



Alexander Sloan

Accountants and Business Advisers

OAK TREE HOUSING INITIATIVES LTD

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

PAGES FOR FILING WITH REGISTRAR

Company Registration No. SC430173 (Scotland)

OAK TREE HOUSING INITIATIVES LTD

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OAK TREE HOUSING INITIATIVES LTD

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Cash at bank and in hand		30,242		4,575	
Creditors: amounts falling due within one year	5	<u>(14,077)</u>		<u>(4,348)</u>	
Net current assets			<u>16,165</u>		<u>227</u>
Capital and reserves					
Called up share capital	6		1		1
Profit and loss reserves			<u>16,164</u>		<u>226</u>
Total equity			<u>16,165</u>		<u>227</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

11/11/2020

The financial statements were approved by the board of directors and authorised for issue on
and are signed on its behalf by:

Catherine Dahlstrom

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Catherine Dahlstrom
Director

Company Registration No. SC430173

The notes on pages 3 to 6 form an integral part of these financial statements.

OAK TREE HOUSING INITIATIVES LTD

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 April 2018		1	(394)	(393)
Year ended 31 March 2019:				
Profit and total comprehensive income for the year		-	620	620
Balance at 31 March 2019		1	226	227
Year ended 31 March 2020:				
Profit and total comprehensive income for the year		-	55,938	55,938
Distributions to parent charity under gift aid		-	(40,000)	(40,000)
Balance at 31 March 2020		1	16,164	16,165

The notes on pages 3 to 6 form an integral part of these financial statements.

OAK TREE HOUSING INITIATIVES LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Oak Tree Housing Initiatives Ltd is a private company limited by shares and incorporated in Scotland. The registered office is 41 High Street, Greenock, PA15 1NR.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors are obliged to consider the appropriateness of the going concern assumption taking into account all matters which may impact on the company's ability to continue to operate for the foreseeable future. Although the Covid 19 pandemic has created a degree of uncertainty, the directors have considered its potential impact on the company's finances and its ability to continue as a going concern for a period of at least 12 months from the date on which the financial statements were signed and believe that it is correct to continue to adopt the going concern basis in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity; and
specific criteria have been met for each of the company's activities.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

OAK TREE HOUSING INITIATIVES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.6 Financial instruments

The company 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 company's balance sheet when the company 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. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business 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.

1.7 Equity instruments

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

OAK TREE HOUSING INITIATIVES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors 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.

Covid 19

At the time of approving the financial statements, the company is subject to a number of restrictions and uncertainties arising as a result of the Covid 19 pandemic. The directors have considered the implications of these and, based on their judgement and the actions undertaken by the company to address them, they believe that there is no impact on the carrying amount of the company's assets and liabilities.

3 Auditor's remuneration

	2020	2019
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	2,009	1,427
	<u> </u>	<u> </u>

4 Financial instruments

	2020	2019
	£	£
Carrying amount of financial liabilities		
Stated at cost	12,440	4,348
	<u> </u>	<u> </u>

OAK TREE HOUSING INITIATIVES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

5 Creditors: amounts falling due within one year

	2020	2019
	£	£
Amounts owed to group undertakings	10,585	2,955
Corporation tax	1,637	-
Accruals and deferred income	1,855	1,393
	<u>14,077</u>	<u>4,348</u>

6 Share capital

	2020	2019
	£	£
Ordinary share capital Issued and fully paid		
1 Ordinary Share of £1 each	1	1
	<u>1</u>	<u>1</u>

7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Kevin Booth.

The auditor was Alexander Sloan.

8 Related party transactions

Transactions with related parties

Oak Tree Housing Initiatives Ltd is a wholly owned subsidiary of Oak Tree Housing Association. At the year end, Oak Tree Housing Initiatives owed Oak Tree Housing Association £10,585 (2019 - £2,955). No interest was due and there were no fixed repayment terms.

No other transactions with related parties were undertaken.

9 Post balance sheet events

At the time of approving the financial statements, the United Kingdom is impacted by the Covid 19 pandemic. The company is monitoring the position and updating its plans accordingly. Like most businesses, however, the virus is likely to impact the company's activities in the current year.