

Company no. 07369954  
Charity no. 1149961

# Report and Audited Financial Statements

31 March 2020



**treesisters**

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women seeding change



## Tree Sisters

### Reference and administrative details

For the year ended 31 March 2020

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**Company number** 07369954

**Charity number** 1149961

**Registered office** 5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

J Gomez-Paratcha	appointed on 3 June 2019
J Grey	
A Jenkins	
T Van Den Brand	Chair

**Chief Executive** C Dubois

**Bankers** The Co-operative Bank p.l.c.  
PO Box 101  
1 Balloon Street  
Manchester  
M60 4EP

**Auditors** Godfrey Wilson Limited  
Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD



## Tree Sisters

### Report of the trustees

#### For the year ended 31 March 2020

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Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities (effective from January 2015).

#### Chair's report

Tree Sisters is empowering a network of women around the world to change the world through tree planting.

This year we have grown every element of this statement.

We achieved the significant milestone of planting of **10 million trees**. This was achieved by more than doubling the funds we raised this year and thus more than doubling the funding of new trees. We raised nearly £1,000,000 through subscription donors, events and campaigns including Grow Your Own Forest where new software enables donors to see the cumulative effect of their individual donor activity and how many trees they have individually funded. This has now been extended to the new relationships we have developed this year with corporations, a new area of focus and partnership for Tree Sisters.

This growth in tree planting inevitably resulted in higher costs in marketing and finance fees but it was successfully achieved with only a 15% increase in personnel costs.

We spread the reach of our reforestation by adding two new tree planting projects to our partnerships in Mozambique and West Papua. Both are mangrove projects and both are countries where we have not previously planted. (see below for details).

Our regular subscription member donors increased by 38% since last year. This was achieved through events, campaigns and social media.

We also took the courageous decision to formalise our work and presence in both the US and Australia by setting up charities in both countries. Australia is registered as a non-profit and is in the process of moving to full Australian charity status while the US application for charity status has been successfully submitted and is pending approval. This increases the foundations of the Tree Sisters' infrastructure around the globe and will enable us to engage more women and increases the number of restorers on our planet.

Our 10 million trees include growing forest corridors to protect endangered species in Brazil, restoring mangrove and dry deciduous forests in Madagascar, replenishing the watershed of Mt Kenya, rescuing agricultural lands and restoring cloud forests in India, reforesting cleared and burnt lands in Nepal, and restoring highlands forest to protect critically endangered gorillas in Cameroon. This year we added two new tree projects in Mozambique and West Papua.

Mozambique: After a comprehensive appraisal of the project, Tree Sisters announced a new tree partnership in Mozambique with Eden Reforestation Projects. The first area to be restored is Bela Vista village which has been severely deforested. 25 people (at least 60% women) will be employed to plant 750,000 trees per year, including at least 10% agroforestry trees as alternatives to mangrove timber extraction.

West Papua: The Yapen Mangrove Restoration Project began on 1 December 2019. A minimum of 500,000 mangrove trees will be planted the first year. This project is also in partnership with Eden Reforestation Projects.

Potential co-benefits of the project are:

- 1) the possibility for these families to send their children to school through increased income;
- 2) the opportunity to create microenterprises from savings generated;
- 3) enhanced stewardship;
- 4) improved fisheries;
- 5) enhanced biodiversity and wildlife; and
- 6) increased resilience against storms and flooding events.

The project aims to financially empower women with a set goal of a female-to-male planters' ratio of 60% and will attempt to increase women's leadership in a community where women are mainly involved in domestic matters and excluded from decision-making outside the home.

## Tree Sisters

### Report of the trustees

#### For the year ended 31 March 2020

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We are proud to have achieved growth in the areas named above and for the part we play at Tree Sisters in shifting human consciousness to a restorer rather than consumer species. The delivery of 10 million trees and the spread of our projects into Mozambique and West Papua are significant milestones and are thanks to the hearts of our donors and our dedicated team at Tree Sisters.

Tracey van den Brand, Chair

#### **Purpose and principal activities**

The charity's objects are:

- **Increasing green cover:** To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment by promoting biological diversity through increased green cover; and
- **Education and women's leadership:** To advance the education of the public in the conservation, protection and improvement of the physical and natural environment, in particular but not exclusively by the provision of training and support to encourage leadership and participation in the work of the charity and environmental protection in general, with a particular focus on women.

Tree Sisters have five strategic objectives which are employed to achieve the charity's aims and objectives. These are to:

- Build a global network of tree sisters who catalyse a movement of ecological restoration;
- Inspire and support feminine leadership towards shifting consciousness;
- Raise and channel funding into tropical reforestation and protection;
- Develop partnerships to accelerate reforestation and deliver on our mission; and
- Become sector leaders in global reforestation and feminine leadership.

#### **Public benefit**

Tree Sisters is a social impact initiative focusing specifically on the role that women can play in helping to accelerate global reforestation and the shift towards sustainable living for public benefit. It is a campaign exploring how to gather, inspire and empower women to step into their nature-based feminine leadership as the means by which we bring balance back to the planet and respond collectively to climate change.

The trustees have regard to the Charity Commission's general guidance on public benefit and the trustees have complied with their duty in section 4 of the Charities Act 2011. The trustees ensure that plans are in line with the charitable objects and aims.

#### **Financial review**

Overall income for the year increased by £871,632 to £1,777,310 (2019: £905,678) and the organisation's net movement in funds was a surplus of £42,189, (2019: deficit of £111,035).

#### **Reserves policy**

The trustees have reviewed the financial statements and consider that adequate resources continue to be available to fund the activities of the organisation for the foreseeable future. In considering adequate reserves the trustees take into account the growth of the organisation and have agreed to a policy of three months of core costs as the reserves required. Total reserves at 31 March 2020 were £269,484 (2019: £227,295), which includes restricted funds of £34,734 (2019: £12,709). This means the reserves policy is met.

## Tree Sisters

### Report of the trustees

For the year ended 31 March 2020

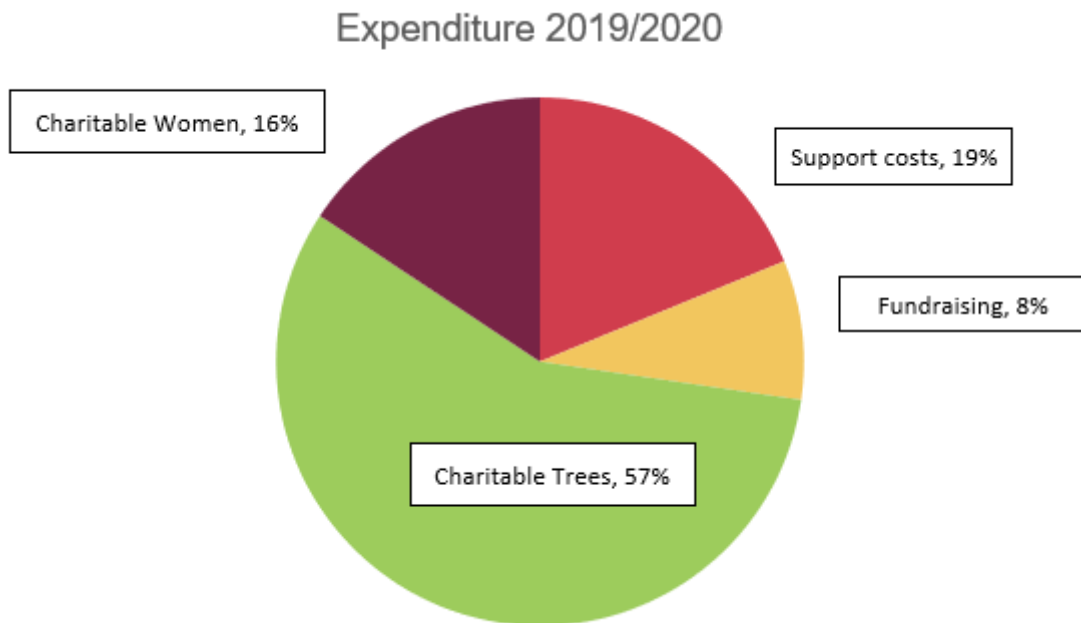
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#### Managing risk

The trustees have overall responsibility for managing the risks of the organisation and they ensure that the employees and volunteers are aware of the importance of risk management within the organisation by having in place a risk policy and reviewing this on a regular basis.

Risks are identified through reviewing and understanding the organisation systems and processes and the potential risks that may arise. Where possible risks are managed in a way as to eliminate the risk. Where this is not possible then the risk is managed through having control systems within the organisation to manage the risk.

Overall expenditure can be demonstrated in the following chart.



#### Achievements and performance

The charity has increased overall expenditure on charitable activities in the year to £1,550,079 (2019: £895,906). Income from donations and from charitable activities increased by £931,905 to £1,776,133 when compared to the previous year (2019: £844,228). The increase was as a result of an increased focus towards individual philanthropy and member fundraising activities. Our monthly donors at 4,499 compares to the prior year 3,221.

Our course income raised £10,061 in the year (2019: £56,803), as we were unable to run our 'The Courage to Shine' online course.

#### Charitable activities

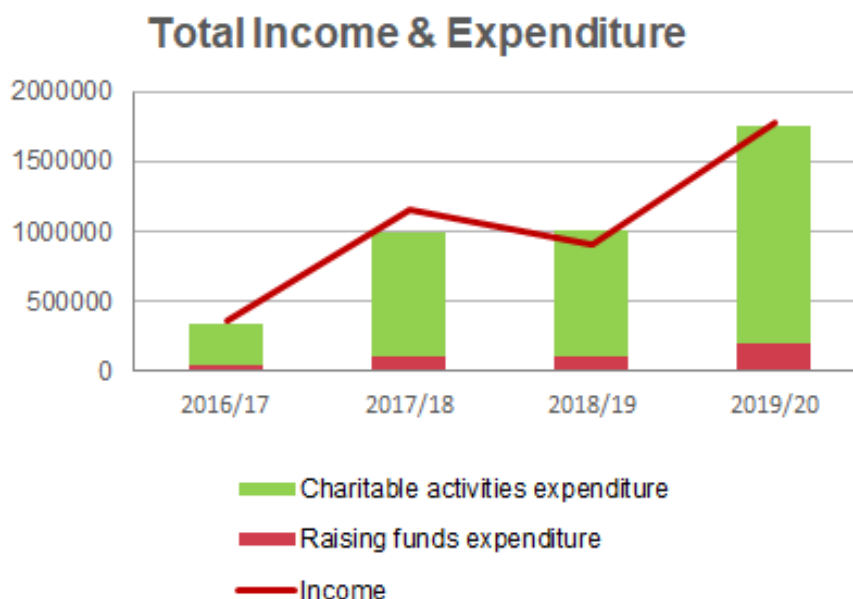
Overall charitable expenditure of £1,550,079 for the charity was higher by 73% than the prior year expenditure (2019: £895,906). Funds carried forward increased to £269,484 (2019: £227,295).

## Tree Sisters

### Report of the trustees

For the year ended 31 March 2020

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#### Reforestation - increasing green cover

We again increased funds to reforestation to £996,199 (2019: £461,159), of which £222,632 representing the final quarter of 2020 was paid in 2020/21.

**Total trees funded:** We funded the planting of 6,491,469 trees (2019: 2,313,174).

- **Project GreenHands (PGH)** - In 2014, we committed to support the Trees for Life Agroforestry Model within Project GreenHands as our first beneficiary project for the network funds. The planting cost of 100 rupees/£1 per tree, includes all nursery and planting costs; including two monitoring and post-planting maintenance incentives offered to the farmers and the replanting of any trees that do not survive. This ensures a very high survival rate of our trees.

In the current financial year, we contributed £106,758 (2019: £57,079) to Project Green Hands and funded 66,476 fast growing, dry evergreen tropical trees.

- **The Eden projects** – Tree Sisters has increased its number of projects with Eden by 2 to 5. Two of the projects are in Madagascar. Eden plant dry deciduous forest to counteract the charcoal stripping of the Madagascar interior, and mangrove forests to restore the coastal estuaries. The new projects are in Mozambique and West Papua. This financial year Tree Sisters contributed £531,087 in total to all Eden projects (2019: £175,764) which funded the planting of 3,703,229 trees.

Mangroves grow in the saline coastal habitats of the tropics and subtropics. They are powerful carbon sequesters, soil stabilizers and tidal buffer zones as sea levels rise and storms intensify, causing yet more precious top soil to erode into the oceans. These 'sea trees' also provide nursery habitat for countless species of fish that provide income and food for the desperately poor communities that Eden serve.

In this financial year we also funded Eden's project in Nepal £106,784 (2019: £52,187). The primary purpose of the Jhapa restoration project centres on caring for impoverished villagers by providing them with employment to grow, plant and guard trees, native to Southeast Nepal, to maturity. The term Jhapa meaning canopy, is speaking to the once vibrant and dense forest that existed in the area. The Jhapa Restoration Project aims to restore the natural environment of the area by providing the local villagers meaningful employment and impactful ecological gains. This year we funded 461,777 trees.

## Tree Sisters

### Report of the trustees

#### For the year ended 31 March 2020

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During the financial year we added 2 new projects, one in Mozambique, the other in West Papua.

Mozambique - Eden Reforestation Projects recently set up a new mangrove planting project in Mozambique. The programme began in October 2018 with the Katembe and Madjuva planting sites near Maputo, and to date Eden has planted over 550 thousand mangroves on these two sites. After a comprehensive appraisal of the project and organization, Tree Sisters is pleased to announce a new tree partnership in Mozambique with Eden Reforestation Projects, starting the first years with the restoration of a new site which has been severely deforested, as Bela Vista village. 25 people (at least 60% women) will be employed to plant 750,000 trees per year, including at least 10% agroforestry trees as alternatives to mangrove timber extraction. Mangroves are utilised by the people in Mozambique for building materials, firewood, fencing, fish traps and for medicinal purposes. From 1972-1990, the mangroves near Maputo suffered the most in comparison with other mangroves in the country, with a decrease of 15.2%. Major threats include over exploitation for firewood or charcoal making, and clearing of mangroves for salt production. Moreover, during the civil war from 1977 to 1992, mangroves near Maputo were burnt to prevent rebels from hiding and hindered the government's ability to spend on mangrove protection. Today, the mangroves of Maputo are under higher pressure from uncontrolled coastal migrations, conversion into agriculture lands (rice). Dams may potentially decrease the flow of freshwater, storms exacerbated by global warming may potentially affect them more and more. Mangroves are neither trees and plant species rich, nor harbour important fauna, but they have characteristic prop-roots which provide habitat for many aquatic animal species and also function as nursery grounds for various species of fish and shellfish. Mangroves also provide vital roosting and nesting places for wading and shorebirds, and are vital habitat for migratory birds, marine turtles, dugongs and porpoises. More specifically, the mangroves of the Maputo Bay are part of the "Maputaland Coastal Forest Mosaic", a major ecosystem which hosts more than 470 bird species with 4 species and 43 subspecies endemic or near endemic. *Mozambique - £85,774 (2019: £nil), 1,083,825 trees.*

Eden Reforestation Projects helps the village of Ansas replant the mangroves in its vicinity. The project addresses both poverty and mangrove restoration together. Addressing poverty and restoring mangroves will over time retroactively influence positively one another. Healthy mangrove forests will provide an abundance of life and fisheries resources. The Ansas community will in time be able to build a different relationship with their mangroves, improve their livelihoods, and plan a better future. West Papua's mangroves are a highly productive ecosystem crucial to the nutrient dynamics in the coastal areas, which are essential to sea life. The loss of these intact ecosystems has significant negative effects for fisheries.

Mangroves are an effective and cheap nature-based protection from the impacts of typhoons and tsunamis for vulnerable coastal communities. Indeed, in Autumn 2017, Eden Reforestation Projects started to replant mangroves in the nearby island of Biak at a location that had suffered a terrible tsunami in 1996.

West Papua – West Papua mangroves are some of the most biodiverse mangroves in the world. They form part of the coral triangle — a roughly triangular shaped area of tropical marine waters in South East Asia. West Papua's mangroves contain ten endemic or near-endemic bird species. Many migratory birds depend on them for their migratory journey.

Mangroves are carbon-rich, hence crucial for climate mitigation. Mangroves hold a high carbon content that can be found in the soil. A study across the Indonesian Archipelago shows that mangrove trees at Bintuni in West Papua hold 232.6 tC per hectare which is similar to carbon content of tropical land-based forest trees which hold from 200-300 tC per hectare. However, the mangroves at Binturi holds 1,014.8 tC per hectare in the soil. That's about 5 times more than in the trees!

And yet, the mangroves are under threat from industrial businesses (oil, gas, charcoal, wood, and palm oil). They are also facing pressure from the local people and communities yearning for increasing their livelihoods. Local people and communities' clear mangroves to make space for building larger houses, for farming and trading, as well as to make charcoal.

## Tree Sisters

### Report of the trustees

#### For the year ended 31 March 2020

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The Yapen Mangrove Restoration Project began on December 1st, 2019. A minimum of 500,000 mangrove trees will be planted the first year. The project will also be planting at least 10% agroforestry trees beginning in the second year, to take the pressure off the mangroves. Planting will occur on land under communal ownership with 22 employees chosen among the local community. Eden Reforestation Project has already identified a first site that requires an estimated 1 million mangrove trees, covering about 66 hectares.

This project is carried out by Eden's local director, Jesse Willem, who is Indonesian. Jesse has been working with Eden Reforestation Projects to engage coastal Indonesian communities in reforesting their land and started working on Biak island in 2017.

Potential co-benefits of the project are:

- 1) the possibility for these families to send their children to school through increased income;
- 2) the opportunity to create microenterprises from savings generated;
- 3) enhanced stewardship;
- 4) improved fisheries;
- 5) enhanced biodiversity and wildlife; and
- 6) increased resilience against storms and flooding events.

The project aims to financially empower women with a set goal of a female-to-male planters' ratio of 60% and will attempt to increase women's leadership in a community where women are mainly involved in domestic matters and excluded from decision-making outside the home. *West Papua - £43,899 (2019: £nil) – 369,352 trees.*

- **WEForest** – WEForest are planting in the forest corridors between the remaining fragments of the Atlantic Rainforests of Brazil. This area is one of the most biodiverse in the world and yet only 7% of it remains. Planting here is vital to safeguarding biodiversity and restoring the forest corridor. In the current financial year, we have funded £106,758 (2019: £57,079), representing 135,376 trees.

We also continued to fund the WEForest project in the Khasi Hills in Northern India £61,366 (2019: £57,079), which is one of the most bio-diverse regions in Asia and influences regional climate, and because of this it's technically called the cloud forest due to its influence on rainfall. This funding aided the planting and restoration of 160,820 trees. This project is also helping a variety of endangered species similar to Brazil and the project is largely run by a group of extraordinary women. The project seeks to make the lives of women in this matrilineal community, easier by providing income generating activities.

- **ITF – International Tree Foundation** who are planting in Kenya, around Mt Kenya for watershed management of Kenya's largest 'water tower'. In the current financial year, we have funded £76,365 (2019: £57,079) representing 217,807 trees.

In 2019 we also funded a further project with ITF for planting in Cameroon and funded them £76,365 (2019: £57,079) representing 267,807 trees. The restoration of the Cameroon Highlands forest is about aiming to prevent further encroachment into the remaining natural forests of the Tofala Hills Wildlife Sanctuary and a nearby, vast "intact forest landscape". Tree Sisters is contributing to the establishment of the Biodiversity Reserve of about 6,000 hectares in order to protect Mount Bamboutos's exceptional biodiversity.

- **Association Aquaverde** - We are very excited to announce that your donation will now support a reforestation project developed by indigenous people called the Ashaninka, who live in the depths of the Amazonian forest basin. It is brought to us by Aquaverde, a Swiss non-profit organization, who will ensure good communication, liaison and reporting according to our Western standards.

During the year we have funded £37,500 (2019: £nil), representing 25,000 trees.



## **Tree Sisters**

### **Report of the trustees**

#### **For the year ended 31 March 2020**

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The Ashaninka people will grow a 'forest garden' in the Brazilian Amazon based on their philosophy of life. The Ashaninka have managed their forests sustainably for millennia through their strong cultural heritage, high dependency on forests for their livelihood, and the spiritual value of the forest. This project is building their capacity to continue living a healthy and wealthy traditional life. The Ashaninka's sustainable resource management and wisdom can inspire others to create similar projects, helping to save the Amazon rainforest, and other forests, from destruction.

Brazil is a priority country for action in our Tree Strategy and the Ashaninka's indigenous territory is one of the remaining tropical Intact Forest Landscapes on Earth. It is 872 square kilometres (about the size of New York City) of primary forest and it is one of the most biodiverse areas of the Amazon.

It is important for us to support a project which supports the guardians of the forest to keep the trees intact whilst supporting the exemplary life they yearn to live. Satellite data and maps have proven their role in the protection of the forest such as in this animation produced by the World Resources Institute. The Ashaninka started replanting in an outside area their indigenous land 14 years ago. They know what's needed and they know how to do it. They did not wait for anyone to tell them what to do. However, they need our support to become more economically self-sufficient and resilient in the face of pressures for land and economic interests.

The current situation in the Amazon is urgent. There has never been so much interest in opening up the Amazon to irresponsible development in the name of economic growth. Roads and resettlement of farmers drive people into the depths of the Amazon rainforest. Fires complete the land's conversion for agricultural use. Many indigenous communities struggle to protect their lands (many of which are now at the edge of the "civilized" world) against illegal logging and agricultural pressure. Last summer about 20,000 hectares of the Surui' indigenous territory was burned.

A native forest garden which is based on conservation, as well as collective and communal values, is a starkly different approach to common agriculture. Our conventional agriculture is about destroying the forest at the expenses of profitable economic activities supposedly of higher value which benefit a few but jeopardise the way of life of many. Such a project can play an important role in fostering healthier interactions between people and trees, by showcasing a different agricultural system that benefits people, soil, and Nature. With its healthier soils, a native forest garden produces nutritious fruits and nuts for both non-indigenous locals and indigenous people. It also helps stabilise water supplies, and reduces sediment run-off (from soil erosion and inland pollution) pouring into the rivers, which will, in turn, positively impacts aquatic life and the people who eat them.

#### **Women's leadership and education**

Expenditure on our women's leadership programs was £553,880 (2019: £425,190).

#### **Education and awareness**

We continued to offer the evergreen "A Wild Soul Woman" course in conjunction with Mary Reynolds Thompson. We also hired a program manager for our Education and Awareness program.

Expenditure on increasing our outreach and developing other empowerment materials was £33,613 in (2019: £19,978).

We believe that the engagement of women through our feminine leadership courses and offerings is a key part of fulfilling our strategic objective to "inspire and support feminine leadership through shifting feminine consciousness."

## **Tree Sisters**

### **Report of the trustees**

**For the year ended 31 March 2020**

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#### **Community engagement**

Tree Sisters is a grassroots organisation focused on the power of the general public to effect change through shared action and responsibility. We are making it normal to give back to nature by funding tree planting monthly, as a way of cleaning up our own emissions. Despite wide scale awareness of climate change, awareness of the role of trees in cleaning up excess carbon is yet to be fully understood or adopted at the grassroots level. As part of this initiative we launched our online “Nest” community designed to inspire and support women across the world. We have over 5,169 women engaged from 114 countries worldwide.

#### **Groves programme**

One of the greatest barriers to women taking action around climate issues is lack of confidence and lack of support. One of the most powerful actions that can be taken to support women’s leadership is to bring women together. A Grove is a local circle of tree sisters that meet regularly in their community for mutual support, wellbeing and to plan local environmental projects particularly tree planting. Over the last year with the assistance of lottery funding we have developed a set of tools and a peer support network that women have used to initiate, support, sustain and grow their Groves. We have over 1,000 women engaged in our Groves programme.

#### **Volunteers**

We have a committed volunteer team of approximately 58 women across 10 countries who form the core of our social media management and growth in outreach. These women have contributed over 700 volunteer hours this financial year. Our volunteers have assisted us through transcription services, research, enabling the growth of our social media presences, and providing our groups with moderators and cheerleaders. Our volunteers enable the organisation. Without them we would not be able to deliver to our members in the way that we do, and they are fundamental to our success. We extend our gratitude to them for their continued commitment and support for the organisation.

#### **Fundraising**

Tree Sisters has recently started the process of engaging with corporates that may fall into the category of corporate participators. To ensure compliance with the fundraising regulations, the charity is in the process of finalising an internal business partnerships policy and guidance. Historically, the majority of our current fundraising is done via our website or social media outlets, fundraising events and with additional grant funding requested from foundations via the normal channels, or through relationships built with corporates. All direct marketing is undertaken internally to ensure that it is not unreasonably intrusive or persistent and contains clear instructions on how a person can be removed from the mailing lists. There have been no complaints about fundraising activity during the year.

We are in the process of registering voluntarily with the Fundraising Regulator’s Code of Fundraising Practice as we wish to formalise our commitment to following the best practice possible. Our fundraising activities are constantly monitored through regular team discussions.

#### **Plans for future periods**

In the 2020/21 financial year, we will continue our billion trees campaign, and launch the ‘Year of the Tree’ to encourage the restoration of our forests in collaboration with a network of partners. This will require reaching out to and adding new members to our community and increasing our network to over 1 million participants. We will also be inviting aligned businesses via corporate donations to embed tree planting and restoration of our forests into their financial transactions with customers.

The charity is still assessing the impact of Covid-19 on its ability to raise funds and deliver its charitable activities. In the first instance, it negatively impacted the charity’s projected income from the business sector. This is partly because of partnerships in the travel and events industry and partly because the charity’s fundraising is through speaking engagements and Tree Sisters hosted fundraising events, all of which had to be cancelled. In the field, all of our tree partners were affected by Covid-19 and planting plans were redrawn. Due to the reduced activity and projected income the board of trustees made the decision to furlough 6 of 10 staff for one month reviewed on a rolling basis.

## **Tree Sisters**

### **Report of the trustees**

#### **For the year ended 31 March 2020**

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The charity responded by shifting the focus of fundraising to sectors not negatively impacted by Covid-19, increasing online and social media presence and reaching out to existing donors to retain and increase their donations. At the time of writing this has had a positive response. The online course 'The Courage to Shine' exceeded projections and will raise £50k (expected £30k), existing high net worth donors gave £85k (not projected) and donor retention is in line with 2019 trends.

The board of trustees are closely monitoring the situation and have developed a strategy based on a continuing Covid-19 world for the next year. Given the current reserves, budget and strategy the board are confident that the charity remains a going concern.

#### **Structure, governance and management**

The company was established under a Memorandum of Association which established the objectives and powers of the company and is governed under its Articles of Association. The board of trustees is responsible for the overall governance of the charity. Trustees are appointed by resolution of the existing trustees and there must be at least three trustees. Each trustee shall be appointed for a term of three years and then shall be re-appointed or retire. The management meet monthly to review strategy, operational and financial performance, to set operating plans and targets and measure performance against our annual budget. The management facilitate a financial review every month at the board meeting.

#### **Recruitment and induction of trustees**

The directors of the company are also charity trustees for the purpose of charity law. Subject to the approval of the members, the trustees may appoint a person who will be a trustee. Recruitment is based on the level of skills and experience in non-profit leadership as well as in at least one of the identified areas of expertise required to achieve our objectives (specifically reforestation, women's leadership, and climate change) and overall board make-up should reflect gender and international diversity. Recruitment of trustees is undertaken by the trustees and CEO.

The board implements the following process: Potential trustees meet with and are interviewed by the chair, one other trustee, and the CEO prior to putting the proposal to the entire board.

#### **Related parties and co-operation with other organisations**

The trustees have received the full description of trustees' responsibilities as defined by the Charities Act 2011 and are all experienced in either charitable work or in the key areas as defined by our objectives. The trustees are unpaid.

#### **Statement of responsibilities of the trustees**

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with 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).

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 income and expenditure of the charity for that period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice 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 charitable company will continue in operation.

## Tree Sisters

### Report of the trustees

#### For the year ended 31 March 2020

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The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The trustees are members of the charitable company but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

#### Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 17th July 2020 and signed on their behalf by

Tracey van den Brand - Chair

A handwritten signature in black ink, appearing to read 'Tracey van den Brand', is written over a faint, large, stylized signature or stamp that is mostly illegible.

## **Independent auditors' report**

### **To the members of**

#### **Tree Sisters**

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We have audited the financial statements of Tree Sisters (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, balance sheet, statement of cashflows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2020 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### **Other information**

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

## **Independent auditors' report**

### **To the members of**

#### **Tree Sisters**

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

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

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

#### **Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 charity or to cease operations, or have no realistic alternative but to do so.

#### **Our responsibilities for the audit of the financial statements**

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

**Independent auditors' report**

**To the members of**

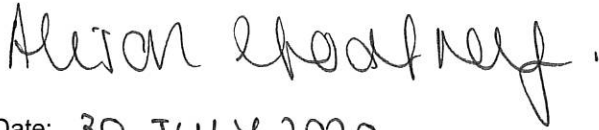
**Tree Sisters**

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A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditors-responsibilities](http://www.frc.org.uk/auditors-responsibilities). This description forms part of our auditor's report.

**Use of our report**

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



Date: 30 JULY 2020

**Alison Godfrey FCA**  
**(Senior Statutory Auditor)**

For and on behalf of:

**GODFREY WILSON LIMITED**

Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

## Tree Sisters

### Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2020

	Note	Restricted £	Unrestricted £	2020 Total £	2019 Total £
<b>Income from:</b>					
Donations	3	1,058,468	707,604	<b>1,766,072</b>	787,425
Charitable activities	4	132	9,929	<b>10,061</b>	56,803
Investments		-	1,177	<b>1,177</b>	391
Other		-	-	-	61,059
<b>Total income</b>		<u>1,058,600</u>	<u>718,710</u>	<u><b>1,777,310</b></u>	<u>905,678</u>
<b>Expenditure on:</b>					
Raising funds		-	198,085	<b>198,085</b>	108,945
Charitable activities		<u>1,036,575</u>	<u>513,504</u>	<u><b>1,550,079</b></u>	<u>895,906</u>
<b>Total expenditure</b>	5	<u>1,036,575</u>	<u>711,589</u>	<u><b>1,748,164</b></u>	<u>1,004,851</u>
<b>Net income / (expenditure)</b>		22,025	7,121	<b>29,146</b>	(99,173)
<b>Other recognised gains / (losses):</b>					
Gain / (loss) on revaluation of intangible fixed assets		-	13,043	<b>13,043</b>	(11,862)
<b>Net movement in funds</b>	6	22,025	20,164	<b>42,189</b>	(111,035)
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>12,709</u>	<u>214,586</u>	<u><b>227,295</b></u>	<u>338,330</u>
<b>Total funds carried forward</b>		<u><b>34,734</b></u>	<u><b>234,750</b></u>	<u><b>269,484</b></u>	<u>227,295</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the accounts.



## Tree Sisters

### Balance sheet

As at 31 March 2020

	Note	£	2020 £	2019 £
<b>Fixed assets</b>				
Tangible assets	11		30,037	52,525
Intangible assets	12		<u>34,596</u>	<u>21,553</u>
			64,633	74,078
<b>Current assets</b>				
Debtors	13	28,154		16,789
Cash at bank and in hand		<u>414,128</u>		<u>246,591</u>
		442,282		263,380
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	14	<u>(237,431)</u>		<u>(110,163)</u>
<b>Net current assets</b>			<u>204,851</u>	<u>153,217</u>
<b>Net assets</b>	15		<u>269,484</u>	<u>227,295</u>
<b>Funds</b>	16			
Restricted funds			34,734	12,709
Unrestricted funds				
<i>Designated funds</i>			-	55,899
<i>General funds</i>			<u>234,750</u>	<u>158,687</u>
<b>Total charity funds</b>			<u>269,484</u>	<u>227,295</u>

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

Approved by the trustees on 17 July 2020 and signed on their behalf by

Tracey Van Den Brand - Chair



## Tree Sisters

### Statement of cash flows

For the year ended 31 March 2020

	2020	2019
	£	£
<b>Cash used in operating activities:</b>		
Net movement in funds	42,189	(111,035)
Adjustments for:		
Depreciation charges	11,216	14,562
(Gains) / losses on intangible assets	(13,043)	11,862
Interest from investments	(1,177)	(391)
Profit on the disposal of intangible assets	-	(61,270)
Loss on the disposal of fixed assets	18,490	212
Decrease / (increase) in debtors	(11,365)	172
Increase / (decrease) in creditors	<u>127,267</u>	<u>(35,526)</u>
<b>Net cash provided by operating activities</b>	<u>173,577</u>	<u>(181,414)</u>
<b>Cash flows from investing activities:</b>		
Interest from investments	1,177	391
Proceeds from the sale of intangible assets	-	297,253
Purchase of tangible fixed assets	<u>(7,218)</u>	<u>(27,333)</u>
<b>Net cash provided by investing activities</b>	<u>(6,041)</u>	<u>270,311</u>
<b>Increase in cash and cash equivalents in the year</b>	<b>167,537</b>	<b>88,897</b>
Cash and cash equivalents at the beginning of the year	<u>246,591</u>	<u>157,694</u>
<b>Cash and cash equivalents at the end of the year</b>	<u><u>414,128</u></u>	<u><u>246,591</u></u>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

## Tree Sisters

### Notes to the financial statements

#### For the year ended 31 March 2020

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#### 1. Accounting policies

##### a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Tree Sisters meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. However, the COVID-19 pandemic is likely to have a profound impact on the global economy, and may in turn affect the charity. The trustees have considered the impact of this issue on the charitable company's current and future financial position. The charity holds unrestricted, general reserves of £234,750 and a cash balance of £414,127. Payments to reforestation partners, which is the charity's main expenditure, are wholly dependent on the volume of donations received during the year and the charity has taken advantage of the government's Job Retention Scheme to reduce staff costs in 20/21. Because of this, the trustees consider that the charity has sufficient cash reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

##### c) Income

Income is recognised when the charitable company has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

80% of the income received from membership donations is restricted and must be spent directly on reforestation work. The remaining 20% is unrestricted.

##### d) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the bank.

##### e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charitable company. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

## Tree Sisters

### Notes to the financial statements

#### For the year ended 31 March 2020

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##### f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Grants payable are recognised when the charity has raised the income that is to be passed on to partners.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

##### g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities on the following basis:

	2020	2019
Raising funds	15%	15%
Charitable activities	85%	85%

##### h) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	4 years straight line
Website	4 years straight line
Other equipment	4 years straight line

Items of equipment are capitalised where the purchase price exceeds £500.

##### i) Intangible assets

Intangible assets comprise of holdings in cryptocurrency. These are valued under the revaluation model and carried at their market value at the year end. Increases in market value accumulate in a revaluation reserve on the balance sheet. Decreases in the assets' carrying value as a result of a revaluation shall decrease any previously recognised revaluation increase accumulated in the revaluation reserve. Any excess is recognised in the statement of financial activities.

##### j) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

## Tree Sisters

### Notes to the financial statements

#### For the year ended 31 March 2020

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##### **k) Creditors**

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

##### **l) Financial instruments**

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

##### **m) Foreign exchange rate policy**

Transactions in foreign currencies are reported at the monthly average exchange rates published by HMRC. Monetary assets and liabilities denominated in foreign currency are translated at rates of exchange on the balance sheet date. Exchange differences arising on foreign currency transactions are recognised in the Statement of Financial Activities.

##### **n) Debtors**

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

##### **o) Accounting estimates and key judgements**

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

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

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

##### **Depreciation**

As described in note 1h to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. Depreciation rates in operation during the current and prior period are described in note 1h.

##### **Valuation of bitcoin**

As described in note 1i to the financial statements, Bitcoin is treated as an intangible asset under the revaluation model and is thereon stated at market value according to foreign exchange market rates at 31 March 2020.

## Tree Sisters

### Notes to the financial statements

For the year ended 31 March 2020

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#### 2. Prior period comparatives

	Restricted £	Unrestricted £	2019 Total £
<b>Income from:</b>			
Donations	491,333	296,092	<b>787,425</b>
Charitable activities	-	56,803	<b>56,803</b>
Investments	-	391	<b>391</b>
Other	-	61,059	<b>61,059</b>
<b>Total income</b>	<b>491,333</b>	<b>414,345</b>	<b>905,678</b>
<b>Expenditure on:</b>			
Raising funds	-	108,945	<b>108,945</b>
Charitable activities	515,918	379,988	<b>895,906</b>
<b>Total expenditure</b>	<b>515,918</b>	<b>488,933</b>	<b>1,004,851</b>
<b>Net income / (expenditure)</b>	<b>(24,585)</b>	<b>(74,588)</b>	<b>(99,173)</b>
Transfers between funds	30,662	(30,662)	-
<b>Other recognised gains/losses:</b>			
Loss on revaluation of intangible fixed assets	-	(11,862)	<b>(11,862)</b>
<b>Net movement in funds</b>	<b>6,077</b>	<b>(117,112)</b>	<b>(111,035)</b>

## Tree Sisters

### Notes to the financial statements

For the year ended 31 March 2020

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#### 3. Donations

	Restricted £	Unrestricted £	2020 Total £
Voluntary donations	<u>1,058,468</u>	<u>707,604</u>	<u>1,766,072</u>

#### Prior period comparative

	Restricted £	Unrestricted £	2019 Total £
Voluntary donations	<u>491,333</u>	<u>296,092</u>	<u>787,425</u>

#### 4. Income from charitable activities

	Restricted £	Unrestricted £	2020 Total £	2019 Total £
Workshops	<u>132</u>	<u>9,929</u>	<u>10,061</u>	<u>56,803</u>

All income from charitable activities in the prior year was unrestricted.

## Tree Sisters

### Notes to the financial statements

For the year ended 31 March 2020

#### 5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2020 Total £
Fundraising costs	35,371	-	-	<b>35,371</b>
Staff costs (note 9)	37,120	163,454	120,075	<b>320,650</b>
Grants to partners (note 7)	-	996,199	-	<b>996,199</b>
Other project costs	-	-	3,000	<b>3,000</b>
Website and IT costs	-	-	25,454	<b>25,454</b>
Audit and accountancy	-	-	5,160	<b>5,160</b>
Consultancy	16,586	95,062	109,958	<b>221,606</b>
Legal and professional fees	-	-	5,269	<b>5,269</b>
Insurance	-	-	441	<b>441</b>
Travel and subsistence	5,383	4,641	3,756	<b>13,780</b>
Telephone and administration	-	-	2,238	<b>2,238</b>
Training materials	-	4,980	-	<b>4,980</b>
Bookkeeping fees	-	-	6,040	<b>6,040</b>
Charges and subscriptions	50,610	-	8,305	<b>58,915</b>
Marketing	-	1,120	7,759	<b>8,878</b>
Event	-	5,186	-	<b>5,186</b>
Trustee expenses	-	-	1,587	<b>1,587</b>
Depreciation	-	-	11,216	<b>11,216</b>
Loss on disposal of asset	-	-	18,490	<b>18,490</b>
Foreign exchange loss	3,704	-	-	<b>3,704</b>
Sub total	148,774	1,270,642	328,748	<b>1,748,164</b>
Allocation of support and governance costs	49,311	279,437	(328,748)	-
<b>Total expenditure</b>	<b>198,085</b>	<b>1,550,079</b>	-	<b>1,748,164</b>

Total governance costs were £5,160 (2019: £4,560).



## Tree Sisters

### Notes to the financial statements

For the year ended 31 March 2020

#### 5. Total expenditure (continued)

##### Prior period comparative

	Raising funds £	Charitable activities £	Support and governance costs £	2019 Total £
Fundraising costs	13,341	-	-	<b>13,341</b>
Staff costs (note 9)	44,363	235,488	-	<b>279,851</b>
Grants to partners (note 7)	-	461,159	-	<b>461,159</b>
Other reforestation costs	-	26,212	-	<b>26,212</b>
Website and IT costs	-	-	11,476	<b>11,476</b>
Audit fee	-	-	4,560	<b>4,560</b>
Internal accountancy	-	-	640	<b>640</b>
Consultancy	15,829	125,187	-	<b>141,016</b>
Legal	-	-	374	<b>374</b>
Insurance	-	-	475	<b>475</b>
Travel and subsistence	-	8,327	-	<b>8,327</b>
Telephone	-	-	166	<b>166</b>
Training materials	-	3,221	-	<b>3,221</b>
Bookkeeping fees	-	-	3,795	<b>3,795</b>
Bank charges	29,063	-	-	<b>29,063</b>
Marketing	-	4,162	1,775	<b>5,937</b>
Depreciation	-	-	14,562	<b>14,562</b>
Foreign exchange loss	676	-	-	<b>676</b>
Sub total	103,272	863,756	37,823	<b>1,004,851</b>
Allocation of support and governance costs	5,673	32,150	(37,823)	-
<b>Total expenditure</b>	<b>108,945</b>	<b>895,906</b>	<b>-</b>	<b>1,004,851</b>

## Tree Sisters

### Notes to the financial statements

#### For the year ended 31 March 2020

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#### 6. Net movement in funds

This is stated after charging:

	2020	2019
	£	£
Depreciation	11,216	14,562
Profit / (loss) on disposal of fixed assets	(18,490)	61,059
Trustees remuneration	Nil	Nil
Trustees' reimbursed expenses	1,587	Nil
Auditors' remuneration:		
▪ Statutory audit (incl. VAT)	<u>5,160</u>	<u>4,560</u>

Two trustees received £1,587 (2019: £nil) for reimbursed travel expenses during the year.

#### 7. Grants payable

Total grants paid to institutions during the year were as follows:

	2020	2019
	£	£
ProjectGreenHands	106,758	57,079
The Eden Projects	531,087	175,764
WEForest - Brazil	106,758	57,079
WEForest - India	61,366	57,079
International Tree Foundation - Kenya	76,365	57,079
International Tree Foundation - Cameroon	76,365	57,079
Aquaverde - Amazonia	<u>37,500</u>	-
	<u>996,199</u>	<u>461,159</u>

#### 8. Grants commitments

	2020	2019
	£	£
Grant commitments brought forward	103,521	124,871
Grants committed during the period	996,199	461,159
Grants paid during the period	<u>(877,088)</u>	<u>(482,509)</u>
Grant commitments carried forward (note 14)	<u>222,632</u>	<u>103,521</u>

## Tree Sisters

### Notes to the financial statements

#### For the year ended 31 March 2020

#### 9. Staff costs and numbers

Staff costs were as follows:

	2020 £	2019 £
Salaries and wages	292,956	259,052
Social security costs	16,737	13,164
Pension costs	10,957	7,635
	<u>320,650</u>	<u>279,851</u>

No employee earned more than £60,000 during the year.

	2020 No.	2019 No.
Average head count (full-time equivalent)	<u>10</u>	<u>8</u>

The key management personnel comprise the trustees and the chief executive officer. Total remuneration paid to the key management personnel during the year was £59,616 (2019: £64,386).

#### 10. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

#### 11. Tangible fixed assets

	Computer equipment £	Equipment £	Website £	Total £
<b>Cost</b>				
At 1 April 2019	1,234	-	83,526	84,760
Additions in year	-	814	6,404	7,218
Disposals in year	-	-	(56,193)	(56,193)
At 31 March 2020	<u>1,234</u>	<u>814</u>	<u>33,737</u>	<u>35,785</u>
<b>Depreciation</b>				
At 1 April 2019	386	-	31,849	32,235
Charge for the year	308	135	10,773	11,216
On disposals	-	-	(37,703)	(37,703)
At 31 March 2020	<u>694</u>	<u>135</u>	<u>4,919</u>	<u>5,748</u>
<b>Net book value</b>				
At 31 March 2020	<u>540</u>	<u>679</u>	<u>28,818</u>	<u>30,037</u>
At 31 March 2019	<u>848</u>	<u>-</u>	<u>51,677</u>	<u>52,525</u>

## Tree Sisters

### Notes to the financial statements

For the year ended 31 March 2020

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#### 12. Intangible assets

	Bitcoin holding £
<b>Cost</b>	
At 1 April 2019	21,553
Revaluation	13,043
Disposals at cost	-
	<hr/>
At 31 March 2020	<b>34,596</b>
	<hr/>
<b>Amortisation</b>	
At 1 April 2019 and at 31 March 2020	-
	<hr/>
<b>Net book value</b>	
<b>At 31 March 2020</b>	<b>34,596</b>
	<hr/> <hr/>
At 31 March 2019	21,553
	<hr/> <hr/>
<b>Historical cost</b>	
<b>At 31 March 2020</b>	<b>36,408</b>
	<hr/> <hr/>
At 31 March 2019	36,408
	<hr/> <hr/>

Intangible assets comprise a holding in bitcoin cryptocurrency. These are held under the revaluation model and carried at their market value at year end. No revaluation reserve was created at 31 March 2020 as the unrealised gain this year offset unrealised losses previously recognised in the statement of financial activities for these assets.

#### 13. Debtors

	2020	2019
	£	£
Prepayments	7,254	6,920
Accrued income	1,477	8,467
Other debtors	19,424	1,402
	<hr/>	<hr/>
	<b>28,154</b>	16,789
	<hr/> <hr/>	<hr/> <hr/>

## Tree Sisters

### Notes to the financial statements

For the year ended 31 March 2020

#### 14. Creditors: amounts due within 1 year

	<b>2020</b>	2019
	£	£
Trade creditors	<b>442</b>	2,035
Accruals	<b>233,867</b>	108,081
Other taxation and social security	<b>3,121</b>	47
	<b><u>237,431</u></b>	<b><u>110,163</u></b>

Accruals include £222,632 (2019: £103,521) of grants payable to partners in respect of reforestation work.

#### 15. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	30,037	<b>30,037</b>
Intangible assets	-	-	34,596	<b>34,596</b>
Current assets	260,366	-	181,916	<b>442,282</b>
Current liabilities	<u>(225,632)</u>	-	<u>(11,799)</u>	<b><u>(237,431)</u></b>
<b>Net assets at 31 March 2020</b>	<b><u>34,734</u></b>	<b><u>-</u></b>	<b><u>234,750</u></b>	<b><u>269,484</u></b>
<b>Prior period comparative</b>	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	52,525	<b>52,525</b>
Intangible assets	-	-	21,553	<b>21,553</b>
Current assets	116,230	55,899	91,251	<b>263,380</b>
Current liabilities	<u>(103,521)</u>	-	<u>(6,642)</u>	<b><u>(110,163)</u></b>
<b>Net assets at 31 March 2019</b>	<b><u>12,709</u></b>	<b><u>55,899</u></b>	<b><u>158,687</u></b>	<b><u>227,295</u></b>

## Tree Sisters

### Notes to the financial statements

For the year ended 31 March 2020

#### 16. Movements in funds

	At 1 April 2019 £	Income £	Expenditure £	Gains/ (losses) £	At 31 March 2020 £
<b>Restricted funds</b>					
Trees	-	1,026,691	(1,026,691)	-	-
Organisational development	12,709	-	(6,884)	-	5,825
Year of the Tree	-	31,909	(3,000)	-	28,909
<b>Total restricted funds</b>	<b>12,709</b>	<b>1,058,600</b>	<b>(1,036,575)</b>	<b>-</b>	<b>34,734</b>
<b>Unrestricted funds</b>					
<i>Designated funds</i>					
Capital funds	55,899	-	(55,899)	-	-
<i>Total designated funds</i>	55,899	-	(55,899)	-	-
General funds	158,687	718,710	(655,690)	13,043	234,750
<b>Total unrestricted funds</b>	<b>214,586</b>	<b>718,710</b>	<b>(711,589)</b>	<b>13,043</b>	<b>234,750</b>
<b>Total funds</b>	<b>227,295</b>	<b>1,777,310</b>	<b>(1,748,164)</b>	<b>13,043</b>	<b>269,484</b>

#### Purposes of restricted funds

##### *Trees*

The trees fund is funding raised towards increasing green cover via tree planting.

##### *Organisational development*

The organisational development fund comprises grant income received for the development of the organisation to enable wider support for the tree campaigns and support increased volume of members, donors and course participants.

##### *Year of the Tree*

The Year of the Tree is a campaign to support trees and forest to survive and thrive on Earth. Its intention is to seed an evolving and growing long term restoration movement that spreads around the globe. Funds received are restricted to be used in support of the development of the campaign, hosting and managing the Tree Network and the development and launch of the Ethical Tree Planting code.

#### Purposes of designated funds

##### *Capital funds*

The capital funds represent the portion of the net book value of the website that was originally funded by restricted funds.

## Tree Sisters

### Notes to the financial statements

For the year ended 31 March 2020

#### 16. Movements in funds (continued)

Prior period comparative

	At 1 April 2018 £	Income £	Expenditure £	Transfers between funds £	Gains/ (losses) £	At 31 March 2019 £
<b>Restricted funds</b>						
Trees	6,632	450,077	(487,371)	30,662	-	-
Organisational development	-	12,709	-	-	-	<b>12,709</b>
Environmental education	-	28,547	(28,547)	-	-	-
<b>Total restricted funds</b>	<b>6,632</b>	<b>491,333</b>	<b>(515,918)</b>	<b>30,662</b>	<b>-</b>	<b>12,709</b>
<b>Unrestricted funds</b>						
<i>Designated funds</i>						
Capital funds	55,899	-	-	-	-	<b>55,899</b>
<i>Total designated funds</i>	55,899	-	-	-	-	<b>55,899</b>
General funds	275,799	414,345	(488,933)	(30,662)	(11,862)	<b>158,687</b>
<b>Total unrestricted</b>	<b>331,698</b>	<b>414,345</b>	<b>(488,933)</b>	<b>(30,662)</b>	<b>(11,862)</b>	<b>214,586</b>
<b>Total funds</b>	<b>338,330</b>	<b>905,678</b>	<b>(1,004,851)</b>	<b>-</b>	<b>(11,862)</b>	<b>227,295</b>

#### 17. Related party transactions

The trustees are not aware of any related party transactions in the current or prior year.