THE CINNAMON TRUST

England & Wales · Charity number 1134680

Details

Status	Registered
Legal form	Charitable company
Company number	07004861
Registered	2010-03-05
Register	View on the Charity Commission register

Contact

Address	Cinnamon Trust 10 Market Square Hayle TR27 4HE
Phone	01736757900
Email	hello@cinnamon.org.uk
Website	www.cinnamon.org.uk

Activities

Objects: To Relieve:1 Older people and anyone who has been diagnosed as suffering from a terminal illness by providing or assisting in the provision of care for their companion animals for which they are no longer able to provide;2 The suffering of and cruelty to animals whose older owners or terminally ill owners have died or are no longer able to care for them byA The provision of shelter; orB Where possible, finding a foster home for them.

Activities: The objects of the Trust are to relieve:-a) the elderly and anyone who has been diagnosed as suffering from a terminal illness by providing or assisting in the provision of care for their companion animals for which they are no longer able to provide.b) the suffering of and cruelty to animals whose elderly or terminally ill owners have died, or are no longer able to care for them.

Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information
- **What:** The Advancement Of Health Or Saving Of Lives, Animals
- **Who:** Elderly/old People, Other Defined Groups

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Geography

- **Area of benefit:** UNDEFINED. IN PRACTICE, NATIONALLY.
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£8,738,023	£5,278,974	£62,399,539	99
2024-03-31	£8,352,049	£4,840,641	£56,989,809	89
2023-03-31	£6,680,540	£4,036,825	£50,741,903	77
2022-03-31	£6,767,915	£3,502,158	£49,749,256	75
2021-03-31	£7,527,450	£3,389,612	£46,308,412	78

Trustees

Name	Role	Appointed
DALE BAND		2012-12-11
JOHN DALE		
Sarah Louise Neal		2024-09-05
Thomas William James Maunder		2026-06-08
Trevor Dee		2026-06-08

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THE CINNAMON TRUST

England & Wales - Charity number 1134680

Accounts

Docusign Envelope ID: EFCFE5AD-4CC6-4683-A696-A3E2755D104A

Charity registration number 1134680

Company registration number 07004861 (England and Wales)

THE CINNAMON TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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THE CINNAMON TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D W Band J R Dale K Barlow S Neal	 (Appointed 5 September 2024)
Founder	Mrs A R Jarvis MBE	
Chief Executive Officer	P Williams	
Patrons	Virginia McKenna Sir Paul McCartney	
Charity number	1134680	
Company number	07004861	
Registered office	10 Market Square Hayle Cornwall United Kingdom TR27 4HE	
Auditor	Azets Audit Services Woodlands Court Truro Business Park Truro Cornwall United Kingdom TR4 9NH	
Bankers	Barclays Bank UK Plc 1 Church Place London United Kingdom E14 5HP	
Solicitors	Nalders Farley House Falmouth Road Truro Cornwall United Kingdom TR1 2HX Vingoe Lloyd 33 St Johns Street Hayle Cornwall United Kingdom TR27 4LL	

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THE CINNAMON TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

	Murrell Associates LLP 14 High Cross Truro Cornwall United Kingdom TR1 2AJ
Investment advisors	Quilter Cheviot Quilter & Co Limited Queens Quay 33-35 Queens Square Bristol BS1 4LU United Kingdom
	Coutts & Co Charity Investment 440 Strand London WC2R 0QS United Kingdom

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THE CINNAMON TRUST

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THE CINNAMON TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are to relieve:

- the elderly and anyone who has been diagnosed as suffering from a terminal illness by providing or assisting in the provision of care for the companion animals for which they are no longer able to provide; and
- the suffering of and cruelty to animals whose elderly or terminally ill owners have died, or are no longer able to care for them, by the provision of a shelter or where possible finding a foster home for them.

Mission statement

"Peace of mind and practical help for people - love, care, and safety of their pets."

Public benefit

The Trustees confirm that they have complied with the duty under Section 4 of The Companies Act 2006 to have due regards to the Charity Commission's general guidance on public benefit. References have been made in this report as to how public benefit has been promoted through the care of animals of elderly and terminally ill owners.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

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Achievements and performance

The year ending March 2025 was one of our busiest yet! We were proud to help over **157,000 people** and care for **158,000 beloved pets**.

Currently, **1,030 pets** are in forever foster homes, and more than **110 pets** live in each of our two specialist "Home from Home" sanctuaries in Cornwall and Devon.

Our Head Office receives around **600 calls every day**, and since launching our new website, email enquiries have soared to approximately **32,000 per year**. Most emails arrive outside office hours and are answered promptly the next working day.

At **Hillside Farm Sanctuary**, we care for:

- 22 dogs, 30 cats, 8 sheep, 11 chickens, 1 rooster, 6 tortoises, 4 horses, and 30 racing pigeons – a total of **112 pets**.

At **Poldarves Farm Sanctuary**, we have:

- 19 dogs, 16 cats, 10 ponies, 2 squirrels, 3 tortoises, 1 pig, 1 cow, 12 sheep, and 49 birds (including ducks, chickens, geese, finches, and doves) – a total of **113 pets**

We now have **8,213 pets registered for lifelong care**. These numbers naturally fluctuate throughout the year as new animals join us and others sadly pass away.

Our veterinary costs rose significantly this year, reaching **£1,008,263** alongside **£142,460** for animal feed and **£170,141** for grooming, supplements, and related services. This increase is largely due to rising veterinary fees, bringing our total animal care costs to over **£1.3 million**.

The Cinnamon Trust remains the **only major UK charity dedicated to supporting older people and the terminally ill with pet care**, ensuring both peace of mind for owners and the best possible welfare for their pets. Demand for our services continues to grow – we handled **14,401 new cases** this year. Many cases are ongoing; for example, over **15,000 dogs** are walked weekly by our volunteers, often for years. Each case typically requires two or three volunteers, supported by staff who maintain regular contact to ensure continuity and resolve any issues.

We currently have **475 young volunteers (aged 24 and under)**, and by rejoining the **Duke of Edinburgh's Award Scheme** in 2024/25, we've seen a slight increase in youth participation. Like many charities, we face challenges in volunteer recruitment due to the cost-of-living crisis, so our **40th Anniversary campaign in 2025/26** will focus on attracting more volunteers. Our active volunteer base stands at **15,944**.

Membership has grown to **60,238**, including **61 overseas members** from places such as The Bahamas, Cayman Islands, France, Hong Kong, and the USA. We even have two Forever Fosterers in Canada and the USA.

Life Membership stands at **4,464**, a slight decrease from last year. We plan to review membership options and pricing going forward.

As at the date of this report we employ **117 dedicated staff members**.

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In Memoriam and Recognition

We were deeply saddened by the passing of our Founder and former Chief Executive, **Mrs Averil Regina Jarvis MBE**, on 22 January at the age of 79. Her funeral was held at Phillack Parish Church on 21 February and attended by staff and pets from The Cinnamon Trust. We also mourn the loss of one of our beloved Trustees, **Mrs Pat Atkins**.

On a brighter note, we were thrilled to be named one of **The Sunday Times Great Places to Work 2024** in the medium-sized organisation category, reflecting significant improvements in employee satisfaction. We were also nominated for the **National Diversity Awards** for our work combating social isolation among older people.

Key Developments

- **Trusted Care** now manages our register alongside their own care home catalogue, offering members a dedicated helpline available seven days a week.
- We moved our main bank account to **Barclays Corporate**, enabling cheque scanning and reducing reliance on local branches as they have all closed.
- Our new **CRM system** was implemented towards the end of the financial year. This will speed up volunteer allocation, highlight recruitment needs, and allow cloud-based operations, reducing hardware costs as our existing server reaches end-of-life.
- **Big Walk Day** was a huge success, with over **40 walks nationwide** and more than **1,000 participants** spreading the word. Every dog received a goody bag!
- **Memory Trees** have been installed at both sanctuaries, offering engraved leaves to commemorate pets who have passed.
- As we approach our **40th year – "Sharing and Telling"**, we plan to attend major cat and dog events with our new events trailer to boost volunteer recruitment.
- Work has begun on updating our old DVD/video and creating a new-style newsletter as a keepsake for volunteers and members.
- In partnership with **Charlie Bears**, we're designing a special **Corgi collectible** to celebrate our 40th anniversary.

Head Office – Hayle

Solar panels are now installed and providing up to **70% of our summer electricity needs**, significantly reducing costs. Parking remains a challenge, but thanks to **Home Bargains**, we have six staff spaces on rotation, plus additional spaces nearby. We're also trialling a **four-day working week with extended hours** to better manage rising demand.

Hillside Sanctuary

Improvements continued throughout 2024/25, including new staff and visitor parking, upgrades to the dog area and tortoise room, and a new polytunnel to grow tortoise food and reduce costs. We've enhanced horse stables, field shelters, and grazing areas, and built a new straw/hay store to cut feed and bedding expenses.

Solar panels have been installed on the cat house, and we await further power supply from the National Grid as the sanctuary expands.

Hillside now has **23 staff members**

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Poldarves Sanctuary

Plans for the new Cat Home remain on hold due to delays in securing additional electricity supply. Permission from the National Grid required agreements from neighbouring landowners, and we're pleased to report that working with National Grid and avoiding working with the neighbours, we will be connected in due course, allowing us to move forward.

The kitchen at Poldarves has been completely refurbished with specialist flooring designed to support dogs with rheumatic joints—this improvement has been very well received! The new kitchen is brighter, easier to clean, and much more practical for daily use.

In addition, the fire alarm system has been upgraded and can be extended to cover the new Cat Home once construction is complete. Work has also begun at **Sunnyside** to address major damp issues and replace the asbestos roof at the rear of the building.

Poldarves currently has **25 staff members**, including two on maternity leave.

Investment Objectives

The Trustees wish to invest the portfolio to provide a return, that maintains the real (inflation adjusted) value of the growth of the capital. The Trustees wish to follow a total return approach. Sufficient liquidity and cash reserves should be maintained at all times to meet emergency funding requirements of the charity.

Assets

The Trust's assets can be invested widely and diversified to produce a balanced portfolio using asset classes which can include cash, bonds, equities, property, hedge funds etc. and any other asset that is deemed suitable for the charity. Currently the Trust maintains both a balanced portfolio and a defensive portfolio.

Cash reserves outside the investment portfolios are invested in UK term deposits.

Ethical Policy

All the above is subject to the proviso that funds should not be invested with any company involved either directly or indirectly with animal testing and research. Trustees are aware that is implemented on a best endeavours basis.

Reporting and Monitoring

The fund managers are required to provide the following information on a quarterly basis, valuation of investments, transaction reports, cash reconciliations, performance analysis and commentary.

The board collectively has responsibility for agreeing strategy, monitoring investment assets and for signing instructions to investment managers. Management can take actions within certain parameters to facilitate investment decisions and these are reported to the board either prior to the action or as soon as reasonably possible.

The Trustees will review the information provided at each meeting and make adjustments to policy as and when necessary.

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Financial review

The Cinnamon Trust currently has an annual income of **£8,738,023 (2024: £8,352,049)** of which **£6,174,450 (2024: £6,138,773)** is derived from legacies. Total net incoming resources were **£5,409,730 (2024: £6,247,906)**.

The trend has been for legacy income to be variable. This dependence on legacies, which are a source of income dependent upon circumstances and beyond the control of the charity, make it extremely difficult to budget for anticipated legacy income. Reserves need to be maintained to cover any future reduction in revenues. Further, these resources stand the charity in good stead in a very uncertain economic climate and are readily available to meet anticipated cash flow requirements.

Reserves policy

As at 31 March 2025, the Trust had unrestricted funds of **£62,154,446 (2024: £56,734,807)**. This includes tangible and intangible fixed assets of **£3,453,470 (2024: £3,032,352**), therefore leaving a free reserves balance of **£58,700,976 (2024: £53,702,455)**. It is the Trustees' policy to retain three years running costs in reserve **(£15,538,122, 2024 : 14,215,065)**. Current levels of unrestricted reserves are higher than the multiple of recent expenditure but stand the Trust in good stead in very unpredictable times on all fronts.

The Trust reviewed its reserve policy in May 2024 and decided that effective 31 March 2024 two designated funds be recognised in the annual accounts of Charity. A designated fund is created when the Board of Trustees decides to set aside an amount from unrestricted funds for a particular purpose.

These designated funds are :

The Cinnamon Promise Designated Fund £30,021,406

The Cinnamon Trust estimated the future cost of our promise to the previous owners of pets that we have taken into our care that we would look after those pets for the term of their natural lives.

The Cinnamon Trust New Sanctuary Designated Fund ; £15,000,000.

This designated fund is for the purpose of purchasing a third sanctuary somewhere in England and Wales, making modifications as required, and recruiting and training of staff. no purchase has actually occurred.

The Trustees are of the opinion that no significant changes have occurred to warrant revisiting the calculation of these designated funds at this time.

Further information is available in Note 22 of the annual accounts.

After setting aside these two designated funds from our unrestricted funds the remaining free unrestricted funds amount to **£13,679,570 (2024: 8,681,049)**

Investment policy and objectives

The objective of the Cinnamon Trust is to at least maintain the value in real terms of Charity funds. At 31 March 2025:

£1,608,331 was invested with and managed by Quilters and the Trustees are not minded to increase this.

£48,328,038 was invested and managed by the appropriate team at Coutts & Co.

Cash at bank and in hand of **£7,235,654** reflects a high level of term deposits on call or short maturities which gained the Charity attractive interest earnings at very low risk. These funds will be called upon to partly fund the purchase and development of the new sanctuary.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

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THE CINNAMON TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Structure, governance and management

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

Organisational structure

The Trustees who have served during the year and since the year end are set out below.

D W Band	
J R Dale	
P Atkins	(Resigned 3 March 2025)
K Barlow	
S Neal	(Appointed 5 September 2024)

Trustees are appointed by the board of Trustees and meet quarterly with, if necessary, ad hoc meetings called to address matters of importance that occur between meetings.

The Chief Executive is responsible for strategic leadership, day to day decision making and administration and reports to the Trustees.

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed 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.

The trustees' report, including the strategic report, was approved by the Board of Trustees.

Signed by:

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J R Dale

Trustee

Date: 18 December 2025

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THE CINNAMON TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of The Cinnamon 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; 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.

In so far as the trustees are aware:
- there is no relevant information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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THE CINNAMON TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE CINNAMON TRUST

Opinion

We have audited the financial statements of The Cinnamon Trust (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes 1 to 28 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 charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

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Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:
Matthew Webb
722FECA482B341D...

Matthew Webb FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

18 December 2025
.....

Chartered Accountants
Statutory Auditor

Woodlands Court
Truro Business Park
Truro
Cornwall
United Kingdom
TR4 9NH

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THE CINNAMON TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

Current financial year

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Income from:					
Donations and legacies	**4**	6,927,785	-	6,927,785	6,833,405
Other trading activities	**2**	124,429	-	124,429	131,384
Investments	**3**	1,685,809	-	1,685,809	1,387,260
Total income		8,738,023	-	8,738,023	8,352,049
Expenditure on:					
Raising funds	**5**	99,499	-	99,499	88,624
Charitable activities					
Poldarves Sanctuary	**8**	239,572	-	239,572	145,671
Hillside Sanctuary	**8**	335,964	-	335,964	289,574
Community Services	**8**	4,582,820	-	4,582,820	4,238,376
Sunnyside & Millbank	**8**	21,018	-	21,018	64,734
Total charitable expenditure		5,179,374	-	5,179,374	4,738,355
Other	**7**	101	-	101	13,662
Total expenditure		5,278,974	-	5,278,974	4,840,641
Net gains on investments	**12**	1,950,681	-	1,950,681	2,736,498
Net incoming resources before transfers		5,409,730	-	5,409,730	6,247,906
Gross transfers between funds		9,909	(9,909)	-	-
Net movement in funds		5,419,639	(9,909)	5,409,730	6,247,906
Fund balances at 1 April 2024		56,734,807	255,002	56,989,809	50,741,903
Fund balances at 31 March 2025		62,154,446	245,093	62,399,539	56,989,809

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Docusign Envelope ID: EFCFE5AD-4CC6-4683-A696-A3E2755D104A

THE CINNAMON TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

Prior financial year

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:				
Donations and legacies	**4**	6,833,405	-	6,833,405
Other trading activities	**2**	131,384	-	131,384
Investments	**3**	1,387,260	-	1,387,260
Total income		8,352,049	-	8,352,049
Expenditure on:				
Raising funds	**5**	88,624	-	88,624
Charitable activities				
Poldarves Sanctuary	**8**	145,671	-	145,671
Hillside Sanctuary	**8**	289,574	-	289,574
Community Services	**8**	4,238,376	-	4,238,376
Sunnyside & Millbank	**8**	64,734	-	64,734
Total charitable expenditure		4,738,355	-	4,738,355
Other	**7**	13,662	-	13,662
Total expenditure		4,840,641	-	4,840,641
Net gains/(losses) on investments	**12**	2,736,498	-	2,736,498
Net incoming resources before transfers		6,247,906	-	6,247,906
Gross transfers between funds		155,483	(155,483)	-
Net movement in funds		6,403,389	(155,483)	6,247,906
Fund balances at 1 April 2023		50,331,418	410,485	50,741,903
Fund balances at 31 March 2024		56,734,807	255,002	56,989,809

Docusign Envelope ID: EFCFE5AD-4CC6-4683-A696-A3E2755D104A

THE CINNAMON TRUST

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Intangible assets	**14**		676,277		371,621
Tangible assets	**15**		2,905,546		2,792,650
Investments	**16**		49,936,369		31,989,480
			53,518,192		35,153,751
Current assets					
Stocks	**17**	30,406		34,146	
Debtors	**18**	1,841,178		1,901,449	
Cash at bank and in hand		7,235,654		20,139,930	
		9,107,238		22,075,525	
Creditors: amounts falling due within one year	**19**	(225,891)		(239,467)	
Net current assets			8,881,347		21,836,058
Total assets less current liabilities			62,399,539		56,989,809
Income funds					
Restricted funds	**21**		245,093		255,002
Unrestricted funds					
Designated funds	**22**	45,021,406		45,021,406	
General unrestricted funds		17,133,040		11,713,401	
			62,154,446		56,734,807
			62,399,539		56,989,809

The financial statements were approved by the Trustees on 18 December 2025

Signed by:

CE8363E08A8641C...

J R Dale
Trustee

Company registration number 07004861

Docusign Envelope ID: EFCFE5AD-4CC6-4683-A696-A3E2755D104A

THE CINNAMON TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash generated from operations	**26**		1,958,025		2,409,072
Investing activities					
Purchase of intangible assets		(325,236)		(301,920)	
Purchase of tangible fixed assets		(226,546)		(406,284)	
Purchase of investments		(41,681,779)		(14,345,556)	
Proceeds on disposal of investments		25,685,571		13,550,186	
Interest and dividends received		1,685,809		1,387,260	
Net cash used in investing activities			(14,862,181)		(116,314)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(12,904,156)		2,292,758
Cash and cash equivalents at beginning of year			20,139,810		17,847,052
Cash and cash equivalents at end of year			7,235,654		20,139,810
Relating to:					
Cash at bank and in hand			7,235,654		20,139,930
Bank overdrafts included in creditors payable within one year			-		(120)

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THE CINNAMON TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

The Cinnamon Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 10 Market Square, Hayle, Cornwall, TR27 4HE, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, with the exception of investments that are measured at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have assessed the use of the going concern basis and have considered possible events or conditions that might cast a significant doubt on the ability of the charitable company to continue as a going concern. The trustees have considered a period of at least twelve months from the date of approval of these financial statements. In particular, the trustees have considered the charitable company's available cash balances in conjunction with expected working capital requirements and have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.

The trustees are of the view that there are no material uncertainties that may create significant doubt over the charitable company's ability to continue as a going concern. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

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1 Accounting policies **(Continued)**

1.4 Income

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:-

a) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Gifts donated for resale are included as income when they are sold. Donated assets are included at their fair value where this can be reliably measured and a third party is bearing the cost. The value of services provided by volunteers is not quantifiable and accordingly has not been included.

b) Income from the the sale of bought in goods is included at the point of sale of the goods.

c) Dividend and interest income from investments is included in the period in which it is receivable.

d) Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fundraising costs are those incurred in seeking voluntary contributions and include the costs of goods purchased for resale as part of the trading income.

Governance costs are management and administration costs that are incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

Software	10 years straight line

1.7 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and accumulated impairment losses. Costs includes costs directly attributable to making the asset capable of operating as intended by management.

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

Freehold property	50 years straight line
Plant and equipment	10-40 years straight line
Fixtures and fittings	10 years straight line
Motor vehicles	7 years straight line
Office equipment	3-5 years straight line

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 the statement of financial activities.

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1 Accounting policies **(Continued)**

During the year, the depreciation rates have been revised to a straight line method as opposed to a reducing balance method, based on each assets remaining useful life. The effect of this change is immaterial both in the current year and prospectively.

1.8 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.

1.9 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its intangible and tangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Financial Activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Financial Activities.

1.10 Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 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.

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1 Accounting policies **(Continued)**

1.12 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.13 Taxation

The charity is subject to corporation tax if its trading activities exceed the small trading taxation exemption.

No corporation tax was due in respect of the year ended 31 March 2025, nor to 31 March 2024, as the trading element resulted in a loss.

1.14 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

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1 Accounting policies **(Continued)**

1.16 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

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2 Other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
CT100 Club income	38,455	43,488
Catalogue income	85,974	87,896
Other trading activities	124,429	131,384

3 Investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income from listed investments	1,183,933	945,205
Interest receivable	501,876	442,055
	1,685,809	1,387,260

4 Donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts (including gift aid)	753,335	691,161
Legacies receivable	6,174,450	6,138,773
Government grants receivable	-	3,471
	6,927,785	6,833,405

5 Raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Staging fundraising events	24,104	11,433

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5 Raising funds **(Continued)**

Trading costs		
Purchases	75,395	77,191
	99,499	88,624

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2024: £nil).

Trustees' expenses
There were no expenses reimbursed to, or paid, on behalf of Trustees in the year (2024: £nil).

7 Other

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net loss on disposal of tangible fixed assets	101	13,662
	101	13,662

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8 Charitable activities

	Poldarves Sanctuary 2025	Hillside Sanctuary 2025	Community Services 2025	Sunnyside & Millbank 2025	Total 2025	Total 2024
	£	£	£	£	£	£
Staff costs	-	-	2,666,016	-	2,666,016	2,303,004
Depreciation, amortisation and impairment	7,710	11,996	112,408	2,016	134,130	106,240
Hire of plant and machinery	1	-	2,131	-	2,132	1,259
Rents, rates and water	3,147	4,740	3,396	(294)	10,989	10,753
Insurance	-	-	60,605	-	60,605	57,254
Light and heat	54,412	26,220	5,186	-	85,818	54,811
Telephone	476	220	7,492	-	8,188	15,925
Postage and stationery	44	957	167,196	-	168,197	245,311
Advertising	-	251	26,641	-	26,892	15,061
Animal supplies (non food)	10,157	14,536	145,448	-	170,141	182,994
Animal feed	33,934	61,504	47,022	-	142,460	124,391
Cleaning	11,718	10,405	15,263	-	37,386	26,475
Repairs and renewals	19,047	55,587	25,059	18,240	117,933	187,053
Computer costs	-	1,783	88,576	-	90,359	73,749
Motor expenses	3,421	3,717	-	-	7,138	8,469
Veterinary fees and medicines	90,322	122,172	795,769	-	1,008,263	943,863
Travelling	1,907	2,364	104,959	-	109,230	129,605
Other charitable expenditure	3,276	19,512	309,653	1,056	333,497	252,138
	239,572	335,964	4,582,820	21,018	5,179,374	4,738,355
	239,572	335,964	4,582,820	21,018	5,179,374	4,738,355

9 Support costs

Included within charitable activity expenses are the following support costs:

	2025	2024
	£	£
Staff costs	401,884	401,891
Office expenditure	262,203	316,047
Computer costs	90,359	73,749
Depreciation and amortisation	123,970	106,240
	878,416	897,927

THE CINNAMON TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Sanctuary staff	48	45
Community support and administrative staff	51	44
Total	99	89

Employment costs	2025 £	2024 £
Wages and salaries	2,374,389	2,090,021
Social security costs	209,851	169,160
Other pension costs	81,776	43,823
	2,666,016	2,303,004

The number of employees whose annual remuneration was £60,000 or more were:

	2025 Number	2024 Number
£70,001 to £80,000	1	1

12 Net gains/(losses) on investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Change in fair value of investments	1,950,681	2,736,498

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13 Net movement in funds

	2025	2024
	£	£
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	113,549	92,409
Amortisation of intangible assets	20,580	13,831
Hire of plant and machinery	2,131	1,263
Auditors remuneration	18,000	16,550
Auditors remuneration for non-audit work	10,494	13,664

14 Intangible fixed assets

	Software
	£
Cost	
At 1 April 2024	597,364
Additions	325,236
At 31 March 2025	922,600
Amortisation and impairment	
At 1 April 2024	225,743
Amortisation charged for the year	20,580
At 31 March 2025	246,323
Carrying amount	
At 31 March 2025	676,277
At 31 March 2024	371,621

Included within software is £686,437 (2024: £361,200) relating to a CRM database system currently in development but not yet in use. No amortisation has been charged on this asset in the period (2024: nil).

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15 Tangible fixed assets

	Freehold property	Plant and equipment	Fixtures and fittings	Motor vehicles	Office equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2024	3,175,146	212,316	133,287	59,890	103,780	3,684,419
Additions	60,427	76,038	56,862	14,112	19,107	226,546
Disposals	-	(127)	(1,775)	-	-	(1,902)
At 31 March 2025	3,235,573	288,227	188,374	74,002	122,887	3,909,063
Depreciation and impairment						
At 1 April 2024	688,452	43,961	66,585	35,637	57,134	891,769
Depreciation charged in the year	63,943	18,249	11,039	3,731	16,587	113,549
Eliminated in respect of disposals	-	(127)	(1,674)	-	-	(1,801)
At 31 March 2025	752,395	62,083	75,950	39,368	73,721	1,003,517
Carrying amount						
At 31 March 2025	2,483,178	226,144	112,424	34,634	49,166	2,905,546
At 31 March 2024	2,486,694	168,355	66,702	24,253	46,646	2,792,650

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16 Fixed asset investments

	Listed investments	Cash in portfolio	Total
	£		£
Cost or valuation			
At 1 April 2024	30,931,187	1,058,293	31,989,480
Additions	41,681,779	-	41,681,779
Valuation changes	1,950,681	-	1,950,681
Disposals	(25,079,363)	(606,208)	(25,685,571)
At 31 March 2025	49,484,284	452,085	49,936,369
Carrying amount			
At 31 March 2025	49,484,284	452,085	49,936,369
At 31 March 2024	30,931,187	1,058,293	31,989,480

Fixed asset investments revalued
Investments include listed investments that are included at fair value.

The historical cost of listed investments at 31 March 2025 is £30,092,668 (2024: £28,958,976).

17 Stocks

	2025	2024
	£	£
Goods for resale	30,406	34,146

18 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	61	549
Other debtors	500	49,213
Prepayments and accrued income	1,840,617	1,851,687
	1,841,178	1,901,449

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19 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank overdrafts		-	120
Other taxation and social security		55,554	42,521
Trade creditors		120,053	127,818
Other creditors		9,145	11,049
Accruals and deferred income		41,139	57,959
		225,891	239,467

20 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £81,776 (2024 - £43,823).

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2023	Transfers	Balance at 1 April 2024	Transfers	Balance at 31 March 2025
	£	£	£	£	£
Property and facilities reserve	275,000	(151,917)	123,083	(6,343)	116,740
Hillside Sanctuary	135,485	(3,566)	131,919	(3,566)	128,353
	410,485	(155,483)	255,002	(9,909)	245,093

The Hillside Sanctuary fund is in respect of funds specifically donated in connection with the purchase of a second sanctuary, being Hillside Sanctuary.

The property and facilities reserve restricted fund is in respect of funds specifically donated for the purchase, improvement or other costs directly attributable to a physical facility.

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22 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

		Movement in funds		
	Transfers	Balance at 1 April 2024	Incoming resources	Balance at 31 March 2025
	£	£	£	£
Future sanctuary and office	15,000,000	15,000,000	-	15,000,000
Promise commitment	30,021,406	30,021,406	-	30,021,406
	45,021,406	45,021,406	-	45,021,406

Future sanctuary

Both the Hillside and Poldarves sactuaries are nearing full capacity. While numbers can fluctuate we expect growth in numbers of animals at our sanctuaries as we become better known in our 40th anniversary year. The Trustees have decided to set aside funds of £15 million to fund the purchase of a new sanctuary. This sanctuary will preferably be outside of the South West of England and so in keeping with our national operations. The amount set aside in the designated fund reflects a purchase of land somewhere in England and Wales, construction of purpose built buildings, integration with existing operations and recruitment and training of relevant staff.

The Cinnamon Promise

The Cinnamon Trust has estimated the future cost of our promise to the previous owners to take care of the pets currently in our care for the term of their natural lives. This has considered current costs and average lifespan of different pets (increased to reflect our experience that pets live longer than average with the care we provide). The Trust estimates this commitment to be £30,021,406 and has created a designated fund to reflect this commitment. For further information please see the Trustees report.

23 Analysis of net assets between funds

	Unrestricted funds 2025	Restricted funds 2025	Total 2025	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£	£	£	£
Fund balances at 31 March 2025 are represented by:						
Intangible fixed assets	676,277	-	676,277	371,621	-	371,621
Tangible assets	2,777,193	128,353	2,905,546	2,660,731	131,919	2,792,650
Investments	49,936,369	-	49,936,369	31,989,480	-	31,989,480
Current assets/(liabilities)	8,764,607	116,740	8,881,347	21,712,975	123,083	21,836,058
	62,154,446	245,093	62,399,539	56,734,807	255,002	56,989,809

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24 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025	2024
	£	£
Within one year	1,016	-
Between two and five years	3,133	-
	4,149	-

25 Capital commitments

	2025	2024
	£	£
At 31 March 2025 the charity had capital commitments as follows:		
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	-	248,400

26 Cash generated from operations

	2025	2024
	£	£
Surplus for the year	5,409,730	6,247,906
Adjustments for:		
Investment income recognised in statement of financial activities	(1,685,809)	(1,387,260)
Loss on disposal of tangible fixed assets	101	13,662
Fair value gains and losses on investments	(1,950,681)	(2,736,498)
Amortisation and impairment of intangible assets	20,580	13,831
Depreciation and impairment of tangible fixed assets	113,549	92,409
Movements in working capital:		
Decrease in stocks	3,740	495
Decrease in debtors	60,271	192,906
(Decrease) in creditors	(13,456)	(28,379)
Cash generated from operations	1,958,025	2,409,072

27 Analysis of changes in net funds

The charity had no debt during the year.

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28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2025	2024
	£	£
Aggregate compensation	269,041	238,360

Transactions with related parties

The charity purchased goods and services from Design Solutions, a business owned by J Dale, totalling £46,082 (2024: £81,647) during the year. At the balance sheet date, there was an amount due to Design Solutions of £nil (2024: nil) included within Creditors: Amounts due within one year.

The charity purchased goods and services from Nalders LLP, an LLP in which D Band is a designated member, totalling £10,926 (2024: £3,969) during the year. There were no amounts owed to Nalders LLP at the current or previous year end.

THE CINNAMON TRUST

England & Wales - Charity number 1134680

Accounts

Charity registration number 1134680

Company registration number 07004861 (England and Wales)

THE CINNAMON TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

THE CINNAMON TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D W Band	
	J R Dale	
	P Atkins	
	K Barlow	(Appointed 4 May 2023)
	S Neal	(Appointed 5 September 2024)
Founder	Mrs A R Jarvis MBE	
Chief Executive Officer	P Williams	
Patrons	Virginia McKenna	
	Sir Paul McCartney	
Charity number	1134680	
Company number	07004861	
Registered office	10 Market Square	
	Hayle	
	Cornwall	
	United Kingdom	
	TR27 4HE	
Auditor	Azets Audit Services	
	Woodlands Court	
	Truro Business Park	
	Truro	
	Cornwall	
	United Kingdom	
	TR4 9NH	
Bankers	Barclays Bank UK Plc	
	1 Church Place	
	London	
	United Kingdom	
	E14 5HP	
Solicitors	Nalders	
	Farley House	
	Falmouth Road	
	Truro	
	Cornwall	
	United Kingdom	
	TR1 2HX	
	Vingoe Lloyd	
	33 St Johns Street	
	Hayle	
	Cornwall	
	United Kingdom	
	TR27 4LL	

THE CINNAMON TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

	Murrell Associates LLP 14 High Cross Truro Cornwall United Kingdom TR1 2AJ
Investment advisors	Quilter Cheviot Quilter & Co Limited Queens Quay 33-35 Queens Square Bristol BS1 4LU United Kingdom
	Coutts & Co Charity Investment 440 Strand London WC2R 0QS United Kingdom

THE CINNAMON TRUST

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THE CINNAMON TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are to relieve:

- the elderly and anyone who has been diagnosed as suffering from a terminal illness by providing or assisting in the provision of care for the companion animals for which they are no longer able to provide; and
- the suffering of and cruelty to animals whose elderly or terminally ill owners have died, or are no longer able to care for them, by the provision of a shelter or where possible finding a foster home for them.

Mission statement

"Peace of mind and practical help for people - love, care, and safety of their pets."

Public benefit

The Trustees confirm that they have complied with the duty under Section 4 of The Companies Act 2006 to have due regards to the Charity Commission's general guidance on public benefit. References have been made in this report as to how public benefit has been promoted through the care of animals of elderly and terminally ill owners.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Achievements and performance

The year to 31 March 2024 was again even busier than previous years helping over 157,000 people with their beloved pets. We have 1,702 pets in forever foster homes and over 100 pets in each of the two specialist sanctuaries in Cornwall and Devon.

Hillside Farm Sanctuary has 21 dogs, 33 cats, 8 sheep, 11 chickens, 1 rooster, 5 tortoises, 2 horses and the arrival of 37 Racing Pigeons, totalling 118 pets. We have 108 residents at Poldarves Farm Sanctuary: 18 dogs, 14 cats, 10 ponies, 2 squirrels, 3 tortoises, 1 pig, 1 cow, 12 sheep and 47 ducks, chickens, geese, finches, budgies and doves. An increase to 7,772 pets who are registered for life-long care. These figures necessarily rise and fall during the course of the year with new animals requiring care and old friends coming to the end of their lives. The representation here is taken on 31st March 2024.

Our veterinary fees to veterinary surgeons all over the UK increased to a massive £943,863 over the year, together with the cost of animal feed at £124,391 and the costs of grooming, veterinary supplements and services to £182,994. This is a massive rise, mainly due to the increased charges that veterinary surgeons demand for their professional services. A total of over £1.25M

The Cinnamon Trust is still, the only major provider of services which not only enables owners and pets to enjoy each other's company in spite of any difficulties that may arise for elderly and frail owners in essential day-to-day care of their pets, but also ensures that owners have peace of mind and pets receive all the care they require for their health and welfare. The marked increase in demand for, and provision of, our services is testament to not only the need, but also the ability to respond. We handled 13,407 new cases in the year. Many continue from year to year, for example there are over 15,000 dogs being walked each day by our volunteers and, most of these, for years. Each dog walking case requires two or three volunteers to ensure continuity of service and constancy, and this in turn requires more members of staff to regularly keep in touch with both owners and volunteers to ensure all is well and take remedial action if there are problems.

We have 488 young (24 years and under) volunteers and by rejoining The Duke of Edinburgh's Award Scheme in 2024/5 we hope to increase our young volunteers. All charities are struggling with volunteer recruitment due to financial constraints for many people in the UK, with the cost of living crisis. Our main driver for our 40th Anniversary in 25/26 will be to recruit further volunteers.

Our membership is **53,156** including 30 overseas members (From The Bahamas, to The Cayman Islands, France, Hong Kong and The United States). We have two Forever Fosterers in Canada and The United States.

We have **4498** Life Members, up almost 6% on previous year

There are 93 members of staff at 31 March 2024.

Our Pet Friendly Care Homes and Retirement complex register has been entrusted to Trusted Care who are managing the register alongside their own catalogue of care homes. They offer our members a dedicated telephone line for queries and are available on the phone 7 days a week.

As most of employment within Cornwall has been around the busy summer period, The Trust has often struggled with staffing levels. By joining the Living Wage Foundation, we are now paying all staff and contractors over the National Minimum Wage which will in turn reduce the need to recruit and keep employees thereby saving in training time and costs.

Payroll processing has been brought back in house. All managers have received Mental Health First Aid training and ten staff members have become Mental Health Champions to help all staff with any issues they may have. This step initially reduced sick leave by 10%.

Work has started on a new CRM system which will help all staff allocate volunteers quicker to new cases and will also help with showing areas of recruitment for new volunteers prior to need. This will make us more prepared to help people as soon as they request help rather than recruiting volunteers when demand is already required. This system will allow us to use the Cloud and thereby reducing the cost on hardware as our current server is end of life.

Head Office Hayle

Following the rise in electricity prices, solar panels are now installed and proving successful providing 70% of power used within the office during the summer months. A noticeable decrease in what we are paying for electricity is beginning to show in monthly bills. The carparking arrangements for staff is still a problem, but Home Bargains has provided us with 6 spaces which the staff use on a rotational basis. Car parking spaces have also been provided in the car park.

Hillside Sanctuary

A programme of repairs and renovations at Hillside started in the summer of 2023, together with the completion of the Dog Rehabilitation Centre, named after one of our young supporters, Gethin, who passed away from cancer, but wanted The Cinnamon Trust to benefit from his gift, so it seemed only right , that this new purpose built home should be named after him.

Following the death of one of our members, we were challenged with building a Pigeon Loft for two flocks of racing pigeons, for them to live out their retirement in the Devon Countryside. Extra training for the staff was provided by a local pigeon group and all pigeons are happily installed.

Changes had been made to the Horses stable, Field shelter and fields to allow better use of the land for both the horses and the sheep, together with a new Straw/Hay store to reduce the cost of the purchase of feed and bedding.

Solar panels have been installed on the cat house to help reduce the cost of electricity and work towards our reduction on fossil fuels.

Hillside has 23 Members of staff at 31 March 2024.

Poldarves Sanctuary

Plans for the new Cat Home have had to be put on hold following the passing of planning permission due to non-availability of more electric power. Permission to get more power into Poldarves by National Grid meant permission being granted by both sets of neighbouring land owners. We are still waiting for permission and indeed a solution.

An old storage shed has now been turned into an outside toilet and the conversion of part of the old Cat House has been made into a quiet room for staff (and pets)!

Poldarves has 25 Members of staff (Including 2 on maternity leave) at 31 March 2024.

Plans for next year will include a new website to link into our new CRM system, new air-conditioning / heating for Head office, using the reduced power from the Solar panels to provide a better working environment. Change in working hours for staff to increase efficiencies. Purchase a new Sanctuary in the West Midland area to service pets from Wales and Northern England, whilst keeping in with daily travel for Head Office Staff. Of course, this will be our 40th Anniversary in 2025, and our challenge will be to increase our volunteer family by 20% as well as increasing the number of people who have heard about us.

Investment Objectives

The Trustees wish to invest the portfolio to provide a return, that maintains the real (inflation adjusted) value of the growth of the capital. The Trustees wish to follow a total return approach. Sufficient liquidity and cash reserves should be maintained at all times to meet emergency funding requirements of the charity.

Assets

The Trust's assets can be invested widely and diversified to produce a balanced portfolio using asset classes which

can include cash, bonds, equities, property, hedge funds etc. and any other asset that is deemed suitable for the charity.

Cash reserves outside the investment portfolios are invested in UK term deposits.

Ethical Policy

All the above is subject to the proviso that funds should not be invested with any company involved either directly or indirectly with animal testing and research. Trustees are aware that is implemented on a best endeavours basis.

Reporting and Monitoring

The fund managers are required to provide the following information on a quarterly basis, valuation of investments,

transaction reports, cash reconciliations, performance analysis and commentary.

The board collectively has responsibility for agreeing strategy, monitoring investment assets and for signing instructions to investment managers. Management can take actions within certain parameters to facilitate investment decisions and these are reported to the board either prior to the action or as soon as reasonably possible.

The Trustees will review the information provided at each meeting and make adjustments to policy as and when necessary.

Financial review

For the year ended 31 March 2024, The Cinnamon Trust had an income of **£8,352,049 (2023: £6,680,540)** of which **£6,138,773 (2023:£5,091,254)** is derived from legacies. Total net incoming resources were **£6,247,906 (2023: £992,647)**. The improvement is largely due to improved investment performance in the year.

The trend has been for legacy income to decline. This dependence on legacies, which are a source of income dependent upon circumstances and beyond the control of the charity, make it extremely difficult to budget for anticipated legacy income and reserves need to be maintained to cover any future reduction in revenues. Further, these resources stand the charity in good stead in a very uncertain economic climate and are readily available to meet anticipated cash flow requirements.

Reserves policy

The Trust currently has unrestricted funds of **£56,734,807 (2023: £50,331,418)**. This includes tangible and intangible fixed assets of **£3,164,271 (2023: £2,575,969)**, therefore leaving a free reserves balance of **£53,570,536 (2023: £47,775,449)**. It is the Trustees' policy to retain three years' running costs in reserve **(£14,215,065, 2013: £11,863,986)**. Current levels of reserves are higher than the multiple of recent expenditure but stand The Trust in good stead in very unpredictable times on all fronts.

The Trust reviewed its reserves policy in May 2024 and decided that effective 31 March 2024 two designated funds be recognised in the annual accounts of the Charity. A designated fund is created when the Board of Trustees decides to set aside an amount from unrestricted funds for a particular purpose.

The Cinnamon Promise Designated Fund

The Cinnamon Trust has estimated the future cost of our promise to the previous owners to take care of the pets currently in our care for the term of their natural lives. This has considered current costs and average lifespan of different pets (increased to reflect our experience that pets live longer than average with the care we provide). and has created a designated fund to reflect this commitment.

The Cinnamon Trust is unique. When it takes on responsibility for a pet it takes on and retains ownership of the pet. We promise to the previous owner (a person over 65 or with a terminal illness) who relinquishes ownership of their beloved pet to us is that we will continue to look after and love their pet for the rest of its natural life. Some of our pets have long natural lives (eg tortoises and ponies). For pets that are found foster families, we do our utmost to find the perfect match of foster family and pet. We also stay in touch with foster families and ensure the pet receives a safe and loving home. We have responsibility for all vet bills so we can be sure these pets get the best possible medical care. For those pets we accept into our care which we do not think are suitable for foster family placement, we take them into our sanctuaries. Our sanctuaries are like a home away from home.

We take this promise to the previous owner very seriously. Ultimately, we are promising your pet will continue to be loved and live their best life. This designated fund has been created based on our estimate of the cost of delivering on this promise for pets currently in our care. The Trust estimates this commitment to be £30,021,406 as at 31 March 2024.

The Cinnamon Trust New Sanctuary Designated Fund

It has become clear that the Charity faces increasing demand for its services. With the 40th anniversary year in 2025 it is expected that more people will hear of us and that we will be helping more people. Our sanctuaries are nearing capacity and it has been decided that we need to create a third sanctuary. We have learned from setting up the existing two sanctuaries that purpose built is the best way. It is anticipated that this new sanctuary will be outside of Southwest England, will need extensive modification or construction, and will integrate with our existing operations. A considerable recruitment and training effort will also be required. An amount of £15 miliion has been set aside for the acquisition and development of a new sanctuary (including all acquisition, modification and construction, recruitment and training costs). The Cinnamon Trust has begun its search for an appropriate property.

After setting aside these two designated funds our unrestricted (and undesignated) funds will amount to £11,713,401.

Investment policy and objectives

The objective of the Cinnamon Trust is to at least maintain the value in real terms of Charity funds.

£1,586,553 is currently invested with and managed by Quilters and the Trustees are not minded to increase this.

£30,402,927 is invested and managed by the appropriate team at Coutts & Co. The Trustees reviewed this during the financial year and compared Coutts to other investment managers and advisers. The Trustees decided to retain Coutts as the primary investment manager.

Cash at bank and in hand of £20,139,930 reflects a high level of term deposits on call or short maturities which gained the Charity attractive interest earnings at very low risk. Since year end the Charity has reallocated some of these funds to investment portfolios as interest rates began to decline.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

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

Organisational structure

The Trustees who have served during the year and since the year end are set out below.

D W Band	
J R Dale	
P Atkins	
K Barlow	(Appointed 4 May 2023)
S Neal	(Appointed 5 September 2024)

Trustees are appointed by the board of Trustees and meet quarterly with, if necessary, ad hoc meetings called to address matters of importance that occur between meetings.

The Chief Executive is responsible for strategic leadership, day to day decision making and administration and reports to the Trustees.

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed 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.

The trustees' report, including the strategic report, was approved by the Board of Trustees.

.....

J R Dale

Trustee

Date: 17/12/2024

THE CINNAMON TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of The Cinnamon 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; 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.

In so far as the trustees are aware:
- there is no relevant information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

THE CINNAMON TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE CINNAMON TRUST

Opinion

We have audited the financial statements of The Cinnamon Trust (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes 1 to 28 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 charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CINNAMON TRUST

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Webb
Matthew Webb (Dec 17, 2024 15:54 GMT)

Matthew Webb FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

17/12/2024

Chartered Accountants
Statutory Auditor

Woodlands Court
Truro Business Park
Truro
Cornwall
United Kingdom
TR4 9NH

THE CINNAMON TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

Current financial year

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Income from:					
Donations and legacies	**4**	6,833,405	-	6,833,405	5,829,256
Other trading activities	**2**	131,384	-	131,384	133,138
Investments	**3**	1,387,260	-	1,387,260	718,146
Total income		8,352,049	-	8,352,049	6,680,540
Expenditure on:					
Raising funds	**5**	88,624	-	88,624	82,163
Charitable activities					
Poldarves Sanctuary	**8**	145,671	-	145,671	139,861
Hillside Sanctuary	**8**	289,574	-	289,574	193,104
Community Services	**8**	4,238,376	-	4,238,376	3,609,950
Sunnyside & Millbank	**8**	64,734	-	64,734	11,747
Total charitable expenditure		4,738,355	-	4,738,355	3,954,662
Other	**7**	13,662	-	13,662	-
Total expenditure		4,840,641	-	4,840,641	4,036,825
Net gains/(losses) on investments	**12**	2,736,498	-	2,736,498	(1,651,068)
Net incoming resources before transfers		6,247,906	-	6,247,906	992,647
Gross transfers between funds		155,483	(155,483)	-	-
Net movement in funds		6,403,389	(155,483)	6,247,906	992,647
Fund balances at 1 April 2023		50,331,418	410,485	50,741,903	49,749,256
Fund balances at 31 March 2024		56,734,807	255,002	56,989,809	50,741,903

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE CINNAMON TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

Prior financial year

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:				
Donations and legacies	**4**	5,829,256	-	5,829,256
Other trading activities	**2**	133,138	-	133,138
Investments	**3**	718,146	-	718,146
Total income		6,680,540	-	6,680,540
Expenditure on:				
Raising funds	**5**	82,163	-	82,163
Charitable activities				
Poldarves Sanctuary	**8**	139,861	-	139,861
Hillside Sanctuary	**8**	193,104	-	193,104
Community Services	**8**	3,609,950	-	3,609,950
Sunnyside & Millbank	**8**	11,747	-	11,747
Total charitable expenditure		3,954,662	-	3,954,662
Total expenditure		4,036,825	-	4,036,825
Net gains/(losses) on investments	**12**	(1,651,068)	-	(1,651,068)
Net incoming resources before transfers		992,647	-	992,647
Gross transfers between funds		3,566	(3,566)	-
Net movement in funds		996,213	(3,566)	992,647
Fund balances at 1 April 2022		49,335,205	414,051	49,749,256
Fund balances at 31 March 2023		50,331,418	410,485	50,741,903

THE CINNAMON TRUST

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Intangible assets	**14**		371,621		83,532
Tangible assets	**15**		2,792,650		2,492,437
Investments	**16**		31,989,480		28,457,613
			35,153,751		31,033,582
Current assets					
Stocks	**17**	34,146		34,640	
Debtors	**18**	1,901,449		2,094,355	
Cash at bank and in hand		20,139,930		17,847,052	
		22,075,525		19,976,047	
Creditors: amounts falling due within one year	**19**	(239,467)		(267,726)	
Net current assets			21,836,058		19,708,321
Total assets less current liabilities			56,989,809		50,741,903
Income funds					
Restricted funds	**21**		255,002		410,485
Unrestricted funds					
Designated funds	**22**	45,021,406		-	
General unrestricted funds		11,713,401		50,331,418	
			56,734,807		50,331,418
			56,989,809		50,741,903

The financial statements were approved by the Trustees on 17/12/2024

.....

J R Dale
Trustee

Company registration number 07004861

THE CINNAMON TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Cash flows from operating activities					
Cash generated from operations	**26**		2,409,072		1,573,585
Investing activities					
Purchase of intangible assets		(301,920)		(59,280)	
Purchase of tangible fixed assets		(406,284)		(95,598)	
Purchase of investments		(14,345,556)		(34,800,415)	
Proceeds on disposal of investments		13,550,186		24,305,167	
Interest and dividends received		1,387,260		718,146	
Net cash used in investing activities			(116,314)		(9,931,980)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			2,292,758		(8,358,395)
Cash and cash equivalents at beginning of year			17,847,052		26,205,447
Cash and cash equivalents at end of year			20,139,810		17,847,052
Relating to:					
Cash at bank and in hand			20,139,930		17,847,052
Bank overdrafts included in creditors payable within one year			(120)		-

1 Accounting policies

Charity information

The Cinnamon Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 10 Market Square, Hayle, Cornwall, TR27 4HE, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, with the exception of investments that are measured at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have assessed the use of the going concern basis and have considered possible events or conditions that might cast a significant doubt on the ability of the charitable company to continue as a going concern. The trustees have considered a period of at least twelve months from the date of approval of these financial statements. In particular, the trustees have considered the charitable company's available cash balances in conjunction with expected working capital requirements and have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.

The trustees are of the view that there are no material uncertainties that may create significant doubt over the charitable company's ability to continue as a going concern. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1 Accounting policies **(Continued)**

1.4 Income

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:-

a) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Gifts donated for resale are included as income when they are sold. Donated assets are included at their fair value where this can be reliably measured and a third party is bearing the cost. The value of services provided by volunteers is not quantifiable and accordingly has not been included.

b) Income from the the sale of bought in goods is included at the point of sale of the goods.

c) Dividend and interest income from investments is included in the period in which it is receivable.

d) Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fundraising costs are those incurred in seeking voluntary contributions and include the costs of goods purchased for resale as part of the trading income.

Governance costs are management and administration costs that are incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

Software	25% on reducing balance

1.7 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and accumulated impairment losses. Costs includes costs directly attributable to making the asset capable of operating as intended by management.

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

Freehold property	50 years straight line
Plant and equipment	10-40 years straight line
Fixtures and fittings	10 years straight line
Motor vehicles	7 years straight line
Office equipment	3-5 years straight line

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 the statement of financial activities.

1 Accounting policies **(Continued)**

During the year, the depreciation rates have been revised to a straight line method as opposed to a reducing balance method, based on each assets remaining useful life. The effect of this change is immaterial both in the current year and prospectively.

1.8 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.

1.9 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its intangible and tangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Financial Activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Financial Activities.

1.10 Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 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.

1 Accounting policies **(Continued)**

1.12 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.13 Taxation

The charity is subject to corporation tax if its trading activities exceed the small trading taxation exemption.

No corporation tax was due in respect of the year ended 31 March 2024, nor to 31 March 2023, as the trading element resulted in a loss.

1.14 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies **(Continued)**

1.16 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

2 Other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
CT100 Club income	43,488	43,507
Catalogue income	87,896	89,631
Other trading activities	131,384	133,138

3 Investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from listed investments	945,205	616,227
Interest receivable	442,055	101,919
	1,387,260	718,146

4 Donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts (including gift aid)	691,161	738,002
Legacies receivable	6,138,773	5,091,254
Government grants receivable	3,471	-
	6,833,405	5,829,256

5 Raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising and publicity		
Staging fundraising events	11,433	10,686

5 Raising funds **(Continued)**

Trading costs		
Purchases	77,191	71,477
	88,624	82,163

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2023: £nil).

Trustees' expenses
There were no expenses reimbursed to, or paid, on behalf of Trustees in the year (2023: £nil).

7 Other

	Unrestricted funds	Total
	2024	2023
	£	£
Net loss on disposal of tangible fixed assets	13,662	-
	13,662	-

8 Charitable activities

	Poldarves Sanctuary 2024	Hillside Sanctuary 2024	Community Services 2024	Sunnyside & Millbank 2024	Total 2024	Total 2023
	£	£	£	£	£	£
Staff costs	-	-	2,303,004	-	2,303,004	1,830,396
Depreciation, amortisation and impairment	4,869	7,571	93,150	650	106,240	86,936
Hire of plant and machinery	(4)	-	1,263	-	1,259	1,010
Rents, rates and water	3,083	4,742	3,012	(84)	10,753	13,921
Insurance	-	-	57,254	-	57,254	54,446
Light and heat	19,089	28,135	7,217	370	54,811	32,144
Telephone	1,076	2,803	11,949	97	15,925	38,371
Postage and stationery	139	300	244,872	-	245,311	310,480
Advertising	-	-	15,061	-	15,061	2,692
Animal supplies (non food)	12,597	27,460	142,937	-	182,994	170,191
Animal feed	31,698	52,611	40,082	-	124,391	121,132
Cleaning	8,952	5,078	12,445	-	26,475	14,934
Repairs and renewals	21,555	57,357	44,440	63,701	187,053	72,079
Computer costs	292	362	73,095	-	73,749	70,886
Motor expenses	5,598	2,871	-	-	8,469	9,683
Veterinary fees and medicines	30,060	89,003	824,800	-	943,863	772,339
Travelling	1,364	1,708	126,533	-	129,605	136,202
Other charitable expenditure	5,303	9,573	237,262	-	252,138	216,820
	145,671	289,574	4,238,376	64,734	4,738,355	3,954,662
	145,671	289,574	4,238,376	64,734	4,738,355	3,954,662

9 Support costs

Included within charitable activity expenses are the following support costs:

	2023	2023
	£	£
Staff costs	401,891	331,590
Office expenditure	316,047	352,175
Computer costs	73,749	70,626
Depreciation and amortisation	106,240	86,936
	897,927	841,327

10 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

11 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Sanctuary staff	45	33
Community support and administrative staff	44	44
Total	89	77

Employment costs	2024 £	2023 £
Wages and salaries	2,090,021	1,661,566
Social security costs	169,160	137,082
Other pension costs	43,823	31,748
	2,303,004	1,830,396

The number of employees whose annual remuneration was £60,000 or more were:

	2024 Number	2023 Number
£60,001 to £70,000	1	-

12 Net gains/(losses) on investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Change in fair value of investments	2,736,498	(1,651,068)

13	Net movement in funds	2024	2023
		£	£
	Net movement in funds is stated after charging/(crediting)		
	Depreciation of owned tangible fixed assets	92,409	78,852
	Amortisation of intangible assets	13,831	8,084
	Hire of plant and machinery	1,259	1,009
	Auditors remuneration	16,550	12,750
	Auditors remuneration for non-audit work	13,664	2,300

14 Intangible fixed assets

	Software
	£
Cost	
At 1 April 2023	295,444
Additions	301,920
At 31 March 2024	597,364
Amortisation and impairment	
At 1 April 2023	211,912
Amortisation charged for the year	13,831
At 31 March 2024	225,743
Carrying amount	
At 31 March 2024	371,621
At 31 March 2023	83,532

Included within software is £361,200 (2023: £59,280) relating to a CRM database system currently in development but not yet in use. No amortisation has been charged on this asset in the period (2023: nil).

15 Tangible fixed assets

	Freehold property	Plant and equipment	Fixtures and fittings	Motor vehicles	Office equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2023	3,017,179	58,120	123,407	33,772	131,357	3,363,835
Additions	157,967	154,196	19,335	26,118	48,668	406,284
Disposals	-	-	(9,455)	-	(76,245)	(85,700)
At 31 March 2024	3,175,146	212,316	133,287	59,890	103,780	3,684,419
Depreciation and impairment						
At 1 April 2023	627,689	37,173	66,610	30,048	109,878	871,398
Depreciation charged in the year	60,763	6,788	7,163	5,589	12,106	92,409
Eliminated in respect of disposals	-	-	(7,188)	-	(64,850)	(72,038)
At 31 March 2024	688,452	43,961	66,585	35,637	57,134	891,769
Carrying amount						
At 31 March 2024	2,486,694	168,355	66,702	24,253	46,646	2,792,650
At 31 March 2023	2,389,490	20,947	56,797	3,724	21,479	2,492,437

16 Fixed asset investments

	Listed investments	Cash in portfolio	Total
	£		£
Cost or valuation			
At 1 April 2023	27,393,444	1,064,169	28,457,613
Additions	14,345,556	-	14,345,556
Valuation changes	2,736,497	-	2,736,497
Disposals	(13,544,310)	(5,876)	(13,550,186)
At 31 March 2024	30,931,187	1,058,293	31,989,480
Carrying amount			
At 31 March 2024	30,931,187	1,058,293	31,989,480
At 31 March 2023	27,393,444	1,064,169	28,457,613

Fixed asset investments revalued
Investments include listed investments that are included at fair value.

The historical cost of listed investments at 31 March 2024 is £28,958,976 (2023: £27,674,736).

17 Stocks

	2024	2023
	£	£
Goods for resale	34,146	34,640

18 Debtors

	2024	2023
Amounts falling due within one year:	£	£
Trade debtors	549	-
Other debtors	49,213	-
Prepayments and accrued income	1,851,687	2,094,355
	1,901,449	2,094,355

19 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank overdrafts		120	-
Other taxation and social security		42,521	35,781
Trade creditors		127,818	168,201
Other creditors		11,049	19,874
Accruals and deferred income		57,959	43,870
		239,467	267,726

20 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £43,823 (2023 - £31,748).

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2022	Transfers	Balance at 1 April 2023	Resources expended	Transfers	Balance at 31 March 2024
	£	£	£	£	£	£
Property and facilities reserve	275,000	-	275,000	(151,917)	-	123,083
Hillside Sanctuary	139,051	(3,566)	135,485	-	(3,566)	131,919
	414,051	(3,566)	410,485	(151,917)	(3,566)	255,002

The Hillside Sanctuary fund is in respect of funds specifically donated in connection with the purchase of a second sanctuary, being Hillside Sanctuary.

The property and facilities reserve restricted fund is in respect of funds specifically donated for the purchase, improvement or other costs directly attributable to a physical facility. £151,917 was spent during the year from this restricted fund. This included construction of new stables, pigeon loft and aviary, and a purpose built dog rehabilitation building. In addition a number of field shelters were built or repaired and a new workshop/ storage and tractor shed constructed.

22 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			
	Incoming resources	Balance at 1 April 2023	Transfers	Balance at 31 March 2024
	£	£	£	£
Future santuary and office	-	-	15,000,000	15,000,000
Promise commitment	-	-	30,021,406	30,021,406
	-	-	45,021,406	45,021,406

Future sanctuary

Both the Hillside and Poldarves sactuaries are nearing full capacity. While numbers can fluctuate we expect growth in numbers of animals at our sanctuaries as we become better known in our 40th anniversary year. The Trustees have decided to set aside funds of £15 million to fund the purchase of a new sanctuary. This sanctuary will preferably be outside of the South West of England and so in keeping with our national operations. The amount set aside in the designated fund reflects a purchase of land somewhere in England and Wales, construction of purpose built buildings, integration with existing operations and recruitment and training of relevant staff.

The Cinnamon Promise

The Cinnamon Trust has estimated the future cost of our promise to the previous owners to take care of the pets currently in our care for the term of their natural lives. This has considered current costs and average lifespan of different pets (increased to reflect our experience that pets live longer than average with the care we provide). The Trust estimates this commitment to be £30,021,406 and has created a designated fund to reflect this commitment. For further information please see the Trustees report.

23 Analysis of net assets between funds

	Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	£	£	£	£	£	£
Fund balances at 31 March 2024 are represented by:						
Intangible fixed assets	371,621	-	371,621	83,532	-	83,532
Tangible assets	2,660,731	131,919	2,792,650	2,356,952	135,485	2,492,437
Investments	31,989,480	-	31,989,480	28,457,613	-	28,457,613
Current assets/(liabilities)	21,712,975	123,083	21,836,058	19,433,321	275,000	19,708,321
	56,734,807	255,002	56,989,809	50,331,418	410,485	50,741,903

24 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£

24	Operating lease commitments		(Continued)
	Within one year	-	197

25	Capital commitments	2024	2023
		£	£
	At 31 March 2024 the charity had capital commitments as follows:		
	Contracted for but not provided in the financial statements:		
	Acquisition of property, plant and equipment	248,400	180,720

26	Cash generated from operations	2024	2023
		£	£
	Surplus for the year	6,247,906	992,647
	Adjustments for:		
	Investment income recognised in statement of financial activities	(1,387,260)	(718,146)
	Loss on disposal of tangible fixed assets	13,662	-
	Fair value gains and losses on investments	(2,736,498)	1,651,068
	Amortisation and impairment of intangible assets	13,831	8,084
	Depreciation and impairment of tangible fixed assets	92,409	78,852
	Movements in working capital:		
	Decrease/(increase) in stocks	495	(15,228)
	Decrease/(increase) in debtors	192,906	(528,250)
	(Decrease)/increase in creditors	(28,379)	104,558
	Cash generated from operations	2,409,072	1,573,585

27 Analysis of changes in net funds

The charity had no debt during the year.

28 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2024	2023
	£	£
Aggregate compensation	238,360	192,165

Transactions with related parties

The charity purchased goods and services from Design Solutions, a business owned by J Dale, totalling £81,647 (2023: £96,122) during the year. At the balance sheet date, there was an amount due to Design Solutions of £nil (2023: 28,820) included within Creditors: Amounts due within one year.

The charity purchased goods and services from Nalders LLP, an LLP in which D Band is a designated member, totalling £3,969 (2023: £29,078) during the year. There were no amounts owed to Nalders LLP at the current or previous year end.

THE CINNAMON TRUST

England & Wales - Charity number 1134680

Accounts

Charity registration number 1134680

Company registration number 07004861 (England and Wales)

THE CINNAMON TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

THE CINNAMON TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D W Band	
	J R Dale	
	P Atkins	(Appointed 4 November 2022)
	K Barlow	(Appointed 4 May 2023)
Founder	Mrs A R Jarvis MBE	
Chief Executive Officer	P Williams	
Patrons	Virginia McKenna Sir Paul McCartney	
Charity number	1134680	
Company number	07004861	
Registered office	10 Market Square Hayle Cornwall United Kingdom TR27 4HE	
Auditor	Azets Audit Services Woodlands Court Truro Business Park Truro Cornwall United Kingdom TR4 9NH	
Bankers	Barclays Bank UK Plc 1 Church Place London United Kingdom E14 5HP	
Solicitors	Nalders Farley House Falmouth Road Truro Cornwall United Kingdom TR1 2HX Vingoe Lloyd 33 St Johns Street Hayle Cornwall United Kingdom TR27 4LL	

THE CINNAMON TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

	Murrell Ashworth LLP 14 High Cross Truro Cornwall United Kingdom TR1 2AJ
Investment advisors	Quilter Cheviot Quilter & Co Limited Queens Quay 33-35 Queens Square Bristol BS1 4LU United Kingdom
	Coutts & Co Charity Investment 440 Strand London WC2R 0QS United Kingdom

THE CINNAMON TRUST

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THE CINNAMON TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are to relieve:

- the elderly and anyone who has been diagnosed as suffering from a terminal illness by providing or assisting in the provision of care for the companion animals for which they are no longer able to provide; and
- the suffering of and cruelty to animals whose elderly or terminally ill owners have died, or are no longer able to care for them, by the provision of a shelter or where possible finding a foster home for them.

Mission statement

"Peace of mind and practical help for people - love, care, and safety of their pets."

Public benefit

The Trustees confirm that they have complied with the duty under Section 4 of The Companies Act 2006 to have due regards to the Charity Commission's general guidance on public benefit. References have been made in this report as to how public benefit has been promoted through the care of animals of elderly and terminally ill owners.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Achievements and performance

During the year to March 2023, the pandemic had a continuing impact upon The Trust. Both staff and owners were still finding themselves with COVID but this has reduced as the year went on. There was no interruption to our services.

In the year to 31st March 2023, we helped in total 156,842 people with 156,076 pets – a new record. We have 1,065 animals in life-long care in long-term foster homes, there are 83 residents at Hillside Farm Sanctuary: 17 dogs, 29 cats, 8 sheep, 10 zebra finches, 8 chickens, 5 quail, 1 rooster, 3 tortoises and 2 horses. We have 111 residents at Poldarves Farm Sanctuary: 15 dogs, 19 cats, 11 ponies, 2 squirrels, 3 tortoises, 1 pig, 1 cow, 12 sheep and 47 ducks, chickens, geese, finches, budgies and doves. 7,755 pets are registered for life-long care. These figures necessarily rise and fall during the course of the year with new animals requiring care and old friends coming to the end of their lives. The representation here is taken on 31st March 2023.

Our veterinary fees to veterinary surgeons all over the UK were **£772,339** in the year, (down from £779,075 in 2021/22) with increases across both sanctuaries but a reduction with the long term foster homes across the UK due to the reduced number of homes being used.

The Cinnamon Trust is still, the only major provider of services which not only enables owners and pets to enjoy each other's company in spite of any difficulties that may arise for elderly and frail owners in essential day-to-day care of their pets, but also ensures that owners have peace of mind and pets receive all the care they require for their health and welfare. The marked increase in demand for, and provision of, our services is testament to not only the need, but also the ability to respond. We handled 12,975 new cases in the year. Many continue from year to year, for example there are 18,494 dogs being walked each day by our volunteers and, most of these, for years. Each dog walking case requires two or three volunteers to ensure continuity of service and constancy, and this in turn requires more members of staff to regularly keep in touch with both owners and volunteers to ensure all is well and take remedial action if there are problems.

We have 801 young (24 years and under) volunteers and 18,551 active volunteers in total. A total of **21,205** volunteers. We expect the number of volunteers to reduce over the next year due to the emergency volunteers we took on during the pandemic.

Our membership is **56,608** including 61 overseas members (Australia 5, Bahamas 1, Canada 4, Cayman Islands 1, Denmark 1, France 11, Germany 1, Ireland 14, Israel 1, Malta 1, Netherlands 4, New Zealand 1, Spain 1, Sweden 2, Switzerland 1, United States of America 11 and Yemen 1).

We have **4255** Life Members.

There were 81 members of staff as at 31 March 2023.

We have had to put a hold on our register of Pet Friendly Care Homes and Retirement Complexes due to the ongoing issues with staff shortages at Homes etc. It was becoming increasing difficult to maintain a directory with home managers changing. Each manager had their own views on pets in care homes and the ability to keep up to date with this, proved very difficult to handle. Whether The Trust continues with The Register of Care Homes will depend on a board decision in 2023/24.

In October 2022, our Founder, Chief Executive and Chair of The Trustees, Mrs Averil R Jarvis MBE suffered a catastrophic stroke and resigned from her post with immediate effect. The Trustees appointed Patrick Williams as Chief Executive. John Dale was appointed as Chair of The Trustees at a special meeting of The Trustees.

Due to the increasing cost of electricity, we have been looking at ways to reduce this ongoing cost by investing in Solar Panels at our sites. Since the end of the financial year a full tender process was conducted to select a provider of our solar energy solutions. The board approved the budget and at the time of preparing this report installation had begun. In addition, we will need to look at replacing the cat home at Poldarves sanctuary.

Investment Objectives

The Trust seeks to produce the best financial return within an acceptable level of risk.

The investment objective for the long-term reserves is to generate a return in excess of inflation over the long-term while generating an income to support the on-going activities of The Trust.

The short-term objective is to preserve the capital value with a minimal level of risk.

Assets

The Trust's assets can be invested widely and diversified to produce a balanced portfolio using asset classes which can include cash, bonds, equities, property, hedge funds etc. and any other asset that is deemed suitable for the charity.

Ethical Policy

All the above is subject to the proviso that funds should not be invested with any company involved either directly or indirectly with animal testing and research.

Reporting and Monitoring

The fund managers are required to provide the following information on a quarterly basis, valuation of investments, transaction reports, cash reconciliations, performance analysis and commentary.

The Chairman has responsibility for agreeing strategy, monitoring investment assets and for signing instructions to investment managers.

The Trustees will review the information provided at each meeting and make adjustments to policy as and if necessary.

Financial review

The Cinnamon Trust currently has an annual income of **£6,680,540 (2022: £6,767,915)** of which **£5,091,254 (2022: £5,540,873)** is derived from legacies. Total net incoming resources were **£992,647 (2022: £3,440,844)**. The reduction is largely due to lower legacies in the year, unrealised losses on the investment porfolio and an increase in charitable expenditure. The trend has been for legacy income to decline. This dependence on legacies, which are a source of income dependent upon circumstances and beyond the control of the charity, make it extremely difficult to budget for anticipated legacy income and reserves need to be maintained to cover any future reduction in revenues. Further, these resources stand the charity in good stead in a very uncertain economic climate and are readily available to meet anticipated cash flow requirements.

Reserves policy
The Trust currently has unrestricted funds of **£50,331,418 (2022: £49,335,205)**. This includes tangible and intangible fixed assets of **£2,575,969 (2022: £2,508,027)**, therefore leaving a free reserves balance of **£47,755,449 (2022: £46,827,178)**. It is the Trustees' policy to retain three years' running costs in reserve. Current levels of reserves are higher than the multiple of recent expenditure but stand The Trust in good stead in very unpredictable times on all fronts, and enable expenditure as necessary on wage rises, animal accommodation, owner support, and supporting the animals in our care over the entirety of their remaining life time, with no need to make appeals for funds. The Trust is currently reviewing its reserves policy and will be creating designated reserves that reflect our obligations, responsibilities and future strategy.

Investment policy and objectives
Due to current low interest rates and high inflation and in order to at least maintain the value in real terms of the remaining funds, these have been made available for investment.

£1,416,016 is currently invested with and managed by Quilters and the Trustees are not minded to increase this.

£27,041,597 is invested and managed by the appropriate team at Coutts & Co. The Trustees will review this during the coming year.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management
The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Organisational structure
The Trustees who have served during the year and since the year end are set out below.

D W Band	
J R Dale	
Mrs A R Jarvis MBE	(Resigned 20 October 2022)
P Atkins	(Appointed 4 November 2022)
K Barlow	(Appointed 4 May 2023)

Trustees are appointed by the board of Trustees and meet quarterly with, if necessary, ad hoc meetings called to address matters of importance that occur between meetings.

The Chief Executive is responsible for strategic leadership, day to day decision making and administration and reports to the Trustees.

Auditor
In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed 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.

The trustees' report, including the strategic report, was approved by the Board of Trustees.

.....
J R Dale
Trustee

Date: Dec 14, 2023 .....

THE CINNAMON TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors of The Cinnamon 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.

In so far as the trustees are aware:
- there is no relevant information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

THE CINNAMON TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE CINNAMON TRUST

Opinion

We have audited the financial statements of The Cinnamon Trust (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes 1 to 26 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 charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CINNAMON TRUST

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CINNAMON TRUST

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matthew Webb
Matthew Webb (Dec 14, 2023 09:15 GMT)

Matthew Webb (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

Dec 14, 2023
.....

Chartered Accountants
Statutory Auditor

Woodlands Court
Truro Business Park
Truro
Cornwall
United Kingdom
TR4 9NH

THE CINNAMON TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Current financial year

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Income from:					
Donations and legacies	**4**	5,829,256	-	5,829,256	6,200,903
Other trading activities	**2**	133,138	-	133,138	145,531
Investments	**3**	718,146	-	718,146	421,481
Total income		6,680,540	-	6,680,540	6,767,915
Expenditure on:					
Raising funds	**5**	82,163	-	82,163	90,399
Charitable activities					
Poldarves Sanctuary	**7**	139,861	-	139,861	120,618
Hillside Sanctuary	**7**	193,104	-	193,104	153,515
Community Services	**7**	3,609,950	-	3,609,950	3,123,750
Sunnyside & Millbank	**7**	11,747	-	11,747	13,876
Total charitable expenditure		3,954,662	-	3,954,662	3,411,759
Total expenditure		4,036,825	-	4,036,825	3,502,158
Net gains/(losses) on investments	**11**	(1,651,068)	-	(1,651,068)	175,087
Net incoming resources before transfers		992,647	-	992,647	3,440,844
Gross transfers between funds		3,566	(3,566)	-	-
Net movement in funds		996,213	(3,566)	992,647	3,440,844
Fund balances at 1 April 2022		49,335,205	414,051	49,749,256	46,308,412
Fund balances at 31 March 2023		50,331,418	410,485	50,741,903	49,749,256

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE CINNAMON TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

Prior financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:				
Donations and legacies	**4**	6,200,903	-	6,200,903
Other trading activities	**2**	145,531	-	145,531
Investments	**3**	421,481	-	421,481
Total income		6,767,915	-	6,767,915
Expenditure on:				
Raising funds	**5**	90,399	-	90,399
Charitable activities				
Poldarves Sanctuary	**7**	120,618	-	120,618
Hillside Sanctuary	**7**	153,515	-	153,515
Community Services	**7**	3,123,750	-	3,123,750
Sunnyside & Millbank	**7**	13,876	-	13,876
Total charitable expenditure		3,411,759	-	3,411,759
Total expenditure		3,502,158	-	3,502,158
Net gains/(losses) on investments	**11**	175,087	-	175,087
Net incoming resources before transfers		3,440,844	-	3,440,844
Gross transfers between funds		3,566	(3,566)	-
Net movement in funds		3,444,410	(3,566)	3,440,844
Fund balances at 1 April 2021		45,890,795	417,617	46,308,412
Fund balances at 31 March 2022		49,335,205	414,051	49,749,256

THE CINNAMON TRUST

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	**13**		83,532		-
Tangible assets	**14**		2,492,437		2,508,027
Investments	**15**		28,457,613		19,613,436
			31,033,582		22,121,463
Current assets					
Stocks	**16**	34,640		19,409	
Debtors	**17**	2,094,355		1,566,105	
Cash at bank and in hand		17,847,052		26,205,447	
		19,976,047		27,790,961	
Creditors: amounts falling due within one year	**18**	(267,726)		(163,168)	
Net current assets			19,708,321		27,627,793
Total assets less current liabilities			50,741,903		49,749,256
Income funds					
Restricted funds	**20**		410,485		414,051
Unrestricted funds			50,331,418		49,335,205
			50,741,903		49,749,256

The financial statements were approved by the Trustees on Dec 14, 2023

.....

J R Dale
Trustee

Company registration number 07004861

THE CINNAMON TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Cash generated from operations	**24**		1,573,585		3,650,504
Investing activities					
Purchase of intangible assets		(59,280)		-	
Purchase of tangible fixed assets		(95,598)		(26,086)	
Purchase of investments		(34,800,415)		(7,763,827)	
Proceeds on disposal of investments		24,305,167		7,454,286	
Interest and dividends received		718,146		421,481	
Net cash (used in)/generated from investing activities			(9,931,980)		85,854
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(8,358,395)		3,736,358
Cash and cash equivalents at beginning of year			26,205,447		22,469,089
Cash and cash equivalents at end of year			17,847,052		26,205,447

1 Accounting policies

Charity information

The Cinnamon Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 10 Market Square, Hayle, Cornwall, TR27 4HE, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, with the exception of investments that are measured at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have assessed the use of the going concern basis and have considered possible events or conditions that might cast a significant doubt on the ability of the charitable company to continue as a going concern. The trustees have considered a period of at least twelve months from the date of approval of these financial statements. In particular, the trustees have considered the charitable company's available cash balances in conjunction with expected working capital requirements and have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.

The trustees are of the view that there are no material uncertainties that may create significant doubt over the charitable company's ability to continue as a going concern. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1 Accounting policies **(Continued)**

1.4 Income

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:-

a) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Gifts donated for resale are included as income when they are sold. Donated assets are included at their fair value where this can be reliably measured and a third party is bearing the cost. The value of services provided by volunteers is not quantifiable and accordingly has not been included.

b) Income from the the sale of bought in goods is included at the point of sale of the goods.

c) Dividend and interest income from investments is included in the period in which it is receivable.

d) Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fundraising costs are those incurred in seeking voluntary contributions and include the costs of goods purchased for resale as part of the trading income.

Governance costs are management and administration costs that are incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation 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:

Software	25% on reducing balance

1.7 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and accumulated impairment losses. Costs includes costs directly attributable to making the asset capable of operating as intended by management.

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

Freehold property	2% on cost
Plant and equipment	25% on reducing balance
Fixtures and fittings	25% on reducing balance
Motor vehicles	25% on reducing balance
Office equipment	25% on reducing balance

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 the statement of financial activities.

1 Accounting policies **(Continued)**

1.8 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.

1.9 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its intangible and tangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Financial Activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Financial Activities.

1.10 Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.11 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.

1.12 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.13 Taxation

The charity is subject to corporation tax if its trading activities exceed the small trading taxation exemption.

No corporation tax was due in respect of the year ended 31 March 2023, nor to 31 March 2022, as the trading element resulted in a loss.

1.14 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

2 Other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
CT100 Club income	43,507	45,631
Catalogue income	89,631	99,900
Other trading activities	133,138	145,531

3 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from listed investments	616,227	413,008
Interest receivable	101,919	8,473
	718,146	421,481

4 Donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts (including gift aid)	738,002	660,030
Legacies receivable	5,091,254	5,540,873
	5,829,256	6,200,903

5 Raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising and publicity		
Staging fundraising events	10,686	4,273

5 Raising funds **(Continued)**

Trading costs		
Purchases	71,477	86,126
	82,163	90,399

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Trustees' expenses
There were no expenses reimbursed to, or paid, on behalf of Trustees in the year (2022: £nil).

7 Charitable activities

	Poldarves Sanctuary 2023	Hillside Sanctuary 2023	Community Services 2023	Sunnyside & Millbank 2023	Total 2023	Total 2022
	£	£	£	£	£	£
Staff costs	-	-	1,830,396	-	1,830,396	1,635,908
Depreciation, amortisation and impairment	3,075	5,619	76,697	1,545	86,936	92,638
Hire of plant and machinery	36	-	974	-	1,010	2,483
Rents, rates and water	2,926	3,563	3,290	4,142	13,921	14,470
Insurance	-	-	54,446	-	54,446	42,758
Light and heat	11,680	15,255	4,037	1,172	32,144	36,803
Telephone	1,607	4,439	31,119	1,206	38,371	24,663
Postage and stationery	146	85	310,249	-	310,480	158,654
Advertising	24	13	2,655	-	2,692	3,312
Animal supplies (non food)	14,946	26,570	128,675	-	170,191	97,555
Animal feed	38,135	38,753	44,244	-	121,132	78,871
Cleaning	1,258	2,680	10,996	-	14,934	18,174
Repairs and renewals	16,379	33,345	18,673	3,682	72,079	78,133
Computer costs	260	-	70,626	-	70,886	66,682
Motor expenses	5,835	3,848	-	-	9,683	9,683
Veterinary fees and medicines	42,518	52,942	676,879	-	772,339	779,075
Travelling	829	217	135,156	-	136,202	128,912
Other charitable expenditure	207	5,775	210,838	-	216,820	142,985
	139,861	193,104	3,609,950	11,747	3,954,662	3,411,759
	139,861	193,104	3,609,950	11,747	3,954,662	3,411,759

8 Support costs

Included within charitable activity expenses are the following support costs:

	2023	2022
	£	£
Staff costs	331,590	352,479
Office expenditure	352,175	220,120
Computer costs	70,626	66,682
Depreciation and amortisation	86,936	92,638
	841,327	731,919

9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10 Employees

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Sanctuary staff	33	39
Community support and administrative staff	44	35
Assessors	-	1
Total	77	75

Employment costs	2023	2022
	£	£
Wages and salaries	1,661,566	1,492,733
Social security costs	137,082	115,637
Other pension costs	31,748	27,538
	1,830,396	1,635,908

There were no employees whose annual remuneration was £60,000 or more (2022: none)

11 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Change in fair value of investments	(1,651,068)	175,087

12 Net movement in funds

	2023	**2022**
	£	**£**
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	78,852	92,638
Amortisation of intangible assets	8,084	-
Hire of plant and machinery	1,009	2,032
Auditors remuneration	12,750	9,900
Auditors remuneration for non-audit work	2,300	1,980

13 Intangible fixed assets

	Software
	£
Cost	
At 1 April 2022	-
Additions	59,280
Transfers	236,164
At 31 March 2023	295,444
Amortisation and impairment	
At 1 April 2022	-
Amortisation charged for the year	8,084
Transfers	203,828
At 31 March 2023	211,912
Carrying amount	
At 31 March 2023	83,532
At 31 March 2022	-

14 Tangible fixed assets

	Freehold property	Plant and equipment	Fixtures and fittings	Motor vehicles	Office equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2022	2,971,690	54,742	78,128	33,772	366,069	3,504,401
Additions	45,489	3,378	45,279	-	1,452	95,598
Transfers	-	-	-	-	(236,164)	(236,164)
At 31 March 2023	3,017,179	58,120	123,407	33,772	131,357	3,363,835
Depreciation and impairment						
At 1 April 2022	568,450	31,156	61,051	28,807	306,910	996,374
Depreciation charged in the year	59,239	6,017	5,559	1,241	6,796	78,852
Transfers	-	-	-	-	(203,828)	(203,828)
At 31 March 2023	627,689	37,173	66,610	30,048	109,878	871,398
Carrying amount						
At 31 March 2023	2,389,490	20,947	56,797	3,724	21,479	2,492,437
At 31 March 2022	2,403,240	23,586	17,077	4,965	59,159	2,508,027

15 Fixed asset investments

	Listed investments	Cash in portfolio	Total
	£		£
Cost or valuation			
At 1 April 2022	19,217,944	395,492	19,613,436
Additions	34,131,738	668,677	34,800,415
Valuation changes	(1,651,071)	-	(1,651,071)
Disposals	(24,305,167)	-	(24,305,167)
At 31 March 2023	27,393,444	1,064,169	28,457,613
Carrying amount			
At 31 March 2023	27,393,444	1,064,169	28,457,613
At 31 March 2022	19,217,944	395,492	19,613,436

Fixed asset investments revalued
Investments include listed investments that are included at fair value.

The historical cost of listed investments at 31 March 2023 is £27,674,736 (2022: £18,961,409).

16 Stocks

	2023	2022
	£	£
Goods for resale	34,640	19,409

17 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Prepayments and accrued income	2,094,355	1,566,105

18 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	35,781	27,384
Trade creditors	168,201	119,913
Other creditors	19,874	3,991
Accruals and deferred income	43,870	11,880
	267,726	163,168

19 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £31,748 (2022 - £27,538).

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2021	Movement in funds Incoming resources	Balance at 1 April 2022	Movement in funds Incoming resources	Balance at 31 March 2023
	£	£	£	£	£
Property and facilities reserve	275,000	-	275,000	-	275,000
Hillside Sanctuary	142,617	(3,566)	139,051	(3,566)	135,485
	417,617	(3,566)	414,051	(3,566)	410,485

The Hillside Sanctuary fund is in respect of funds specifically donated in connection with the purchase of a second sanctuary, being Hillside Sanctuary.

The property and facilities reserve restricted fund is in respect of funds specifically donated for the purchase, improvement or other costs directly attributable to a physical facility.

21 Analysis of net assets between funds

	Unrestricted funds 2023	Restricted funds 2023	Total 2023	Unrestricted funds 2022	Restricted funds 2022	Total 2022
	£	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:						
Intangible fixed assets	83,532	-	83,532	-	-	-
Tangible assets	2,492,437	-	2,492,437	2,368,976	139,051	2,508,027
Investments	28,457,613	-	28,457,613	19,613,436	-	19,613,436
Current assets/(liabilities)	19,708,321	-	19,708,321	27,352,793	275,000	27,627,793
	50,741,903	-	50,741,903	49,335,205	414,051	49,749,256

22 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£

22	**Operating lease commitments**		**(Continued)**
	Within one year	197	197
	Between two and five years	-	197
		197	394

23	**Capital commitments**	**2023**	**2022**
		£	**£**
	At 31 March 2023 the charity had capital commitments as follows:		
	Contracted for but not provided in the financial statements:		
	Acquisition of property, plant and equipment	180,720	-

24	**Cash generated from operations**	**2023**	**2022**
		£	**£**
	Surplus for the year	992,647	3,440,844
	Adjustments for:		
	Investment income recognised in statement of financial activities	(718,146)	(421,481)
	Fair value gains and losses on investments	1,651,068	(175,087)
	Amortisation and impairment of intangible assets	8,084	-
	Depreciation and impairment of tangible fixed assets	78,852	92,638
	Movements in working capital:		
	(Increase)/decrease in stocks	(15,228)	15,403
	(Increase)/decrease in debtors	(528,250)	719,729
	Increase/(decrease) in creditors	104,558	(21,542)
	Cash generated from operations	1,573,585	3,650,504

25 Analysis of changes in net funds

The charity had no debt during the year.

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	192,165	156,590

Transactions with related parties

The charity purchased goods and services from Design Solutions, a business owned by J Dale, totalling £96,122 (2022: £31,565) during the year. At the balance sheet date, there was an amount due to Design Solutions of £28,820 (2022 debtor: £246) included within Creditors: Amounts due within one year.

The charity purchased goods and services from Nalders LLP, an LLP in which D Band is a designated member, totalling £29,078 (2022: £1,575) during the year. There were no amounts owed to Nalders LLP at the current or previous year end.

THE CINNAMON TRUST

England & Wales - Charity number 1134680

Accounts

Charity registration number 1134680

Company registration number 07004861 (England and Wales)

THE CINNAMON TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

THE CINNAMON TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D W Band J R Dale Mrs A R Jarvis MBE Patricia Atkins	 (Appointed 4 November 2022)
Founder and Chief Executive Officer	Mrs A R Jarvis MBE	
Patrons	Virginia McKenna Sir Paul McCartney	
Charity number	1134680	
Company number	07004861	
Registered office	10 Market Square Hayle Cornwall United Kingdom TR27 4HE	
Auditor	Azets Audit Services Woodlands Court Truro Business Park Truro Cornwall United Kingdom TR4 9NH	
Bankers	Barclays Bank UK Plc 1 Church Place London United Kingdom E14 5HP	
Solicitors	Nalders Farley House Falmouth Road Truro Cornwall United Kingdom TR1 2HX Vingoe Lloyd 33 St Johns Street Hayle Cornwall United Kingdom TR27 4LL	

THE CINNAMON TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

	Murrell Ashworth LLP 14 High Cross Truro Cornwall United Kingdom TR1 2AJ
Investment advisors	Quilter Cheviot Quilter & Co Limited Queens Quay 33-35 Queens Square Bristol BS1 4LU United Kingdom
	Coutts & Co Charity Investment 440 Strand London WC2R 0QS United Kingdom

THE CINNAMON TRUST

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THE CINNAMON TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

The charity's objects are to relieve:

- the elderly and anyone who has been diagnosed as suffering from a terminal illness by providing or assisting in the provision of care for the companion animals for which they are no longer able to provide; and
- the suffering of and cruelty to animals whose elderly or terminally ill owners have died, or are no longer able to care for them, by the provision of a shelter or where possible finding a foster home for them.

Mission statement

"Peace of mind and practical help for people - love, care, and safety of their pets."

Public benefit

The Trustees confirm that they have complied with the duty under Section 4 of The Companies Act 2006 to have due regards to the Charity Commission's general guidance on public benefit. References have been made in this report as to how public benefit has been promoted through the care of animals of elderly and terminally ill owners.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Achievements and performance

During the year to March 2022, the pandemic had a continuing impact upon The Trust. Demands for our services plateaued as did the availability of volunteers and so we commenced appeals for more volunteers through our social media platforms which was successful with over 1900 new volunteers in 6 months

Again, Headquarters remained open throughout, staff who had to isolate due to their own health issues, and any staff members who caught Covid remained at home. At one point, a third of the staff were isolating as per Government guidelines. The service, we provided our people continued with staff members moving from their own jobs to areas which had become short-staffed due to isolation etc. in order that we provided our exceptional service to one and all.

The Trustees are pleased that the essential operations of The Trust were to all intents and purposes, unaffected with regard to our petitioners and their pets.

In the year to 31st March 2022, we helped in total 146,108 people with 153,413 pets. We have 1,057 animals in life-long care in long-term foster homes, there are 88 residents at Hillside Farm Sanctuary: 13 dogs, 38 cats, 4 sheep, 10 zebra finches, 10 chickens, 5 quail, 1 rooster, 4 tortoises and 3 horses. We have 121 residents at Poldarves Farm Sanctuary: 10 dogs, 20 cats, 10 ponies, 2 squirrels, 4 tortoises, 1 pig, 1 cow and 73 ducks, chickens, geese, finches, budgies and doves. 8,086 pets are registered for life-long care. These figures necessarily rise and fall during the course of the year with new animals requiring care and old friends coming to the end of their lives. The representation here is taken on 31st March 2022.

Our veterinary fees to veterinary surgeons all over the UK were £779,075 in the year, up £42,984 on 2021 which reflects the increase in face-to-face appointments following the COVID-19 pandemic.

The Cinnamon Trust is the only major provider of services which not only enables owners and pets to enjoy each other's company in spite of any difficulties that may arise for elderly and frail owners in essential day-to-day care of their pets, but also ensures that owners have peace of mind and pets receive all the care they require for their health and welfare. The marked increase in demand for, and provision of, our services is testament to not only the need, but also the ability to respond. We handled 12,999 new cases in the year. Many continue from year to year, for example there are 18,222 dogs being walked each day by our volunteers and, most of these, for years. Each dog walking case requires two or three volunteers to ensure continuity of service and constancy, and this in turn requires more members of staff to regularly keep in touch with both owners and volunteers to ensure all is well and take remedial action if there are problems.

We have 808 young (24 years and under) volunteers and 18,822 volunteers in total. There are 77 members of staff. Our membership is 55,747 members including 53 overseas members (Australia 4, Canada 1, Cayman Islands 1, France 12, Ireland 18, Israel 1, Netherlands 4, Portugal 1, Spain 1, Sweden 2, Switzerland 1, United States of America 6). We have 4146 Life Members.

A total of 1,336 Pet Friendly Care Homes were registered, 675 being Retirement Complexes. During 2022, we will continue contacting all our registered care homes and retirement complexes to bring the register up to date as, sadly, there will be those facilities which have closed as a result of the pandemic. This is a mammoth task but, while we have been in contact with many through 2021, there are many more we need to check on, and of course, open our books to new care homes across the United Kingdom.

It is hoped that the COVID emergency will not increase through 2022 but, should this not be the case, we have both the human and financial resources to respond positively to any and all calls for help well into the future.

Investment Objectives

The Trust seeks to produce the best financial return within an acceptable level of risk.

The investment objective for the long-term reserves is to generate a return in excess of inflation over the long-term while generating an income to support the on-going activities of The Trust.

The short-term objective is to preserve the capital value with a minimal level of risk.

Assets

The Trust's assets can be invested widely and diversified to produce a balanced portfolio using asset classes which can include cash, bonds, equities, property, hedge funds etc. and any other asset that is deemed suitable for the charity.

Ethical Policy

All the above is subject to the proviso that funds should not be invested with any company involved either directly or indirectly with animal testing and research.

Reporting and Monitoring

The fund managers are required to provide the following information on a quarterly basis, valuation of investments, transaction reports, cash reconciliations, performance analysis and commentary.

The Chairman has responsibility for agreeing strategy, monitoring investment assets and for signing instructions to investment managers.

The Trustees will review the information provided at each meeting and make adjustments to policy as and if necessary.

Financial review

Reserves policy

During the year, the Cinnamon Trust had an income of £6,767,915 (2021: £7,527,450) of which £5,540,873 (£6,282,569) is derived from legacies. This dependence on legacies, which are a source of income dependent upon circumstances and beyond the control of the charity, make it extremely difficult to budget for anticipated legacy income and reserves need to be maintained to cover any future reduction in revenues. Further, these resources stand the charity in good stead in a very uncertain economic climate and are readily available to meet anticipated cash flow requirements.

The Trust currently has unrestricted funds of £49,335,205 (2021: £45,890,795). This includes tangible fixed assets of £2,368,976 (2021: £2,431,962), therefore leaving a free reserves balances of £46,966,229 (2021: £43,458,833). It is the Trustees' policy to retain three years' running costs in reserve. Current levels of reserves are higher than the multiple of recent expenditure but stand The Trust in good stead in very unpredictable times on all fronts, and enable expenditure as necessary on wage rises, animal accommodation, petitioner support etc, with no need to make appeals for funds.

Investment policy and objectives
Due to current very low interest rates and rising inflation and in order to at least maintain the value in real terms of the remaining funds, these have been made available for investment.

£1,542,333 is currently invested with and managed by Quilters and the Trustees are not minded to increase this.

£18,071,103 is invested and managed by the appropriate team at Coutts & Co.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management
The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Organisational structure
The Trustees who have served during the year and since the year end are set out below.
D W Band
J R Dale
Mrs A R Jarvis MBE
Patricia Atkins (Appointed 4 November 2022)

Trustees are appointed by the board of Trustees and meet quarterly with, if necessary, ad hoc meetings called to address matters of importance that occur between meetings.

The Chief Executive is responsible for strategic leadership, day to day decision making and administration and reports to the Trustees.

Auditor
In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed 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.

The trustees' report, including the strategic report, was approved by the Board of Trustees.

.....
J R Dale
Trustee

Date: Dec 22, 2022 .....

THE CINNAMON TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors of The Cinnamon 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.

In so far as the trustees are aware:
- there is no relevant information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

THE CINNAMON TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE CINNAMON TRUST

Opinion

We have audited the financial statements of The Cinnamon Trust (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes 1 to 23 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 charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report and the strategic report prepared for the purposes of company law, is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CINNAMON TRUST

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

Matthew Webb
Matthew Webb (Dec 22, 2022 17:54 GMT)

Matthew Webb (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

Dec 22, 2022
.....

Chartered Accountants
Statutory Auditor

Woodlands Court
Truro Business Park
Truro
Cornwall
United Kingdom
TR4 9NH

THE CINNAMON TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Current financial year

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	**4**	6,200,903	-	6,200,903	6,985,378
Other trading activities	**2**	145,531	-	145,531	151,644
Investments	**3**	421,481	-	421,481	390,428
Total income		6,767,915	-	6,767,915	7,527,450
Expenditure on:					
Raising funds	**5**	90,399	-	90,399	81,356
Charitable activities					
Poldarves Sanctuary	**7**	120,618	-	120,618	101,829
Hillside Sanctuary	**7**	153,515	-	153,515	130,696
Community Services	**7**	3,123,750	-	3,123,750	3,073,233
Sunnyside & Millbank	**7**	13,876	-	13,876	2,498
Total charitable expenditure		3,411,759	-	3,411,759	3,308,256
Total expenditure		3,502,158	-	3,502,158	3,389,612
Net gains on investments	**10**	175,087	-	175,087	1,760,027
Net incoming resources before transfers		3,440,844	-	3,440,844	5,897,865
Gross transfers between funds		3,566	(3,566)	-	-
Net movement in funds		3,444,410	(3,566)	3,440,844	5,897,865
Fund balances at 1 April 2021		45,890,795	417,617	46,308,412	40,410,547
Fund balances at 31 March 2022		49,335,205	414,051	49,749,256	46,308,412

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE CINNAMON TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

Prior financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:				
Donations and legacies	**4**	6,985,378	-	6,985,378
Other trading activities	**2**	151,644	-	151,644
Investments	**3**	390,428	-	390,428
Total income		7,527,450	-	7,527,450
Expenditure on:				
Raising funds	**5**	81,356	-	81,356
Charitable activities				
Poldarves Sanctuary	**7**	101,829	-	101,829
Hillside Sanctuary	**7**	130,696	-	130,696
Community Services	**7**	3,073,233	-	3,073,233
Sunnyside & Millbank	**7**	2,498	-	2,498
Total charitable expenditure		3,308,256	-	3,308,256
Total expenditure		3,389,612	-	3,389,612
Net gains/(losses) on investments	**10**	1,760,027	-	1,760,027
Net incoming resources before transfers		5,897,865	-	5,897,865
Gross transfers between funds		3,566	(3,566)	-
Net movement in funds		5,901,431	(3,566)	5,897,865
Fund balances at 1 April 2020		39,989,364	421,183	40,410,547
Fund balances at 31 March 2021		45,890,795	417,617	46,308,412

THE CINNAMON TRUST

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	**12**		2,508,027		2,574,579
Investments	**13**		19,613,436		19,128,809
			22,121,463		21,703,388
Current assets					
Stocks	**14**	19,409		34,811	
Debtors	**15**	1,566,105		2,285,834	
Cash at bank and in hand		26,205,447		22,469,089	
		27,790,961		24,789,734	
Creditors: amounts falling due within one year	**16**	(163,168)		(184,710)	
Net current assets			27,627,793		24,605,024
Total assets less current liabilities			49,749,256		46,308,412
Income funds					
Restricted funds	**18**		414,051		417,617
Unrestricted funds			49,335,205		45,890,795
			49,749,256		46,308,412

The financial statements were approved by the Trustees on Dec 22, 2022

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J R Dale
Trustee

Company registration number 07004861

THE CINNAMON TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash generated from operations	**21**		3,650,504		3,292,717
Investing activities					
Purchase of tangible fixed assets		(26,086)		(46,498)	
Purchase of investments		(7,763,827)		(9,694,615)	
Proceeds on disposal of investments		7,454,286		9,415,440	
Interest and dividends received		421,481		390,428	
Net cash generated from investing activities			85,854		64,755
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			3,736,358		3,357,472
Cash and cash equivalents at beginning of year			22,469,089		19,111,617
Cash and cash equivalents at end of year			26,205,447		22,469,089

1 Accounting policies

Charity information

The Cinnamon Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 10 Market Square, Hayle, Cornwall, TR27 4HE, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, with the exception of investments that are measured at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have assessed the use of the going concern basis and have considered possible events or conditions that might cast a significant doubt on the ability of the charitable company to continue as a going concern. The trustees have considered a period of at least twelve months from the date of approval of these financial statements. In particular, the trustees have considered the charitable company's available cash balances in conjunction with expected working capital requirements and have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.

The trustees are of the view that there are no material uncertainties that may create significant doubt over the charitable company's ability to continue as a going concern. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1 Accounting policies **(Continued)**

1.4 Income

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:-

a) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Gifts donated for resale are included as income when they are sold. Donated assets are included at their fair value where this can be reliably measured and a third party is bearing the cost. The value of services provided by volunteers is not quantifiable and accordingly has not been included.

b) Income from the the sale of bought in goods is included at the point of sale of the goods.

c) Dividend and interest income from investments is included in the period in which it is receivable.

d) Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fundraising costs are those incurred in seeking voluntary contributions and include the costs of goods purchased for resale as part of the trading income.

Governance costs are management and administration costs that are incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and accumulated impairment losses. Costs includes costs directly attributable to making the asset capable of operating as intended by management.

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

Freehold property	2% on cost
Plant and equipment	25% on reducing balance
Fixtures and fittings	25% on reducing balance
Motor vehicles	25% on reducing balance
Office equipment	25% on reducing balance

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 the statement of financial activities.

1.7 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.

1 Accounting policies **(Continued)**

1.8 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Financial Activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Financial Activities.

1.9 Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 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.

1.11 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The charity is subject to corporation tax if its trading activities exceed the small trading taxation exemption.

No corporation tax was due in respect of the year ended 31 March 2022, nor to 31 March 2021, as the trading element resulted in a loss.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

2 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
CT100 Club income	45,631	51,997
Catalogue income	99,900	99,647
Other trading activities	145,531	151,644

3 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Income from listed investments	413,008	376,897
Interest receivable	8,473	13,531
	421,481	390,428

4 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts (including gift aid)	660,030	681,606
Legacies receivable	5,540,873	6,282,569
Government grants receivable	-	21,203
	6,200,903	6,985,378

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Fundraising and publicity		
Staging fundraising events	4,273	3,847

5 Raising funds **(Continued)**

Trading costs		
Purchases	86,126	77,509
	90,399	81,356

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Trustees' expenses
There were no expenses reimbursed to, or paid, on behalf of Trustees in the year (2021: £nil).

7 Charitable activities

	Poldarves Sanctuary 2022	Hillside Sanctuary 2022	Community Services 2022	Sunnyside & Millbank 2022	Total 2022	Total 2021
	£	£	£	£	£	£
Staff costs	-	-	1,635,908	-	1,635,908	1,590,634
Depreciation and impairment	-	-	92,638	-	92,638	96,733
Hire of plant and machinery	451	-	2,032	-	2,483	3,626
Rents, rates and water	3,390	3,728	4,314	3,038	14,470	12,370
Insurance	-	-	42,758	-	42,758	41,456
Light and heat	13,576	14,755	6,757	1,715	36,803	34,205
Telephone	1,193	1,744	21,064	662	24,663	25,362
Postage and stationery	10	270	158,374	-	158,654	208,761
Advertising	-	-	3,312	-	3,312	5,838
Animal supplies (non food)	8,846	16,914	71,795	-	97,555	69,953
Animal feed	31,512	31,845	15,514	-	78,871	91,912
Cleaning	2,967	4,479	10,728	-	18,174	18,051
Repairs and renewals	16,332	24,824	28,516	8,461	78,133	41,824
Computer costs	-	-	66,682	-	66,682	61,749
Motor expenses	5,806	3,877	-	-	9,683	7,013
Veterinary fees and medicines	33,328	48,992	696,755	-	779,075	736,091
Travelling	26	110	128,776	-	128,912	120,779
Other charitable expenditure	3,181	1,977	137,827	-	142,985	141,899
	120,618	153,515	3,123,750	13,876	3,411,759	3,308,256
	120,618	153,515	3,123,750	13,876	3,411,759	3,308,256

8 Support costs

Included within charitable activity expenses are the following support costs:

	2022	2021
	£	£
Staff costs	352,479	347,942
Office expenditure	220,120	239,575
Computer costs	66,682	61,749
Depreciation	92,638	96,733
	731,919	745,999

9 Employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Sanctuary staff	39	39
Community support and administrative staff	35	39
Assessors	1	-
Total	75	78

Employment costs	2022	2021
	£	£
Wages and salaries	1,492,733	1,454,513
Social security costs	115,637	110,089
Other pension costs	27,538	26,032
	1,635,908	1,590,634

There were no employees whose annual remuneration was £60,000 or more (2021: none)

10 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Change in fair value of investments	175,087	1,760,027

11	**Net movement in funds**	**2022**	**2021**
		£	**£**
	Net movement in funds is stated after charging/(crediting)		
	Depreciation of owned tangible fixed assets	92,638	96,734
	Loss on disposal of tangible fixed assets	-	4,997
	Hire of plant and machinery	2,032	3,626
	Auditors remuneration	9,900	6,900
	Auditors remuneration for non-audit work	1,980	1,800

12 Tangible fixed assets

	Freehold property	Plant and equipment	Fixtures and fittings	Motor vehicles	Office equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2021	2,955,107	47,267	77,658	33,772	364,511	3,478,315
Additions	16,583	7,475	470	-	1,558	26,086
At 31 March 2022	2,971,690	54,742	78,128	33,772	366,069	3,504,401
Depreciation and impairment						
At 1 April 2021	509,180	24,291	55,403	27,152	287,710	903,736
Depreciation charged in the year	59,270	6,865	5,648	1,655	19,200	92,638
At 31 March 2022	568,450	31,156	61,051	28,807	306,910	996,374
Carrying amount						
At 31 March 2022	2,403,240	23,586	17,077	4,965	59,159	2,508,027
At 31 March 2021	2,445,927	22,976	22,255	6,620	76,801	2,574,579

13 Fixed asset investments

	Listed investments	Cash in portfolio	Total
	£		£
Cost or valuation			
At 1 April 2021	18,914,729	214,080	19,128,809
Additions	7,582,415	181,412	7,763,827
Valuation changes	175,086	-	175,086
Disposals	(7,454,286)	-	(7,454,286)
At 31 March 2022	19,217,944	395,492	19,613,436
Carrying amount			
At 31 March 2022	19,217,944	395,492	19,613,436
At 31 March 2021	18,914,729	214,080	19,128,809

Fixed asset investments revalued
Investments include listed investments that are included at fair value.

The historical cost value of listed investments at 31 March 2022 is £18,961,409 (2021: £18,231,321).

14 Stocks

	2022	2021
	£	£
Goods for resale	19,409	34,811

15 Debtors

	2022	2021
Amounts falling due within one year:	£	£
Prepayments and accrued income	1,566,105	2,285,834

16 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	27,384	26,522
Trade creditors	119,913	118,636
Other creditors	3,991	5,200
Accruals and deferred income	11,880	34,352
	163,168	184,710

17 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £27,538 (2021 - £26,032).

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

				Movement in funds	
	Balance at 1 April 2020	Transfers	Balance at 1 April 2021	Incoming resources	Balance at 31 March 2022
	£	£	£	£	£
Property and facilities reserve	275,000	-	275,000	-	275,000
Hillside Sanctuary	146,183	(3,566)	142,617	(3,566)	139,051
	421,183	(3,566)	417,617	(3,566)	414,051

The Hillside Sanctuary fund is in respect of funds specifically donated in connection with the purchase of a second sanctuary, being Hillside Sanctuary.

The property and facilities reserve restricted fund is in respect of funds specifically donated for the purchase, improvement or other costs directly attributable to a physical facility.

19 Analysis of net assets between funds

	Unrestricted funds 2022	Restricted funds 2022	Total 2022	Unrestricted funds 2021	Restricted funds 2021	Total 2021
	£	£	£	£	£	£
Fund balances at 31 March 2022 are represented by:						
Tangible assets	2,368,976	139,051	2,508,027	2,431,962	142,617	2,574,579
Investments	19,613,436	-	19,613,436	19,128,809	-	19,128,809
Current assets/(liabilities)	27,352,793	275,000	27,627,793	24,330,024	275,000	24,605,024
	49,335,205	414,051	49,749,256	45,890,795	417,617	46,308,412

20 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	197	942

20	Operating lease commitments		(Continued)
	Between two and five years	197	394
		394	1,336

21	Cash generated from operations	2022 £	2021 £
	Surplus for the year	3,440,844	5,897,866
	Adjustments for:		
	Investment income recognised in statement of financial activities	(421,481)	(390,428)
	(Gain)/loss on disposal of tangible fixed assets	-	4,977
	Fair value gains and losses on investments	(175,087)	(1,760,027)
	Depreciation and impairment of tangible fixed assets	92,638	96,733
	Movements in working capital:		
	Decrease/(increase) in stocks	15,403	(10,825)
	Decrease/(increase) in debtors	719,729	(600,359)
	(Decrease)/increase in creditors	(21,542)	54,780
	Cash generated from operations	3,650,504	3,292,717

22 Analysis of changes in net funds

The charity had no debt during the year.

23 Related party transactions

Transactions with related parties

The charity purchased goods and services from Design Solutions, a business owned by J Dale, totalling £31,565 (2021: £78,797) during the year. At the balance sheet date, there was an amount due from Design Solutions of £246 (2021: creditor of £22,271) included within Creditors: Amounts due within one year.

The charity purchased goods and services from Nalders LLP, an LLP in which D Band is a designated member, totalling £1,575 (2021: £2,628) during the year. There were no amounts owed to Nalders LLP at the current or previous year end.

During the year the total amount the charity paid to key management personnel in remuneration and benefits was £156,590 (2021: £163,337).

THE CINNAMON TRUST

England & Wales - Charity number 1134680

Accounts

Charity Registration No. 1134680

Company Registration No. 07004861 (England and Wales)

THE CINNAMON TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

THE CINNAMON TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	D W Band J R Dale Mrs A R Jarvis MBE
Founder and Chief Executive Officer	Mrs A R Jarvis MBE
Patrons	Virginia McKenna Sir Paul McCartney
Charity number	1134680
Company number	07004861
Registered office	10 Market Square Hayle Cornwall United Kingdom TR27 4HE
Auditor	Azets Audit Services Woodlands Court Truro Business Park Truro Cornwall United Kingdom TR4 9NH
Bankers	Barclays Bank UK Plc 1 Church Place London United Kingdom E14 5HP
Solicitors	Nalders Farley House Falmouth Road Truro Cornwall United Kingdom TR1 2HX Vingoe Lloyd 33 St Johns Street Hayle Cornwall United Kingdom TR27 4LL

THE CINNAMON TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

	Murrell Ashworth LLP 14 High Cross Truro Cornwall United Kingdom TR1 2AJ
Investment advisors	Quilter Cheviot Quilter & Co Limited Queens Quay 33-35 Queens Square Bristol BS1 4LU United Kingdom
	Coutts & Co Charity Investment 440 Strand London WC2R 0QS United Kingdom

THE CINNAMON TRUST

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THE CINNAMON TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities
The charity's objects are to relieve:

- the elderly and anyone who has been diagnosed as suffering from a terminal illness by providing or assisting in the provision of care for the companion animals for which they are no longer able to provide; and
- the suffering of and cruelty to animals whose elderly or terminally ill owners have died, or are no longer able to care for them, by the provision of a shelter or where possible finding a foster home for them.

Mission statement
"Peace of mind and practical help for people - love, care, and safety of their pets."

Public benefit
The Trustees confirm that they have complied with the duty under Section 4 of The Companies Act 2006 to have due regards to the Charity Commission's general guidance on public benefit. References have been made in this report as to how public benefit has been promoted through the care of animals of elderly and terminally ill owners.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Strategic report
The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

Achievements and performance

The year to 31 March 2021 was dominated by COVID. The pandemic had an immediate impact upon The Trust. Demands for our services escalated by 300% and all staff and volunteers were designated essential workers. An emergency volunteer recruitment protocol was instigated to cover for existing volunteers who were deemed vulnerable and therefore unable to continue their assigned tasks. 1,300 additional volunteers were recruited, all were deployed and none of our 'clients' went without the help they and their pets needed.

At one time, 90,469 people with 91,949 pets were receiving help. Headquarters remained open throughout, staff who had to isolate due to their own health issues, or those with vulnerable family members, worked from home. We expended some £8,437 on IT system adaptations, screens between desks, office cleaning, office equipment, maintenance of phones and IT, staff welfare and volunteer recruitment.

The Trustees are pleased that the essential operations of The Trust were to all intents and purposes unaffected with regard to our petitioners.

In the year to 31st March 2021, we helped in total 155,685 people with 156,021 pets. We have 1,126 animals in life-long care in long-term foster homes, there are 80 residents at Hillside Farm Sanctuary: 10 dogs, 34 cats, 4 sheep, 12 zebra finches, 10 chickens, 5 quail, 1 rooster, 2 tortoises and 2 horses. We have 109 residents at Poldarves Farm Sanctuary: 15 dogs, 22 cats, 10 ponies, 4 squirrels, 4 tortoises, 1 pig and 53 ducks, chickens, geese, finches, budgies and doves. 8,253 pets are registered for life-long care. These figures necessarily rise and fall during the course of the year with new animals requiring care and old friends coming to the end of their lives. The representation here is taken on 31st March 2021. Our veterinary fees to veterinary surgeons all over the UK were £736,091 (2020: £696,253) in the year.

The Cinnamon Trust is the only major provider of services which not only enables owners and pets to enjoy each other's company in spite of any difficulties that may arise for elderly and frail owners in essential day-to-day care of their pets, but also ensures that owners have peace of mind and pets receive all the care they require for their health and welfare. The marked increase in demand for, and provision of, our services is testament to not only the need, but also the ability to respond. We handled 13,514 new cases in the year. Many continue from year to year, for example there are 18,652 dogs being walked each day by our volunteers and, most of these, for years. Each dog walking case requires two or three volunteers to ensure continuity of service and constancy, and this in turn requires more members of staff to regularly keep in touch with both owners and volunteers to ensure all is well and take remedial action if there are problems.

We have 1,242 young (24 years and under) volunteers and 18,602 volunteers in total. There are 75 members of staff. Our membership is 56,859 members including 40 overseas members (Australia 4, Canada 1, Cayman Islands 1, France 10, Ireland 8, Israel 1, Netherlands 3, Norway 1, Portugal 1, Spain 1, Sweden 1, Switzerland 1, United States of America 7).

A total of 1,332 Pet Friendly Care Homes were registered, 675 being Retirement Complexes. During 2021, we will be contacting all our registered care homes and retirement complexes to bring the register up to date as, sadly, there will be those facilities which have closed as a result of the pandemic. This is a mammoth task but, while we have been in contact with many through 2020, there are many more we need to check on.

It is hoped that the COVID emergency will gradually diminish through 2022 but, should this not be the case, we have both the human and financial resources to respond positively to any and all calls for help well into the future.

Investment Objectives

The Trust seeks to produce the best financial return within an acceptable level of risk.

The investment objective for the long-term reserves is to generate a return in excess of inflation over the long-term while generating an income to support the on-going activities of The Trust.

The short-term objective is to preserve the capital value with a minimal level of risk.

Assets

The Trust's assets can be invested widely and diversified to produce a balanced portfolio using asset classes which can include cash, bonds, equities, property, hedge funds etc and any other asset that is deemed suitable for the charity.

Ethical Policy

All the above is subject to the proviso that funds should not be invested with any company involved either directly or indirectly with animal testing and research.

Reporting and Monitoring

The fund managers are required to provide the following information on a quarterly basis, valuation of investments, transaction reports, cash reconciliations, performance analysis and commentary.

The Chairman has responsibility for agreeing strategy, monitoring investment assets and for signing instructions to investment managers.

The Trustees will review the information provided at each quarterly meeting and make adjustments to policy as and if necessary.

Financial review

Reserves policy

The Cinnamon Trust currently has an annual income of £7,527,450 (2020: £6,295,367) of which £6,282,569 (2020: £4,896,486) is derived from legacies. This dependence on legacies, which are a source of income dependent upon circumstances and beyond the control of the charity, make it extremely difficult to budget for anticipated legacy income and reserves need to be maintained to cover any future reduction in revenues. Further, these resources stand the charity in good stead in a very uncertain economic climate and are readily available to meet anticipated cash flow requirements.

The Trust currently has unrestricted funds of £45,890,795 (2020: £39,989,364). This includes tangible fixed assets of £2,431,962 (2020: £2,483,609), therefore leaving free reserves balance of £43,458,833 (2020: £37,505,755). It is the Trustees' policy to retain three years' running costs in reserve, of approximately £10,092,000 (2020: £10,080,000). Current levels of reserves are higher than the multiple of recent expenditure but stand The Trust in good stead in very unpredictable times on all fronts, and enable expenditure as necessary on wage rises, animal accommodation, petitioner support etc, with no need to make appeals for funds.

Investment policy and objectives

Due to current very low interest rates and rising inflation and in order to at least maintain the value in real terms of the remaining funds, these have been made available for investment.

At 31 March 2021 £1,468,841 (2020: £1,169,751) was invested with and managed by Quilter Cheviot and the Trustees are not minded to increase this.

At 31 March 2021 £17,659,968 (2020: £15,919,856) was invested and managed by Coutts & Co.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management
The charity is controlled by its governing document, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Organisational structure
The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:
D W Band
J R Dale
Mrs A R Jarvis MBE

Trustees are appointed by the board of Trustees and meet quarterly with, if necessary, ad hoc meetings called to address matters of importance that occur between meetings.

The Chief Executive is responsible for strategic leadership, day to day decision making and administration and reports to the Trustees.

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

The trustees' report, including the strategic report, was approved by the Board of Trustees.

.....

Mrs A R Jarvis MBE
Trustee
Dated: 19/1/22

THE CINNAMON TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also the directors of The Cinnamon 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.

In so far as the trustees are aware:
- there is no relevant information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

THE CINNAMON TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE CINNAMON TRUST

Opinion

We have audited the financial statements of The Cinnamon Trust (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes 1 to 24 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 charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE CINNAMON TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF THE CINNAMON TRUST

Extent to which the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report
This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Matthew Webb (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

24 January 2022

Chartered Accountants
Statutory Auditor

Woodlands Court
Truro Business Park
Truro
Cornwall
United Kingdom
TR4 9NH

THE CINNAMON TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Current financial year

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Income from:					
Donations and legacies	5	6,985,378	-	6,985,378	5,634,416
Other trading activities	3	151,644	-	151,644	122,419
Investments	4	390,428	-	390,428	538,532
Total income		7,527,450	-	7,527,450	6,295,367
Expenditure on:					
Raising funds	6	81,356	-	81,356	72,316
Charitable activities					
Poldarves Sanctuary	7	101,829	-	101,829	108,242
Hillside Sanctuary	7	130,696	-	130,696	114,259
Community Services	7	3,073,233	-	3,073,233	3,063,452
Sunnyside & Millbank	7	2,498	-	2,498	1,720
Total charitable expenditure		3,308,256	-	3,308,256	3,287,673
Total resources expended		3,389,612	-	3,389,612	3,359,989
Net gains/(losses) on investments	12	1,760,027	-	1,760,027	(1,077,321)
Net incoming resources before transfers		5,897,865	-	5,897,865	1,858,057
Gross transfers between funds		3,566	(3,566)	-	-
Net movement in funds		5,901,431	(3,566)	5,897,865	1,858,057
Fund balances at 1 April 2020		39,989,364	421,183	40,410,547	38,552,490
Fund balances at 31 March 2021		45,890,795	417,617	46,308,412	40,410,547

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE CINNAMON TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

Prior financial year

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:				
Donations and legacies	5	5,634,416	-	5,634,416
Other trading activities	3	122,419	-	122,419
Investments	4	538,532	-	538,532
Total income		6,295,367	-	6,295,367
Expenditure on:				
Raising funds	6	72,316	-	72,316
Charitable activities				
Poldarves Sanctuary	7	108,242	-	108,242
Hillside Sanctuary	7	114,259	-	114,259
Community Services	7	3,063,452	-	3,063,452
Sunnyside & Millbank	7	1,720	-	1,720
Total charitable expenditure		3,287,673	-	3,287,673
Total resources expended		3,359,989	-	3,359,989
Net gains/(losses) on investments	12	(1,077,321)	-	(1,077,321)
Net incoming resources before transfers		1,858,057	-	1,858,057
Gross transfers between funds		3,566	(3,566)	-
Net movement in funds		1,861,623	(3,566)	1,858,057
Fund balances at 1 April 2019		38,127,741	424,749	38,552,490
Fund balances at 31 March 2020		39,989,364	421,183	40,410,547

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE CINNAMON TRUST

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	**13**		2,574,579		2,629,792
Investments	**14**		19,128,809		17,089,607
			21,703,388		19,719,399
Current assets					
Stocks	**16**	34,811		23,986	
Debtors	**15**	2,285,834		1,685,475	
Cash at bank and in hand		22,469,089		19,111,617	
		24,789,734		20,821,078	
Creditors: amounts falling due within one year	**17**	(184,710)		(129,930)	
Net current assets			24,605,024		20,691,148
Total assets less current liabilities			46,308,412		40,410,547
Income funds					
Restricted funds	**19**		417,617		421,183
Unrestricted funds			45,890,795		39,989,364
			46,308,412		40,410,547

The financial statements were approved by the Trustees on 15/1/22

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Mrs A R Jarvis MBE

Trustee

Company Registration No. 07004861

THE CINNAMON TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	21		3,292,717		3,073,153
Investing activities					
Purchase of tangible fixed assets		(46,498)		(35,898)	
Purchase of investments		(9,694,615)		(9,037,977)	
Proceeds on disposal of investments		9,415,440		8,718,042	
Interest and dividends received		390,428		538,532	
Net cash generated from investing activities			64,755		182,699
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			3,357,472		3,255,852
Cash and cash equivalents at beginning of year			19,111,617		15,855,765
Cash and cash equivalents at end of year			22,469,089		19,111,617

1 Accounting policies

Charity information

The Cinnamon Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 10 Market Square, Hayle, Cornwall, TR27 4HE, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, with the exception of investments that are measured at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The trustees have assessed the use of the going concern basis and have considered possible events or conditions that might cast a significant doubt on the ability of the charitable company to continue as a going concern. The trustees have considered a period of at least twelve months from the date of approval of these financial statements. In particular, the trustees have considered the charitable company's available cash balances in conjunction with expected working capital requirements and have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. In making their assessment the trustees have considered the impact of the ongoing COVID-19 pandemic.

The trustees are of the view that there are no material uncertainties that may create significant doubt over the charitable company's ability to continue as a going concern. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1 Accounting policies **(Continued)**

1.4 Income

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:-

a) Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Gifts donated for resale are included as income when they are sold. Donated assets are included at their fair value where this can be reliably measured and a third party is bearing the cost. The value of services provided by volunteers is not quantifiable and accordingly has not been included.

b) Income from the the sale of bought in goods is included at the point of sale of the goods.

c) Dividend and interest income from investments is included in the period in which it is receivable.

d) Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fundraising costs are those incurred in seeking voluntary contributions and include the costs of goods purchased for resale as part of the trading income.

Governance costs are management and administration costs that are incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and accumulated impairment losses. Costs includes costs directly attributable to making the asset capable of operating as intended by management.

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

Freehold property	2% on cost
Plant and equipment	25% on reducing balance
Fixtures and fittings	25% on reducing balance
Motor vehicles	25% on reducing balance
Office equipment	25% on reducing balance

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.

1.7 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.

1 Accounting policies **(Continued)**

1.8 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Financial Activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Financial Activities.

1.9 Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 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.

1.11 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Taxation

The charity is subject to corporation tax if its trading activities exceed the small trading taxation exemption.

No corporation tax was due in respect of the year ended 31 March 2021, nor to 31 March 2020, as the trading element resulted in a loss.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.15 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

2 Critical accounting estimates and judgements

In the application of the charity'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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no critical judgements in applying the charity's accounting policies. Critical estimates comprise the fair value of investments, which are based on quoted prices.

3 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
CT100 Club income	51,997	43,895
Catalogue income	99,647	78,524
Other trading activities	151,644	122,419

4 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Income from listed investments	376,897	464,736
Interest receivable	13,531	73,796
	390,428	538,532

5 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts (including gift aid)	681,606	737,930
Legacies receivable	6,282,569	4,896,486
Government grants receivable	21,203	-
	6,985,378	5,634,416

6 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Fundraising and publicity		
Staging fundraising events	3,847	23,060
Trading costs		
Purchases	77,509	49,256
	81,356	72,316

7 Charitable activities

	Poldarves Sanctuary 2021	Hillside Sanctuary 2021	Community Services 2021	Sunnyside & Millbank 2021	Total 2021	Total 2020
	£	£	£	£	£	£
Staff costs	-	-	1,590,634	-	1,590,634	1,548,735
Depreciation and impairment	-	-	96,733	-	96,733	108,009
Hire of plant and machinery	(1)	-	3,627	-	3,626	3,436
Rents, rates and water	2,643	3,619	5,609	499	12,370	10,833
Insurance	-	-	41,456	-	41,456	40,729
Light and heat	14,361	11,090	8,726	28	34,205	33,101
Telephone	1,481	2,699	20,293	889	25,362	22,181
Postage and stationery	19	186	208,556	-	208,761	201,495
Advertising	-	-	5,838	-	5,838	6,313
Animal supplies (non food)	6,686	10,728	52,539	-	69,953	89,633
Animal feed	33,099	30,361	28,452	-	91,912	89,109
Cleaning	2,829	3,941	11,018	263	18,051	17,897
Repairs and renewals	10,093	21,268	9,644	819	41,824	25,843
Computer costs	-	137	61,612	-	61,749	62,678
Motor expenses	3,930	3,083	-	-	7,013	8,915
Veterinary fees and medicines	24,004	41,683	670,404	-	736,091	696,253
Travelling	17	117	120,645	-	120,779	133,689
Other charitable expenditure	2,668	1,784	137,447	-	141,899	188,824
	101,829	130,696	3,073,233	2,498	3,308,256	3,287,673
	101,829	130,696	3,073,233	2,498	3,308,256	3,287,673

8 Support costs

Included within charitable activity expenses are the following support costs:

	2021	2020
	£	£
Staff costs	347,942	371,990
Office expenditure	239,575	224,485
Computer costs	61,749	62,678
Depreciation	96,733	108,009
	745,999	767,162

9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Sanctuary staff	39	36
Community support and administrative staff	39	43
Assessors	-	9
Total	78	88

Employment costs	2021 £	2020 £
Wages and salaries	1,454,513	1,426,064
Social security costs	110,089	99,705
Other pension costs	26,032	22,966
	1,590,634	1,548,735

There were no employees whose annual remuneration was £60,000 or more (2020: none)

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Trustees' expenses
There were no expenses reimbursed to, or paid, on behalf of Trustees in the year (2019: £nil).

11 Net movement in funds	2021 £	2020 £
Net movement in funds is stated after charging/(crediting)		
Depreciation of owned tangible fixed assets	96,734	108,009
Loss on disposal of tangible fixed assets	4,997	4,109
Hire of plant and machinery	3,626	3,436
Auditors remuneration	6,900	5,000
Auditors remuneration for non-audit work	1,800	3,084

12 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Revaluation of investments	1,760,027	(1,077,321)

13 Tangible fixed assets

	Freehold property	Plant and equipment	Fixtures and fittings	Motor vehicles	Office equipment	Total
	£	£	£	£	£	£
Cost						
At 1 April 2020	2,917,455	47,140	74,495	33,772	374,762	3,447,624
Additions	37,652	127	3,392	-	5,327	46,498
Disposals	-	-	(229)	-	(15,578)	(15,807)
At 31 March 2021	2,955,107	47,267	77,658	33,772	364,511	3,478,315
Depreciation and impairment						
At 1 April 2020	450,620	16,639	48,470	24,945	277,158	817,832
Depreciation charged in the year	58,560	7,652	7,094	2,207	21,221	96,734
Eliminated in respect of disposals	-	-	(161)	-	(10,669)	(10,830)
At 31 March 2021	509,180	24,291	55,403	27,152	287,710	903,736
Carrying amount						
At 31 March 2021	2,445,927	22,976	22,255	6,620	76,801	2,574,579
At 31 March 2020	2,466,835	30,501	26,025	8,827	97,604	2,629,792

14 Fixed asset investments

	Listed investments	Cash in portfolio	Total
	£		£
Cost or valuation			
At 1 April 2020	15,831,877	1,257,730	17,089,607
Additions	9,694,615	-	9,694,615
Valuation changes	1,760,026	-	1,760,026
Disposals	(8,371,790)	(1,043,650)	(9,415,440)
At 31 March 2021	18,914,728	214,080	19,128,808
Carrying amount			
At 31 March 2021	18,914,728	214,080	19,128,808
At 31 March 2020	15,831,877	1,257,730	17,089,607

Fixed asset investments revalued

Investments include listed investments that are included at fair value.

The historical cost value of listed investments at 31 March 2021 is £18,231,321 (2020: £16,873,051).

15 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Prepayments and accrued income	2,285,834	1,685,475

16 Stocks

	2021	2020
	£	£
Goods for resale	34,811	23,986

17 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	26,522	-
Trade creditors	118,636	96,488
Other creditors	5,200	24,041
Accruals and deferred income	34,352	9,401
	184,710	129,930

18 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £26,032 (2020 - £22,966).

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019	Transfers	Balance at 1 April 2020	Transfers	Balance at 31 March 2021
	£	£	£	£	£
Property and facilities reserve	275,000	-	275,000	-	275,000
Hillside Sanctuary	149,749	(3,566)	146,183	(3,566)	142,617
	424,749	(3,566)	421,183	(3,566)	417,617

The Hillside Sanctuary fund is in respect of funds specifically donated in connection with the purchase of a second sanctuary, being Hillside Sanctuary.

The property and facilities reserve restricted fund is in respect of funds specifically donated for the purchase, improvement or other costs directly attributable to a physical facility.

20 Analysis of net assets between funds

	Unrestricted funds 2021	Restricted funds 2021	Total 2021	Unrestricted funds 2020	Restricted funds 2020	Total 2020
	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:						
Tangible assets	2,431,962	142,617	2,574,579	2,483,609	146,183	2,629,792
Investments	19,128,809	-	19,128,809	17,089,607	-	17,089,607
Current assets/ (liabilities)	24,330,024	275,000	24,605,024	20,416,148	275,000	20,691,148
	45,890,795	417,617	46,308,412	39,989,364	421,183	40,410,547

21	**Cash generated from operations**	**2021**	**2020**
		£	**£**
	Surplus for the year	5,897,866	1,858,051
	Adjustments for:		
	Investment income recognised in statement of financial activities	(390,428)	(538,532)
	Loss on disposal of tangible fixed assets	4,977	4,107
	Fair value gains and losses on investments	(1,760,027)	1,077,321
	Depreciation and impairment of tangible fixed assets	96,733	108,009
	Movements in working capital:		
	(Increase) in stocks	(10,825)	(4,196)
	(Increase)/decrease in debtors	(600,359)	526,479
	Increase in creditors	54,780	41,914
	Cash generated from operations	3,292,717	3,073,153

22 **Analysis of changes in net funds**

The charity had no debt during the year.

23 **Operating lease commitments**

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	**2020**
	£	**£**
Within one year	942	3,228
Between two and five years	394	7,300
	1,336	10,528

24 Related party transactions

Transactions with related parties

The charity purchased goods and services from J Dale, a trustee, totalling £78,797 (2020: £74,292) during the year. At the balance sheet date, there was an amount due of £22,271 (2020: £nil) to J Dale included within Creditors: Amounts due within one year.

The charity purchased goods and services from Nalders LLP, an LLP in which D Band is a designated member, totalling £2,628 (2020: £294) during the year. There were no amounts owed to Nalders LLP at the current or previous year end.

During the year the total amount the charity paid to key management personnel in remuneration and benefits was £163,337 (2020: £167,071).