

**Charity Registration No. 800262 (England and Wales)**

**Charity Registration No. SC048203 (Scotland)**

**Company Registration No. 02301337 (England and Wales)**

**THE FAMILY HOLIDAY ASSOCIATION**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2018**

# THE FAMILY HOLIDAY ASSOCIATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Council</b>	Mr D J Burling Ms J Leader Mr J Scott Mr J M Appleby Ms J M Ridgway Ms P A Harris (Chair)  Mr M J C Saxon (Treasurer)	(Appointed 22 March 2018) (Appointed 22 March 2018)
<b>Secretary</b>	Ms A G Rice	
Charity number (England and Wales)	800262	
Charity number (Scotland)	SC048203	
<b>Company number</b>	02301337	
<b>Principal address</b>	3 Gainsford Street London SE1 2NE	
<b>Registered office</b>	3 Gainsford Street London SE1 2NE	
<b>Auditor</b>	Carter Backer Winter LLP 66 Prescott Street London E1 8NN	

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# THE FAMILY HOLIDAY ASSOCIATION

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# THE FAMILY HOLIDAY ASSOCIATION

## THE COUNCIL'S REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 AUGUST 2018

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The Board of Trustees (who are the Charity's Trustees for the purposes of the Charities Act 2011 and Directors for the purposes of the Companies Act) present their annual report and the audited financial statements for the year ended 31 August 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

#### **Objectives and activities**

The Family Holiday Association is registered with both the Charity Commission (No.800262) and the Office of the Scottish Charity Regulator (SCO48203) and a company limited by guarantee and registered in England (No.02301337). The Board of Trustees is supported by appropriate working groups of its members as necessary. The Memorandum and Articles require there to be a minimum of six and maximum of fifteen Board members at any time and one third of them are to be re-elected annually at the Annual General Meeting of the company by rotation.

The purpose of the Family Holiday Association is to work in partnership with others to enhance the quality of family life for parents and children who experience disadvantage as a result of poverty, through the provision of and by promoting access to holidays and other recreational activities. In 2018 the number of families directly supported with a break away from home as a result of our grant-making programmes was over 3,800 families. Some 8,610 children and 6,180 adults made up a total of 14,790 people who applied for and were helped by the charity.

Eighty six percent of our holiday spend was used to provide short breaks for 1,264 families. The remaining fourteen percent was spent providing group trips for a day out for 1,377 families. We also worked with a range of partners who donated accommodation, transport and attraction tickets so we could provide short breaks for a further 219 families and days out for 911 families. The charity worked with families across the UK in a total of 187 (86%) local authority areas.

However, the scale of the problem we are attempting to address is huge. According to the Office for National Statistics' Family Resources Survey 2013/14 over two and a half million British families with dependent children are not able to afford a one-week break away from home. Yet social surveys consistently highlight the fact that most people regard an annual holiday as a necessity. Evidence shows that the benefits of access to holidays for disadvantaged families result in a range of social benefits ranging from relief from stress, improved mental health to reduced isolation and stronger family relationships.

We also believe that the current ad hoc statutory provision and the reliance on the voluntary sector has created a patchy support system for large sections of society currently unable to access and benefit from a break. Furthermore, existing provision cannot do enough to address this very real issue of social exclusion.

Our declared objectives for the charity are to increase the number of families that gain access to holidays; to research and promote the value of holidays for families experiencing disadvantage; and to increase awareness of the scale and scope of the problem of lack of access to holidays.

The charity aims to achieve its objectives by making efficient use of donations received and keeping overheads low, in order to assist, both directly and indirectly, the maximum number of families. It is helped by having a highly skilled and committed staff, ably supported by the charity's trustees, ambassadors and patrons.

# THE FAMILY HOLIDAY ASSOCIATION

## THE COUNCIL'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### **Achievements and performance**

The bulk of the Family Holiday Association's activity during the year continued to be that of helping to provide short breaks and day-trips for disadvantaged families, and the charity was able to assist 3,820 families during 2018.

Applications for direct help for families come to the charity from various professional sources such as teachers, health visitors, social workers and other voluntary agencies including charities such as Barnardo's and Shelter. These applications are assessed by our Grants & Projects Team with reference to clear criteria. Breaks and grants are allocated via the referrer who will also help the family with planning for their break.

We always seek feedback from families and referrers, the analysis of which forms the basis of an annual impact report and helps to inform our activity for the coming year. And we regularly work with academics from a range of universities who are interested in researching the benefits of social tourism.

We now own and operate 16 static holiday caravans located at nine premium holiday parks around the British coast. These caravans play an important role in ensuring we can offer breaks during the peak school holiday periods.

### **Spreading the message**

In early 2016 a "Where now for social tourism?" roundtable was held in Westminster with leading players in the sector, including input from a panel of MPs from across the UK. An important outcome of this meeting was a clearly stated endorsement of the concept of developing a web-based booking platform that might eventually provide a one-stop shop for the aggregation and distribution for social tourism. As a result, the charity took the decision to fund the development of such a platform.

This led to an exciting investment in new cloud-based software that has replaced the charity's previous 16-year-old booking system. Our new system is scalable and will lead to a significant increase in the efficiency of our Programme Team. In addition, the platform will have the functionality to allow other organisations operating in the field of social tourism to utilise it, further improving its potential to significantly increase the number of people supported. The new system was launched at the beginning of the 2018 booking season and despite the inevitable teething issues is now working well.

### **Partnerships**

We continue to work with an ever-increasing number of organisations from the National Trust to Visit Kent; these partnerships expand the number and types of opportunities available to referred families.

Our relationship with VisitScotland has been developing over a number of years. In 2016, their Spirit of Scotland campaign was the catalyst for a new joint initiative. That year over 30 industry and strategic partners of the national tourism body donated accommodation, travel and entry to popular attractions and in the process provided breaks to over 900 children and their parents. During 2018 420 families were supported and over 60 partners supported the scheme.

Contacts with the Scottish Government, facilitated by VisitScotland, have resulted in the Cabinet Secretary responsible for Tourism, Fiona Hyslop, asking her officials to compile a report looking at the potential impact of social tourism on improving the well-being of individuals, particularly those without the wherewithal to normally access breaks away from home, and, additionally, the domestic tourism industry. The Scottish Government report is now drafted and we hope it will be published in the near future.

We continue to work with Nottingham Civic Exchange, a think tank created by Nottingham Trent University, in their work looking at the issues faced by "Ordinary Working Families" and possible policies, including social tourism, that might improve the lives of that significant section of society.

# THE FAMILY HOLIDAY ASSOCIATION

## THE COUNCIL'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### Fundraising

Charity fundraising still faces challenges across the board, with a reduction in public trust in the charity sector and uncertainties in the economy both having an impact. That said, our income held up well across most areas with the total income just surpassing the year-before. Our largest corporate partner has started to reduce their funding during this financial year, however a significant one-off donation came through an individual and their trust. Spend continued to be carefully managed so that a strong overall result was delivered.

### Future activities

The charity's newly adopted strategy aims to have the charity take full advantage of the opportunities presented by the development of the new online booking system to significantly increase the number of families we can support over the next three years. We also plan to increase the number and range of partnerships we have developed across the UK.

### Financial review

The results for the year are shown in the attached accounts.

### Reserves policy

The Trustees believe that the charity should maintain a level of Reserves equivalent to between 40% and 60% of the annual net operating expenditure. This is designed to assist in managing fluctuating cash flow due to the seasonality of events and provide sufficient resources to withstand any short term adverse economic conditions the charity may encounter.

Our reserves at the end of the 2017-18 financial year are within this threshold.

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

### Structure, governance and management

The Council, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Ms A G Rice	(Resigned 30 May 2018)
Mr K Graham	(Resigned 30 May 2018)
Mr D J Burling	
Ms K Wallen	(Resigned 28 September 2017)
Ms J Leader	
Mr N Blissett	(Resigned 28 September 2017)
Mr J Scott	
Mr J M Appleby	
Ms J M Ridgway	
Ms P A Harris (Chair)	(Appointed 22 March 2018)
Mr M J C Saxon (Treasurer)	(Appointed 22 March 2018)

### Auditor


A resolution proposing that Carter Backer Winter LLP be reappointed as auditors of the company will be put to the Annual General Meeting.


**THE FAMILY HOLIDAY ASSOCIATION**

**THE COUNCIL'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2018**

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The the Council's report was approved by the Board of Council.

  
.....  
**Ms P A Harris (Chair)**  
Member of Council  
Dated: 20/12/2018

  
.....  
**Mr M J C Saxon (Treasurer)**  
Member of Council  
Dated: 10/12/18

# THE FAMILY HOLIDAY ASSOCIATION

## STATEMENT OF THE COUNCIL'S RESPONSIBILITIES

### FOR THE YEAR ENDED 31 AUGUST 2018

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The Council, who are also the directors of The Family Holiday Association for the purpose of company law, are responsible for preparing The Council's Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Council to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Council are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the Council is aware:

- there is no relevant audit information of which the group's auditor is unaware; and
- the Council has taken all steps it ought to have taken to make itself aware of any relevant audit information and to establish that the auditor is aware of that information.



# THE FAMILY HOLIDAY ASSOCIATION

## INDEPENDENT AUDITOR'S REPORT

### TO THE COUNCIL OF THE FAMILY HOLIDAY ASSOCIATION

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#### Opinion

We have audited the financial statements of The Family Holiday Association (the 'charity') for the year ended 31 August 2018 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the statement of cash flows and the 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 charitable company's affairs as at 31 August 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### 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 accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 the Council's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Council 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 Council 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 we do not express any form of assurance conclusion thereon.

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 the 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.

# THE FAMILY HOLIDAY ASSOCIATION

## INDEPENDENT AUDITOR'S REPORT TO THE FAMILY HOLIDAY ASSOCIATION (CONTINUED)

### UNDER SECTION 449 OF THE COMPANIES ACT 2006

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

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

#### **Responsibilities of Council**

As explained more fully in the statement of the Council's responsibilities, the Council, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Council 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 Council 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 Council either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditors under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.fc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# THE FAMILY HOLIDAY ASSOCIATION

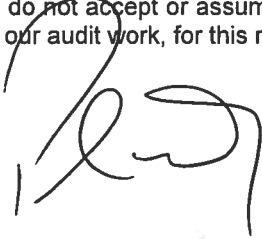
## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE COUNCIL OF THE FAMILY HOLIDAY ASSOCIATION

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#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Paul Woosey (Senior Statutory Auditor)**  
for and on behalf of Carter Backer Winter LLP

20 December 2018

**Chartered Accountants**  
**Statutory Auditor**

66 Prescott Street  
London  
E1 8NN

Carter Backer Winter LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

# THE FAMILY HOLIDAY ASSOCIATION

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted funds £	Endowment funds £	Total 2018 £	Total 2017 £
<b><u>Income from:</u></b>					
Donations and legacies	3	1,444,412	-	1,444,412	1,333,099
Investments	4	3,397	-	3,397	3,317
<b>Total income</b>		<b>1,447,809</b>	<b>-</b>	<b>1,447,809</b>	<b>1,336,416</b>
<b><u>Expenditure on:</u></b>					
Raising funds	5	322,568	-	322,568	333,040
Charitable activities	6	1,185,506	-	1,185,506	1,166,175
<b>Total resources expended</b>		<b>1,508,074</b>	<b>-</b>	<b>1,508,074</b>	<b>1,499,215</b>
Net gains/(losses) on investments	11	-	(4,211)	(4,211)	1,790
<b>Net movement in funds</b>		<b>(60,265)</b>	<b>(4,211)</b>	<b>(64,476)</b>	<b>(161,009)</b>
Fund balances at 1 September 2017		761,495	130,104	891,599	1,052,608
<b>Fund balances at 31 August 2018</b>		<b>701,230</b>	<b>125,893</b>	<b>827,123</b>	<b>891,599</b>

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

All income and expenditure derive from continuing activities.

# THE FAMILY HOLIDAY ASSOCIATION

## SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2018

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	<b>All income funds</b>	
	<b>2018</b>	2017
	£	£
Gross income	1,447,809	1,336,416
Total expenditure from income funds	<u>1,508,074</u>	<u>1,499,215</u>
<b>Net expenditure for the year</b>	<u><u>(60,265)</u></u>	<u><u>(162,799)</u></u>

# THE FAMILY HOLIDAY ASSOCIATION

## BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018		2017	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		356,629		402,552
Investments	13		123,170		127,381
			<u>479,799</u>		<u>529,933</u>
<b>Current assets</b>					
Debtors	15	3,663		10,660	
Cash at bank and in hand		416,880		385,448	
			<u>420,543</u>	<u>396,108</u>	
<b>Creditors: amounts falling due within one year</b>	16	(73,219)		(34,442)	
Net current assets			<u>347,324</u>		<u>361,666</u>
<b>Total assets less current liabilities</b>			<u>827,123</u>		<u>891,599</u>
<b>Capital funds</b>					
Endowment funds - general			125,893		130,104
<b>Income funds</b>					
Unrestricted funds			701,230		761,495
			<u>827,123</u>		<u>891,599</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2018, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The Council acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements were approved by the Council on 20.12.18



Ms P A Harris (Chair)  
Trustee



Mr M J C Saxon (Treasurer)  
Trustee

Company Registration No. 02301337

# THE FAMILY HOLIDAY ASSOCIATION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	21		47,595		(105,793)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(23,223)		(111,705)	
Proceeds on disposal of tangible fixed assets		3,663		26,948	
Proceeds on disposal of subsidiaries		-		1	
Interest received		3,397		3,317	
<b>Net cash used in investing activities</b>			(16,163)		(81,439)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			31,432		(187,232)
Cash and cash equivalents at beginning of year			385,448		572,680
<b>Cash and cash equivalents at end of year</b>			416,880		385,448

# THE FAMILY HOLIDAY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2018

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#### 1 Accounting policies

##### Charity information

The Family Holiday Association is a private company limited by guarantee incorporated in England and Wales. The registered office is 3 Gainsford Street, London, SE1 2NE.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the Council have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Council continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Council in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

The endowment fund is represented by long term investments, the income from which may be used for the charity's general purpose

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Gifts in kind received include the provision of free holidays, design, printing and publicity. Due to the variety of types and sources of donated advertising, PR services, insurance and holiday booking services, it is not considered possible to value these. However, the estimated value of annual report printing and certain specific donated holidays and travel arrangements are included in the statement of financial activities as incoming resources expended when they are distributed.



# THE FAMILY HOLIDAY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

(Continued)

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

Investment income is recognised on a receivable basis.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

#### 1.5 Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Council to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under the headings that aggregate all costs related to the category.

Costs of generating funds comprise of the costs associated with attracting voluntary income and investment management fees.

Grants payable are payments made to third parties in the furtherance of the charitable objectives.

##### **Governance costs**

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to the Council members on governance or constitutional matters.

##### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example allocating property costs by floor areas or per capita, staff costs by the time spent and other costs by their usage.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life, as follows:

Caravans	10% straight line
Office equipment	25% straight line
Booking system	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

# THE FAMILY HOLIDAY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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### 1 Accounting policies

(Continued)

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.10 Financial instruments

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

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

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

##### ***Basic financial assets***

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

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans 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 operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### ***Derecognition of financial liabilities***

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

# THE FAMILY HOLIDAY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 1 Accounting policies

(Continued)

#### 1.11 Employee benefits

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

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

#### 1.12 Retirement benefits

The pension cost charged in the accounts represent the contributions payable by the company during the year.

#### 1.13 Fund accounting policy

Unrestricted income funds are general funds that are available for use at the Council's discretion in furtherance of the objectives of the charity.

Further details of each fund are disclosed in note 18.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Council 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.

### 3 Donations and legacies

	2018	2017
	£	£
Donations and gifts	1,282,581	1,267,324
Legacies receivable	161,831	65,775
	<u>1,444,412</u>	<u>1,333,099</u>

# THE FAMILY HOLIDAY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 4 Investments

	2018	2017
	£	£
Income from listed investments	3,099	2,595
Interest receivable	298	722
	<u>3,397</u>	<u>3,317</u>

### 5 Raising funds

	2018	2017
	£	£
<u>Costs of generating voluntary income</u>		
Staging fundraising events	117,792	143,091
Staff costs	204,776	189,949
	<u>322,568</u>	<u>333,040</u>
Costs of generating voluntary income	322,568	333,040
	<u>322,568</u>	<u>333,040</u>

### 6 Charitable activities

	2018	2017
	£	£
Staff costs	223,175	216,391
Grant funding of activities (see note 7)	673,222	646,390
Share of support costs (see note 8)	281,744	291,114
Share of governance costs (see note 8)	7,365	12,280
	<u>1,185,506</u>	<u>1,166,175</u>
<b>Analysis by fund</b>		
Unrestricted funds	1,185,506	
	<u>1,185,506</u>	
<b>For the year ended 31 August 2017</b>		
Unrestricted funds		1,166,175
		<u>1,166,175</u>

# THE FAMILY HOLIDAY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 7 Grants payable

	2018 £	2017 £
Grants to institutions:		
Grants to individuals	673,222	646,390
	<u>673,222</u>	<u>646,390</u>

### 8 Support costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
Staff costs	68,975	-	68,975	70,143	
Establishment costs	92,345	-	92,345	88,420	
Office expenses	5,063	-	5,063	4,997	
Printing, postage and stationary	4,002	-	4,002	5,281	
Subscriptions and donations	1,731	-	1,731	1,630	
Sundry and other costs	39,438	-	39,438	40,702	
Travel and subsistence	1,216	-	1,216	5	
Bank charges	3,490	-	3,490	3,736	
Depreciation	69,147	-	69,147	70,978	
(Profit)/Loss on sale of fixed assets	(3,663)	-	(3,663)	5,222	
Legal and professional fees	-	165	165	5,080	Governance
Auditor's remuneration	-	7,200	7,200	7,200	Governance
	<u>281,744</u>	<u>7,365</u>	<u>289,109</u>	<u>303,394</u>	
Analysed between Charitable activities	<u>281,744</u>	<u>7,365</u>	<u>289,109</u>	<u>303,394</u>	

Governance costs includes payments to the auditors of £7,200 (2017: £7,200) for audit fees.

### 9 Council

None of the Council (or any persons connected with them) received any remuneration during the year.

# THE FAMILY HOLIDAY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

#### 10 Employees

##### Number of employees

The average monthly number employees during the year was:

	2018 Number	2017 Number
Grants administration	5	5
Publicity and fundraising	4	4
Administration	3	3
	<u>12</u>	<u>12</u>

##### Employment costs

	2018 £	2017 £
Wages and salaries	419,310	399,322
Social security costs	32,400	24,256
Other pension costs	45,216	52,906
	<u>496,926</u>	<u>476,484</u>

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

	2018 Number	2017 Number
Between £60,000 and £70,000	<u>2</u>	<u>1</u>

There were no Council members for whom retirement benefits were accruing under money purchase pension schemes.

#### 11 Net gains/(losses) on investments

	2018 £	2017 £
Revaluation of investments	<u>(4,211)</u>	<u>1,790</u>

# THE FAMILY HOLIDAY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

### 12 Tangible fixed assets

	Caravans £	Office equipment £	Total £
<b>Cost</b>			
At 1 September 2017	540,089	131,962	672,051
Additions	-	23,223	23,223
Disposals	(30,000)	-	(30,000)
At 31 August 2018	<u>510,089</u>	<u>155,185</u>	<u>665,274</u>
<b>Depreciation and impairment</b>			
At 1 September 2017	199,644	69,855	269,499
Depreciation charged in the year	51,008	18,138	69,146
Eliminated in respect of disposals	(30,000)	-	(30,000)
At 31 August 2018	<u>220,652</u>	<u>87,993</u>	<u>308,645</u>
<b>Carrying amount</b>			
At 31 August 2018	<u>289,437</u>	<u>67,192</u>	<u>356,629</u>
At 31 August 2017	<u>340,445</u>	<u>62,107</u>	<u>402,552</u>

Office equipment includes booking system of £81,000 at cost.

### 13 Fixed asset investments

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 September 2017	127,381
Valuation changes	(4,211)
At 31 August 2018	<u>123,170</u>
<b>Carrying amount</b>	
At 31 August 2018	<u>123,170</u>
At 31 August 2017	<u>127,381</u>

# THE FAMILY HOLIDAY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

<b>14</b>	<b>Financial instruments</b>	<b>2018</b>	<b>2017</b>
		£	£
	<b>Carrying amount of financial assets</b>		
	Debt instruments measured at amortised cost	2,955	2,865
	Equity instruments measured at cost less impairment	123,170	127,381
		<u>          </u>	<u>          </u>
	<b>Carrying amount of financial liabilities</b>		
	Measured at amortised cost	63,646	26,355
		<u>          </u>	<u>          </u>
<b>15</b>	<b>Debtors</b>	<b>2018</b>	<b>2017</b>
		£	£
	<b>Amounts falling due within one year:</b>		
	Other debtors	2,955	2,865
	Prepayments and accrued income	708	7,795
		<u>          </u>	<u>          </u>
		3,663	10,660
		<u>          </u>	<u>          </u>
<b>16</b>	<b>Creditors: amounts falling due within one year</b>	<b>2018</b>	<b>2017</b>
		£	£
	Other taxation and social security	9,573	8,087
	Trade creditors	53,718	17,308
	Other creditors	2,725	1,847
	Accruals and deferred income	7,203	7,200
		<u>          </u>	<u>          </u>
		73,219	34,442
		<u>          </u>	<u>          </u>

### 17 Retirement benefit schemes

#### Defined contribution schemes

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

The charge to profit or loss in respect of defined contribution schemes was £45,216 (2017 - £52,904)

### 18 Analysis of net assets between funds

	Unrestricted funds	Endowment funds	Total
	£	£	£
Fund balances at 31 August 2018 are represented by:			
Tangible assets	356,629	-	356,629
Investments	-	123,170	123,170
Current assets/(liabilities)	344,601	2,723	347,324
	<u>          </u>	<u>          </u>	<u>          </u>
	701,230	125,893	827,123
	<u>          </u>	<u>          </u>	<u>          </u>



# THE FAMILY HOLIDAY ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2018

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#### 19 Operating lease commitments

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

	2018 £	2017 £
Within one year	65,000	65,000
Between two and five years	130,000	195,000
	<u>195,000</u>	<u>260,000</u>

#### 20 Related party transactions

There were no disclosable related party transactions during the year (2017 - none).

#### 21 Cash generated from operations

	2018 £	2017 £
Deficit for the year	(64,476)	(161,009)
Adjustments for:		
Investment income recognised in statement of financial activities	(3,397)	(3,317)
Gain on disposal of tangible fixed assets	(3,663)	-
Fair value gains and losses on investments	4,211	(1,790)
Depreciation and impairment of tangible fixed assets	69,146	70,978
Movements in working capital:		
Decrease in debtors	6,997	93
Increase/(decrease) in creditors	38,777	(10,748)
<b>Cash generated from/(absorbed by) operations</b>	<u>47,595</u>	<u>(105,793)</u>