



Annual Report and Accounts 2022



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Reference and administrative details

Governing document: Memorandum & Articles of Association

Patron: The former Prince of Wales

Board of Trustees:

Mr T Adlam (appointed 15th September 2022)
Mr S Barber (appointed 15th September 2022)
Mr B Farmer (appointed 15th September 2022)
Ms M Grecna
Mr J Kimani
Ms A Lowndes (appointed 15th September 2022)
Ms C MacQueen
Ms M McBrien
Ms L Rainbow (resigned 1st August 2022)
Ms M Reru
Prof K Schreckenber
Dr Stephen Vickers
Ms R Wanyoike

Chief Executive Officer: James Whitehead

Registered office: The Old Music Hall, 106 – 108 Cowley Road, Oxford, OX4 1JE

Bankers: CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

Independent examiner: Ben Hayes FCA, Wenn Townsend, 30 St. Giles, Oxford, OX1 3LE

Charity Number: 1106269

Company Number: 5219549

An introduction from our Chair

Dr Stephen Vickers

I am proud of what we have achieved this year in Africa and in the UK – the commitment of everyone in this joint endeavour has been outstanding. The International Tree Foundation is a charity but it is also a vibrant community. We are a community of people who care deeply about our planet and the vital role that trees play in supporting all life on earth. This community includes our supporters, it includes tree planters, farmers, foresters, entrepreneurs and teachers. We are a community of people who care deeply about our planet (repeated)

This year we published our new strategy – it is one that calls us to continually adapt to meet the pressing challenges that our planet faces. ITF is a dynamic, impact-focused charity that is grounded in core values that include partnership, competence and integrity. We are proud of our heritage and are tirelessly seeking ways that we can create a greater difference. The strategy is one that we are already putting into practice – championing a sustainable approach that unlocks the multiple benefits of trees for people and planet. We've got so much more to do and bigger plans for the year ahead.



Objectives

The International Tree Foundation's charitable objectives are:

1. To promote the conservation, protection and improvement of the physical and natural environment, in particular by:
 - 1.1 planting and caring for trees and encouraging the planting and caring for trees globally; and
 - 1.2 fostering an appreciation of trees and the amenity and ecological value of tree cover.
2. To advance education for the public benefit in trees and their habitats
3. To promote the sciences of silviculture, arboriculture, agro-forestry and associated fields for the public benefit.



Looking back at 2022

James Whitehead, CEO

This has been a year when there has been increasing concern about the climate crisis. Tree planting and reforestation is widely seen as a crucial part of the solution. We want to ensure that this is done in the right way, working closely with communities to unlock the multiple benefits of tree planting and restoration. This annual report demonstrates our commitment to realising that – bringing technical expertise, local knowledge and sheer determination to the task of transforming landscapes and lives.

This year we marked our centenary and also launched our new strategy. We have four inter-linked pillars that are articulated in the strategy:

- A. Environment: Communities increase global tree cover and reforestation with appropriate tree cultivation
- B. Livelihoods: Communities grow trees to improve their livelihoods in sustainable and productive landscapes
- C. Education: Greater understanding of the ecological, environmental, social and economic value of trees

- D. Capacity building: Civil society builds capacity to advocate for and implement community-led forestry
These pillars encompass a broad range of work that will continue to evolve and grow in the years ahead.

All the successes over this year have come from the team, communities and partners we work with and it is their visions and impact that we want to highlight in this impact report. Furthermore, the achievements described here are also down to our supporters and funders. Your trust in us is humbling and we don't take it lightly. We are working hard to make every penny count and to consistently deliver quality projects and enduring impact.

In the last year we have seen an expansion of our work across the UK and Ireland and Africa. Our partners have managed to deal with hail storms, drought and natural disasters. And yet thanks to their drive and energy they have carried out remarkable work which is re-greening landscapes, creating employment, restoring biodiversity and changing lives. Over 800,000 trees were planted during the year but our impact can't just be counted in trees – it is the multiple benefits that we strive to create – contributing to 12 of the 17 UN Sustainable Development Goals. This year I have seen first-hand the difference that this work makes on the ground – for communities and in terms of wider ecological benefits. As Stephen, our Chair states, we've got so much more to do for the year ahead and we look forward to achieving that together.



James Whitehead, CEO

In order to better reflect the environment we're working in, we are now measuring all our impact based on the tree planting year, 1 October – 30 September. In order to adapt to this new reporting period, the figures overleaf reflect our work January 2022 to September 2022.

Achievements and performance

What ITF and our partners achieved in 2022



834,219

wonderful trees planted and growing



391

crucial hectares of forest conserved or restored



12

projects increased vital biodiversity or ecosystem services



52,276

people reached through awareness campaigns



44,253

young people learned about our environment and conservation



12,517

remarkable people participated in our projects over the year



87

community organisations increased forestry and agroforestry capacity



4,469

participants increased household income through our projects



2,116

hardworking smallholder farmers increased their yield



33%

of leadership roles in our partner organisations held by women



1,581

brilliant teachers and youth workers trained



3,786

staff and generous volunteers received training

Our impact in Africa

Wycliffe Matika, Africa Programme Manager

2022 was a resurgent year for ITF's work in Africa. As Africa Programme Manager, I am so inspired by the projects we support and the people we work with. It is humbling to work on projects that tackle the challenges of the current climate and ecological crises as well as supporting communities to build sustainable livelihoods and resilience against climate change.

Through the Sustainable Community Forestry Programme and Watu wa Miti in Kenya, we were able to implement and embed a multi-impact approach across our projects, contributing to 10 out of 17 of the UN Sustainable Development Goals.

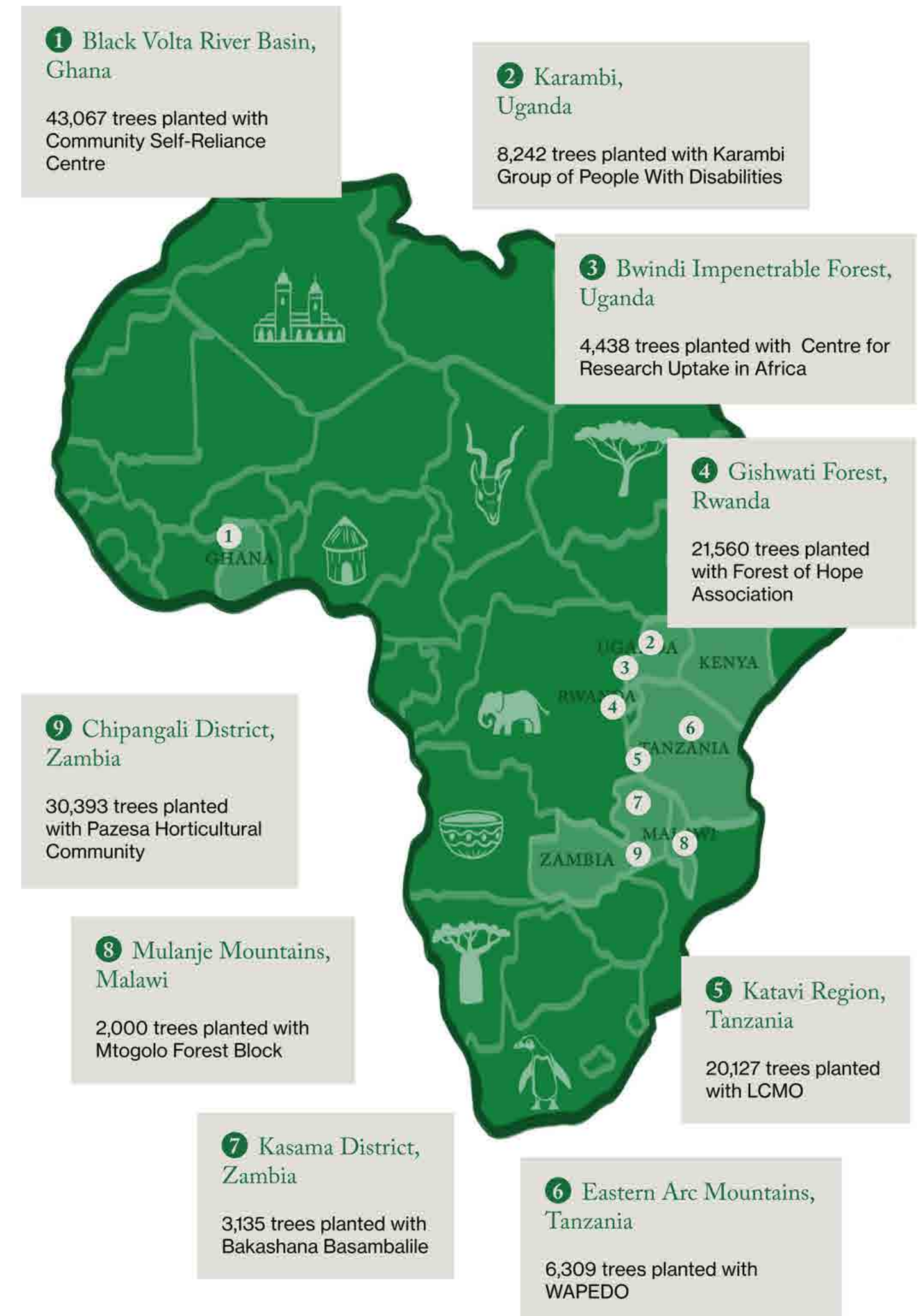
In 2022, we mobilised 34 community tree planting partners across 11 countries to implement transformational forest and landscape restoration activities across the continent.

Together we planted more than three quarters of a million trees – with thanks to our generous supporters, partners and funders like One Tree Planted and Ecologi.

And as always, we've had a strong focus on planting 22 trees species that are threatened with extinction to protect the future of our forests.

In 2023, we envisage a significant growth of our work and the delivery of transformational community-led projects. We will also continue learning from our experiences on the ground and from the communities we work with for improved understanding and impact. I am particularly excited about the expansion of our work into new geographical landscapes and the adoption of innovative monitoring protocols.

We are extremely grateful to our supporters and most of all our tree planting partners for being part of our growing community of environmental stewards.





Our Kenya programme

Mercy Kimani, Kenya Programme Manager

2022 has been a year of great strides, new landscapes, new projects and great new community partnerships have been added to the ITF family. Despite Kenya experiencing prolonged drought in various parts of the country, we managed to plant and nurture more than 600,000 trees across the country. Working in close collaboration with our local communities and strategic partners, we were able to do timely planting through the expert advice on weather patterns from the Kenya Meteorological Department.

More than 6,500 households across Kenya have been positively impacted by the project with about 1,500 reporting improved incomes.

At the heart of our restoration work is community livelihood improvement. There is a direct connection between poverty and forest degradation. ITF community-led restoration projects ensure that the community takes the lead in preserving their degraded landscapes, from scratch. Seed collection, nursery establishment, planting and even after care is done directly by the community, therefore owning the process as well as benefiting directly from

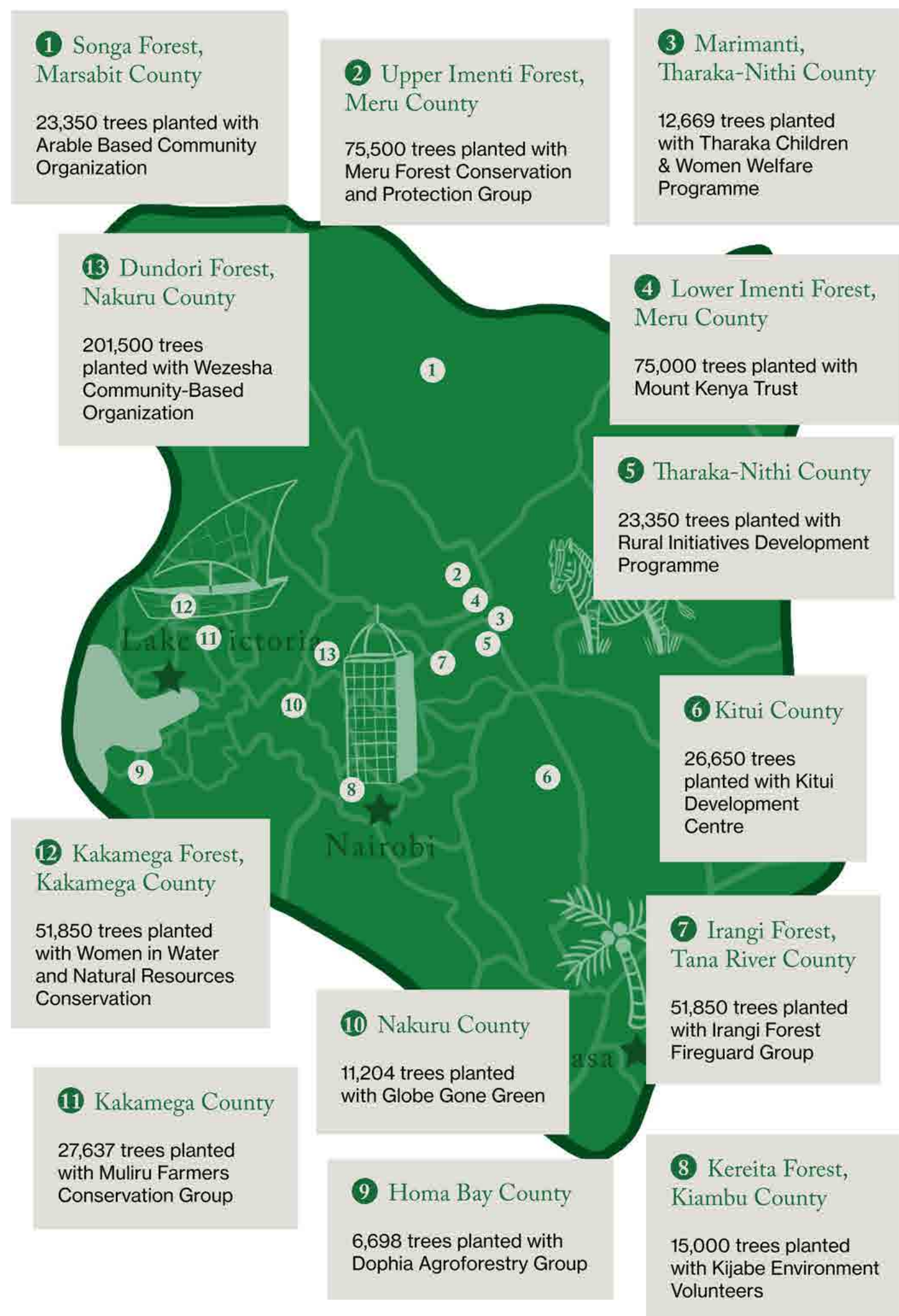
the project. This has had a great impact in the success of the projects. This applies to both reforestation and agroforestry projects.

Most or close to all agroforestry projects are implemented by women. Integrating gender as a bare minimum in all our projects and the success of it makes me very happy. With the women we have peer monitoring, evaluation and learning. Implementing communities compete on success of their on-farm trees, which are mainly high value trees that provide nutrition and fuel wood. Seeing and experiencing the positive change that our projects have on the local women makes me very gratified.

We have been enhancing the monitoring and evaluation of projects through the introduction of GIS and training our partners on how take geo-tagged photos from their phones. We have applied radical listening to our projects which has been a great addition to our success. We have had sessions to listen to the communities on what they believe will make the projects sustainable and enhance the trees' survival and protection.

New exciting projects are introducing energy-saving cookstoves to the restoration projects. This has been requested by the women living adjacent to the forests. The eco-stoves will reduce the amount of fuel wood used thus reducing the pressure on the forests, reducing labour and freeing the women's time to engage in other gainful activities.





Our UK programme

Sam Pearce, UK Programme Manager

2022 was a very good year for ITF's work in the UK. These 12 months saw a huge expansion of our presence around the country, supporting projects from Skye to Kent to Cornwall. Of particular note was the expansion of our work in all four home nations of the UK.

Supporting communities in their tree-growing ambitions is the centrepiece of ITF's work worldwide, and I am very happy to report that this mission is being warmly received in all corners of the UK.

Along with our programme expansion, the ITF UK team has also grown, with the arrival of Lucy Staveley in August 2022. This investment looks ahead to further expanding our work without losing our attention to detail and offer of bespoke advice to our planting partners. This extra capacity also provides space to develop adjacent programmes for the year ahead, for example community tree nurseries, woodlands and wellbeing, and refugee support.

One outstanding milestone has been the development of our relationship with the tree planting platform, Ecologi, who have chosen us as a trusted partner for their work in the UK. This process saw us design and create a tree monitoring mobile app that would allow us to collect data on each tree planted and pass it on to their customers. We trialed this on the Isle of Skye in August and were very happy with the results! With Ecologi's help, we are now looking to again increase our work in the UK and beyond.



1 Uigshader,
Isle of Skye

2,000 trees planted
with Uigshader Living
Forest Project

2 Carmunnock,
Glasgow

7,000 trees planted with
Green Action Trust

3 Langholm,
Dumfries and Galloway

1,300 trees planted with
Gone West

12 Carnlough,
County Antrim

1,500 trees planted with Carnlough
Shooting and Conservation Club

4 Middleton on the Wolds,
Yorkshire

417 trees planted with Middleton
on the Wolds Greener Village
Community Group

11 Glenavy,
County Antrim

3,500 trees planted
with Crewe FC

5 Milton Keynes,
Buckinghamshire

1,100 trees planted
with Community Trees
Milton Keynes

10 Fyfone,
Pembrokeshire

5,000 trees
planted with
Calon Yn Tyfu Cyf

6 Newnham,
Kent

1,000 trees
planted with
Trees for Farms

9 Truro,
Cornwall

5,000 trees planted
with United Response

8 Burford,
Oxfordshire

5,000 trees planted
with Nature & Nurture

7 Hightown,
Southampton

50 trees planted
with Southampton
National Park City



Financial review

Performance

The organisation's income rose significantly in 2022. Total income was £885,737 (2021: £664,076), an increase of 33%. Total funds at the year-end were £588,879 (2021: £559,267) of which unrestricted reserves increased to £229,868 (2021: £148,483).

Notes on income and expenditure:

ITF has a varied funding stream, but receives a significant proportion from grant income. Grant income was received from several sources and formed 77% of total income. Other sources of funding came from individual giving (13%), corporate giving (6%) and other sources (4%).

ITF received a lower level of funding from legacies than in past years. We are extremely grateful to all supporters who kindly remember us in their wills.

The proportion of total expenditure that was spent on direct charitable activity was 95% (2021: 92%).

Expenditure on governance has reduced in 2022 to £9,324 (2021: £12,406). This was largely due to the maintaining of online meetings for the majority of trustee meetings.

Key risks at the start of 2023 are:

1. Medium and long-term funding

In our previous annual report we cited the full impacts of the Coronavirus pandemic and the war in Ukraine as unknown factors which might affect our funding through inflation and economic uncertainty. Overall income having risen would suggest this period is being weathered well by ITF, yet the state of the economy remains an area we may yet be affected by, particularly in terms of giving from individuals. The long-term impacts of Britain having left the EU also remain unclear and may also affect our corporate engagement. We observe increased competition from other organisations, especially those with a focus on carbon offsets.

Income from legacies is, by its nature, uncertain. It has made up a significant percentage of income in previous years (average 25% between 2016 and

2020) as 2022 showed this dropped significantly.

Whilst our significant growth in grant income is welcome, we are mindful of the risks associated with funding from any one institutional donor.

Actions to control/mitigate:

- a) Increase focus on gaining new major funding from statutory bodies, trusts and foundations.
- b) Nurture our existing key funder relationships.
- c) Maintain our move away from reliance on legacy income by diversifying funding sources, particularly by engaging corporate donors. Investments into individual fundraising are already paying off.
- d) Use unrestricted income to support the growth and sustainability of the charity.

2. Fraud and misuse of charitable funds

As digital communication and financial reporting becomes more widely adopted, ITF and other charities, including our partners, are exposed to risk from fraudulent activities. Additionally, ITF is aware that there is the possibility of internal and external misappropriation of funds.



Actions to control/mitigate:

- a) ITF Key Management Personnel (KMP) and Board will continue to ensure that the Finance Policy is kept current and reviewed annually.
- b) The procedures on transferring funds to external partners, particularly internationally, in order to mitigate the risk of fraud, will be followed by ITF staff and continually reviewed.

3. Investment

ITF may invest funds at the discretion of the Board (as per the Articles of Association and Standing Orders). The charity has not held any long-term investments during the year. Should the charity have funds to invest, it would abide by its Ethical and Environmental Policies which state:

- a) ITF will seek to use the services of banks and other financial institutions that comply with ITF’s ethical and environmental criteria.
- b) ITF will wherever practicable avoid using the services of banks or other financial institutions that do not adhere to ITF’s ethical and environmental criteria.
- c) For savings and investments we will choose mutual societies and institutions that invest in socially and environmental responsible projects.

Reserves Policy

The Trustees review the reserves policy of the charity annually. This review covers the nature of the income and expenditure streams of the charity, and the need to match variable income with fixed costs. Trustees recognise that the charity needs to have sufficient cash and reserves to absorb short term fluctuations in income. The level of unrestricted reserves needs to consider both the plans of the charity and the wider economic climate.

The Trustees resolved that it is appropriate to maintain a policy of having a level of general unrestricted reserves equivalent to six months running costs.

Funds as at 31st December 2022:

Restricted	£359,011
General	£203,166
Designated	£26,702
Total	£588,879

With general unrestricted reserves now standing at £203,166 (2021: £148,483) the reserves policy is met. Six months budgeted unrestricted running costs stood at £126,000. The ITF Reserves policy provides both a minimum reserves position and an ideal reserves position to allow the organisation to weather extreme events and to invest in growth and new opportunities. We closed the year midway between these parameters.

Significant Donations

During 2022, we received a number of generous donations and grants. The list below details those above £3,000:

Answer Connect, Big Give, Botanical Gardens Conservation International (BGCI), Cielo, Earthday Foundation, Ecologi, Get Laid Beds, Green Impact, Just One Tree, Kisoboka Trust, New North London Synagogue, One Tree Planted, Purlfrost, Size of Wales, Solder Connection, The Tresanton Trust, The UPS Foundation, TreeNation, TreeSisters as well as several generous individual donations, legacies and bequests.



Structure governance and management

The International Tree Foundation was constituted as a company limited by guarantee and is governed by Articles of Association and Standing Orders. The charity was registered with the Charity Commission in October 1965 (under former name 'The Men of the Trees').

Appointment and Recruitment of Trustees

The members of the Board are its Trustees for the purpose of charity law and are the Directors of the charitable company for the purpose of company law. Appointment of Trustees is governed by the Articles of Association of the charitable company. The Trustees have authority to co-opt new Trustees to fill casual vacancies arising during the year. The number of Trustees appointed should not be less than three and no more than twelve.

There were four new trustee appointments in the period and one trustee resignation.

Organisational Structure

The Trustees had four full formal meetings in 2022. In addition to the full Board meetings, there are committees for Finance, Fundraising, People and Operations, and Programmes that met during the year. Trustees are responsible for the strategic direction and policy of ITF.

Senior Staff

A new Africa Programmes Manager (January 2022) and Finance Manager (July 2022) were appointed in the year.

Pay and Remuneration

ITF is an equal opportunities employer and applies objective criteria to assess merit. Pay reviews are held with staff annually. A benchmarking process is undertaken periodically.

Risk assessment and management

The Trustees are aware of the major strategic, business and operational risks that ITF faces and are of the opinion that there are systems in place to minimise any perceived risks. Reports are regularly submitted to the Board on all issues that might affect the running of the organisation, and a risk register is maintained and reviewed regularly by senior managers, and bi-annually by the Trustees.

Public Benefit

In deciding on which activities to undertake we have taken into consideration Charity Commission guidance on public benefit. The Trustees are satisfied that the charity meets these guidelines with regard to delivering public benefit.

Approved by the Board of Trustees on 8th June 2023 and signed on its behalf by:



Dr Stephen Vickers, Chair

Company Number 5219549
Charity number 1106269



Independent Examiner's Report

to the Trustees of International Tree Foundation

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st December 2022 which are set out on pages 12 to 23.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for

accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Benjamin Hayes BSc FCA

For and on behalf of Wenn Townsend Chartered Accountants, Oxford
8th June 2023



International Tree Foundation

Statement of Financial Activities
(including income and expenditure account)
for the year ended 31st December 2022

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £	Restricted funds £	Total 2021 £
Income from:							
Donations and legacies	2	153,460	726,857	880,317	144,715	514,663	659,378
Membership subscriptions, sponsorship and events		4,106	-	4,106	4,524	-	4,524
Investments	3	1,314	-	1,314	174	-	174
Total income		<u>158,880</u>	<u>726,857</u>	<u>885,737</u>	<u>149,413</u>	<u>514,663</u>	<u>664,076</u>
Expenditure on:							
Raising funds		41,553	-	41,553	41,555	-	41,555
Charitable activities	4	64,693	749,879	814,572	79,807	394,648	474,455
Total expenditure		<u>106,246</u>	<u>749,879</u>	<u>856,125</u>	<u>121,362</u>	<u>394,648</u>	<u>516,010</u>
Net income/(expenditure)		<u>52,634</u>	<u>(23,022)</u>	<u>29,612</u>	<u>28,051</u>	<u>120,015</u>	<u>148,066</u>
Transfers between funds	13	28,751	(28,751)	-	-	-	-
Net movement in funds		<u>81,385</u>	<u>(51,773)</u>	<u>29,612</u>	<u>28,051</u>	<u>120,015</u>	<u>148,066</u>
Fund balances brought forward at 1st January 2022		<u>148,483</u>	<u>410,784</u>	<u>559,267</u>	<u>120,432</u>	<u>290,769</u>	<u>411,201</u>
Funds balances carried forward at 31st December 2022		<u><u>229,868</u></u>	<u><u>359,011</u></u>	<u><u>588,879</u></u>	<u><u>148,483</u></u>	<u><u>410,784</u></u>	<u><u>559,267</u></u>

All income and expenditure derive from continuing activities.
The statement of financial activities includes all gains and losses recognised during the period.

International Tree Foundation

Balance Sheet
31st December 2022

	Note	£	£	£	2021 £
Fixed Assets					
Tangible assets	9		4,786		2,939
Current Assets					
Debtors	10	47,859		121,654	
Cash at bank and in hand		553,054		442,693	
		<u>600,913</u>		<u>564,347</u>	
Creditors: Amounts falling due within one year	11	<u>(16,820)</u>		<u>(8,019)</u>	
Net Current Assets			584,093		556,328
Total Assets less Current Liabilities			<u>588,879</u>		<u>559,267</u>
Net Assets			<u>588,879</u>		<u>559,267</u>
Funds					
Restricted funds			359,011		410,784
Unrestricted funds					
General fund			203,166		148,483
Designated funds			<u>26,702</u>		<u>-</u>
Total Funds	13		<u>588,879</u>		<u>559,267</u>

For the year ending 31st December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the Board of Trustees on 8th June 2023 and signed on its behalf by :

Dr Stephen Vickers
Chair

Company number: 5219549

International Tree Foundation

Statement of Cash Flows
for the year ended 31st December 2022

	Note	2022 £	£	2021 £	£
Net cash flow from operating activities	14		114,523		22,698
Cash flows from investing activities:					
Interest received		1,314		174	
Purchase of fixed assets		<u>(5,476)</u>		<u>(2,655)</u>	
Net cash flow from investing activities			<u>(4,162)</u>		<u>(2,481)</u>
Change in cash and cash equivalents in the period			110,361		20,217
Cash and cash equivalents brought forward at 1st January 2022			<u>442,693</u>		<u>422,476</u>
Cash and cash equivalents carried forward at 31st December 2022			<u>553,054</u>		<u>442,693</u>

International Tree Foundation
Notes to the Accounts
for the year ended 31st December 2022

Summary of significant accounting policies

General information and basis of preparation

International Tree Foundation is a charitable company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information in these financial statements. The nature of the charity's operations and principal activities are detailed in the Trustees' Report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Board of Directors in furtherance of the charitable objectives of the charitable company.

Designated funds comprise funds set aside by the Board of Directors out of unrestricted funds for specific future purposes or projects.

Restricted funds comprise monies raised for, and their use restricted to, a specific purpose, or donations subject to conditions imposed by the donor or through the terms of an appeal.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example, the amount the charity would be willing to pay on the open market for such facilities and services. A corresponding amount is recognised in expenditure. No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity, however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income and bank interest receivable is fully accrued at the balance sheet date.

International Tree Foundation
Notes to the Accounts (continued)
for the year ended 31st December 2022

1 Summary of significant accounting policies (continued)

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

The costs of raising funds consist of investment management fees and merchandising costs.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes costs that can be allocated directly to such activities, and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of estimates of the proportion of time spent by staff on those activities.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

Tangible fixed assets are depreciated at rates calculated to write off the cost of each asset over its estimated useful life as follows:

Office equipment, furniture and fittings	25% Straight line basis
--	-------------------------

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

International Tree Foundation

Notes to the Accounts (continued)
for the year ended 31st December 2022

2 Donations and legacies

	2022 £	2021 £
Donations including related gift aid	172,679	205,374
Appeals	31,204	22,590
Legacies	1,000	74,580
Grants	675,434	356,834
	<u>880,317</u>	<u>659,378</u>

3 Investment income and interest

	2022 £	2021 £
Bank interest receivable	<u>1,314</u>	<u>174</u>

4 Charitable activities

	2022 £	2021 £
Planting, protection and preservation of trees		
Tree planting – UK	37,514	10,595
Tree planting – International	357,290	175,322
Other direct costs	86,987	54,933
Staff costs	288,190	183,072
Office support costs	12,246	10,065
	<u>782,227</u>	<u>433,987</u>

Promotion of tree awareness

Newsletter, journal publication costs and website	4,565	4,088
Staff costs	12,333	18,942
Office support costs	6,123	5,032
	<u>23,021</u>	<u>28,062</u>

Governance costs

	9,324	12,406
Total charitable activities	<u>814,572</u>	<u>474,455</u>

International Tree Foundation

Notes to the Accounts (continued)
for the year ended 31st December 2022

5 Total expenditure

	Tree planting and grants payable £	Other direct costs £	Staff costs £	Office costs £	2022 £	2021 £
Cost of generating funds	-	13,868	18,500	9,185	41,553	41,555
Planting, protection and preservation of trees	394,804	86,987	288,190	12,246	782,227	433,987
Promotion of tree awareness	-	4,565	12,333	6,123	23,021	28,062
Governance costs	-	95	6,167	3,062	9,324	12,406
	<u>394,804</u>	<u>105,515</u>	<u>325,190</u>	<u>30,616</u>	<u>856,125</u>	<u>516,010</u>

Support costs comprise:

	2022 £	2021 £
Accountancy and payroll	2,358	1,279
Bank charges	324	186
Computer maintenance and services	4,729	5,800
Depreciation of fixed assets	1,311	1,037
Director meetings, travel expenses and insurance	1,892	623
Miscellaneous expenses	1,959	659
Professional fees	11,198	3,789
Office insurance, light, heat and cleaning	647	586
Office rent and rates	4,318	4,559
Staff recruitment, training and travel	1,373	6,892
Telephone, printing, postage and stationery	276	734
Volunteer expenses	151	-
Exchange rate loss/(gain)	80	(983)
	<u>30,616</u>	<u>25,161</u>

Support costs are allocated on the basis of estimates of the proportion of time spent by staff on those activities.

Cost allocation includes an element of judgement and the charity has had to consider the cost benefit of detailed calculations and record keeping. Therefore the support costs shown above are a best estimate of the costs that have been so allocated.

International Tree Foundation

Notes to the Accounts (continued)
for the year ended 31st December 2022

6 Staff costs and numbers

	2022 £	2021 £
Gross pay	290,401	213,583
Social security costs	17,546	13,281
Employer's pension contributions	13,439	9,271
Life assurance and other employee benefits	3,804	749
	<u>325,190</u>	<u>236,884</u>

Within the above total employment cost are £65,958 of costs for our Africa team employed through Sustained Group Limited (an international sustainable development organisation based in Nairobi, Kenya).

The average number of employees analysed by function was:

	Number 2022	FTE 2022	Number 2021	FTE 2021
Planting, protection, preservation and promotion of trees	10	8	7	5
Fundraising and income generation	2	2	2	2
	<u>12</u>	<u>10</u>	<u>9</u>	<u>7</u>

No employees received total employee benefits (excluding employer pension costs) exceeding £60,000 during the current period (2021: none).

7 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration during the period (2021: £nil).

The total amount (including employer pension costs) received by key management personnel is £220,636 (2021: £116,418). The Charity considers that its key management personnel comprise the Chief Executive, Africa Programme Manager, UK & Ireland Programme Manager, Communications & Engagement Manager and Finance Manager. In the prior year this included the Head of Fundraising until his departure.

One (2021: None) Trustee was reimbursed for directly incurred out of pocket expenses during the period totalling £60 (2021: £nil).

8 Net income/(expenditure)

	2022 £	2021 £
Net income/(expenditure) is stated after charging:		
Examiner's remuneration	2,700	2,652
Depreciation of fixed assets	3,629	1,521
	<u>6,329</u>	<u>4,173</u>

International Tree Foundation

Notes to the Accounts (continued)
for the year ended 31st December 2022

9 Tangible fixed assets – office equipment, furniture and fittings

	£
Cost	
At 1st January 2022	10,227
Additions	5,476
At 31st December 2022	<u>15,703</u>
Depreciation	
At 1st January 2022	7,288
Charge for the period	3,629
At 31st December 2022	<u>10,917</u>
Net book value	
At 31st December 2022	<u>4,786</u>
At 31st December 2021	<u>2,939</u>

10 Debtors: amounts falling due within one year

	2022 £	2021 £
Trade debtors	23,830	23,769
Other debtors	16,021	4,203
Prepaid expenditure	6,692	1,496
Accrued income	1,316	92,186
	<u>47,859</u>	<u>121,654</u>

11 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	4,812	903
Accrued expenditure	2,700	2,600
Employers pension contribution	3,084	618
Other tax and social security	6,224	3,898
	<u>16,820</u>	<u>8,019</u>

International Tree Foundation

Notes to the Accounts (continued)
for the year ended 31st December 2022

12 Analysis of net assets between total funds

	Unrestricted Funds £	Restricted funds £	Total £
Fund balances at 31st December 2022 are represented by:			
Tangible fixed assets	4,283	503	4,786
Cash at bank and in hand	212,682	340,372	553,054
Other net current assets	12,903	18,136	31,039
	<u>229,868</u>	<u>359,011</u>	<u>588,879</u>
	Unrestricted Funds £	Restricted funds £	Total £
Fund balances at 31st December 2021 are represented by:			
Tangible fixed assets	2,114	825	2,939
Cash at bank and in hand	138,065	304,628	442,693
Other net current assets	8,304	105,331	113,635
	<u>148,483</u>	<u>410,784</u>	<u>559,267</u>

International Tree Foundation

Notes to the Accounts (continued)
for the year ended 31st December 2022

13 Statement of funds

	Balance at 1/1/22 £	Income £	Expenditure £	Transfers £	Balance at 31/12/22 £
Restricted funds					
International Programmes:					
Africa Drylands	1,627	-	-	-	1,627
Sustainable Community Forestry	87,473	21,692	(74,521)	-	34,644
Kenya Programme (Watu Wa Miti)	150,581	435,879	(425,307)	(22,513)	138,640
Save Kafuga Forest	288	146	(3)	-	431
UPS	23,962	188,950	(100,064)	-	112,848
University of Saskatchewan	(262)	-	-	262	-
Uganda Programmes	-	23,987	(23,659)	-	328
UK Programmes:					
Community Tree Planting	40,951	56,203	(62,211)	-	34,943
Susan Cooke legacy	104,015	-	(63,476)	(6,500)	34,039
Tree Power	1,511	-	-	-	1,511
Trees Journal	638	-	(638)	-	-
	<u>410,784</u>	<u>726,857</u>	<u>(749,879)</u>	<u>(28,751)</u>	<u>359,011</u>
Unrestricted funds					
General fund	148,483	158,880	(106,246)	2,049	203,166
Designated funds:					
Tree Sustainability & Survival Fund	-	-	-	20,202	20,202
UK & Europe Development Fund	-	-	-	6,500	6,500
	<u>148,483</u>	<u>158,880</u>	<u>(106,246)</u>	<u>28,751</u>	<u>229,868</u>
Total funds	<u>559,267</u>	<u>885,737</u>	<u>(856,125)</u>	<u>-</u>	<u>588,879</u>

International Tree Foundation

Notes to the Accounts (continued)
for the year ended 31st December 2022

13 Statement of funds (continued)

	Balance at 1/1/21 £	Income £	Expenditure £	Transfers £	Balance at 31/12/21 £
Restricted funds					
International Programmes:					
Africa Drylands	2,407	-	(780)	-	1,627
Sustainable Community Forestry	104,655	40,586	(56,623)	(1,145)	87,473
Kenya Programme (Watu Wa Miti)	49,242	280,336	(177,497)	(1,500)	150,581
Mount Bamboutos Initiative	30,756	26,797	(57,553)	-	-
Save Kafuga Forest	158	133	(3)	-	288
UPS	-	52,356	(28,394)	-	23,962
University of Saskatchewan	-	1,926	(2,188)	-	(262)
UK Programmes:					
Community Tree Planting	3,028	67,483	(29,560)	-	40,951
Susan Cooke legacy	97,658	45,000	(38,643)	-	104,015
Tree Power	2,865	46	(1,400)	-	1,511
Trees Journal	-	-	(2,007)	2,645	638
	<u>290,769</u>	<u>514,663</u>	<u>(394,648)</u>	<u>-</u>	<u>410,784</u>
Unrestricted funds					
General fund	120,432	149,413	(121,362)	-	148,483
	<u>120,432</u>	<u>149,413</u>	<u>(121,362)</u>	<u>-</u>	<u>148,483</u>
Total funds	<u>411,201</u>	<u>664,076</u>	<u>(516,010)</u>	<u>-</u>	<u>559,267</u>

International Programmes

Africa Drylands

A bequest from the Estate of the late Mrs MM Gare in 1999, to be utilised in the environmental regeneration of the Sahara region through the establishment of community tree planting projects.

Kenya Programme (Watu wa Miti)

Supporting the planting of trees in Kenya by local community-based organisations. Funders include: Big Give Christmas Challenge, Botanical Gardens Conservation International, Ecologi, Just One Tree, New North London Synagogue, One Tree Planted, Plant for the Planet, Paul and Gill Withers, Tree Appeal, TreeSisters individual and corporate donors.

Uganda Programme

Supporting the planting of trees in Uganda by local community-based organisations. Funders in the year were Size of Wales and Kisoboka Trust.

Save Kafuga Forest

Supporting efforts to protect the Kafuga Forest in Uganda.

Sustainable Community Forestry

Supporting local community-based organisations to raise and plant trees and to manage and restore local forests. Major funders include: Prince of Wales Charitable Trust, Charles Hayward Foundation, Plant for the Planet, New North London Synagogue, Tresanton Trust and a number of corporate, trust and individual donors.

International Tree Foundation

Notes to the Accounts (continued)
for the year ended 31st December 2022

13 Statement of funds (continued)

UPS

The UPS Trees in the Cities programme supports the effort to create awareness in the front line of climate change and promote the role of trees in improving the quality of life in cities around the world. Together with volunteers from UPS, we are planting trees and supporting the growth of urban green infrastructure in 14 selected major cities. This project is creating local and global connections with community tree-planting at the centre of the effort. Initially funded through the Earthday Foundation, this programme involving UPS has now extended to a follow on programme directly funded by the UPS Foundation.

University of Saskatchewan

Funds for the digitalisation of the Saint Barbe Baker archive at the University of Saskatchewan.

UK Programmes

Community Tree Planting

Helping local communities in the UK plant trees. Major funders include Tree Nation, and a number of individual and corporate donors.

Susan Cooke legacy

A bequest from the Estate of the late Susan Cooke, to carry out work in Northern Ireland.

Tree Power

Education programme supporting teachers and schools to inspire new generations about the local and global importance of trees and forests.

Trees Journal

The production of ITF's annual publication. Contributions to the costs of this are made by our other programmes.

Tree Sustainability & Survival Fund

This designated fund addresses a need to provide a resource to maintain, protect and ensure survival of trees across our tree-planting work worldwide, especially with respect to extreme weather effects due to climate change.

UK & Europe Development Fund

This designated fund provides seed funding for development of our UK and Europe programme and to enable expansion of our work in these regions ahead of our securing of additional restricted funding.

Transfers made during the period:

From	To	Notes
Unrestricted	University of Saskatchewan	To clear University of Saskatchewan funded deficit balance - project having closed in 2021
Restricted Kenya Programme (Watu Wa Miti)	Unrestricted	To transfer residual non returnable funds on closure of OTP 2021 project
Restricted Susan Cooke legacy	Designated UK & Europe Development Fund	Transfer from Susan Cooke funding to boost UKCTP programme
Restricted Kenya Programme (Watu wa Miti)	Designated Tree Sustainability & Survival Fund	2022 allocations from project funding to support ITF's fund set up to maintain, protect and ensure survival of trees across our tree-planting work worldwide, especially with respect to extreme weather effects due to climate change

International Tree Foundation
Notes to the Accounts (continued)
for the year ended 31st December 2022

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

	2022	2021
	£	£
Net income for period	29,612	148,066
Depreciation charge	3,629	1,521
Interest receivable	(1,314)	(174)
(Increase)/decrease in debtors	73,795	(86,713)
Increase/(decrease) in creditors	8,801	(40,002)
Net cash flow from operating activities	114,523	22,698

15 Lease commitments

At 31st December 2022 total future minimum lease payments under non-cancellable operating leases were as follows:

	Land and buildings	
	2022	2021
	£	£
Due within one year	7,541	7,050

16 Related party transactions

International Tree Foundation Kenya, a charity, was incorporated under Kenyan law during the year ending 31st December 2019, to enable Kenyan donors to make donations to help ITF meet its objectives. ITF and ITF Kenya have the same Board of Trustees, therefore ITF Kenya is viewed as being controlled by ITF and therefore a subsidiary for accounting purposes.

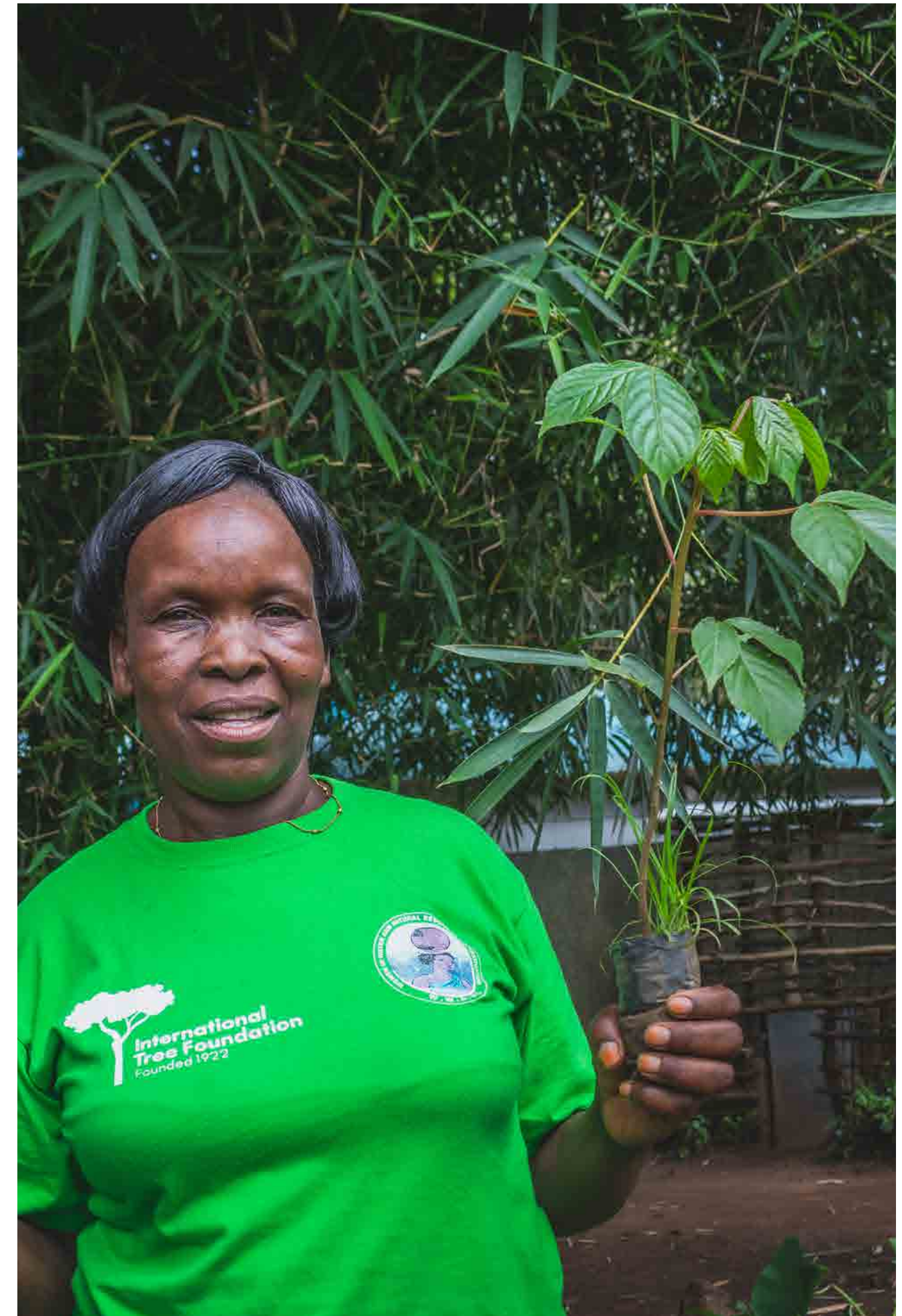
For the year ending 31st December 2022, ITF was entitled to exemption from preparing consolidated accounts as the parent and the group headed by it qualify as small under section 383 of the Companies Act 2006 and the parent and the group are considered eligible for the exemption as determined by reference to sections 384 and 399(2A) of the Companies Act 2006.

ITF Kenya is deemed a dormant entity as no transactions took place during the year.

There were no other related party transactions to disclose in 2022 (2021: none).

17 Contingent liabilities

The charity has various active Memorandum's of Understanding (MOUs) with its project partners as at the year end date. Under these MOUs future funding is pledged to project partners, although this is subject to substantial review conditions that are communicated to the recipient, and thus control remains with the charity. As at the year end a total amount of £101,588 has been awarded, with £71,793 due within one year.



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**International
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Founded 1922