

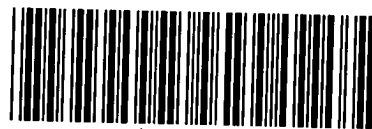
Charity Registration No. 800262 (England and Wales)

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 2019

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THE FAMILY HOLIDAY ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

Council	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) Mr J de Vial Ms J Tucker Ms J Murphy	(Appointed 9 July 2019) (Appointed 9 July 2019) (Appointed 9 July 2019)
Charity number (England and Wales)	800262	
Charity number (Scotland)	SC048203	
Company number	02301337	
Principal address	3 Gainsford Street London SE1 2NE	
Registered office	3 Gainsford Street London SE1 2NE	
Auditor	CBW Audit Limited 66 Prescott Street London E1 8NN	

THE FAMILY HOLIDAY ASSOCIATION

CONTENTS

	Page
The Council's report	1 - 6
Statement of the Council's responsibilities	7
Independent auditor's report	8 - 10
Statement of financial activities	11
Summary income and expenditure account	12
Balance sheet	13 - 14
Statement of cash flows	15
Notes to the financial statements	16 - 26

THE FAMILY HOLIDAY ASSOCIATION

THE COUNCIL'S REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2019

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 audited financial statements for the year ending August 2019.

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 (No.SC048203) 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 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.

Our declared objectives are:

- to increase the number of families that gain access to holidays and days out
- to research and promote the value of holidays for families experiencing disadvantage
- to increase awareness of the scale and scope of the problem of lack of access to holidays and days out

We provide short breaks and days out for individual families as well as for groups of families. To be able to do this we actively fundraise with the bulk of our income coming from individuals, corporate supporters and trusts & foundations. We also work with provision partners who donate accommodation, tickets and transport to help us reach as many families as we do.

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

In the financial year, 2018/19, 79% of our total spend went to charitable activities, with 20% invested in fundraising and publicity and 1% on governance costs. Our aim is always to spend at least 75% on charitable activities making this a pleasing result.

Achievements and performance

In the calendar year, 2019, the number of families directly supported with a break or a day out away from home increased by 27% to just over 4,800 families, made up of 10,600 children and 7,800 adults.

The charity worked with families in 189 of 217 local authority areas in the UK (87%).

The financial year, 2018/19, also saw a significant rise in gross income from £1,447,809 to £1,906,529, made up of a record amount of cash income at £1,555,593 and from donated breaks and tickets to the value of £350,936 (see fundraising section for more details on our income). We are grateful to travel industry partners who continue to generate funds through a range of activities within their companies. Increasingly they are also helping by donating product we can offer to families including days out tickets in large numbers.

THE FAMILY HOLIDAY ASSOCIATION

THE COUNCIL'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

In 2019, 34% of the families we helped received a break (at least one night away from home) and 66% received a day out.

Group trips remain an important part of the mix of breaks we offer. As well as providing trips for groups of families, we also provided grants totalling £72,000 to 58 organisations (over 1,700 families). Grant applications were assessed in two funding rounds and helped cover the cost of both days out and nights away.

Impact

Immediate Term

As a result of our work in the calendar year, 2019, families told us that the breaks helped them in the following ways:

- 92% were able to cope better
- 90% got on better as a family
- 91% were more optimistic about the future
- 94% had more time together as a family
- 92% had reduced stress and worries
- 86% had more confidence
- 98% had fun and created happy memories
- 97% of children had new experiences.

For families where mental health was an issue, 89% reported that the break made a positive difference.

Longer Term

For the first time we surveyed families who went away the year before (in 2018) in order to investigate the longer term impact of a break. 63% do more together up to a year later as a result of their Family Holiday Association break

- 83% of families who experience mental health issues said that they still noticed a positive difference up to a year later
- For families whose children had school attendance issues, over 80% said that attendance had improved thanks to their time away together
- Referrers told us that it improved their relationship with the family in 65% of cases.

Perhaps the most striking feedback that we received was the impact on isolation. 85% of families who were isolated said that the break made a difference and helped them to reconnect with friends, attend support groups or get more involved in school life.

THE FAMILY HOLIDAY ASSOCIATION

THE COUNCIL'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Leadership

The charity's longstanding Chief Executive, John McDonald, retired at the end of December 2018 after 17 years at the helm. The Trustees would like to place on record their thanks to John for everything he achieved in his time with the charity.

Whilst the process to find a new Chief Executive has proved challenging the Board are delighted to have appointed Kat Lee into the role. Kat is joining from Girlguiding, the UK's largest charity for girls and young women. As Head of Youth Programmes she has spent the last six years leading the successful transformation of the organisation's youth offer. She starts in January 2020.

In the interim, day to day management of the charity has been successfully fulfilled by the Senior Management Team of Patricia Appleby (Head of Finance), John Kinnear (Head of Programmes), Angie Watson (Head of Fundraising & Comms) and Michael Smout (Head of Marketing).

In February, we received the very sad news that our co-founder, Joan Laurance, had died at the remarkable age of 98. Joan, alongside her husband Patrick, founded the charity in 1975 from their North London home. Her compassion, sense of public spirit and unstoppable determination have enabled thousands of families to spend quality time together away from challenging circumstances. Her contribution was recognised by the Association of Women Travel Executives at their annual AWTE Awards and with a lifetime achievement award at the British Travel Awards.

The trustees are determined to continue to build the charity as a lasting legacy to Joan's life and work.

Provision partners

We worked with 130 tourism industry partners across the UK who helped provide accommodation, transport and attraction tickets. A full list of our partners can be found on our website with the examples below outlining some new / notable relationships this year.

Our work with VisitScotland on the ScotSpirit Breaks project goes from strength to strength with almost 500 families receiving a break or day out this year, donated by 60 partners across Scotland.

Forest Holidays are a notable new partner who donated 52 breaks across the course of the year.

The National Trust provided hundreds of tickets for families across England, Wales and Northern Ireland helping to enthuse families about heritage and the great outdoors.

Radical Travel donated 10 coaches to give families a fantastic day out with their knowledgeable and entertaining drivers helping to make the day extra special.

ZSL London Zoo provided over 100 family tickets for families in Camden and Westminster to enjoy a great day out on their doorstep.

Thanks to all our partners who donated this year and have helped create memories that will last a lifetime.

Our ability to manage a growing number of donated items – accommodation, attraction and transport tickets – without additional staff time can be credited to the proprietary booking software launched last year. Continued development has ironed out many of the initial snags and whilst that process never stops, it is starting to prove its worth and deliver value for the original vision and investment.

THE FAMILY HOLIDAY ASSOCIATION

THE COUNCIL'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

Research, advocacy and influencing

Research remains important to the charity as we build and evolve the case for support.

Our own impact report covering the 2018 holiday season was released in January.

In June, we published research undertaken by Nottingham Civic Exchange on behalf of the charity. It clearly demonstrated that a holiday is an unaffordable luxury for many hard working families, and that missing out is having a negative impact on mental wellbeing. The report was launched at a round table event held near Westminster and attended by stakeholders including referrers, press, providers and policy makers including Hannah Bardell MP.

Our survey of 500 support professionals on what summer was like for the children and families they support produced sobering reading. 'How was your summer?' gave a stark insight into the number of children for whom summer is a time of increased mental health issues, hunger and exposure to dangerous situations. 99% of professionals work with children who didn't even visit the local park, let alone had a holiday, and 74% of those surveyed said that children were less able to do well at school because of this. It shows just how much our work is still needed.

We were delighted to be chosen as the beneficiary of The Daily Mirror's summer appeal, resulting in significant coverage in the paper over a three month period. Whilst income (approx. £30,000) was received after year end, the exposure was substantial and hugely beneficial.

The year also saw the start of a PhD funded by the Economic and Social Research Council in partnership with Nottingham University. This study will investigate the impact of our breaks on self-efficacy, this means someone's belief in their own ability to achieve something. We regularly hear the difference that our breaks make in this regard and are looking forward to some in depth research into this.

Fundraising

Our fundraising efforts were rewarded with growth across most of our major sources of revenue and a record amount of cash income.

Gifts from individuals rose by 25%, reversing recent declines and boosted by a single gift to purchase a new caravan in South Wales.

A 27% (£43,700) like for like* uplift against budget from Trusts & Foundations was particularly encouraging and this is an area we believe there is potential for future growth.

Our largest corporate partner continues to reduce their funding (over a planned 5 year period) which we are working to replace. Various new initiatives were trialled with some success, particularly the Adopt a Caravan scheme that resulted in three corporate partners pledging £10,000 each to fund the upkeep of one of our caravans for a year.

We were fortunate to receive a sizeable legacy in 2018/19. In total, income from legacies was £500,800 which equates to 26% of total income.

Whilst a successful year, we remain conscious of the considerable challenges faced by charity fundraising with a reduction in public trust and ongoing uncertainties in the economy both having an impact.

In compliance with SORP requirements, Debtors (section 15 page 25) includes £125,000 of income due from the TUI Care Foundation in September.

*2018 figure of £261,867 for trusts includes a one off gift of £100,000 from a trust winding down their activities.

Financial review

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

THE FAMILY HOLIDAY ASSOCIATION

THE COUNCIL'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

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.

Reserves at the end of the financial year stood at £844,742 (56%). Whilst within the threshold, the trustees recognise that the exceptional financial performance has placed reserves at the higher end of the scale. The charity therefore intends carefully managed investment in consultation with the new Chief Executive.

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 were:

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)

Mr J de Vial

(Appointed 9 July 2019)

Ms J Tucker

(Appointed 9 July 2019)

Ms J Murphy

(Appointed 9 July 2019)

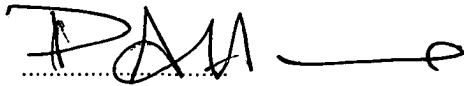
Auditor

During the period, Carter Backer Winter LLP ceased to be auditor and CBW Audit Limited were subsequently appointed as auditors. A resolution proposing that CBW Audit Limited be reappointed as auditors 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 2019

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



Ms P A Harris (Chair)

Member of Council

Dated: 23/1/2020



Mr M J C Saxon (Treasurer)

Member of Council

Dated: 20/1/2020

THE FAMILY HOLIDAY ASSOCIATION

STATEMENT OF THE COUNCIL'S RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2019

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

Opinion

We have audited the financial statements of The Family Holiday Association (the 'charity') for the year ended 31 August 2019 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 2019 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 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 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 (CONTINUED)

TO THE COUNCIL OF THE FAMILY HOLIDAY ASSOCIATION

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 auditor 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.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

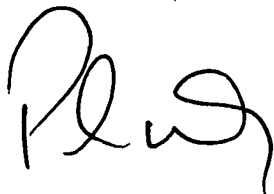
THE FAMILY HOLIDAY ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE COUNCIL OF THE FAMILY HOLIDAY ASSOCIATION

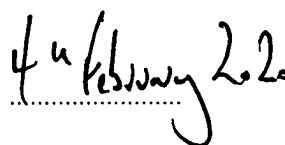
Use of our report

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 CBW Audit Limited

Chartered Accountants
Statutory Auditor



66 Prescott Street
London
E1 8NN

CBW Audit Limited 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 2019

	Notes	Unrestricted funds 2019 £	Endowment funds 2019 £	Total 2019 £	Total 2018 £
<u>Income from:</u>					
Donations and legacies	3	1,901,783	-	1,901,783	1,444,412
Investments	4	4,746	-	4,746	3,397
Total income		1,906,529	-	1,906,529	1,447,809
<u>Expenditure on:</u>					
Raising funds	5	303,303	-	303,303	322,568
Charitable activities	6	1,194,764	-	1,194,764	1,185,506
Total resources expended		1,498,067	-	1,498,067	1,508,074
Net gains/(losses) on investments	11	-	4,345	4,345	(4,211)
Net movement in funds		408,462	4,345	412,807	(64,476)
Fund balances at 1 September 2018		701,230	125,893	827,123	891,599
Fund balances at 31 August 2019		1,109,692	130,238	1,239,930	827,123

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 2019

	All income funds 2019 £	2018 £
Gross income	1,906,529	1,447,809
Total expenditure from income funds	1,498,067	1,508,074
Net income/(expenditure) for the year	<u>408,462</u>	<u>(60,265)</u>

THE FAMILY HOLIDAY ASSOCIATION

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	12	301,537		356,629	
Investments	13	127,515		123,170	
		<u>429,052</u>		<u>479,799</u>	
Current assets					
Debtors	15	128,029		3,663	
Cash at bank and in hand		717,227		416,880	
		<u>845,256</u>		<u>420,543</u>	
Creditors: amounts falling due within one year	16	<u>(34,378)</u>		<u>(73,219)</u>	
Net current assets		810,878		347,324	
Total assets less current liabilities		<u>1,239,930</u>		<u>827,123</u>	
Capital funds					
Endowment funds - general		130,238		125,893	
Income funds					
Unrestricted funds		1,109,692		701,230	
		<u>1,239,930</u>		<u>827,123</u>	

THE FAMILY HOLIDAY ASSOCIATION

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2019

Notes	2019		2018	
	£	£	£	£

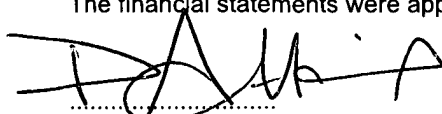
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2019, although an audit has been carried out under section 144 of the Charities Act 2011.

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.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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 23/01/2020



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 2019

	Notes	2019 £	£	2018 £	£
Cash flows from operating activities					
Cash generated from operations	21		315,225		47,595
Investing activities					
Purchase of tangible fixed assets		(42,277)		(23,223)	
Proceeds on disposal of tangible fixed assets		22,653		3,663	
Interest received		4,746		3,397	
Net cash used in investing activities			(14,878)		(16,163)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			300,347		31,432
Cash and cash equivalents at beginning of year			416,880		385,448
Cash and cash equivalents at end of year			<u>717,227</u>		<u>416,880</u>

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019

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 2019

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 2019

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 2019

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.

Management do not consider there to be any material judgements or estimation and uncertainty requiring disclosure.

3 Donations and legacies

	Unrestricted funds	Total
	2019 £	2018 £
Donations and gifts	1,400,982	1,282,581
Legacies receivable	500,801	161,831
	<u>1,901,783</u>	<u>1,444,412</u>

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

4 Investments

	Unrestricted funds	Total
	2019 £	2018 £
Income from listed investments	3,234	3,099
Interest receivable	1,512	298
	<u>4,746</u>	<u>3,397</u>

5 Raising funds

	Unrestricted funds	Total
	2019 £	2018 £
<u>Costs of generating voluntary income</u>		
Staging fundraising events	84,287	117,792
Staff costs	219,016	204,776
	<u>303,303</u>	<u>322,568</u>
Costs of generating voluntary income	<u>303,303</u>	<u>322,568</u>

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

6 Charitable activities

	2019 £	2018 £
Staff costs	242,960	223,175
Grant funding of activities (see note 7)	643,445	673,222
Share of support costs (see note 8)	294,587	281,744
Share of governance costs (see note 8)	13,772	7,365
	<u>1,194,764</u>	<u>1,185,506</u>
Analysis by fund		
Unrestricted funds	<u>1,194,764</u>	
	<u>1,194,764</u>	
For the year ended 31 August 2018		
Unrestricted funds		<u>1,185,506</u>
		<u>1,185,506</u>

7 Grants payable

	Direct activities 2019 £	Direct activities 2018 £
Grants to institutions:		
Grants to individuals	<u>643,445</u>	<u>673,222</u>
	<u>643,445</u>	<u>673,222</u>

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

8 Support costs

	Support costs	Governance costs	2019	2018
	£	£	£	£
Staff costs	79,530	-	79,530	68,975
Establishment costs	86,347	-	86,347	92,345
Office expenses	5,428	-	5,428	5,063
Printing, postage and stationary	4,700	-	4,700	4,002
Subscriptions and donations	1,803	-	1,803	1,731
Sundry and other costs	36,371	-	36,371	39,438
Travel and subsistence	1,422	-	1,422	1,216
Bank charges	4,270	-	4,270	3,490
Depreciation	65,504	-	65,504	69,147
(Profit)/Loss on sale of fixed assets	9,212	-	9,212	(3,663)
Legal and professional fees	-	5,372	5,372	165
Auditor's remuneration	-	8,400	8,400	7,200
	<u>294,587</u>	<u>13,772</u>	<u>308,359</u>	<u>289,109</u>
Analysed between				
Charitable activities	<u>294,587</u>	<u>13,772</u>	<u>308,359</u>	<u>289,109</u>

Governance costs includes payments to the auditors of £8,400 (2018: £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 2019

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Grants administration	6	5
Publicity and fundraising	5	4
Administration	2	3
	<u>13</u>	<u>12</u>

Employment costs

	2019 £	2018 £
Wages and salaries	471,833	419,310
Social security costs	37,799	32,400
Other pension costs	31,874	45,216
	<u>541,506</u>	<u>496,926</u>

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

	2019 Number	2018 Number
Between £60,000 and £70,000	-	2

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

11 Net gains/(losses) on investments

	Endowment funds general 2019 £	Total 2018 £
Revaluation of investments	<u>4,345</u>	<u>(4,211)</u>

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

12 Tangible fixed assets

	Caravans £	Office equipment £	Total £
Cost			
At 1 September 2018	510,089	155,185	665,274
Additions	40,495	1,782	42,277
Disposals	(93,595)	-	(93,595)
At 31 August 2019	456,989	156,967	613,956
Depreciation and impairment			
At 1 September 2018	220,652	87,993	308,645
Depreciation charged in the year	46,380	19,124	65,504
Eliminated in respect of disposals	(61,730)	-	(61,730)
At 31 August 2019	205,302	107,117	312,419
Carrying amount			
At 31 August 2019	251,687	49,850	301,537
At 31 August 2018	289,437	67,192	356,629

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

13 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 September 2018	123,170
Valuation changes	4,345
At 31 August 2019	127,515
Carrying amount	
At 31 August 2019	127,515
At 31 August 2018	123,170

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2019

14 Financial instruments	2019	2018
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	3,029	2,955
Equity instruments measured at cost less impairment	127,515	123,170
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	24,717	63,646
	<u> </u>	<u> </u>
15 Debtors	2019	2018
	£	£
Amounts falling due within one year:		
Other debtors	3,029	2,955
Prepayments and accrued income	125,000	708
	<u> </u>	<u> </u>
	128,029	3,663
	<u> </u>	<u> </u>
16 Creditors: amounts falling due within one year	2019	2018
	£	£
Other taxation and social security	9,661	9,573
Trade creditors	15,402	53,718
Other creditors	915	2,725
Accruals and deferred income	8,400	7,203
	<u> </u>	<u> </u>
	34,378	73,219
	<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 £31,874 (2018: £45,216)

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2019

18 Analysis of net assets between funds

	Unrestricted funds	Endowment funds	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Fund balances at 31 August 2019 are represented by:				
Tangible assets	301,537	-	301,537	356,629
Investments	-	127,515	127,515	123,170
Current assets/(liabilities)	808,155	2,723	810,878	347,324
	<u>1,109,692</u>	<u>130,238</u>	<u>1,239,930</u>	<u>827,123</u>

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:

	2019	2018
	£	£
Within one year	65,000	65,000
Between two and five years	65,000	130,000
	<u>130,000</u>	<u>195,000</u>

20 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).

21 Cash generated from operations

	2019	2018
	£	£
Surplus/(deficit) for the year	412,807	(64,476)
Adjustments for:		
Investment income recognised in statement of financial activities	(4,746)	(3,397)
Loss/(gain) on disposal of tangible fixed assets	9,212	(3,663)
Fair value gains and losses on investments	(4,345)	4,211
Depreciation and impairment of tangible fixed assets	65,504	69,146
Movements in working capital:		
(Increase)/decrease in debtors	(124,366)	6,997
(Decrease)/increase in creditors	(38,841)	38,777
Cash generated from operations	<u>315,225</u>	<u>47,595</u>