

**Charity Registration No. 1045025**

**Company Registration No. 2982937 (England and Wales)**

**FAMILY CARE TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

# **FAMILY CARE TRUST**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	P Hughes D Edwards C Llewellyn D Gamble I Morgan R Purser R Look A S Lucas
<b>Secretary</b>	D Edwards
<b>Charity number</b>	1045025
<b>Company number</b>	2982937
<b>Registered office</b>	Newlands Bishop Farm Berry Hall Lane Catherine De Barnes B91 2RY
<b>Auditor</b>	Spencer Gardner Dickins Audit LLP 3 Coventry Innovation Village Cheetah Road Coventry CV1 2TL
<b>Bankers</b>	Lloyds Bank plc Solihull Business Centre P.O. Box 9363 Birmingham B3 3ST

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# **FAMILY CARE TRUST**

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# **FAMILY CARE TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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The Directors are pleased to present their report together with the financial statements of the charity for the year ended 31st March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the trust's Memorandum and Articles of Association, the Companies Act 2006 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) (effective 1 January 2019)".

The Directors serving during the year and since the year end were as follows:

Mr Paul Hughes (Chair)  
Mr David Edwards (Company Secretary)  
Mr David Gamble (Remuneration Committee - Chairman)  
Mrs Catherine Llewellyn (Remuneration Committee)  
Mr Iain Morgan (Audit Committee Chairman)  
Mr Anthony Lucas (Audit Committee)  
Mr Richard Purser  
Mr Roger Look

The Finance Manager & Corporate Services Manager throughout 2020/21 was Mr Gary Neumann and the General Manager throughout the same period was Mr Daniel Adams.

#### **Structure, Governance and Management**

##### **Governing Document**

Family Care Trust (FCT) is a company limited by guarantee, governed by Memorandum and Articles of Association.

##### **Appointment of Directors**

Board vacancies are publicised to ensure sufficiently wide enough exposure to recruit Directors who have the relevant skills, knowledge and experience for operating a charity. The Board seeks to have a balanced input into all its decision-making processes. The Board sets strategy and monitors the performance of the charity.

##### **Director induction and training**

New directors are able to gain much information about the charity from the regularly updated Family Care Trust website. They are also taken on visits to operational units to meet staff, volunteers and service users, introducing them to the varied work that the Family Care Trust undertakes.

New directors are supplied with back copies of minutes of meetings, reports, management accounts and appropriate information which impacts on the decision making process. Induction includes access to information regarding the main elements of charity law and other regulatory requirements. New and present directors are able to attend external training on governance topics as required.

##### **Organisation**

Ordinarily, the Board or sub-committees are scheduled to meet every calendar month. The Senior Management Team attend all meetings but have no voting rights. An Audit Committee made up of serving directors is scheduled to meet at least twice a year to scrutinise financial performance, including draft annual accounts, and review compliance with regulations, standards and quality assurance. A Remuneration Committee reviews the reward and recognition strategy of the organisation, resource management and HR strategy.

During the COVID19 pandemic there have been fewer formal meetings held, including remotely via Microsoft Teams and other communication tools. The Senior Management Team met regularly with two senior members of the Board to ensure effective governance of the trust, and did so in a COVID19 safe way during periods of heavy government restrictions.

# **FAMILY CARE TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

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A scheme of delegation is in place and the day-to-day responsibility for the provision of the services and operational management, including health and safety, rests with the Senior Management Team including ensuring key performance indicators are met. The Senior Management Team ensures that individual supervision of the staff is properly carried out to develop their skills and working methods in line with good practice.

### **Related parties**

The charity has effective working relationships with the current purchasers of its services. These include Solihull MBC which currently purchases significant services from the organisation. Additionally, services are provided to the NHS, Birmingham City Council, Warwickshire County Council, People Plus and many individual customers.

Staff members attend a variety of meetings and have developed good networking links with other charitable bodies within Solihull. This has proved invaluable to the Family Care Trust in establishing improved links within the community and identifying relevant policy developments and prospective funding.

### **Risk management**

The Directors have a risk management strategy that comprises:

- An annual review of the operational and business risks the charity may face.
- Consideration of the major risks by Senior Managers on a quarterly basis.
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.
- Internal audits, which are undertaken throughout the organisation to verify quality and procedural adherence.

This work has identified few new risks, but the outcome of each review is incorporated into the operational plans of the charity. It has been acknowledged that the difficult financial climate and the increased potential of some risks being realised needed to be reflected in the focus of Board meetings. Policies and procedures are regularly reviewed in order to manage risks.

Accident and incident reporting and analysis procedures are in place and internal audit visits are made to operational centres during the year.

### **Objectives and activities**

Principal objective of the charity is:

"To relieve the needs of people, who are vulnerable, including those who have mental health illness, learning disabilities, and memory problems such as dementia, alzheimer's and parkinson's disease."

The charity has the general aim of improving the quality of life of people who receive its services.

The charity has operated for more than twenty five years, during which time it has built up a wide portfolio of customers and an enviable reputation. This has enabled it to deliver a broad range of services to a large number of people within Solihull who require support. The charity started in 1995 within the borough of Solihull and during the year operated a day centre for those with memory problems such as dementia, parkinson's and alzheimer's; a community support team of workers that provide specialised mental health domiciliary care, and services that promote independent living for disabled people in their own homes, and a community care farm and gardening service that provides training in independent living for young people and adults with learning difficulties.

The charity delivers public benefit by providing relief to those in need through ill-health and/or disability. At March 2021 care was carried out to 182 service users of the charity, down from 197 in the previous year. The Directors are satisfied that they have met the requirements to report on how the charity delivers public benefit.

# **FAMILY CARE TRUST**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** **FOR THE YEAR ENDED 31 MARCH 2021**

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### **Objectives and activities - continued**

In 2020/21 the Family Care Trust's main operational objectives and targets were:

FCT to have a minimum CQC rating of 'Good' with a drive to become an 'Outstanding' rated overall company by 2022. Due to the COVID19 pandemic the trust was not inspected during the financial year. This objective will be carried forward into 2021/22.

Ensure all staff and volunteers are well trained and competent, including practical, hands on, and e-learning training. The trust has met this target and all staff are adequately trained.

Raise the profile of the trust in the local community through a targeted marketing strategy. Progress has been made in this area, as evidenced by a steady stream of client referrals during the financial year.

Utilise reserves effectively through investments or business development opportunities. Due to the COVID19 pandemic no investments were made in the financial year. The directors felt it was prudent to maintain reserves during a period of extreme uncertainty.

Generate donations of £400k, assigning most of this amount to a capital project at Newlands Bishop Farm. This objective has not been met and will be ongoing. Multiple bids have been submitted to fundraising bodies.

### **Achievements and performance**

The charity experienced a challenging year due to the COVID19 pandemic. However, none of the services provided have closed, and care is still provided to those with learning disabilities, mental health conditions, and memory problems such as dementia. A key achievement is that there have been no COVID19 related deaths among clients or staff who have attended our services or units, highlighting robust infection control measures.

### **Financial review**

Extensive annual plans are prepared to set operational objectives for key staff and departments, as well as financial budgets with targets. Performance against budget is analysed on a monthly basis, and material variances are acted upon. Cash flow is monitored daily, ensuring resources are available to cover liabilities as they are due to be settled. Budgets are updated regularly to reflect changes in risk and likely outcomes. Budgets are also prepared regularly for 'what if' scenarios to aid decision making.

In 2020/21 income decreased by 9% compared to 2019/20 due to considerable pressure caused by the COVID19 pandemic, which resulted in services being delivered in a safer but more costly manner. The charity reduced expenditure accordingly to partially offset reduced income. Encouragingly, cash increased by £11k during 2020/21, reflecting steps taken to mitigate the impact of COVID19 on the finances of the charity.

The net deficit of £1k is a decrease of £231k in 2020/21 compared to a net surplus of £230k in 2019/20.

Donations and grants of £126k were received. This is £121k more than the previous financial year, and the trust thanks everyone who has made a donation.

### **Investment policy**

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the Directors wish.

The Directors, having regard to the liquidity requirements of operating the Trust, have a policy of keeping available funds in an interest bearing deposit account which features a 'sweep' system for the bank account that attracts a deposit interest rate higher than that for the current account.

### **Public benefit statement**

The trustees consider that the objectives of the charity meet the tests for public benefit and when exercising their powers and duties. The Trustees have complied with their duty to have due regard to the relevant guidance published by the Charity Commission.

# FAMILY CARE TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### Reserves policy

The trustees have considered the trust's requirements for reserves in light of the main risks facing the organisation and following the Charity Commission good practice guidelines. The trustees recognise the importance of establishing the long term financial sustainability of the trust.

The trustees are required to ensure that monies are available for each year to meet any reasonable unforeseeable contingency. They believe that an amount of at least 6 weeks operating costs which equate to £189,078 based on operating costs for the annual year 2020/21 will be adequate. The trust holds total reserves of £1,579,704 (2020: £1,580,815) at 31 March 2021.

### Auditor

In accordance with the company's articles, a resolution proposing that Spencer Gardner Dickins Audit LLP be reappointed as auditor of the company will be put at a General Meeting.

### Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

  
.....  
R. P Hughes

Trustee

Dated: 6/12/21

R. P. HUGHES

# **FAMILY CARE TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2021***

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The trustees, who are also the directors of Family Care Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the trust and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the trust will continue in operation.

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



# **FAMILY CARE TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF FAMILY CARE TRUST**

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### **Opinion**

We have audited the financial statements of Family Care Trust (the 'trust') for the year ended 31 March 2021 which comprise the statement of financial activities, 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 March 2021 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.

### **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 trust 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**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

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

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

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

# **FAMILY CARE TRUST**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF FAMILY CARE TRUST**

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

In the light of the knowledge and understanding of the trust and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the trust 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the 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**

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Enquiring of management and those charged with governance around actual and potential litigation and claims.
- Enquiring of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of the charity and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

# FAMILY CARE TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF FAMILY CARE TRUST

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A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Debra Knighton FCCA*

Debra Knighton FCCA (Senior Statutory Auditor)  
for and on behalf of Spencer Gardner Dickins Audit LLP

*16 December 2021*

Chartered Accountants  
Statutory Auditor

3 Coventry Innovation Village  
Cheetah Road  
Coventry  
CV1 2TL

# FAMILY CARE TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds	Restricted funds capital	Restricted funds general	Total	Unrestricted funds	Restricted funds capital	Restricted funds general	Total
		2021	2021	2021	2021	2020	2020	2020	2020
	Notes	£	£	£	£	£	£	£	£
<b><u>Income and endowments from:</u></b>									
Donations and legacies	3	74,463	9,921	42,076	126,460	-	-	5,260	5,260
Charitable activities	4	1,353,051	-	-	1,353,051	1,462,629	-	-	1,462,629
Other trading activities	5	157,486	-	-	157,486	227,324	-	-	227,324
Investments	6	147	-	-	147	120	-	-	120
Other income	7	417	-	-	417	104,457	-	-	104,457
<b>Total income</b>		<b>1,585,564</b>	<b>9,921</b>	<b>42,076</b>	<b>1,637,561</b>	<b>1,794,530</b>	<b>-</b>	<b>5,260</b>	<b>1,799,790</b>
<b><u>Expenditure on:</u></b>									
Raising funds	8	2,797	-	40,698	43,495	6,994	-	27,328	34,322
Charitable activities	9	1,569,491	25,686	-	1,595,177	1,510,466	24,751	-	1,535,217
<b>Total resources expended</b>		<b>1,572,288</b>	<b>25,686</b>	<b>40,698</b>	<b>1,638,672</b>	<b>1,517,460</b>	<b>24,751</b>	<b>27,328</b>	<b>1,569,539</b>
<b>Net income for the year/ Net movement in funds</b>		<b>13,276</b>	<b>(15,765)</b>	<b>1,378</b>	<b>(1,111)</b>	<b>277,070</b>	<b>(24,751)</b>	<b>(22,068)</b>	<b>230,251</b>

## FAMILY CARE TRUST

### STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

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Net income for the year/ Net movement in funds		13,276	(15,765)	1,378	(1,111)	277,070	(24,751)	(22,068)	230,251
Fund balances at 1 April 2020		1,106,374	454,720	19,721	1,580,815	829,304	479,471	41,789	1,350,564
<b>Fund balances at 31 March 2021</b>	<b>16</b>	<u>1,119,650</u>	<u>438,955</u>	<u>21,099</u>	<u>1,579,704</u>	<u>1,106,374</u>	<u>454,720</u>	<u>19,721</u>	<u>1,580,815</u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# FAMILY CARE TRUST

## BALANCE SHEET

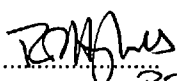
AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	12		815,481		806,894
<b>Current assets</b>					
Debtors	13	201,568		227,497	
Cash at bank and in hand	21	709,300		698,324	
			910,868		925,821
<b>Creditors: amounts falling due within one year</b>	14	(146,645)		(151,900)	
Net current assets			764,223		773,921
<b>Total assets less current liabilities</b>			1,579,704		1,580,815
<b>Income funds</b>					
Income		21,099		19,721	
Capital		438,955		454,720	
Restricted funds	15		460,054		474,441
Unrestricted funds			1,119,650		1,106,374
			1,579,704		1,580,815

The trustees 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 Trustees on .....6/12/21

  
 R P Hughes  
 Trustee

Company Registration No. 2982937

# FAMILY CARE TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	20		113,998		121,752
<b>Investing activities</b>					
Purchase of tangible fixed assets		(80,586)		(86,692)	
Proceeds on disposal of tangible fixed assets		417		320,935	
Interest received		147		120	
<b>Net cash (used in)/generated from investing activities</b>			(80,022)		234,363
<b>Financing activities</b>					
Repayment of pension deficit		(23,000)		(20,000)	
<b>Net cash used in financing activities</b>			(23,000)		(20,000)
<b>Net increase in cash and cash equivalents</b>			10,976		336,115
Cash and cash equivalents at beginning of year			698,324		362,209
<b>Cash and cash equivalents at end of year</b>			709,300		698,324

# **FAMILY CARE TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 MARCH 2021**

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#### **1 Accounting policies**

##### **Charity information**

Family Care Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Newlands Bishop Farm, Berry Hall Lane, Catherine De Barnes, B91 2RY.

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the trust's governing document, the Companies Act 2006 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) (effective 1 January 2019)". The trust is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the trust. 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 trustees have assessed the charitable company's situation including the COVID-19 pandemic and the likely impact on the charitable company. The directors have a reasonable expectation that the charitable company has adequate resources and working capital to continue in operational existence for the foreseeable future including dealing with the issues arising from the COVID-19 pandemic. Thus the trustees 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 trustees in furtherance of their charitable objectives.

Capital funds are restricted funds which primarily relate to capital expenditure on the farm and community garden.

Designated funds are unrestricted funds which have been set aside at the discretion of the Trustees for specific, but not legally binding purposes.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets this criteria is charged to the fund, together with a fair allocation of management and support costs.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the trust.

##### **1.4 Income**

Income is accounted for gross in the period in which the charity is entitled to receipt, as long as it is capable of financial measurement. This includes gifts in kind, included at estimated valuation. No amounts are included in the financial statements for services donated by volunteers. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or when the donor has specified that the income is to be expended in a future period.

Cash donations are recognised on receipt. Other donations are recognised once the trust 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.



# FAMILY CARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the trust 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.

Grants from the government and other agencies have been included as income from activities in furtherance of the charity's objects where these amount to a contract for services.

#### 1.5 Expenditure

Resources expended are recognised in the period in which they are incurred. Resources expended include VAT which cannot be recovered. The majority of costs are directly attributable to specific activities. Certain shared costs are apportioned between centres.

#### 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 recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% and 5% straight line basis
Leasehold land and buildings	1.25% straight line basis
Plant and equipment	20% straight line basis
Fixtures and fittings	25% straight line basis
Computers	25% straight line basis
Motor vehicles	25% reducing balance basis and 10% straight line basis

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 Impairment of fixed assets

At each reporting end date, the trust 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).

#### 1.8 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.

# FAMILY CARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

(Continued)

#### 1.9 Financial instruments

The trust 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 trust's balance sheet when the trust 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.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activity.

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

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

#### 1.10 Taxation

The charitable company is exempt from corporation tax on its charitable activities.

#### 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 trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 2 Critical accounting estimates and judgements

In the application of the trust's accounting policies, the trustees 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.

# FAMILY CARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 3 Donations and legacies

	Unrestricted funds 2021 £	Restricted funds capital 2021 £	Restricted funds general 2021 £	Restricted funds general 2020 £
Donations and gifts	-	9,921	42,076	5,260
Government Grants	74,463	-	-	-
	<u>74,463</u>	<u>9,921</u>	<u>42,076</u>	<u>5,260</u>
<b>Donations and gifts</b>				
Hampton Manor Homes Trust	-	-	-	5,260
TNL Community Fund	-	2,685	-	-
SMBC	-	7,236	7,701	-
Millie's Watch Charitable Trust	-	-	10,000	-
Coventry University	-	-	3,000	-
Noel & Patricia	-	-	3,688	-
ESC Lottery	-	-	9,780	-
National Lottery	-	-	6,907	-
Edwards Insurance	-	-	1,000	-
	<u>74,463</u>	<u>9,921</u>	<u>42,076</u>	<u>5,260</u>

### 4 Charitable activities

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Local authority funded community and day care	830,729	891,521
Privately funded community and day care	522,322	571,108
	<u>1,353,051</u>	<u>1,462,629</u>

# FAMILY CARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Farm and gardening income	157,486	226,324
Student placements	-	1,000
	<u>157,486</u>	<u>227,324</u>
Other trading activities	<u>157,486</u>	<u>227,324</u>

### 6 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	<u>147</u>	<u>120</u>

### 7 Other income

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Net gain on disposal of tangible fixed assets	<u>417</u>	<u>104,457</u>

In the 2020 accounts a gain on sale of property totaling £104,457 was netted off other charitable expenditure in error. The amount should have been included within other income. The comparative figures have been amended to reflect the correct allocation. There is no effect on net income or fund balances.

# FAMILY CARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 8 Raising funds

	Unrestricted funds	Restricted funds general	Total Unrestricted funds	Restricted funds general	Total
	2021	2021	2021	2020	2020
	£	£	£	£	£
Cost of generating funds	2,797	40,698	43,495	27,328	34,322

### 9 Charitable activities

	Charitable activities 2021 £	Charitable activities 2020 £
Staff costs	1,145,224	1,031,540
Depreciation and impairment	71,999	60,042
Insurance	26,009	23,220
Power, light and heat	23,055	29,547
Repairs and renewals	43,050	31,802
Farm purchases	39,715	56,967
Wedding costs	-	20,335
Provisions	26,454	49,157
Recruitment	763	1,171
Motor running expenses	73,717	77,027
Printing and stationery	7,695	6,749
Postage and carriage	1,465	1,776
Telephone	17,580	16,601
Computer running costs	8,990	14,779
Audit and accountancy	6,160	7,895
Other charitable expenditure	103,301	106,609
	1,595,177	1,535,217
	1,595,177	1,535,217
<b>Analysis by fund</b>		
Unrestricted funds	1,569,491	1,510,466
Restricted funds - capital	25,686	24,751
	1,595,177	1,535,217

In the 2020 accounts a gain on sale of property totaling £104,457 was netted off other charitable expenditure in error. The amount should have been included within other income. The comparative figures have been amended to reflect the correct allocation. There is no effect on net income or fund balances.

# FAMILY CARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the trust during the year.

Trustees received no expenses during the year (2020 - £358)

### 11 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Day centres	8	14
Home support	17	14
Management and administration	4	4
Farm	20	16
Total	49	48

#### Employment costs

	2021 £	2020 £
Wages and salaries	1,039,789	936,000
Social security costs	68,377	61,607
Other pension costs	37,058	33,933
	1,145,224	1,031,540

There were no employees whose annual remuneration was £60,000 or more.

# FAMILY CARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 12 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£	£
<b>Cost</b>							
At 1 April 2020	643,033	194,497	134,223	156,608	30,376	171,395	1,330,132
Additions	-	2,630	25,384	48,892	3,680	-	80,586
Disposals	-	-	(64,004)	(10,493)	(5,913)	(18,500)	(98,910)
At 31 March 2021	643,033	197,127	95,603	195,007	28,143	152,895	1,311,808
<b>Depreciation and impairment</b>							
At 1 April 2020	134,267	81,151	89,913	139,151	9,114	69,642	523,238
Depreciation charged in the year	20,639	2,440	14,959	12,924	6,990	14,047	71,999
Eliminated in respect of disposals	-	-	(64,004)	(10,494)	(5,912)	(18,500)	(98,910)
At 31 March 2021	154,906	83,591	40,868	141,581	10,192	65,189	496,327
<b>Carrying amount</b>							
At 31 March 2021	488,127	113,536	54,735	53,426	17,951	87,706	815,481
At 31 March 2020	508,766	113,346	44,310	17,457	21,262	101,753	806,894

# FAMILY CARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 13 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	154,255	181,266
Prepayments and accrued income	47,313	46,231
	<u>201,568</u>	<u>227,497</u>

### 14 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	32,233	19,602
Other taxation and social security	18,641	19,518
Other creditors	6,419	6,027
Accruals and deferred income	89,352	83,753
Pension fund settlement (due within 1 year)	-	23,000
	<u>146,645</u>	<u>151,900</u>



# FAMILY CARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2019	Incoming resources	Resources expended	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 31 March 2021
	£	£	£	£	£	£	£
Farm equipment/ building	65,486	-	(6,330)	59,156	9,921	(7,755)	61,322
Community gardening	98,625	-	(2,187)	96,438	-	(2,187)	94,251
Farm building	264,314	-	(8,178)	256,136	-	(8,178)	247,958
Other capital funds	51,046	-	(8,056)	42,990	-	(7,566)	35,424
ESC Lottery	2,908	-	(2,908)	-	-	-	-
Hampton Manor Homes Trust	25,000	5,260	(10,858)	19,402	-	(13,095)	6,307
Postcode lottery	1,680	-	(1,680)	-	-	-	-
Sports England	12,201	-	(11,882)	319	9,780	(319)	9,780
Millie's Watch Charitable Trust	-	-	-	-	10,000	(10,000)	-
SMBC Infection Control	-	-	-	-	7,701	(7,701)	-
Coventry Uni Sports Coaching	-	-	-	-	3,000	(3,000)	-
Noel & Patricia Sensory Garden	-	-	-	-	3,688	(3,688)	-
National Lottery	-	-	-	-	6,907	2,514	9,421
Edwards Insurance	-	-	-	-	1,000	(2,514)	4,393
	-	-	-	-	-	(381)	619
	<u>521,260</u>	<u>5,260</u>	<u>(52,079)</u>	<u>474,441</u>	<u>51,997</u>	<u>(66,384)</u>	<u>460,054</u>

# **FAMILY CARE TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **FOR THE YEAR ENDED 31 MARCH 2021**

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### **15 Restricted funds**

**(Continued)**

#### **Farm equipment/buildings**

The balance will fund future depreciation bought for the farm from specific grants and donations received.

#### **Community gardening fund**

The balance represented the donation of property and assets with which the scheme had previously operated and the balance will fund the future depreciation of the assets capitalised.

#### **Farm Building**

This represents monies towards building and equipping the training centre and tractor shed at Newlands Bishop Farm. The balance will fund the future depreciation of the assets capitalised.

#### **Other capital funds**

There are various separate capital funds to cover building works and transport. The balances will fund future depreciation of the relevant capital assets.

#### **ESC Lottery**

This represents monies towards provision of sporting opportunities.

#### **Hampton Manor Homes Trust**

This represents funds received in respect of materials for the development of the woodwork barn located at Newlands Bishop Farm.

#### **Postcode Lottery Fund**

This represents a fund received for the provision of multi activity sessions for adults with mental health problems and learning difficulties.

#### **Sports England fund**

This represents funds received for the provision of a structured program of tennis and multi-sports for over 60 year old users of the Blanning Day centre with physical and mental disabilities.

#### **Millie's Watch Charitable Trust**

This represents a fund to upgrade the farm.

#### **Infection Control**

This represents funds received in respect of infection control in the wake of the Covid-19 pandemic.

#### **Sports Coaching**

This represents funds received for the provision of a structured program of tennis and multi-sports for over 60 year old users of the Blanning Day Centre with physical and mental disabilities.

#### **Noel & Patricia-Sensory Gardens**

The balance represented the donation of property and assets with which the scheme had previously operated and the balance will fund the future depreciation of the assets.

#### **National Lottery**

This represents monies towards provision of Toilet Block and Heat Exchange

#### **Edwards Insurance**

This represents funds received for the provision of a structured program of tennis and multi-sports for over 60 year old users of the Blanning Day Centre with physical and mental disabilities.

# FAMILY CARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 16 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:							
Tangible assets	376,526	438,955	-	815,481	352,174	454,720	806,894
Current assets/(liabilities)	743,124	-	21,099	764,223	754,200	-	773,921
	<u>1,119,650</u>	<u>438,955</u>	<u>21,099</u>	<u>1,579,704</u>	<u>1,106,374</u>	<u>454,720</u>	<u>1,580,815</u>

# FAMILY CARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 17 Operating lease commitments

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

	2021 £	2020 £
Within one year	6,769	9,073
Between two and five years	5,650	11,540
	<u>12,419</u>	<u>20,613</u>

### 18 Related party transactions

#### Transactions with related parties

During the year the trust entered into the following transactions with related parties:

PR and Marketing services on weddings are supplied by Unhooked Communications Ltd, a company in which David Gamble's daughter is a Director. Costs incurred this year were £nil (2020: £4,494). As at 31 March 2021 £nil (2020: £nil) was outstanding to Unhooked Communications Ltd.

The director of the Little Tipi Company (TLTC) is the general manager at Family Care Trust. TLTC are a strategic partner of Family Care Trust's wedding business but receive no income from Family Care Trust (FCT). TLTC have a contract in place with FCT to ensure any conflicts that could arise are appropriately managed. During the year, FCT purchased a second hand Tipi and TLTC's order book for a sum of £7,500. Moving forward TLTC will no longer be a related party.

The managing director of David Edwards Insurance Brokers Ltd is David Edwards who acts on behalf of Family Care Trust as an insurance broker for all types of insurance that Family Care Trust may need. The charge in the year is £19,033 (2020: £24,092). As at 31 March 2021 £31 (2020: £1,373) was outstanding to David Edwards Insurance Brokers Ltd. There was also a restricted donation of £1,000 given to Family Care Trust in the year. There is a closing balance on the restricted fund of £619 at 31 March 2021.

# FAMILY CARE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 19 Pensions

The trust pays contributions on behalf of employees into 2 pension schemes.

One is a defined contribution scheme where the costs for the accounting period amounted to £17,624 (2020 - £17,418) and at the year end the amount of employee and employers contributions outstanding, paid across in April 2021, was £2,597 (2020 - £1,016).

The second relates to auto enrolment. The costs for this scheme in the year were £19,395 (2020 - £16,515) of which, at the year end the total of employee and employers contributions outstanding, paid across in April 2021, was £3,759 (2020 - £5,011).

The trust previously paid contributions into the West Midlands Metropolitan Authorities Pension Fund which is a defined benefit scheme. The employees who were within this scheme have all retired and as a result the shortfall in the fund has crystallised. Agreement was reached as to the payment. The balance was cleared at the year end.

20 Cash generated from operations	2021 £	2020 £
(Deficit)/surplus for the year	(1,111)	230,251
Adjustments for:		
Investment income recognised in statement of financial activities	(147)	(120)
Gain on disposal of tangible fixed assets	(417)	(104,457)
Depreciation and impairment of tangible fixed assets	71,997	60,041
Movements in working capital:		
Decrease/(increase) in debtors	25,931	(93,508)
Increase in creditors	17,745	29,545
<b>Cash generated from operations</b>	<b>113,998</b>	<b>121,752</b>

21 Analysis of changes in net funds	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	698,324	10,976	709,300
Loans falling due within one year	(23,000)	23,000	-
	<u>675,324</u>	<u>33,976</u>	<u>709,300</u>