-	-
Accruals and deferred income	668,599	837,090	468,352	674,160
	1,130,329	1,305,503	**977,033**	1,230,267

Bank loans are repayable in quarterly instalments and interest is charged between 3.3% - 3.6%. Bank loans are secured by first legal charges over freehold and leasehold properties, and a debenture over all other property and assets.

15. Creditors – Amounts falling due after more than one year

	Consolidated		Charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Bank loans (see note 16)	570,601	653,185	570,601	653,185
Accruals and deferred income	203,724	203,724	203,724	203,724
Deferred tax	16,515	12,586	-	-
	790,840	869,495	**774,325**	856,909

The bank loans are secured by the charitable company, as noted above.

16. Bank loans

An analysis of the maturity of the loans is given below:

	Consolidated		Charity	
	2023	2022	**2023**	2022
	£	£	**£**	£
Bank loans falling due:				
Within one year	82,684	82,684	82,684	82,684
Between one and five years	570,601	653,185	570,601	653,185
Over five years	-	-	-	-
	653,285	735,869	**653,285**	735,869

17. Funds summary

Consolidated	**Balance 1 April 2022**	**Income**	**Expenditure**	**Transfers**	**Balance 31 March 2023**
	£	**£**	**£**	**£**	**£**
Unrestricted:					
General fund	338,968	9,332,288	(8,990,079)	(282,570)	398,607
Designated fund	1,092,713	-	-	282,570	1,375,283
Restricted funds:					
Restricted fund	-	171,994	(171,994)	-	-
Total Funds	**1,431,681**	**9,504,282**	**(9,162,073)**	**-**	**1,773,890**

Charity	**Balance 1 April 2022**	**Income**	**Expenditure**	**Transfers**	**Balance 31 March 2023**
	£	**£**	**£**	**£**	**£**
Unrestricted:					
General fund	267,492	8,580,378	(8,255,165)	(271,392)	321,313
Designated fund	1,049,432	-	-	271,392	1,320,824
Restricted funds:					
Restricted fund	-	61,698	(61,698)	-	-
Total Funds	**1,316,924**	**8,642,076**	**(8,316,861)**	**-**	**1,642,137**

The designated fund represents the net fixed assets (fixed assets less long term creditors) which are not liquid amounts, and are represented by long term amounts already spent within the charity.

The restricted income includes various grants received from the local councils during the year. All of the grants were spent as at 31 March 2023.

18. Analysis of net assets between funds

Consolidated	Unrestricted funds	Designated funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2023 £
Fixed assets	-	1,962,398	-	1,962,398
Current Assets	1,732,661	-	-	1,732,661
Creditors due within one year	(1,130,329)	-	-	(1,130,329)
Creditors due after one year	-	(790,840)	-	(790,840)
Transfers	(203,725)	203,725	-	-
Total funds	**398,607**	**1,375,283**	**-**	**1,773,890**

Charity	Unrestricted funds	Designated funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2023 £
Fixed assets	-	1,891,424	-	1,891,424
Current Assets	1,502,071	-	-	1,502,071
Creditors due within one year	(977,033)	-	-	(977,033)
Creditors due after one year	-	(774,325)	-	(774,325)
Transfers	(203,725)	203,725	-	-
Total funds	**321,313**	**1,320,824**	**-**	**1,642,137**

19. Company limited by guarantee

The charity is a company limited by guarantee and has no share capital. The members of the company undertake to contribute such amount as may be required to the company's assets. In the event of the charity being wound up, the liability in respect of each member is limited to £1..

20. Commitments – Consolidated and Charity

Operating lease commitments

The total future minimum lease payments under non-cancellable operating are as follows:

	Land and buildings		Other leases	
	2023 £	2022 £	**2023** £	2022 £
Expiring:				
Within one year	58,500	54,308	1,104	1,104
Between one and five years	151,644	30,000	2,492	3,680
Over five years	169,644	-	-	-
	379,788	84,308	**3,596**	4,784

Capital commitments

At 31 March 2023 the charity had not approved any capital expenditure which has not been contracted for, nor entered any contracts for, capital expenditure which were not provided for (2022 - £nil).

21. Pension Commitments

The charity operates a defined contribution scheme. The pension costs charge for the year was £156,260 (2022: £141,510). At the balance sheet date £23,065 (2022: £23,688) was outstanding.

The charity also contributes to a pension scheme with Cumbria County Council. The pension cost charge represents contributions payable and amounted to £6,069 (2022: £4,545). At the balance sheet date the scheme was in surplus, resulting in a debtor of £5,400 (2022: £5,457 debtor).

The company has one employee who is a member of the defined benefit scheme. The Trustees have decided not to comply with the regulations of Financial Reporting Standard No. 17 to disclose the surplus/deficit of the scheme in relation to their employee in the current year as they believe the figures are immaterial to the financial statements.

22. Related party transactions

During the year the charitable company was under the control of its Board of Trustees. CA Wigley, Chief Executive and Company Secretary was also a director of the trading subsidiary, Right2Work Limited.

Right2Work Limited

On 18 July 2011 the charitable company incorporated a trading subsidiary.

At the year end date, the charitable company had provided an interest bearing loan.

During the year, in addition to the recharge of expenses, The Oaklea Trust has charged Right2Work CIC (a subsidiary of The Oaklea Trust) rent and service charges amounting to £9,492 (2022 - £7,410).

During the year, Right2Work CIC donated £56,641 (2022 - £Nil) to the parent, The Oaklea Trust.

At the year end, The Oaklea Trust owed Right2Work CIC £250,558 (2022 - £142,971).

23. Reconciliation of net income/expenditure to net cash flow from operating activities

	2023 £	2022 £
Net movement in funds	342,209	323,591
Adjustments for:		
Depreciation charges	104,199	89,734
Amortisation charges	-	2,574
(Profit)/loss on disposal of tangible fixed assets	(3,165)	2,900
Taxation	4,388	12,542
Interest payable	29,455	11,359
Decrease in stock	71	5,259
Decrease/(Increase) in debtors	372,494	(462,825)
(Decrease)/Increase in creditors	(175,632)	266,289
Net cash provided by operating activities	**674,017**	251,423

24. Analysis of changes in net debt

	At 1 April 2022 £	Cash flows	At 31 March 2023 £
Cash at bank and in hand	530,350	410,753	941,103
Loans falling due within one year	(82,684)	-	(82,684)
Loans falling due after more than one year	(653,184)	82,583	(570,601)
	(205,518)	**493,336**	**287,818**

THE OAKLEA TRUST

England & Wales - Charity number 1091722

Accounts

THE OAKLEA TRUST

Registered Charity Number: 1091722
Registered Company Number: 04416344 (England and Wales)

The Oaklea Trust
(A Company Limited by Guarantee)

Trustees Annual Report and

Consolidated Financial Statements

for the year ended 31 March 2022

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Charity Information

Trustees

L J Adey	
M Bedworth	
C T J Harris	
S F O'Halloran	
M A Scott	
M L Denoual	
C Reed	(Resigned 11 March 2022)
S Grainger	
P Smith	(Appointed 10 November 2021)
S Welch	(Appointed 10 November 2021)

Company Secretary
C Wigley

Key Management Personnel

Executive Team:	
C Wigley	Chief Executive
A Wolfenden	Director
S Green	Director

Registered charity number
1091722

Registered Company number
04416344 (England and Wales)

Principal and registered office
Second Floor
East Wing
Station House
Station Road
Kendal
Cumbria
LA9 6RY

Auditors
Azets Audit Services
Fleet House
New Road
Lancaster
United Kingdom
LA1 1EZ

Bankers
Handelsbanken
First Floor East
Bridge Mills
Stramongate
Kendal
Cumbria
LA9 4UB

Solicitors
Womble Bond Dickinson
1 Whitehall Riverside
Leeds
LS1 4BN

Report of the Trustees for the year ended 31 March 2022

OAKLEA TRUST STATEMENT OF RECOMMENDED PRACTICE (SORP) REPORT FINANCIAL YEAR 2021/22

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the Financial Statements of the Charity for the year ended 31 March 2022. The Trustees have adopted the provisions of 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 (FRS102).

OBJECTIVES AND ACTIVITIES

The group works towards the Vision and Mission through the work of the Charity, Oaklea Trust and its social enterprise subsidiary Right2Work C.I.C. In 2022, the Trustees and the Executive have formally reviewed the Mission, Vision and Values statements and have produced a five-year strategic plan (commencing in 2023) for the Group to make sure it is up to date and meets the aspirations of both companies.

The Group Vision, Mission, Values, and Working Behaviours are: -

Vision
"We deliver the finest opportunities in the kindest possible way"

Mission
"To support and care for people and communities so they can learn, develop, and thrive"

Our Values
"Individuality, independence, interdependence, rights, respect, dignity, privacy, partnership, choice"

Working Behaviours
"Be kind, be part of a team, be innovative, be focused, be productive, be respectful, be resourceful"

The objectives of Oaklea Trust are fully detailed within the Memorandum and Articles of Association and can be summarised as follows:

To promote the relief and care of people with learning and other disabilities and also people who are socially disadvantaged and need assistance in the areas of care and support, their home environment, education, training, recreation and to enter or advance in their employment.

The objectives of Right2Work C.I.C are also fully detailed within its Memorandum and Articles of Association and can be summarised as follows:

To carry on activities which benefit the community and in particular people who are disabled and / or disadvantaged through the development of the social enterprise and in the provision of supervision, training, employment, volunteering and social inclusion opportunities.

In the medium term Oaklea Trust has adopted a strategy to achieve its mission focussing on the regions of northern England, engaging with beneficiaries, managing financial resources and employing quality people to do the job.

The Memorandum of Articles are under review during 2022 to consider the development of Housing for its beneficiaries as part of its rules.

Quarterly Senior Management Team meetings focus on this strategy, with monitoring of key performance indicators (KPI's) designed to assist the measurement and review of the strategic objectives. KPI's are monitored under the headings of Empowering Quality People, Quality & Safety, Engaging Individuals & Communities, Seven Keys to Citizenship and Adequate Financial Resources.

This strategy is measured through a rigorous annual internal audit cycle for every one of our projects also including Trustee representation. Beneficiaries are included within this process through interviews and questionnaires. The individual quality audits are reviewed by the Senior Management Team to

enable organisational learning and development and are brought together into an annual Internal Quality Audit Report which discusses customer outcomes, customer evaluation and quality and safety issues. This annual QA is presented to the Board for further scrutiny. However, during this period the audit process has been impacted on due to the COVID pandemic, and as a result many planned visits to different projects have not been able to take place.

Management of financial resources is achieved through partnership working between finance and operational teams focussing on the Management Accounts, cash flow monitoring and other financial KPI's. This is embedded within the monthly reporting mechanisms of the organisation and is monitored and reviewed by the Senior Management Team, Executive and Finance Committee on a quarterly basis. Any new developments or tenders are reviewed thoroughly with various scenarios modelled as part of the decision-making process to ensure that any new work contributes sufficiently to a sustainable financial future.

In order to empower quality people to do the job Oaklea Trust have invested resources in the training and development of its employees at all levels. The monthly reporting of KPI's includes monitoring of mandatory and compliance training as well as developmental objectives, monitoring of Performance & Achievement Review statistics and the celebration of outstanding performance. The organisation has developed a plan to maximise the use of the Apprenticeship Levy and is fully engaged in the apprenticeship movement. Oaklea Trust continues to involve employees through the Employee Consultative Group that meets quarterly to share information, consult with employees on changes or new ideas and to provide a platform to allow employees to voice their collective opinions and suggestions. Employee renumeration is considered annually as part of the budget setting process, by the Board's Remuneration Committee.

Business Objectives & Quality Improvement Plan - April 2021 - March 2022 (End of Year Summary)

In the year 2021/2022 we set the Group 31 individual objectives in our three main focus areas:

- Engaging with Beneficiaries (Individuals & Communities) – 9 Objectives
- Employing Quality People – 11 Objectives
- Ensuring adequate financial resources – 11 Objectives

The Objectives were categorised with the following priorities:

- High priority – 5 objectives – all completed or change of direction implemented
- Medium priority – 13 objectives
- Low priority – 11 objectives
- Brought forward from previous year – 2 objectives

Of the 31 objectives we have:

- Successfully completed 25 of the objectives set
- Partially completed 1 objective, with operational teams taking this work forward into 2022.23
- Not completed 5 objectives; although in 4 out of the 5 cases this is because a different direction was taken and completed instead

Public Benefit

The Charity Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

The activities undertaken by the Charity are fully in line with its rules as stated within its Memorandum and Articles of Association and approved by the Charity Commission to be charitable.

ACHIEVEMENTS AND PERFORMANCE

Engaging Beneficiaries in Reviewing Performance

During 2021/22 Oaklea Trust has supported over 450 individual customers. Added to this the countless customers in the wider community who have benefitted from the activities of the Appleby Hub, The Furniture Warehouse and Community Works, all of which champion the development of stronger communities.

Our annual Customer & Stakeholder Evaluation Survey provides valuable feedback and is a really important measure of performance for Oaklea Trust. In this survey 100% of Supported Living and Right2Work C.I.C.'s Work and Learn Team customers felt that the care and support they receive is really good.

Where there are areas for improvement we will listen and respond to customers and stakeholders about the changes we have made.

Focussing on Quality

The Oaklea Trust use the results of Care Quality Commission (CQC) inspections, Internal Quality Audits and the Customer & Stakeholder Evaluation Survey as key indicators of quality.

The CQC regulates some of the work undertaken by Oaklea Trust; they work to ensure services are safe, effective, caring, responsive and well-led.

Oaklea Trust undertakes an annual cycle of Internal Quality Audits across all of its activities. However, during this period IQA visits have been disrupted as a result of the pandemic. We will be resuming this auditing process as soon as possible during 2022.

Customer outcomes are assessed against the organisation's 7 keys to citizenship.

FINANCIAL REVIEW

Results for the Year

The financial environment in which the Charity has been operating during this period has been impacted upon due to the Global Pandemic of COVID 19. The areas affected range from the health and wellbeing of our customers and employees, the increase in provision of protective measures such as PPE, employees self-isolating and increased sickness. The closure of some of our Social Enterprises to comply with Government guidance, and the inability to engage with some of our vulnerable customers who would normally attend Day Provision, clubs and activities.

The focus of the Charity during this period as a direct result of the Global Pandemic has been on the wellbeing of our employees, and the continuation of critical care and support for our many customers, along with being responsive to the needs of local Communities by providing a delivery service including food and medical supplies.

The Charity has been able to make excellent use of technology such as Zoom that has allowed us to continue to plan, meet and communicate with stakeholders and internal customers.

Through the co-ordination of our Business Continuity structure we have been able to plan and mitigate much of the impact of the pandemic on the business of the Charity and its financial position. We have been able to make good use of the Government's Furlough Scheme for employees unable to work. The use of Local Authority grants that support the increased resources needed to make our employees and customers safe, and grants that support the loss in business with many of our Social Enterprises having to close for extended periods.

The Oaklea Trust achieved a surplus of £323,591 for the year ending 31st March 2022.

For the year ended 31st March 2022, Right2Work has donated £Nil to Oaklea Trust and contributed £34,666 to its own reserves, as a result of achieving an operating profit of £47,551.

Through good planning, monitoring and management, the Charity and its subsidiary have been able to remain financially stable, and increase reserves so as to continue to meet objectives for the coming period as well as to support the continued recovery from this difficult period.

Fundraising

Oaklea Trust does not engage heavily in public fundraising and it does not use professional fundraising consultants. As the Edenside Project (Extra Care Housing Development) increases fundraising activities, Oaklea Trust will ensure that in doing so it complies with the Charity Commission guidelines on fundraising and that all fundraising activities are monitored through the Finance Committee. There have been no complaints received during the year with regard fundraising activities.

Reserves

The Oaklea Trust has total reserves of £1,431,681.

The group's unrestricted balance of £1,431,681 is partially supported by net fixed assets and net current assets. Most of the unrestricted fund balance does not relate to liquid assets held, but rather net fixed assets (monies already spent on fixed assets less the balance of long term loans held to finance those assets), leaving £338,968 supported by net current assets. The nature of the Charity's income is mainly predictable and has a direct correlation with the Charity's cost structure, allowing the Charity to operate with a lower reserves balance than many other organisations. However, the Board of Trustees does recognise the need to increase free reserves in support of the Oaklea Trust activities and growth.

The Board have set a reserves policy equivalent to 2 months unrestricted charitable expenditure. At the year end the Charity had funds equivalent to 2 months' worth. The Board have forecast a surplus for the coming financial year.

PLANS FOR FUTURE PERIODS

We will continue to monitor and assess the evolving situation and are working to avoid disruptions caused by the pandemic, whilst at the same time acting responsibly to prevent further spread of the virus. Oaklea Trust is committed to providing a safe working environment and we will ensure all steps are taken to protect the health and wellbeing of all our customers, employees and the communities in which we work.

At the same time, working practices have changed to ensure the future growth of the company and its subsidiary can continue, with limited delays. The financial out-turn is strong, allowing us to be in the best possible shape to weather this challenging time.

Within 2022 we hope to progress the following new developments:

The further progression of Extra Care Housing (Edenside) within Appleby, Cumbria.
Progressing our first Learning2Live project within Cumbria into its second year.
The continued development of the Green Mentor project within Cumbria.
The addition of complex health care support packages within County Durham.
The growth of our Children's & Young people's work within Cumbria.
The recruitment of two new Trustees to the Charity.
The de-registration and development into Supported Living for one project within Northumberland.

The Charities Five Key Strategic Focus Areas over the next five years are:

1. Deliver outstanding care, learning and personal development.
2. Attract, develop and retain high quality team members.
3. Diversify our revenue sources.
4. Develop the Oaklea Group brand across the North of England.
5. Enhance our Governance.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Oaklea Trust is a registered charity and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. The Oaklea Trust is controlled by its governing document, a Memorandum and Articles of Association.

The Oaklea Trust Board meets regularly throughout the year and in addition attends an annual away day with the Executive to review the strategic direction of the organisation, current and future challenges, goals and aims of the Charity. An annual joint away day with Right2Work, Oaklea's subsidiary CIC, has taken place in May 2022. This has resulted in the updated Vision, Mission, Values, and Working Behaviours of the Group, and also produced a five year strategic plan commencing in 2023.

The Oaklea Trust also operates a Finance Committee and a Remuneration Committee. The Finance Committee ensures that the organisation operates within the best practice guidance of the Charity Commission and ensures thorough review and monitoring of the financial management of the organisation. The Finance Committee meets quarterly and operates within Terms of Reference as set by the Board of Trustees.

The Remuneration Committee meets once a year to consider employee renumeration within the Charity in line with budgeted productions.

The Board of Trustees also delegate authority to the Executive as outlined in policy.

All employees and Trustees are recruited utilising open advertisement and in accordance with Recruitment and Selection Policies. Oaklea is a supporter of the disability confident campaign and has achieved *Disability Confident* status. Oaklea Trust's policy is to promote equality of opportunity to all in employment and the selection process irrespective of their gender, race, ethnic origin, disability, age, nationality, sexuality, marital status and social class. Oaklea oppose all forms of unlawful and unfair discrimination. Selection for employment, promotion, training and any other benefits is on the basis of aptitude and ability.

All new Trustees are given induction packs that provide information about their responsibilities under company and charity law. All Trustees conform to Oaklea Trust's Declaration of Interests policy. New Trustees join the organisation on a trial period prior to being formally appointed. Their role during this period is one of non-voting observer to gain an understanding of the complexities of the organisation and their responsibilities as a Trustee.

The Oaklea Trust's social enterprise subsidiary Right2Work C.I.C operates under its own Memorandum and Articles of Association. Right2Work C.I.C. is a Community Interest Company and is wholly owned by Oaklea Trust. There is an asset lock in place which ensures that the Oaklea Trust is the recipient of any residual assets should the company be wound up. Right2Work C.I.C. is a 'not for profit' organisation and any surpluses or assets are used for the benefit of the community, save those donated to the Oaklea Trust.

Right2Work C.I.C has its own Board with a minimum of three Directors, of which at least one must be from the Oaklea Trust Board of Trustees and at least one must be independent of the Oaklea Trust. The relationship between the two organisations is subject to an agreed intercompany agreement.

The Trustees and Directors have a duty to identify and review the risks to which the Charity and its subsidiary are exposed. Both organisations keep a live Risk Register which is regularly discussed at Board meetings. There is a risk policy in place which ensures the assessment and monitoring of risk, each risk is scored and a key individual identified to take any actions as necessary.

The Oaklea Trust Strategic Risk Register focusses on the areas of: Financing, Contracts & Business Development, People, Information Technology and Digital Media and Governance. Each of these risks is analysed into risk factors and control measures are put in place where necessary and appropriate. At the moment the key risks identified are: Impact of Living Wage Foundation and the impact of political changes on income flows through the public sector, the viability of existing Local Authority and NHS contracts and the capacity to develop new business, the speed at which digital technology is changing and the security of data, the changing nature of the sector and the changing nature of governance within it.

The Right2Work C.I.C Risk Register focuses on the same areas. All of these issues are currently under review and measures are being developed as appropriate.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04416344 (England and Wales)

Registered Charity number
1091722

Registered Office
Second Floor
East Wing
Station House
Station Road
Kendal
Cumbria
LA9 6RY

Trustees
L J Adey
M Bedworth
C T J Harris
S F O'Halloran
M A Scott
M L Denoual
C Reed (Resigned 11 March 2022)
Dr P H Smith (Appointed 10 November 2021)
S F Welch (Appointed 10 November 2021)
S Grainger

Company Secretary
C Wigley

Auditors
Azets Audit Services
Accountants
Fleet House
New Road
Lancaster
LA1 1EZ

Bankers
Handelsbanken
First Floor East
Bridge Mills
Stramongate
Kendal
Cumbria
LA9 4UB

Solicitors
Womble Bond Dickinson
1 Whitehall Riverside
Leeds
LS1 4BN

Key Management Personnel
In addition to the Trustees:

Executive Team
S Green (Director)
C Wigley (Chief Executive)
A Wolfenden (Director)

Statement of trustees' responsibilities

The trustees, who are also the directors of The Oaklea Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be appointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Approved by order of the board of trustees on 9 Nov 22 and signed on its behalf by:

CTJ Harris

C T J Harris - Trustee

Independent Auditor's Report to the Members of The Oaklea Trust

Opinion
We have audited the financial statements of The Oaklea Trust (the "parent charity") and its subsidiary (the "group") for the year ended 31 March 2022 which comprise of the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and the related Notes to the Financial Statements including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Conclusions relating to going concern
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 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.

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

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

We have nothing to report in this regard.

Independent Auditor's Report to the Members of The Oaklea Trust

Opinions 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 (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

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

Responsibilities of the trustees
As explained more fully in the trustees' responsibilities statement, the trustees 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 they 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 Charitable Company and Group'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 Charitable Company or to cease operations, or have no realistic alternative but to do so.

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

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

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.

Independent Auditor's Report to the Members of The Oaklea Trust

Extent to which the audit was capable of identifying irregularities, including fraud
We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management, and from inspection of the charitable group's regulatory and legal correspondence. We discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The charitable group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation), pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising environmental, health and safety and employment legislation, and, in the current climate, Covid regulations. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the charitable group to commit fraud. Our risk assessment procedures included: enquiry of trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud and reading Board minutes. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:
- income recognition and in particular the risk that restricted income is incorrectly recognised within unrestricted income; and
- subjective accounting estimates.

As required by auditing standards we also identified and addressed the risk of management override of controls.

We performed the following procedures to address the risks of fraud identified:
- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias; and
- testing the recognition of income and in particular that it was appropriately recognised or deferred.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Independent Auditor's Report to the Members of The Oaklea Trust

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

Azets Audit Services

Susanna Cassey (Senior Statutory Auditor)
For and on behalf of Azets Audit Services Limited

18 November 2022

Chartered Accountants
Statutory Auditor

Fleet House
New Road
Lancaster
United Kingdom
LA1 1EZ

Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 March 2022

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Endowment Funds 2021 £	Total 2021 £
Income from:								
Donations and grants	**3**	1,089	470,760	471,849	-	558,040	-	558,040
Charitable activities	**4**	8,871,610	10,390	8,882,000	8,155,686	560	-	8,156,246
Total income		**8,872,699**	**481,150**	**9,353,849**	8,155,686	558,600		8,714,286
Expenditure on:								
Charitable activities	**5**	8,549,108	481,150	9,030,258	7,767,609	555,114	-	8,322,723
Total expenditure		**8,549,108**	**481,150**	**9,030,258**	7,767,609	555,114	-	8,322,723
Net income before transfers	**6**	**323,591**	**-**	**323,591**	388,077	3,486	-	391,563
Transfers between funds		-	-	-	15,486	(3,486)	(12,000)	-
Net movement in funds		**323,591**	**-**	**323,591**	403,563	-	(12,000)	391,563
Total funds brought forward		1,108,090	-	1,108,090	704,527	-	12,000	716,527
Total funds carried forward		**1,431,681**	**-**	**1,431,681**	1,108,090	-	-	1,108,090

The Statement of Financial Activities includes all gains and losses recognised in the current period and the previous year and all relates to continuing operations.

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on the appended pages form part of these Financial Statements.

Consolidated and Charity Balance Sheets as at 31 March 2022

	Notes	Consolidated 2022 £	Consolidated 2021 £	Charity 2022 £	Charity 2021 £
Fixed assets					
Intangible fixed assets	**10**	-	2,574	-	2,574
Tangible fixed assets	**11**	1,912,206	1,047,579	1,856,340	1,013,253
Investments	**12**	-	-	1	1
		1,912,206	1,050,153	**1,856,341**	1,015,828
Current assets					
Stock		6,121	11,380	-	5,388
Debtors	**13**	1,158,002	695,177	1,035,530	626,462
Cash at bank		530,350	654,431	512,229	586,331
		1,694,473	1,360,988	**1,547,759**	1,218,181
Creditors: Amounts falling due within one year	**14**	(1,305,503)	(993,915)	(1,230,267)	(903,288)
Net current assets		**388,970**	367,073	**317,492**	314,893
Creditors: Amounts falling due after more than one year	**15**	(869,495)	(309,136)	(856,909)	(302,724)
Net assets		**1,431,681**	1,108,090	**1,316,924**	1,027,997
Represented by:					
Unrestricted charity funds:					
- General	**17**	338,968	367,073	267,492	314,893
- Designated	**17**	1,092,713	741,017	1,049,432	713,104
Restricted charity funds	**17**	-	-	-	-
Total funds		**1,431,681**	1,108,090	**1,316,924**	1,027,997

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

The financial statements were approved by the Board of Trustees on 9 Nov 22. and signed on its behalf by:

CTJHarris

C T J Harris - Trustee

Company Registration Number: 04416344 (England and Wales)
Registered Charity Number: 1091722

Consolidated Cash Flow Statement for the year ended 31 March 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	**23**	251,423	746,083
Taxation paid		(6,227)	-
Interest paid		(11,359)	(5,115)
Net Cash generated by operations		**233,837**	740,968
Cash flows from investing activities			
Purchase of tangible fixed assets		(957,261)	(58,988)
Proceeds from sale of tangible fixed assets		-	774
Net cash (used in) investing activities		**(957,261)**	(58,214)
Cash flows from financing activities			
Increase in / (repayment of) bank borrowings		605,139	(30,760)
Hire purchase creditor (decrease)		(5,796)	(5,857)
		599,343	(36,617)
Change in cash and cash equivalents in the year		**(124,081)**	646,137
Cash and cash equivalents brought forward		654,431	8,294
Cash and cash equivalents carried forward		**530,350**	654,431

Notes to the Consolidated Financial Statements for the year ended 31 March 2022

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Charitable company information

The charitable company is limited by guarantee, with the liability of members limited to £1 per member. The charitable company is registered in England and Wales with the Charity Commission. The registered office is Second Floor, East Wing Station House, Station Road, Kendal, Cumbria, United Kingdom, LA9 6RY.

If upon winding up or dissolution of the charitable company there remain any assets, after satisfying all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having objectives similar to the Charity.

Accounting convention

The financial statements have been prepared on a going concern basis in accordance with 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 (FRS102) (effective 1 January 2019) ("Charities SORP (FRS102)"), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

On the grounds that the charitable company's results are consolidated into the charitable company's group accounts the charitable company has taken advantage of certain exemptions conferred by section 1.11 of FRS102 as follows:

- Exemption from presenting a charitable company statement of cash flows as a primary statement to the financial statements.

Going concern

The Trustees have at the time of approving the financial statements a reasonable expectation that the charitable company and group have adequate resources to continue in operational existence for the foreseeable future. Whilst the global economy has been significantly impacted by the COVID-19 virus, the charitable company and group still has cash reserves sufficient to meet its immediate requirements. It is considered that there are currently no material uncertainties which impact on the charitable company being able to continue in its current form. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The financial statements consolidate the results of the charitable company and its wholly owned subsidiary, Right2Work CIC, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company has not been presented as the charitable company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

The income of the charitable company for the year was £8,607,804 (2021 - £8,124,815). There was £Nil Gift Aid asset transfer (2021 - £22,305) from the subsidiary. Expenditure amounted to £8,318,877 (2021 - £7,750,252). The net surplus of the charitable company for the year was £288,927 (2021 - £374,563 surplus).

Income
All income is included in the Consolidated Statement of Financial Activities when the charitable company is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- ***Donations*** are included in full in the Consolidated Statement of Financial Activities in the year in which they are receivable.
- ***Grants*** where the income is related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Income arising from grants and similar contracts specifically for the provision of activities or services which are provided as part of the charitable activities of the charity is recorded under the heading of income from charitable activities.

All other incoming resources are recognised on an accruals basis.

Fund accounting
Funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees;
- Designated funds - these are funds allocated from the general fund or received from third parties which have no restrictions on their uses but which are designated for a particular purpose according to the Trustees; or
- Restricted funds - these are funds that can only be used for particular restricted purposes, as specified by the donors, within the objects of the charity.

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

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to those activities and those of an indirect nature necessary to support them.

Support costs
Support costs relate to charitable activity and as such don't need to be allocated between different headings.

Governance costs comprise all costs relating to public accountability of the charity. The costs include statutory audit fees.

Operating leases
Rentals applicable to operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the term of the lease.

Staff costs
The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

Employee severance and redundancy pay is recognised within the accounts, on an accruals basis in the year in which the employee either left, or agreed to leave, the organisation.

Pension costs and other post-retirement benefits
The Charity operates a defined contribution pension scheme. The pension cost in the Consolidated Statement of Financial Activities represents the contributions payable for the year.

In addition, the Charity has an employee who is a member of the Cumbria County Council Pension Scheme which is a defined benefit scheme. The assets of the Scheme are held separately from those of the charitable company. Employer contributions in respect of this scheme are also charged to the Statement of Financial Activities in the period to which they relate.

Intangible fixed assets - goodwill
Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill has an expected life of ten years and shall be amortised on a systematic basis over its life.

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	not depreciated (see below)
Leasehold land and buildings	over the term of the lease
Fixtures and fittings	25% - 33% reducing balance
Computers	25% reducing balance
Motor vehicles	25% reducing balance

Land and buildings are not depreciated since it is considered that given the long life of the properties concerned, depreciation would be immaterial, if any. The Directors carry out an annual impairment review in accordance with accounting standards.

It is a policy that a full year's depreciation is charged on tangible fixed asset additions and no depreciation is charged on tangible fixed assets in the year they are disposed of.

It is a policy of the trustees that individual items with a cost below £350 are not capitalised.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

Fixed asset investments
Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Impairment of fixed assets
At each reporting end date, the reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

No impairment review was undertaken in the year but was replaced by a report for our bankers on each properties valuation.

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Financial instruments
The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

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

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset. Impairment losses are recognised in the income and expenditure account.

Creditors, loans and provisions
Creditors, loans and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial liabilities are only derecognised when, and only when, the group's obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

2 Critical accounting estimates and judgements

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Tangible fixed assets
The useful life and depreciation rate of tangible fixed assets are reviewed annually and amended when necessary.

Defined benefit scheme
The Trustees have decided not to comply with the regulations of Financial Reporting Standard No. 17 to disclose the surplus/deficit of the scheme in relation to their employee in the current year as they believe the figures are immaterial to the financial statements.

3 Donations and grants

	Unrestricted Funds	**Restricted Funds**	**Total**	Unrestricted Funds	Restricted Funds	Total
	2022 £	**2022 £**	**2022 £**	2021 £	2021 £	2021 £
General donations	1,089	-	**1,089**	-	339	339
Grants and sponsorship	-	470,760	**470,760**	-	557,701	557,701
	1,089	**470,760**	**471,849**	-	558,040	558,040

4 Charitable activities

	Unrestricted Funds	**Restricted Funds**	**Total**	Unrestricted Funds	Restricted Funds	Total
	2022 £	**2022 £**	**2022 £**	2021 £	2021 £	2021 £
Care and support in the Community	8,871,610	10,390	**8,882,000**	8,151,227	-	8,151,227
Care and support in the Community - other	-	-	**-**	4,459	560	5,019
	8,871,610	**10,390**	**8,882,000**	8,155,686	560	8,156,246

5 Expenditure on charitable activities

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Direct costs:						
Staff costs	6,515,039	481,150	**6,996,189**	6,011,926	555,114	6,567,040
Staff related costs	436,730	-	**436,730**	398,636	-	398,636
Depreciation	89,734	-	**89,734**	67,958	-	67,958
Property costs	327,651	-	**327,651**	313,598	-	313,598
IT costs	94,157	-	**94,157**	80,551	-	80,551
Other direct costs	180,809	-	**180,809**	148,283	-	148,283
Other charitable expenditure	893,523	-	**893,523**	162,116	-	162,116
	8,537,643	**481,150**	**9,018,793**	7,183,068	555,114	7,738,182
Governance costs:						
Auditor remuneration	11,250	-	**11,250**	12,000	-	12,000
Governance costs	215	-	**215**	70	-	70
	11,465	**-**	**11,465**	12,070	-	12,070
Total expenditure on charitable activities	**8,549,108**	**481,150**	**9,030,258**	7,767,609	555,114	8,322,723

6 Net income for the year

This is stated after charging:	2022 £	2021 £
Depreciation – owned assets	89,734	67,958
Intangible amortisation	2,574	780
Loss/(Profit) on disposal of fixed assets	2,900	(657)
Lease expenditure	74,592	-
Auditors' remuneration: - audit services	11,250	12,000
- other services	3,500	-

7 Trustees' remuneration and benefits

No trustees' remuneration or other benefits were paid for the year ended 31 March 2022 (2021 - £nil).

Trustees' expenses

Trustees' expenses paid for the year ended 31 March 2022 amounted to £215 (2021: £70).

The expenses relate to one Trustee (2021: one).

8 Staff costs

	2022 £	2021 £
Wages and salaries	6,996,189	6,567,553
Social security costs	494,893	491,257
Pension costs	141,511	128,823
	7,632,593	**7,187,633**

The total remuneration of the key management personnel was £263,808 (2021: £257,164).

Reimbursed expenses, which are all subject to the charity's processes of internal controls, do not form part of remuneration and are not included above.

Two employees received remuneration over £60,000 during the year (2021: 1 employee).
1 employee is in the £60,000 - £70,000 band and 1 employee is in the £80,000 - £90,000 band (2021: £70,000 - £80,000 band).

The average number of employees (full and part time) based on headcount during the year was:

	2022 Number	2021 Number
Management	**66**	53
Administrative	**13**	18
Care and Support	**320**	327
	399	398

9. Taxation

The charitable activities of The Oaklea Trust are potentially exempt from taxation under Chapter 3 of part 11 of the Corporation Tax Act 2010.

Right2Work CIC is not exempt to corporation tax and so surpluses are subject to a taxation charge.

10 Intangible fixed assets

	Consolidated and Charity
	£
Cost	
At 1 April 2021 and 31 March 2022	7,800
Accumulated depreciation	
Balance at 1 April 2021	5,226
Impairment	2,574
Balance at 31 March 2022	7,800
Net book value	
At 31 March 2022	-
At 31 March 2021	2,574

11 Tangible fixed assets

Consolidated

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2021	1,071,405	20,546	155,020	335,483	84,267	**1,666,721**
Additions	814,712	-	42,189	69,013	31,347	**957,261**
Disposals	(2,900)	-	-	-	-	**(2,900)**
At 31 March 2022	**1,883,217**	**20,546**	**197,209**	**404,496**	**115,614**	**2,621,082**
Depreciation						
At 1 April 2021	196,763	4,109	121,932	243,426	52,912	**619,142**
Charge for the year	-	3,582	19,820	50,657	15,675	**89,734**
At 31 March 2022	**196,763**	**7,691**	**141,752**	**294,083**	**68,587**	**708,876**
Net book value						
At 31 March 2022	**1,686,454**	**12,855**	**55,457**	**110,413**	**47,027**	**1,912,206**
At 31 March 2021	874,642	16,437	33,088	92,057	31,355	1,047,579

11 Tangible fixed assets (continued)

Charity

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2021	1,063,764	20,546	155,020	320,816	11,502	**1,571,648**
Additions	814,712	-	31,903	69,013	-	**915,628**
Disposals	(2,900)	-	-	-	-	**(2,900)**
At 31 March 2022	**1,875,576**	**20,546**	**186,923**	**389,829**	**11,502**	**2,484,376**
Depreciation						
At 1 April 2021	191,286	4,109	121,932	232,295	8,773	**558,395**
Charge for the year	-	2,054	16,248	50,657	682	**69,641**
At 31 March 2022	**191,286**	**6,163**	**138,180**	**282,952**	**9,455**	**628,036**
Net book value						
At 31 March 2022	**1,684,290**	**14,383**	**48,743**	**106,877**	**2,047**	**1,856,340**
At 31 March 2021	872,478	16,437	33,088	88,521	2,729	1,013,253

12. Investments

The consolidated financial statements include the results of Right2Work C.I.C, a company limited by shares (incorporated in England and Wales, registered number 07708701), its sole member being The Oaklea Trust. The liability of the charity in the event of Right2Work C.I.C being wound up is limited by a sum not exceeding £1.

The trading results of the subsidiary company are summarised below:

12. Investments (continued)

	2022	2021
	£	£
Turnover	1,019,235	877,934
Cost of sales	(676,499)	(595,737)
Gross profit	**342,736**	282,197
Administrative expenses	(295,185)	(260,353)
Operating profit	**47,551**	21,844
Interest payable and similar expenses	(343)	(851)
Profit before taxation	**47,208**	20,993
Tax on profit	(12,542)	(3,992)
Profit for the financial year	**34,666**	17,001

Profit for the year is stated after any donations made to the parent, The Oaklea Trust.

Income earned and expenditure incurred by Right2Work C.I.C have been recognised within the charitable activities of The Oaklea Trust's consolidated accounts on the basis that these activities are deemed to have charitable intentions and purposes.

13. Debtors

	Consolidated		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	768,732	405,608	697,488	368,927
Other debtors	247,369	229,207	245,295	228,311
Prepayments and accrued income	141,901	60,362	92,747	29,224
	1,158,002	695,177	**1,035,530**	626,462

14. Creditors – Amounts falling due within one year

	Consolidated		Charity	
	2022	2021	**2022**	2021
	£	£	**£**	£
Bank Loans (see note 16)	82,684	31,729	82,684	31,729
Trade creditors	155,834	66,389	131,576	59,330
Other creditors	62,000	50,221	61,701	50,221
Amounts owed to fellow group undertakings	-	-	142,971	12,872
Other taxation and social security	161,528	129,890	137,175	112,287
Hire purchase	-	5,796	-	-
Corporation tax	6,367	-	-	-
Accruals and deferred income	837,090	709,890	674,160	636,849
	1,305,503	993,915	**1,230,267**	903,288

Bank loans are repayable in quarterly instalments and interest is charged between 3.3% - 3.6%. Bank loans are secured by first legal charges over freehold and leasehold properties, and a debenture over all other property and assets.

15. Creditors – Amounts falling due after more than one year

	Consolidated		Charity	
	2022	2021	**2022**	2021
	£	£	**£**	£
Bank loans (see note 16)	653,185	99,000	653,185	99,000
Accruals and deferred income	203,724	203,724	203,724	203,724
Deferred tax	12,586	6,412	-	-
	869,495	309,136	**856,909**	302,724

The bank loans are secured by the charitable company, as noted above.

16. Bank loans

An analysis of the maturity of the loans is given below:

	Consolidated		Charity	
	2022	2021	**2022**	2021
	£	£	**£**	£
Bank loans falling due:				
Within one year	82,684	31,729	82,684	31,729
Between one and five years	653,185	99,000	653,185	99,000
Over five years	-	-	-	-
	735,869	130,729	**735,869**	130,729

17. Funds summary

Consolidated	**Balance 1 April 2021**	**Income**	**Expenditure**	**Transfers**	**Balance 31 March 2022**
	£	**£**	**£**	**£**	**£**
Unrestricted:					
General fund	367,073	8,872,699	(8,549,108)	(351,696)	338,968
Designated fund	741,017	-	-	351,696	1,092,713
Restricted funds:					
Restricted fund	-	481,150	(481,150)	-	-
Total Funds	**1,108,090**	**9,353,849**	**(9,030,258)**	**-**	**1,431,681**

Charity	**Balance 1 April 2021**	**Income**	**Expenditure**	**Transfers**	**Balance 31 March 2022**
	£	**£**	**£**	**£**	**£**
Unrestricted:					
General fund	314,893	8,247,458	(7,958,531)	(336,328)	267,492
Designated fund	713,104	-	-	336,328	1,049,432
Restricted funds:					
Restricted fund	-	360,346	(360,346)	-	-
Total Funds	**1,027,997**	**8,607,804**	**(8,318,877)**	**-**	**1,316,924**

The designated fund represents the net fixed assets (fixed assets less long term creditors) which are not liquid amounts, and are represented by long term amounts already spent within the charity.

The restricted income includes various grants received during the year, including grants associated with Covid-19.
The Coronavirus Job Retention Scheme government grant, along with grants from the local councils, make up the majority of the restricted income, all of which were spent as at 31 March 2022.

18. Analysis of net assets between funds

Consolidated	Unrestricted funds	Designated funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2022 £
Fixed assets	-	1,912,206	-	1,912,206
Current Assets	1,694,473	-	-	1,694,473
Creditors due within one year	(1,305,503)	-	-	(1,305,503)
Creditors due after one year	-	(869,495)	-	(869,495)
Transfers	(50,002)	50,002	-	-
Total funds	**338,968**	**1,092,713**	**-**	**1,431,681**

Charity	Unrestricted funds	Designated funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2022 £
Fixed assets	-	1,856,341	-	1,856,341
Current Assets	1,547,759	-	-	1,547,759
Creditors due within one year	(1,230,267)	-	-	(1,230,267)
Creditors due after one year	-	(856,909)	-	(856,909)
Transfers	(50,000)	50,000	-	-
Total funds	**267,492**	**1,049,432**	**-**	**1,316,924**

19. Company limited by guarantee

The charity is a company limited by guarantee and has no share capital. The members of the company undertake to contribute such amount as may be required to the company's assets. In the event of the charity being wound up, the liability in respect of each member is limited to £1.

20. Commitments – Consolidated and Charity

Operating lease commitments

The total future minimum lease payments under non-cancellable operating are as follows:

	Hire purchase contracts	
	2022	2021
	£	£
Net obligations repayable:		
Within one year	-	5,796
Between one and five years	-	-
	-	5,796

	Land and buildings		Other leases	
	2022	2021	**2022**	2021
	£	£	**£**	£
Expiring:				
Within one year	54,308	94,430	1,104	-
Between one and five years	30,000	143,576	3,680	16,262
	84,308	238,006	**4,784**	16,262

Capital commitments

At 31 March 2022 the charity had not approved any capital expenditure which has not been contracted for, nor entered any contracts for, capital expenditure which were not provided for (2021 - £nil).

21. Pension Commitments

The charity operates a defined contribution scheme. The pension costs charge for the year was £141,510 (2021: £128,823). At the balance sheet date £23,688 (2021: £20,828) was outstanding.

The charity also contributes to a pension scheme with Cumbria County Council. The pension cost charge represents contributions payable and amounted to £4,545 (2021: £4,859). At the balance sheet date the scheme was in surplus, resulting in a debtor of £5,457 (2021: £4,000 debtor).

The company has one employee who is a member of the defined benefit scheme. The Trustees have decided not to comply with the regulations of Financial Reporting Standard No. 17 to disclose the surplus/deficit of the scheme in relation to their employee in the current year as they believe the figures are immaterial to the financial statements.

22. Related party transactions

During the year the charitable company was under the control of its Board of Trustees. CA Wigley, Chief Executive and Company Secretary was also a director of the trading subsidiary, Right2Work Limited.

Right2Work Limited

On 18 July 2011 the charitable company incorporated a trading subsidiary.

At the year end date, the charitable company had provided an interest bearing loan.

During the year, in addition to the recharge of expenses, The Oaklea Trust has charged Right2Work CIC (a subsidiary of The Oaklea Trust) rent and service charges amounting to £7,410 (2021 - £9,492).

During the year, Right2Work CIC donated £Nil (2021 - £22,305) to the parent, The Oaklea Trust.

At the year end, The Oaklea Trust owed Right2Work CIC £142,971 (2021 - £12,872).

23. Reconciliation of net income/expenditure to net cash flow from operating activities

	2022 **£**	2021 £
Net movement in funds	323,591	391,563
Adjustments for:		
Depreciation charges	89,734	67,958
Amortisation charges	2,574	780
Loss/(profit) on disposal of tangible fixed assets	2,900	(657)
Taxation	12,542	(2,240)
Interest payable	11,359	5,115
Decrease/(increase) in stock	5,259	(8,834)
(Increase) in debtors	(462,825)	(183,857)
Increase in creditors	266,289	476,255
Net cash provided by operating activities	**251,423**	746,083

24. Analysis of changes in net debt

	At 1 April 2021 **£**	**Cash flows**	**At 31 March 2022** **£**
Cash at bank and in hand	654,431	(124,081)	530,350
Loans falling due within one year	(31,729)	(50,955)	(82,684)
Loans falling due after more than one year	(99,000)	(554,184)	(653,184)
	523,702	**(729,220)**	**(205,518)**

THE OAKLEA TRUST

England & Wales - Charity number 1091722

Accounts

REPORT OF THE TRUSTEES AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021 FOR THE OAKLEA TRUST

REGISTERED COMPANY NUMBER: 04416344 (England and Wales)
REGISTERED CHARITY NUMBER: 1091722

THE OAKLEA TRUST

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OAKLEA TRUST STATEMENT OF RECOMMENDED PRACTICE (SORP) REPORT FINANCIAL YEAR 2020/21

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the Financial Statements of the Charity for the year ended 31 March 2021. The Trustees have adopted the provisions of 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 (FRS102).

OBJECTIVES AND ACTIVITIES

The Vision of Oaklea Trust is of a society where individuals are enabled to be effective citizens irrespective of age, disability or disadvantage. The Oaklea Trust mission is to support individuals to achieve their aspirations through care, education and development; encouraging independence and maximising capabilities, and to support communities to maximise their impact upon the lives of beneficiaries and value to society. This mission provides the overarching steer by which the group can achieve its vision. The group works towards this vision and mission through the work of the Charity, Oaklea Trust and its social enterprise subsidiary Right2Work C.I.C.

The objectives of Oaklea Trust are fully detailed within the Memorandum and Articles of Association and can be summarised as follows:

To promote the relief and care of people with learning and other disabilities and also people who are socially disadvantaged and need assistance in the areas of care and support, their home environment, education, training, recreation and to enter or advance in their employment.

The objectives of Right2Work C.I.C are also fully detailed within its Memorandum and Articles of Association and can be summarised as follows:

To carry on activities which benefit the community and in particular people who are disabled and / or disadvantaged through the development of the social enterprise and in the provision of supervision, training, employment, volunteering and social inclusion opportunities.

In the medium term Oaklea Trust has adopted a strategy to achieve its mission focussing on the regions of northern England, engaging with beneficiaries, managing financial resources and employing quality people to do the job.

Quarterly Senior Management Team meetings focus on this strategy, with monitoring of key performance indicators (KPI's) designed to assist the measurement and review of the strategic objectives. KPI's are monitored under the headings of Empowering Quality People, Quality & Safety, Engaging Individuals & Communities, Seven Keys to Citizenship and Adequate Financial Resources.

This strategy is measured through a rigorous annual internal audit cycle for every one of our projects also including Trustee representation. Beneficiaries are included within this process through interviews and questionnaires. The individual quality audits are reviewed by the Senior Management Team to enable organisational learning and development and are brought together into an annual Internal Quality Audit Report which discusses customer outcomes, customer evaluation and quality and safety issues. This annual QA is presented to the Board for further scrutiny.

Management of financial resources is achieved through partnership working between finance and operational teams focussing on the Management Accounts, cash flow monitoring and other financial KPI's. This is embedded within the monthly reporting mechanisms of the organisation and is monitored and reviewed by the Senior Management Team, Executive and Finance Committee on a quarterly basis. Any new developments or tenders are reviewed thoroughly with various scenarios modelled as part of the decision-making process to ensure that any new work contributes sufficiently to a sustainable financial future.

In order to empower quality people to do the job Oaklea Trust have invested resources in the training and development of its employees at all levels. The monthly reporting of KPI's includes monitoring of mandatory and compliance training as well as developmental objectives, monitoring of Performance & Achievement Review statistics and the celebration of outstanding performance. The organisation has developed a plan to maximise the use of the Apprenticeship Levy and is fully engaged in the apprenticeship movement. Oaklea Trust continues to involve employees through the Employee Consultative Group that meets quarterly to share information, consult with employees on changes or new ideas and to provide a platform to allow employees to voice their collective opinions and suggestions. Employee renumeration is considered annually as part of the budget setting process, by the Board's Remuneration Committee.

OAKLEA TRUST STATEMENT OF RECOMMENDED PRACTICE (SORP) REPORT FINANCIAL YEAR 2020/21

KPI Data for Period

	31.03.21	31.03.20
Total number of employees	348	348
Total number of volunteers	4	5
Number of customers supported	160	140

Public Benefit
The Charity Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

The activities undertaken by the Charity are fully in line with its rules as stated within its Memorandum and Articles of Association and approved by the Charity Commission to be charitable.

ACHIEVEMENTS AND PERFORMANCE

Engaging Beneficiaries in Reviewing Performance
During 2020/21 Oaklea Trust has supported over 450 individual customers. Added to this the countless customers in the wider community who have benefitted from the activities of the Appleby Hub, The Furniture Warehouse and Community Works, all of which champion the development of stronger communities.

Our annual Customer & Stakeholder Evaluation Survey provides valuable feedback and is a really important measure of performance for Oaklea Trust. In this survey 100% of Supported Living and Right2Work C.I.C.'s Work and Learn Team customers felt that the care and support they receive is really good.

Where there are areas for improvement we will listen and respond to customers and stakeholders about the changes we have made.

Focussing on Quality
The Oaklea Trust use the results of Care Quality Commission (CQC) inspections, Internal Quality Audits and the Customer & Stakeholder Evaluation Survey as key indicators of quality.

The CQC regulates some of the work undertaken by Oaklea Trust; they work to ensure services are safe, effective, caring, responsive and well-led.

Oaklea Trust undertakes an annual cycle of Internal Quality Audits across all of its activities.
However, during this period IQA visits have been disrupted as a result of the pandemic. We will be resuming this auditing process as soon as possible during 2021.

Customer outcomes are assessed against the organisation's 7 keys to citizenship.

FINANCIAL REVIEW

Results for the Year
The financial environment in which the Charity has been operating during this period has been impacted upon due to the Global Pandemic of COVID 19. The areas affected range from the health and wellbeing of our customers and employees, the increase in provision of protective measures such as PPE, employees self-isolating and increased sickness. The closure of some of our Social Enterprises to comply with Government guidance, and the inability to engage with some of our vulnerable customers who would normally attend Day Provision, clubs and activities.

The focus of the Charity during this period as a direct result of the Global Pandemic has been on the wellbeing of our employees, and the continuation of critical care and support for our many customers, along with being responsive to the needs of local Communities by providing a delivery service including food and medical supplies.

The Charity has been able to make excellent use of technology such as Zoom that has allowed us to continue to plan, meet and communicate with stakeholders and internal customers.

OAKLEA TRUST STATEMENT OF RECOMMENDED PRACTICE (SORP) REPORT FINANCIAL YEAR 2020/21

Through the co-ordination of our Business Continuity structure we have been able to plan and mitigate much of the impact of the pandemic on the business of the Charity and its financial position. We have been able to make good use of the Government's Furlough Scheme for employees unable to work. The use of Local Authority grants that support the increased resources needed to make our employees and customers safe, and grants that support the loss in business with many of our Social Enterprises having to close for extended periods.

The Oaklea Trust achieved a surplus of £391K for the year ending 31st March 2021. The Trust received grants totalling £361k for furloughed staff, infection control procedures and personal protective equipment. These grants offset the extra costs incurred as a result of the pandemic including paying furloughed employees 100% of their salaries.

The Charity incurred redundancy costs of £60k relating to the closure of a supported living project in Nottingham. In addition, homecare provision in Allerdale was TUPEd to another provider.

The Charity has no contingent liability with respect to sleep–in activity. The interpretation of the law with regard to this has now been resolved.

For the year ended 31st March 2021, Right2Work has donated £22K to Oaklea Trust and contributed £17k to its own reserves, as a result of achieving an operating profit of £39k.

The social enterprise was also impacted significantly by the pandemic with closure of The Furniture Warehouse, Appleby Hub and Eden Workshop due to lockdown. Right2Work received Start Up and Furlough Grants of £211k which offset the costs of closure in addition to paying furloughed employees 100% of their salaries.

Through good planning, monitoring and management, the Charity and its subsidiary have been able to remain financially stable, and increase reserves so as to continue to meet objectives for the coming period as well as to support the continued recovery from this difficult period.

Fundraising

Oaklea Trust does not engage heavily in public fundraising and it does not use professional fundraising consultants. As the Edenside Project (Extra Care Housing Development) increases fundraising activities, Oaklea Trust will ensure that in doing so it complies with the Charity Commission guidelines on fundraising and that all fundraising activities are monitored through the Finance Committee. There have been no complaints received during the year with regard fundraising activities.

Reserves

The Oaklea Trust has total reserves of £1,108K

The group's unrestricted balance of £1,108K is partially supported by net fixed assets and net current assets. Most of the unrestricted fund balance does not relate to liquid assets held, but rather net fixed assets (monies already spent on fixed assets less the balance of long term loans held to finance those assets), leaving £367k supported by net current assets. The nature of the Charity's income is mainly predictable and has a direct correlation with the Charity's cost structure, allowing the Charity to operate with a lower reserves balance than many other organisations. However, the Board of Trustees does recognise the need to increase free reserves in support of the Oaklea Trust activities and growth.

The Board have set a reserves policy equivalent to 2 months unrestricted charitable expenditure. At the year end the Charity had funds equivalent to 1.8 months' worth (before accounting for designated amounts).

PLANS FOR FUTURE PERIODS

We will continue to monitor and assess the evolving situation and are working to avoid disruptions caused by the pandemic, whilst at the same time acting responsibly to prevent further spread of the virus. Oaklea Trust is committed to providing a safe working environment and we will ensure all steps are taken to protect the health and wellbeing of all our customers, employees and the communities in which we work.

At the same time, working practices have changed to ensure the future growth of the company and its subsidiary can continue, with limited delays. The financial out-turn is strong, allowing us to be in the best possible shape to weather this challenging time.

OAKLEA TRUST STATEMENT OF RECOMMENDED PRACTICE (SORP) REPORT FINANCIAL YEAR 2020/21

Within 2021 we hope to progress the following new developments:

The further progression of Extra Care Housing (Edenside) within Appleby, Cumbria.
The development of a (Hub 2) project within Cumbria.
The opening of our first Learning2Live project within Cumbria.
The continued growth of Supported Living within County Durham.
The development of the Green Mentor project within Cumbria.
The addition of complex health care support packages within County Durham.
The growth of our Children's & Young people's work within Cumbria.
The recruitment of two new Trustees to the Charity and two new Directors to the CIC.
The de-registration and development into Supported Living for one project within Northumberland.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Oaklea Trust is a registered charity and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. The Oaklea Trust is controlled by its governing document, a Memorandum and Articles of Association.

The Oaklea Trust Board meets regularly throughout the year and in addition attends an annual away day with the Executive to review the strategic direction of the organisation, current and future challenges, goals and aims of the Charity.

The Oaklea Trust also operates a Finance Committee and a Remuneration Committee. The Finance Committee ensures that the organisation operates within the best practice guidance of the Charity Commission and ensures thorough review and monitoring of the financial management of the organisation. The Finance Committee meets quarterly and operates within Terms of Reference as set by the Board of Trustees.

The Remuneration Committee meets once a year to consider employee renumeration within the Charity in line with budgeted productions.

The Board of Trustees also delegate authority to the Executive as outlined in policy.

All employees and Trustees are recruited utilising open advertisement and in accordance with Recruitment and Selection Policies. Oaklea is a supporter of the disability confident campaign and has achieved *Disability Confident* status. Oaklea Trust's policy is to promote equality of opportunity to all in employment and the selection process irrespective of their gender, race, ethnic origin, disability, age, nationality, sexuality, marital status and social class. Oaklea oppose all forms of unlawful and unfair discrimination. Selection for employment, promotion, training and any other benefits is on the basis of aptitude and ability.

All new Trustees are given induction packs that provide information about their responsibilities under company and charity law. All Trustees conform to Oaklea Trust's Declaration of Interests policy. A new Trustee may join the organisation on a trial period prior to being formally appointed. Their role during this period is one of observer to gain an understanding of the complexities of the organisation and their responsibilities as Trustee.

The Oaklea Trust's social enterprise subsidiary Right2Work C.I.C operates under its own Memorandum and Articles of Association. Right2Work C.I.C. is a Community Interest Company and is wholly owned by Oaklea Trust. There is an asset lock in place which ensures that the Oaklea Trust is the recipient of any residual assets should the company be wound up. Right2Work C.I.C. is a 'not for profit' organisation and any surpluses or assets are used for the benefit of the community, save those donated to the Oaklea Trust.

Right2Work C.I.C has its own Board with a minimum of three Directors, of which at least one must be from the Oaklea Trust Board of Trustees and at least one must be independent of the Oaklea Trust. The relationship between the two organisations is subject to an agreed intercompany agreement.

The Trustees and Directors have a duty to identify and review the risks to which the Charity and its subsidiary are exposed. Both organisations keep a live Risk Register which is regularly discussed at Board meetings. There is a risk policy in place which ensures the assessment and monitoring of risk, each risk is scored and a key individual identified to take any actions as necessary.

OAKLEA TRUST STATEMENT OF RECOMMENDED PRACTICE (SORP) REPORT FINANCIAL YEAR 2020/21

The Oaklea Trust Strategic Risk Register focusses on the areas of: Financing, Contracts & Business Development, People, Information Technology and Digital Media and Governance. Each of these risks is analysed into risk factors and control measures are put in place where necessary and appropriate. At the moment the key risks identified are: Impact of Living Wage Foundation and the impact of political changes on income flows through the public sector, the viability of existing Local Authority and NHS contracts and the capacity to develop new business, the speed at which digital technology is changing and the security of data, the changing nature of the sector and the changing nature of governance within it.

The Right2Work C.I.C Risk Register focuses on the same areas. All of these issues are currently under review and measures are being developed as appropriate.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04416344 (England and Wales)

Registered Charity number
1091722

Registered Office
Second Floor
East Wing
Station House
Station Road
Kendal
Cumbria
LA9 6RY

Trustees
L J Adey
M Bedworth
C T J Harris
S F O'Halloran
N Woodcock (Resigned 2 March 2021)
M A Scott
M L Denoual
J R Nichol (Resigned 8 October 2020)
C Reed
J S Davison (Resigned 27 October 2020)
S Grainger

Company Secretary
C Wigley

Auditors
Champion TLL Accountants Ltd
Chartered Accountants & Statutory Auditors
7-9 Station Road
Hesketh Bank
Preston
Lancashire
PR4 6SN

OAKLEA TRUST STATEMENT OF RECOMMENDED PRACTICE (SORP) REPORT FINANCIAL YEAR 2020/21

Bankers

Handelsbanken
First Floor East
Bridge Mills
Stramongate
Kendal
Cumbria
LA9 4UB

Solicitors

Womble Bond Dickinson
1 Whitehall Riverside
Leeds
LS1 4BN

Key Management Personnel

In addition to the Trustees:

Executive Team
S Green (Director)
C Wigley (Chief Executive)
A Wolfenden (Director)

THE OAKLEA TRUST

REPORT OF THE TRUSTEES - Continued
FOR THE YEAR ENDED 31ST MARCH 2021

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

Approved by order of the board of trustees on 10 November 2021 and signed on its behalf by:

CA Wigley - Secretary

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE OAKLEA TRUST

Opinion
We have audited the financial statements of The Oaklea Trust and the Group for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the Charitable Company's / Group's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Charitable Company / Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
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 Charitable Company / Group'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.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE OAKLEA TRUST - continued

Opinions 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the Charitable Company / Group 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 Charitable Company's / Group'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 Charitable Company / Group or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE OAKLEA TRUST

Our responsibilities for the audit of the financial statements
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 a Report of the Independent Auditors 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:

- We obtained an understanding of the legal and regulatory frameworks applicable to the Charitable Company / Group and the sector in which they operate. We determined that the following laws and regulations were most significant; the Charities SORP (FRS 102), the Companies Act 2006, Employment regulation and Health and Safety legislation.

- We obtained an understanding of how the Charitable Company / Group is complying with those legal and regulatory frameworks by making inquiries to the management.

- We assessed the susceptibility of the Charitable Company's / Group's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit engagement team included:

  - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
  - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
  - Challenging assumptions and judgements made by management in its significant accounting estimates;
  - Identifying and testing journal entries; in particular any journal entries posted with unusual account combinations;
  - Reviewing material variation from our expectations in the income, expenses and balances; and
  - Assessing the extent of compliance with the relevant laws and regulations.

There are inherent limitations in the audit procedures described above, and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or inherent misrepresentations, or through 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 Report of the Independent Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE OAKLEA TRUST

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. 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

P Buck ACA,DChA (Senior Statutory Auditor)
for and on behalf of Champion Accountants LLP
7-9 Station Road
Hesketh Bank
Preston
Lancashire
PR4 6SN

Date: 10 Nov. 2021

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

	Notes	Unrestricted fund £	Restricted funds £	Endowment fund* £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	2	-	558,040	-	558,040	91,019
Charitable activities	4					
Care and Support in the Community		7,552,395	-	-	7,552,395	6,725,010
Other trading activities	3	603,291	560	-	603,851	790,928
Total		8,155,686	558,600	-	8,714,286	7,606,957
EXPENDITURE ON						
Charitable activities						
Care and Support in the Community		7,214,445	280,472	-	7,494,917	6,759,611
Other						
Commercial trading operations		553,164	274,642	-	827,806	773,198
Total		7,767,609	555,114	-	8,322,723	7,532,809
NET INCOME/ (EXPENDITURE)		388,077	3,486	-	391,563	74,148
Transfer between funds		15,486	(3,486)	(12,000)	-	-
Net movement in funds		403,563	-	(12,000)	391,563	74,148
RECONCILIATION OF FUNDS						
Total funds brought forward		704,527	-	12,000	716,527	642,379
TOTAL FUNDS CARRIED FORWARD		**1,108,090**	-	-	**1,108,090**	**716,527**

* The Endowment fund relates to the property (Appleby Hub) donated to the Charity during 2016 which is to be used for ongoing charitable purposes and could not be sold / realised as cash until October 2020. The transfer out of this fund during the year, leaving a £Nil balance carried forward, was made to reflect the fact that this date has now passed.

The consolidated figures above include the results of the Charity which had income for the year of £8,124,815 (2020: £7,159,301) and a net surplus of £374,563 (2020: surplus £57,148).

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on the appended pages form part of these Financial Statements.

Consolidated/Charity Balance Sheets
As at 31st March 2021

	Notes	Consolidated 2021 Group £	Consolidated 2020 Group £	Charity 2021 Charity £	Charity 2020 Charity £
FIXED ASSETS					
Intangible assets	12	2,574	3,354	2,574	3,354
Tangible assets	13	1,047,579	1,056,666	1,013,253	1,010,424
Investments		-	-	1	1
		1,050,153	1,060,020	1,015,828	1,013,779
CURRENT ASSETS					
Stock		11,380	2,546	5,388	-
Debtors	15	695,177	511,320	626,462	472,944
Cash at bank		654,431	40,348	586,331	8,401
		1,360,988	554,214	1,218,181	481,345
CREDITORS					
Amounts falling due within one year	16	(993,915)	(548,475)	(903,288)	(506,833)
NET CURRENT ASSETS		367,073	5,739	314,893	(25,488)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,417,226	1,065,759	1,330,721	988,291
CREDITORS					
Amounts falling due after more than one year	17	(309,136)	(349,232)	(302,724)	(334,857)
NET ASSETS		1,108,090	716,527	1,027,997	653,434
FUNDS					
Unrestricted funds:					
General funds	21	367,073	704,527	314,893	641,434
Designated funds		741,017	-	713,104	-
Restricted funds		-	-	-	-
Endowment Funds – donated property		-	12,000	-	12,000
NET ASSETS		1,108,090	716,527	1,027,997	653,434

The notes to the Accounts will allocate funds between asset and liability types.

The Financial Statements were approved by the Board of Trustees on 10 November..... 2021 and were signed on their behalf by:-

MA Scott

MA Scott – Trustee

Registered Charity Number: 1091722

Registered Company Number: 04416344

The notes form part of these Financial Statements

CONSOLIDATED CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Cash generated from operations	1	746,083	225,707
Interest paid		(5,115)	(8,000)
Net cash provided by (used in) operating activities		740,968	217,707
Cash flows from investing activities:			
Purchase of tangible fixed assets		(58,988)	(184,072)
Sale of tangible fixed assets		774	-
Interest received		-	-
Net cash provided by (used in) investing activities		(58,214)	(184,072)
Cash flows from financing activities:			
New loans / (loan repayments) in year		(30,760)	(42,806)
Hire purchase creditor increase/(decrease)		(5,857)	359
Net cash provided by (used in) financing activities		(36,617)	(42,447)
Change in cash and cash equivalents in the reporting period		646,137	(8,812)
Cash and cash equivalents at the beginning of the reporting period	2	8,294	17,106
Cash and cash equivalents at the end of the reporting period	2	654,431	8,294

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	391,563	74,148
Adjustments for:		
Depreciation charges	67,958	67,190
Interest received	-	-
Interest paid	5,115	8,000
Deferred tax	(2,240)	8,652
(Surplus)/Deficit on disposal of fixed assets	(657)	11,351
Amortisation	780	780
Decrease/(increase) in stocks	(8,834)	1,797
Decrease/(increase) in debtors	(183,857)	94,531
(Decrease)/increase in creditors	476,255	(40,742)
Net cash provided by (used in) operating activities	746,083	225,707

2. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021	2020
	£	£
Cash at bank and in hand	654,431	40,348
Overdrafts included in bank loans and overdrafts falling due within one year	-	(32,054)
Total cash and cash equivalents	654,431	8,294

THE OAKLEA TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared in accordance with the Charities SORP (FRS102) '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 (FRS102) (effective 1 January 2015); the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

Group Financial Statements
These Financial Statements consolidate the results of the charity, and its Subsidiary: Right2Work Limited on a line by line basis. Details of the relationship between these entities are included in the notes to the Financial Statements.

Income
All income is recognised in the Statement of Financial Activities once the Charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Contractual income received from central and local government, health bodies and private sources to assist in the funding of the trust are recognised in full in the Statement of Financial Activities in the year in which they are received, unless they relate to specific future expenditure in which case they are deferred to match future costs.

Legacies are included when the Charity is legally entitled (the earlier of notification on an impending distribution or actual receipt) and the amount can be quantified with reasonable accuracy.

Donations are only included when the Trust has unconditional entitlement to the resource.

All other incoming resources are recognised on an accruals basis.

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Support costs
Support costs are shown in note 7. These all relate to the one charitable activity and as such don't need to be allocated between different headings (fundraising activity costs are immaterial). Governance costs, which are shown separately, are allocated on the same basis.

Goodwill
Goodwill is recorded at cost and amortised over its expected life of ten years.

Tangible fixed assets
All fixed assets are initially recorded at cost and the limit for capitalisation is £350.

Notes *(Continued .....)*

1. ACCOUNTING POLICIES – continued

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold/leasehold Property	not depreciated (see below)
Office Equipment	25% - 33% reducing balance
House Contents	25% reducing balance
Motor Vehicles	25% reducing balance
Leasehold Property Improvements	Over the term of the lease

Land and buildings are not depreciated since it is considered that given the long life of the properties concerned, depreciation would be immaterial, if any. The Directors carry out an annual impairment review in accordance with Accounting Standards.

Operating lease agreements
Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease.

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

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Further explanation of the nature and purpose of each fund is included in the notes to the Financial Statements.

Pension costs and other post-retirement benefits
The Charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the Charitable Company. Employer contributions in respect of this scheme are charged to the Statement of Financial Activities in the period to which they relate.

In addition the Charity has an employee who is a member of the Cumbria County Council Pension Scheme which is a defined benefit scheme. The assets of the Scheme are held separately from those of the Charitable Company. Employer contributions in respect of this scheme are also charged to the Statement of Financial Activities in the period to which they relate.

Taxation
The parent company, as a non trading registered charity is exempt from income and capital gains taxation.

Going Concern
Under the Charity SORP all large Charitable Companies are required to comment on their ability to continue as a going concern, whether or not there are any risks. The Financial Statements have been prepared on a going concern basis which the Trustees consider to be appropriate having considered the foreseeable future. The total unrestricted funds balance is just under the target level (before accounting for the designated funds), equating to around 1.7 months' worth of unrestricted direct charitable expenditure.

The nature of the Charity's income is mainly predictable and has a direct correlation with the Charity's cost structure allowing the Charity to operate with a lower reserves balance (i.e. based on 2 months' worth of unrestricted direct charitable expenditure) than many other organisations.

There has been a surplus for the year and the Group has forecast another surplus for the coming year which will enable it to continue meeting day-to-day costs and increase general reserves toward the target level.

Notes *(Continued .....)*

2. DONATIONS AND LEGACIES

	2021 £	2020 £
Grants and sponsorship	557,701	90,873
General donations	339	146
	558,040	91,019

3. OTHER TRADING ACTIVITIES

	2021 £	2020 £
Fundraising events	560	1,016
Commercial trading operations	603,291	789,912
	603,851	790,928

4. INCOME FROM CHARTIABLE ACTIVITIES

	2021 £	2020 £
Care and support in the Community	7,547,936	6,714,868
Care and support in the Community – other	4,459	10,142
	7,552,395	6,725,010

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (See note 6) £	Support costs (See note 7) £	Totals £
Care and Support in the Community	7,482,847	-	12,070	7,494,917

6. GRANTS PAYABLE

	2021 £	2020 £
Care and Support in the Community	-	-

Notes *(Continued .....)*

7. SUPPORT COSTS

	Governance Costs 2021 £	Governance Costs 2020 £
Care and Support in the Community	12,070	15,256

Support costs, included in the above, are as follows:

	2021 Care and Support in the Community £	2020 Care and Support in the Community £
Trustees' expenses	70	3,556
Auditors' fees	12,000	11,700
	12,070	15,256

8. NET INCOME/(EXPENDITURE) FOR THE YEAR

Net Incoming resources are shown after charging:

	2021 £	2020 £
Depreciation – owned assets	67,958	67,190
(Surplus)/Deficit on disposal of fixed assets	(657)	11,351
Auditors' remuneration	12,000	11,700
Goodwill amortisation	780	780

9. TRUSTEES REMUNERATION AND BENEFITS – CHARITY AND GROUP

There was no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses	2021 £	2020 £
Trustees' expenses	70	3,556

Expenses relate to 1 Trustee (2020: 5)

Notes *(Continued .....)*

10. STAFF COSTS AND EMOLUMENTS

	2021 £	2020 £
Wages and salaries	6,567,553	5,817,853
Social Security costs	491,257	426,028
Pension costs	128,823	116,058
	7,187,633	6,359,939

Particulars of employees

The average number of employees (based on headcount) during the year, calculated was as follows:

	2021 £	2020 £
Management staff	53	50
Admin staff	18	53
Care and support staff	327	294
	398	397

Only one employee received remuneration over £60,000 during the year (2020: one), being the amount disclosable according to the Charity Commission, whose earnings including pension contributions were in the £70,000 - £80,000 band.

Payments to key management personnel for the year ended 31 March 2021 totaled £257,164 (2020: £284,046).

Notes *(Continued .....)*

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	-	91,019	-	91,090
Charitable activities				
Care and Support in the Community	6,725,010	-	-	6,725,010
Other trading activities	789,912	1,016	-	790,928
Total	7,514,922	92,035	-	7,606,957
EXPENDITURE ON				
Charitable activities				
Care and Support in the Community	6,758,246	1,365	-	6,759,611
Other				
Commercial trading operations	705,667	67,531	-	773,198
Total	7,463,913	68,896	-	7,532,809
NET INCOME/(EXPENDITURE)	51,009	23,139	-	74,148
Transfer between funds	43,139	(23,139)	(20,000)	-
Net movement in funds	94,148	-	(20,000)	74,148
RECONCILIATION OF FUNDS				
Total funds brought forward	610,379	-	32,000	642,379
TOTAL FUNDS CARRIED FORWARD	**704,527**	-	**12,000**	**716,527**

Notes *(Continued .....)*

12. INTANGIBLE FIXED ASSETS

Consolidated / Charity	**Goodwill**
	£
COST	
At 1 April 2020 and 31 March 2021	7,800
AMORTISATION	
At 1 April 2020	4,446
Charge for year	780
At 31 March 2021	5,226
NET BOOK VALUE	
At 31 March 2021	2,574
At 31 March 2020	3,354

13. TANGIBLE FIXED ASSETS

Assets for the Charity's own use:

Consolidated

	Freehold/ Leasehold Property	**Improvements to Property**	**Office Equipment**	**House Contents**	**Motor Vehicles**	**Total**
		£	**£**	**£**	**£**	**£**
Cost						
Brought forward	1,071,405	20,546	283,830	148,549	84,267	1,608,597
Additions	-	-	52,517	6,471	-	58,988
Disposals	-	-	(864)	-	-	(864)
Carried forward	1,071,405	20,546	335,483	155,020	84,267	1,666,721
Depreciation						
Brought forward	195,234	2,055	201,281	110,902	42,459	551,931
Charge for the Year	1,529	2,054	42,892	11,030	10,453	67,958
Eliminated on disposal	-	-	(747)	-	-	(747)
Carried forward	196,763	4,109	243,426	121,932	52,912	619,142
Net book value						
At 31 March 2021	874,642	16,437	92,057	33,088	31,355	1,047,579
At 31 March 2020	876,171	18,491	82,549	37,647	41,808	1,056,666

Notes *(Continued .....)*

13. TANGIBLE FIXED ASSETS – Continued

Charity

	Freehold/ Leasehold Property £	Improve-ments to property £	Office equipment £	House contents £	Motor Vehicles £	Total £
Cost						
Brought forward	1,063,764	20,546	270,257	148,549	11,502	1,514,618
Additions	-	-	51,423	6,471	-	57,894
Disposals	-	-	(864)	-	-	(864)
Carried forward	1,063,764	20,546	320,816	155,020	11,502	1,571,648
Depreciation						
Brought forward	191,286	2,055	192,088	110,902	7,863	504,194
Charge for the Year	-	2,054	40,954	11,030	910	54,948
Eliminated on disposal	-	-	(747)	-	-	(747)
Carried forward	191,286	4,109	232,295	121,932	8,773	558,395
Net book value						
At 31 March 2021	872,478	16,437	88,521	33,088	2,729	1,013,253
At 31 March 2020	872,478	18,491	78,169	37,647	3,639	1,010,424

Included within freehold/leasehold property is a leasehold property with a cost of £132,836 and a net book value of £111,582. In 2016 there was also an addition of £100,000 in cost and net book value for a freehold property that was donated to the Charity, the net book value of this property at the year end was £96,000. The other freehold and leasehold properties were valued on 12 October 2020 by Richard P Taylor, Chartered Surveyors at a combined value of £1,015,000.

14. FIXED ASSET INVESTMENTS (SHARE CAPITAL OWNED £1)

	2021 £	2020 £
Right2Work Limited:		
Profit/(loss) for the year	17,000	17,000
Net assets/(liabilities)	80,093	63,093

The profit for the year value above is after donations made to the parent Charity.

Notes *(Continued .....)*

15. DEBTORS

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	405,608	222,159	368,927	206,641
Amounts owed by group undertakings	-	-	-	7,359
Other debtors	229,207	235,256	228,311	229,907
Prepayments and accrued income	60,362	53,905	29,224	19,037
	695,177	511,320	626,462	462,944
Amounts falling due after more than one year				
Amounts owed by group undertakings	-	-	-	10,000
Aggregate Amounts	695,177	511,320	626,462	472,944

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdrafts (see note 18)	31,729	62,410	31,729	62,410
Trade creditors	66,389	82,042	59,330	78,708
Other creditors	50,221	44,411	50,221	44,411
Social Security and other taxes	129,890	108,711	112,287	96,525
Accruals and deferred income	709,890	244,971	636,849	224,779
Hire purchase (see note 19)	5,796	5,930	-	-
Amounts owed to group undertakings	-	-	12,872	-
	993,915	548,475	903,288	506,833

Bank loans are repayable in quarterly instalments and interest is currently charged between 3.3%-3.6%.
Bank loans and overdrafts are secured by first legal charges over Freehold and Leasehold properties at Garth Brow and Lowther Park, Kendal; Yealand Drive, Ulverston; Edenside, Appleby; and a debenture over all other property and assets.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
Bank loans (see note 18)	99,000	131,133	99,000	131,133
Accruals and deferred income	203,724	203,724	203,724	203,724
Hire purchase (see note 19)	-	5,723	-	-
Deferred tax	6,412	8,652	-	-
	309,136	349,232	302,724	334,857

The bank loans are secured by the Charity, as noted above.

Notes *(Continued .....)*

18. LOANS

An analysis of the maturity of loans is given below:

	Consolidated		Charity	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year on demand:				
Bank overdraft	-	32,054	-	32,054
Bank loans	31,729	30,356	31,729	30,356
	31,729	62,410	31,729	62,410
Amounts falling due between one and two years:				
Bank loans – 1 – 2 years	32,000	54,133	32,000	54,133
Amounts falling due between one and two years:				
Bank loans – 2 – 5 years	67,000	77,000	67,000	77,000

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Hire purchase contracts	
	2021	2020
	£	£
Net obligations repayable:		
Within one year	5,796	5,930
Between one and five years	-	5,723
	5,796	11,653

	Land and buildings		Other operating leases	
	2021	2020	2021	2020
	£	£	£	£
Expiring:				
Within one year	94,430	70,194	-	20,567
Between one and five years	143,576	167,752	16,262	33,603
	238,006	237,946	16,262	54,170

20. PENSION COMMITMENTS

The Charity operates a defined contribution scheme. The pension costs charge for the year was £128,823 (2020: £126,574). At the balance sheet date £20,828 (2020: £19,252) was outstanding.

The Charity also contributes to a pension scheme with Cumbria County Council. The pension cost charge represents contributions payable and amounted to £4,859 (2020: £9,597). At the balance sheet date the scheme was in surplus, resulting in a debtor of £4,000 (2020: £403 creditor).

The Company has one employee who is a member of the defined benefit scheme. The Trustees have decided not to comply with the regulations of Financial Reporting Standard No.17 to disclose the surplus/deficit of the scheme in relation to their employee in the current year as they believe the figures are immaterial to the Financial Statements.

Notes *(Continued .....)*

21. INCOME FUNDS

Consolidated

31.03.2021	Balance at 01.04.2020	Incoming Resources	Outgoing Resources	Transfers between Resources	Balance of funds
	£	£	£	£	£
Unrestricted Funds					
General fund	704,527	8,155,686	(7,767,609)	(725,531)	367,073
Designated Fund	-	-	-	741,017	741,017
Restricted Funds*					
Restricted	-	558,600	(555,114)	(3,486)	-
Endowment Funds					
Endowment	12,000	-	-	(12,000)	-
Total funds	**716,527**	**8,714,286**	**(8,322,723)**	**-**	**1,108,090**

Charity

	Balance at 01.04.2020	Incoming Resources	Outgoing Resources	Transfers between funds	Balance at 31.03.2021
	£	£	£	£	£
Unrestricted Funds					
General fund	641,434	7,840,857	(7,469,780)	(697,618)	314,893
Designated Fund	-	-	-	713,104	713,104
Restricted Funds*					
Restricted	-	283,958	(280,472)	(3,486)	-
Endowment Funds					
Endowment	12,000	-	-	(12,000)	-
Total funds	653,434	8,124,815	(7,750,252)	-	1,027,997

The designated fund represents the net fixed assets (fixed assets less of long-term creditors) which are not liquid amounts, and are represented by long term amounts already spent within the charity.

The restricted income includes various grants received mostly associated with the impact of Covid-19.
The Coronavirus Job Retention Scheme government grant, along with grants from the local councils, make up the majority of the restricted income, all of which were spent as at 31 March 2021.

The endowment fund represents the value of a building that was donated to the Charity in 2016 and is to be retained for charitable use by the Charity. The endowment categorisation reflects the fact that the building cannot be sold and realised as cash until October 2020. The transfer out of this fund during the year, leaving a £Nil balance carried forward, was made to reflect the fact that this date has now passed.

Notes *(Continued .....)*

21. INCOME FUNDS - Continued

Allocation of Assets and Liabilities Between Funds

The fund balances are represented by assets and liabilities as follows:

	Consolidated			Charity		
	Unrestricted Fund £	Designated Fund £	Restricted Fund £	Unrestricted Fund £	Designated Fund £	Restricted Fund £
Fixed Assets	-	1,050,153	-	-	1,015,828	-
Current Assets	1,360,988	-	-	1,218,181	-	-
Current Liabilities	(993,915)	-	-	(903,288)	-	-
Creditors due over one year	-	(309,136)	-	-	(302,724)	-
	367,073	741,017	-	314,893	713,104	-

22. RELATED PARTY DISCLOSURES

Trustees

During the year the charitable company was under the control of its Board of Trustees. CA Wigley, Chief Executive and Company Secretary was also director of the trading subsidiary, Right2Work Limited.

Right2Work Limited

On 18 July 2011 the charitable company incorporated a trading subsidiary. At the year end date the charitable company had provided an interest bearing loan.

The group balances at the year end of £12,872 creditor (2020: £17,359 debtor) is the net of the loan noted above and day to day recharges.

Some of the trustees represent organisations which regularly fund or transact with The Oaklea Trust, however such transactions with these organisations are closely monitored and are at arms-length. No trustee had control or significant influence due to the corporate governance programme of both boards and their written constitutions.

No other transactions with related parties were undertaken such as is required to be disclosed under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland.

23. COMPANY LIMITED BY GUARANTEE

The Charity is a company limited by guarantee and has no share capital. The members of the Company undertake to contribute such amount as may be required to the company's assets. In the event of the charity being wound up, the liability in respect of each member is limited to £10.

Notes *(Continued .....)*

24. AGENCY INCOME EXCLUDED FROM ACCOUNTS

During the year the Charity received funding which is reimbursed to clients in full.

The attributable amounts are not included within income and expenditure of the Charity, nor are the related balances, since the Charity only acts as an agent in relation to these amounts.

The amounts administered and excluded are as follows:

Income received £115,515; Costs distributed £108,441; Closing balances held on behalf of others: (£4,144).