

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

THE OAKLEA TRUST

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

THE OAKLEA TRUST

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 remuneration 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.

THE OAKLEA TRUST

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.

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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.

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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 remuneration 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.

THE OAKLEA TRUST

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)

THE OAKLEA TRUST

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:



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	1,089	470,760	471,849	-	558,040	-	558,040
Charitable activities	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	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	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.

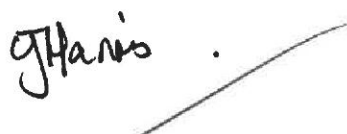
The notes on the appended pages form part of these Financial Statements.

Consolidated and Charity Balance Sheets as at 31 March 2022

	Notes	Consolidated		Charity	
		2022	2021	2022	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:



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

THE OAKLEA TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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).

THE OAKLEA TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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.

THE OAKLEA TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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.

THE OAKLEA TRUST

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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.

THE OAKLEA TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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

THE OAKLEA TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

5 Expenditure on charitable activities

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	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

	2022 £	2021 £
This is stated after charging:		
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	-

THE OAKLEA TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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.

THE OAKLEA TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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

THE OAKLEA TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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

THE OAKLEA TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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:

THE OAKLEA TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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

THE OAKLEA TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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.

THE OAKLEA TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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 OAKLEA TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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.

THE OAKLEA TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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.

THE OAKLEA TRUST
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

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)

