

OAKEN PALACE RECORDS

Charitable Incorporated Organisation

Registered Charity Number 1154786

TRUSTEES' ANNUAL REPORT

For the year ended

31st December 2021

Charity Information and Organisation

Charity name: Oaken Palace Records

Address: 174 Old Bedford Road
Luton
Bedfordshire
LU2 7HW

Trustees: Dr Sven Lohrey (chair)
Dr Owen Coggins
Dr Jakob Stollberger
Dr Kristin Hildenbrand

Oaken Palace Records is a Charitable Incorporated Organisation (CIO), registered charity number 1154786, governed according to the CIO Foundation Constitution, last amended on 1st June 2013.

The Members of the CIO are natural persons, who undertake to act in good faith to further the purposes of the CIO.

The affairs of the CIO are managed by the Charity Trustees. There must be at least three and no more than 10 Trustees. These Trustees may appoint new Trustees at any time, provided that a resolution is passed at a properly convened meeting of the current Charity Trustees.

Decisions are made by simple majority of votes at a meeting of the Trustees or by resolution made in writing or in electronic form and agreed by all Trustees.

Day to day management of the CIO's affairs throughout 2021 was carried out by the chair, Sven Lohrey, who was responsible for accounting, the online presence, and continuing the relationships with suppliers and distributors, and Owen Coggins, who was responsible for packing and shipping the sold goods, as well as contacting and building working relationships with new artists. As in previous years, all Trustees decide together on new albums to be released, and, together with the participating artists/bands, on suitable animal protection organisations to receive grants.

Introduction

The trustees present their report and financial statement for the year ending 31st December 2021. This report is presented in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities: Financial Reporting Standards for Smaller Entities" (FRSSE), effective 1st January 2015.

Objectives and activities

As per its Foundation Constitution, the objectives of the CIO are:

- (1) The advancement of the art of Drone Metal music by the production and distribution on recordings in this genre;
- (2) The conservation of endangered species of animals by the provision of grants.

In exercising their duty, the Charity Trustees have reviewed that all their activities have due regard to public benefit guidance published by the Commission.

The main activities of the CIO in order to achieve these objectives, as mentioned in point (1), are the release of Drone Metal music on different media (physical and digital), distributing these releases to a wide audience through the CIO's own websites as well as distributor partners in Europe (Sonic Rendezvous) and the United States (The Business at Anacortes), and promoting the releases through reviews in high-profile music outlets as well as free streaming.

Each released album is dedicated to a specific endangered animal. Animals are chosen by the contributing artists and bands, but always in discussion with the Trustees, and based on the animals' conservation status as listed on the IUCN redlist.

Once the production costs of each release have been covered, all profits are donated to an environmental organisation that works towards the protection of the respective endangered animal. To ensure that the given grants benefit those animals as directly as possible, donations are primarily given to specific on-going or planned projects run by small, specialised environmental organisations, which must be registered as a charity in their country.

Achievements and performance

(1) With regards to the advancement of the art of Drone Metal music:

With the global Covid-19 pandemic continuing, and new Brexit import/export regulations having come into effect on 1st July 2021, as a small charity we were naturally quite cautious regarding our plans for the year. Just like many other independent music labels and distributors, we adopted a "wait-and-see"-approach, which, to some extent, still continues.

This meant that we released just one new album in 2021, which was already paid for in 2020. Being our twentieth release, this was a new full-length album by the enigmatic collective Bombay Lunatic Asylum, featuring Louise Landes Levi, Bart De Paepe, and Koen Vandenhoudt. The album is entitled Mad Song and was released as a limited edition vinyl as well as digitally. All profits from this release will be donated towards the protection of the Masai giraffe. The album has already covered its production cost at the time of writing this report, and we are planning to make the first donation in 2022. More information on this release can be found below.

From the albums we released in 2020, only one has covered cost so far, which is the tape release by CIGVĚ (OAK-017). All other new releases are still in the process of covering their cost.

As in previous years, we continue to make all releases available to stream for free via the Oaken Palace Records Bandcamp page, allowing everyone to access Drone music irrespective of their financial situation.

In detail, the following album was released in 2021:

OAK-020: Bombay Lunatic Asylum (released on 5th March 2021)

Oaken Palace Records is excited to present its 20th release, a sonic journey to the roots of drone music, performed by Bombay Lunatic Asylum. The musicians behind this name are no others than Louise Landes Levi and Bart De Paepe, who already played together on Ikiru (OAK-013), our fastest selling release so far. On Mad Song, they are joined by Koen Vandenhoudt, who also recorded the album. De Paepe's harmonium and Vandenhoudt's shruti box form the perfect backdrop for Levi's melancholic, haunting sarangi melodies, slowly evolving and meandering over the album's thirty-five minutes. On Mad Song's last track, Levi replaces the sarangi with her no less impressive voice and finishes the album with a beautiful rendition of Blake's poem of the same title.

Palace Records continues to benefit the public in four ways: Firstly, by promoting new and innovative approaches to Drone Metal music of less well-known artists and bands as well as giving more established artists and bands a platform to express their concern for the environment. Secondly, by making all releases freely available via streaming services on Oaken Palace Records websites. Thirdly, several reviews of the releases were published in high-profile music outlets in different countries and languages, including music sites like Pitchfork, Terrorizer, The Wire, and Decibel, further contributing to the advancement of Drone Metal music. Finally, Oaken Palace releases are not only sold via the Charity's websites but distributed widely in Europe and the US.

(2) With regards to the conservation of endangered species of animals by the provision of grants:

We waited until the end of the year with making any donations, taking into account the challenging context in which the charity is operating. In detail, the following donations were made:

(a) On 1st December:

GBP 535 for the Amur leopard and tiger to Wildlife Vets International, from profits of OAK-011: Phurpa – Sacred Sounds 18.12.16 and OAK-012: Phurpa – Sacred Sounds 22.1.17 (both released in 2017). This donation was made as part of The Big Give donation challenge, was matched and doubled to GBP 1,070.

(b) On 1st December:

NZD 420 (GBP 225.24) for the Kakapo to Kakapo Recovery, from profits of OAK-010: Merzbow – Kakapo (released in 2016).

(c) On 2nd December:

USD 250 (GBP 187.90) for the Monarch butterfly, from profits of OAK-013: Louise Landes Levi – Ikiru (first released in 2018, repressed in 2019).

In total, Oaken Palace Records donated GBP 948.14 in 2021. The total donation amount since 2014 is now GBP 17,864.16. Donation certificates and/or Thank You letters for each of the listed donations can be found in the appendix of this report.

Financial review

The results for the year and financial position are set out in the Statement of Financial Activities and the Balance Sheet on pages 7 and 8.

Total incoming resources were £4,169 (2020: deficit of £5), and resources expended were £1,883 (2020: £2,860), resulting in a surplus of £2,286 (2020: deficit of £2,865). This surplus almost makes up for last year's deficit and could be achieved by not investing in any new releases in 2021, and donating less than in previous years.

Reserves policy

The Trustees review the policy on reserves and set targets at least once per annum with reference to the guidance and terminology published by the Charity Commission. The policy is also reviewed, when warranted by changes in risk assessment or business plans. The review includes unrestricted funds, designated funds and tangible fixed assets. Transfers to and from funds are authorised by at least two of the three current Trustees. Currently, there are no funds materially in deficit.

Plans for future periods

It can safely be said now that Brexit has had and is continuing to have catastrophic consequences for small, independent music labels and distributors, especially since the new import/export regulations came into effect on 1st July 2021.

Like many other UK labels, we experienced a substantial drop in overseas sales, both to end customers as well as to distributors. The shipping and customs situation is still complicated and uncertain, keeping EU customers from placing orders. One important step for the charity was to apply for an EORI number, but we do not have the funds to pay for an intermediary in the EU, which can set up and run an IOSS account for us. This makes wholesale shipping particularly difficult. For 2022, we will have to rely on Bandcamp, which is now our main sales platform, to improve on their internal processes for handling EU orders, and hope that customers regain confidence in this process.

We are currently in contact with an artist for at least one new release in 2022, but this also depends on the development of turnaround times at vinyl pressing plants, which has increased to an all-time high of 18 to 21 months.



Sven Lohrey, Chair of Trustees
January 2022

STATEMENT OF FINANCIAL ACTIVITIES

		2021 Restricted £	2021 Designated £	2021 Unrestricted £	2021 Total £	2020 Total £
INCOMING RESOURCES						
Grants and Donations	2	0	0	0	0	0
Charitable Trading	3	0	0	4,169	4,169	(5)
TOTAL INCOMING RESOURCES		0	0	4,169	4,169	(5)
RESOURCES EXPENDED						
Postage and Carriage	4	0	0	791	791	1004
Charitable Donations	5	0	0	948	948	1,750
Bank Charges and Professional Fees	6	0	0	144	144	106
Suspense and Mispostings	7	0	0	0	0	0
TOTAL RESOURCES EXPENDED		0	0	1,883	1,883	2,860
SURPLUS / (DEFICIT) FOR THE YEAR		0	0	2,286	2,286	(2,865)
BROUGHT FORWARD 1st JAN 2021		0	0	2,604	2,604	5,469
CARRIED FORWARD 31st DEC 2021		0	0	4,890	4,890	2,604

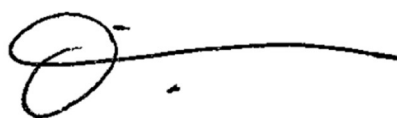
BALANCE SHEET AS AT 31st DECEMBER 2021

	2021	2020
	£	£
FIXED ASSETS	0	0
CURRENT ASSETS		
Amounts Due	1,218	1,301
Cash at Bank and in Hand	3,672	1,303
	<u>4,890</u>	<u>2,604</u>
CREDITORS		
Amounts due	<u>0</u>	<u>0</u>
NET CURRENT ASSETS	<u>4,890</u>	<u>2,604</u>
TOTAL ASSETS LESS LIABILITIES	<u>4,890</u>	<u>2,604</u>
CHARITY FUNDS		
Restricted	0	0
Designated	0	0
Unrestricted	<u>4,890</u>	<u>2,604</u>
TOTAL CHARITY FUNDS	<u>4,890</u>	<u>2,604</u>

Accounts approved by Trustees



Dr Sven Lohrey
January 2021



Dr Owen Coggins
January 2021

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st DECEMBER 2021

1. ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention and in accordance with (1) Accounting by Charities – Statement of Recommended Practice (SORP 2005), (2) with Financial reporting standards for Smaller Enterprises (FRSSE), and (3) with the Charities Act 2011.

Incoming resources are recognised on a receivable basis, and liabilities are recognised on an accruals basis.

2. GRANTS AND DONATIONS RECEIVABLE

2021	2021	2020	2020
Restricted £	Unrestricted £	Restricted £	Unrestricted £
0	0	0	0

3. CHARITABLE TRADING GROSS PROFIT (UNRESTRICTED)

	2021	2020
	Unrestricted £	Unrestricted £
Physical Music Media (Vinyl Records and Tapes)	3,418	2,917
Digital Downloads	272	361
	3,690	3,278

4. CHARITABLE DONATIONS

	2021	2021	2020	2020
	Restricted £	Unrestricted £	Restricted £	Unrestricted £
Kakapo Recovery	0	225	0	358
EDGE of Existence	0	0	0	150
Durrell Wildlife Conservation	0	0	0	160
Vincent Wildlife Trust	0	0	0	900
Naturschutzbund NÖ	0	0	0	182
Wildlife Vets International	0	535	0	0
NFWF	0	188	0	0
	0	948	0	1,750

5. BANK CHARGES AND PROFESSIONAL FEES (UNRESTRICTED)

	2021	2020
	Unrestricted £	Unrestricted £
Bank Account Fees	96	60
Exchange Rate Variances	48	45
PayPal Fees	78	92
Discogs Fees	5	22
	<hr/>	<hr/>
	227	219



thank you

Oaken Palace Records

Your kind donation of £535 has been doubled to £1070.

TRAINING VETS. INVESTIGATING DISEASE. TACKLING CONFLICT.



NFWF

NATIONAL FISH AND WILDLIFE FOUNDATION

1133 15th Street NW, Suite 1000

Washington, DC 20005

P 202-857-0166 | F 202-857-0162 | nfwf.org

December 2, 2021

Sven Lohrey
Oaken Palace Records
174 Old Bedford Road
Luton, GB LU2 7HW

Dear Mr. Lohrey:

This letter is to acknowledge receipt of Oaken Palace Records' contribution of \$250.00 on December 2, 2021 to the National Fish and Wildlife Foundation in support of the Monarch Butterfly and Pollinators Conservation Fund.

Thank you for supporting NFWF and species like the Monarch butterfly. Because of gifts like yours, we are able to continue our work to preserve and restore our nation's wildlife species and habitats—thank you!

Sincerely,

A handwritten signature in cursive script, appearing to read "Lila Helms".

Lila Helms
Executive Vice President, External Affairs

Hi Sven Lohrey,



You donated \$420.00 NZD to Mauri
Ora Kakapo Trust

Thank you for using PayPal.

[Donation details](#)

Date:	1 December 2021
Transaction ID:	83358698A70360922
Purpose:	Kakapo Recovery Programme
Reference:	Kakapo donation via DOC website
Donation to:	Mauri Ora Kakapo Trust
Donation from:	oakenpalacerecs@gmail.com
Donation amount:	\$420.00 NZD