

The Family Holiday Association Trustees' Report and Financial Statements for the 16-month period ending 31 December 2020

Company Registration number 02301337 (England
and Wales)
Charity Registration number 800262 (England and
Wales)
Charity Registration number SC048203 (Scotland)



Council

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Ms J M Ridgway
Ms P A Harris (Chair)
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Charity number (Scotland) SC048203

Company number 02301337

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The Board of Trustees of the Family Holiday Association presents its report with the financial statements for the 16-month period ended 31 December 2020, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

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 charity's 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) (effective 1 January 2019)".

Chair and CEO's welcome

As the only national charity dedicated to providing breaks and day trips for families in challenging circumstances, we were founded on a belief that time away from home together can transform lives for parents, carers and their children.

For the first time in our history, we were forced to close our services in March 2020 and cancel the breaks and holidays we had planned for many families who were looking forward to a lifeline when the COVID 19 pandemic struck.

As the attention of the nation turned to how we could best keep ourselves and each other safe, lockdowns meant we all experienced a tiny taste of what it means to be unable to enjoy a break during a challenging time.

Our charity supports families coping on a low-income who may already be struggling. This pandemic has particularly affected them, impacting their finances more severely, making it harder for them to access education and support services and worsening existing mental health issues and experiences of domestic abuse or isolation.

The pandemic has left more families more vulnerable than ever before.

During this financial period, we took deliberate decisions to conserve resources, strengthen our governance and review our strategy to get ready for the time when we would be able to offer families a break again.

This financial year would have ended in August 2020 but having decided to align the main operating season for breaks with our financial period we changed the year end to 31 December 2020.

The resulting 16-month financial period, combined with being largely unable to offer our core services due to restrictions on travel and the impact of social distancing measures, make this a truly unprecedented period.

Inevitably a higher proportion of our expenditure in the period has gone on raising funds than in previous years as we couldn't spend on sending families on holiday.

That does mean that we ended 2020 in a good financial position with an unrestricted surplus of £630k and restricted funds of £103k.

But that leaves our reserves above the range set by the Trustees. So, as well as resuming our charitable activities as soon as we can safely do so, these excess funds will support a rapid programme of investment in 2021 aligned to a new strategy.

At the time of writing, we are getting ready to welcome families on a much needed break for the first time in over a year. We have a vital role to play in the national recovery yet to come and we are determined that they will be the first of many.

Philippa Harris, Chair and Kat Lee, CEO

Vision, purpose and public benefit

The Family Holiday Association is the only national charity dedicated to providing breaks and day trips for families coping with some of the toughest challenges life can bring.

We help UK families coping on a low income and often struggling with problems such as severe and long-term illness, bereavement, mental health issues, disability and domestic violence.

Each family we support is referred to us by a professional in the community. Our referral network includes teachers, social workers, health visitors and other charities.

Evidence shows that our work results in stronger, healthier and happier families and communities.

This financial period our Board of Trustees spent time reflecting on our vision, mission and values and have refreshed these to make them fit for the future.

We remain committed to our charitable objects 'to promote and provide access to holidays and day trips for families or members of families which or who have need of such holidays or day trips for rest and recreation by reason of their youth, age, ill-health, disability, financial hardship or other disadvantage.'

Our updated vision is to transform lives with the anticipation, enjoyment and memory of a break. We'll do this by giving families a chance to enjoy time away together. To explore. To have new experiences. To meet new people. To have fun.

Our values are to be:

POSITIVE	We bring creativity, innovation and energy to our work. We focus on what can be achieved and we enjoy going beyond what people expect.
CURIOUS	We ask questions and we want to know why? We seek out new ideas and are prepared to try and try again because that's how we learn.
PURPOSEFUL	We are committed to our shared goals and we take deliberate decisions to progress towards them. We are proactive and considered.
DYNAMIC	We adapt to the world around us, and we look ahead to anticipate change. We are energetic, nimble and responsive.
MINDFUL	We listen and we use what we learn to transform lives. We care about families, our supporters and each other.

Our public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's objectives and activities, and in planning its future activities.

In particular, the Trustees consider how planned activities will contribute to the objectives and activities that have been set.

The Family Holiday Associations' public benefit is delivered by working with the domestic travel and tourism industry to provide breaks for families who would otherwise be unable to access them.

And by using our unique position and more than 45 years of experience to advocate for holidays to be recognised as an essential part of family life. All our trips and days out are in the UK. We don't offer experiences abroad.

Spending quality time together as a family away from home offers welcome respite from daily hardship, a new sense of optimism and hope for the future.

For many of the children we help, a break offers the chance to do something for the first time. Everything from exploring a new environment, paddling in the sea, building a sandcastle or flying a kite for the first time through to seeing landscapes and even buildings which are different.

The joy of simply seeing other people smile can lift them out of their everyday cares and worries and enrich their lives forever.

There is evidence that a family holiday can create lifelong happy memories, stronger relationships between family members and an improved quality of life. Our family feedback tells us that a short break can lead to:

- increased participation in education and paid work
- improved learning and behaviour at school
- more proactive and positive attitudes towards other types of support

There is evidence that our charity's work results in stronger, healthier and happier families and communities.

Activities and achievements

In the final financial period of our three-year strategy launched in 2018, we had no idea how profoundly we would be impacted by covid.

The transformative impact of a break cannot be replicated online, and our Trustees were confident that when the pandemic was over families would be more in need of time away from home together than ever.

So, while our plans were forced to drastically change when the pandemic hit in March 2020, we have remained focussed on the same strategic aims and the financial performance and governance which underpin our ability to deliver our strategic objectives and maintain our financial sustainability.

This has required the Trustees to take some difficult decisions in this financial period, all of which have been done with the charity's mission and public benefit firmly in mind.

Achievements against our strategy

Directly provide short breaks and day trips.

Our aim is to reach new communities and double the number of families we work with each year by the end of 2020.

This financial period...

- In the first part of the financial period, we were gearing up to reach more families than ever before thanks to the development of valuable relationships with key partners who were donating accommodation, attraction and transport tickets.

- As a result of the government guidance to avoid non-essential travel and later national lockdown in March 2020 we cancelled all confirmed bookings to the end of June 2020 and notified our referrers that we would be pausing the assessment of any applications already in our systems, or the award of group trip grants until further notice.
- We surveyed those referrers in early June 2020 to understand the impact of the pandemic on the families they support and on their capacity to support them. This exposed a stark increase in the challenges families faced, and a sense of real anxiety about the risks posed by going on a break in the future.

“A lot of our families have people who are vulnerable due to health problems, so they are scared of going out, but also in desperate need of something to look forward to. It is a really difficult time for a lot of people, and I think they will need a lot of reassurance about hygiene and how social distancing on breaks can work.” Referrer, June 2020

- 96% of respondents said the impact or frequency of isolation had increased because of the pandemic. The figures were 95% for mental health issues, 88% for low confidence and 78% for domestic violence.
- When lockdown restrictions were eased in early July, we listened to the feedback we received from our referral network and our breaks suppliers and used it to establish five key conditions which would need to be met in order for us to send families on overnight breaks again.
 1. It must be safe for families,
 2. Breaks suppliers must be operational,
 3. Families must be able to travel to and from their break destination safely,
 4. It must be possible for them to receive adequate support from their referrer,
 5. And the experience on offer must be fun.

“Family I referred would need to be able to access amenities and activities to get the full holiday experience as they have never had a holiday before so want to experience all the fun and enjoyment of all the facilities a caravan park has to offer” Referrer, June 2020

- These five key conditions were not met at any point during 2020 and as a result we did not offer any breaks after 17th March. We received overwhelming support from our referrers for this decision.

“I absolutely understand and respect your decision you do such a great job for our vulnerable families. Let's hope that you are able to offer your support sometime in the future.” Edwina, Family Support Worker

Overall, in this financial period we didn't meet our aim of doubling the number of families we worked with.

- We provided 517 families with a short break.
- We distributed 5 tickets to a single family for a day out.

- We supported 1 group, comprising a total of 45 families, which was made up of 151 adults and children with a grant to have a day out.

It should be noted that 505 of these family breaks or day trips took place in September and October 2019 and were erroneously reported in the 2018/19 annual report. This error has been caused by the disparity between our financial period which ends during the continuous 'holiday season' in which we offer breaks.

What we learned...

- We hadn't considered the possibility that travel would be restricted or banned amongst the risks for our service delivery, so we didn't have plans for how best to respond. This added to the stress and challenge for staff, who were also dealing with their own personal experiences of the pandemic and could have been avoided. In the future we will consider this and similar scenarios in our planning.
- Communicating complex and highly emotional messages to families planning a holiday was made more challenging because we had no direct relationship with them. We rely on referrers to pass on information, but some were furloughed, made redundant, bereaved or unwell. In future we will develop a line of communication with families alongside their referrers.
- There are parts of our customer journey over which we have no control or visibility where families are communicating directly with one of our suppliers. This made it challenging to ensure everyone received the right message at the right time so we will work to ensure we have oversight of every element of the process.

Champion holidays as a force for good.

Our aim is to strengthen the evidence base and bring policy makers, the travel and tourism industry and the social sector together to act for families.

This financial period...

- We published our report into the long-term impact of a break on families which demonstrated lasting positive impacts on mental health, reduced isolation and improved relationships within families and between them and the professional who referred them.
- We gained the support of Hannah Bardell MP who agreed to Chair an APPG on Inclusive Tourism. The inaugural meeting of this group was scheduled for 25th March 2020 and unfortunately could not take place.
- We planned an event with tourism officials in the Scottish Government as part of our ongoing relationship with them and Visit Scotland to provide breaks to low-income families. The Ministers for Mental Health and Equalities were invited to meet families and referrers who experienced one of our breaks and talk about the difference it had made. Unfortunately, the event had to be cancelled due to the pandemic.
- We were an active participant in England's Inclusive Tourism Action Group, chaired by Visit England.

What we learned...

- We had made no contingency plans for a scenario where policy makers, the travel and social sectors would be fully occupied dealing with a pandemic. This meant we didn't have a way

of continuing to further this strategic aim in these circumstances. Arguably we would have made little progress whatever our plans, but this situation exposed a weakness in our planning processes we will address in the future.

- The unprecedented restrictions on travel this year have mainstreamed a conversation about the value of taking a break. There is a real opportunity for us to convene this conversation in support of our mission as we move into 2021 and restrictions are eased.
- The discussion around inclusive tourism amongst DMOs and businesses has focussed on physical accessibility for those with a disability or long-term health condition. We will work to raise awareness of the other barriers to accessing tourism faced by the families we work with.

Be an effective, well managed and better governed organisation.

Our aim is to strengthen our governance and ensure we are robust in the way our organisation runs.

This financial period...

- Kat Lee joined the charity in January 2020 as its new Chief Executive.
- We rapidly adapted to working at home in line with government guidance and accelerated a planned migration to Office 365 to support this.
- The Trustees pursued a strategy of conserving resources as far as possible in the short term in order to be able to meet the needs of families when breaks away from home could resume. We furloughed staff involved in delivering breaks, looking after our premises and running fundraising events and scaled back resourcing in other areas.
- We undertook a detailed strategic review and Trustees and staff worked (remotely) on developing the next strategic direction for the charity. We found we were resourced to support the charity as it had operated prior to changes in its funding structure and digital developments seen in recent years but we were missing some essential skills for the future. As a result, we took the difficult decision to make some changes to the staffing structure which resulted in redundancy for four of our team.
- We gave notice on the office premises the charity has occupied since 2011. We will adopt new ways of working which will reduce expenditure on premises in the future without compromising on the quality of support for staff to fulfil their roles.
- We commissioned an independent review of governance at the charity to benchmark our performance against the Charity Governance Code. The findings and associated action plan will support Trustees to prioritise their work in the coming year.
- We changed our financial year end, bringing it into line with the holiday season and calendar year and bringing greater clarity and transparency for staff, Trustees and supporters.

What we learned

- We have been ambitious about the scale and pace of change we want to see at the charity, and that has been hard work for both staff and Board to deliver, especially against the backdrop of the pandemic which has taken its own emotional toll. We will continue to build a supportive culture which values wellbeing alongside outputs.

- As a small charity recruiting to leadership positions without the spending power of others in our sector, offering flexibility has enabled us to attract candidates with higher level skills and experience than we would otherwise have been able to do.
- We can move quickly, and we can make big changes when the Trustees and the staff team work closely together and hold shared aims. We will continue to cultivate strong working relationships amongst and between the Board and the senior leadership team.

Maintain our financial independence and be a charity that partners are proud to work with.

Our aim is to fundraise to support more families than ever before and to be a trustworthy, reliable partner with which the tourism industry is proud to engage.

- We worked with a range of corporate partners during this period including First Rate, Charitable Travel, Canvas Holidays among others, generating £131k income.
- We engaged supporters of the charity in four mailings through this period, which along with those who give a regular gift to the charity, generated £366k income
- We continue to receive funding from long-standing supporter groups in Sheffield and Rotherham, as well as from TUI Care Foundation.
- Our ongoing applications to trusts and foundations able to make grants to support our work continued, generating £141k income
- Our events programme suffered because of the pandemic, with us forced to cancel events we were due to hold, or which were cancelled by organisers. Despite this, £84k was raised via participants who took it upon themselves to run, jump, cycle and wing walk to help families in need.

“Everybody deserves a holiday, especially children, to be able to paddle in the sea, make sandcastles and build memories that they can look back on, just as I look back on my own happy memories of childhood trips to places like Rhyl or Llandudno” Wing walking fundraiser, Christine - aged 80.

- Travel industry professionals inspired by the work of low-paid keyworkers set up a campaign Give Them A Break, with funds raised being allocated to the Family Holiday Association for distribution.
- For every £1 invested in fundraising, we generated £2.17.

What we learned

- It is more challenging for us to raise funds when we are not delivering breaks. This seems obvious and unavoidable given we were precluded from non-essential travel for much of the year. But it could also indicate that we aren't telling our supporters enough about our work to champion holidays as a force for good and advocate for wider change to improve access for low-income families. We need to balance our direct service delivery and our advocacy in our public profile to address this.
- Many of our funding relationships are with the tourism industry which has been devastated by the pandemic. This has had an inevitable knock-on effect on our income. We've learned that we need to mitigate this risk by developing new relationships and extending beyond the travel sector whilst also maintaining our valued relationships within it.

- We haven't made enough progress to build up new sources of income following the change in our relationship with TUI UK and Ireland who until 2018 were our primary source of funds. The impact of this has been mitigated by the receipt of significant legacy funds during this and the previous financial period. These funds won't last forever though, and we need a programme of rapid investment in fundraising to halt declining income in most areas and secure the long-term future of the charity.

Utilise new technology to connect breaks and days out with families who will benefit the most.

Our aim is to develop digital tools to work with holiday providers and attractions to easily match opportunities with families.

This financial period...

- Staff were able to access our breaks booking system effectively from home and utilise it to manage cancellations and enquiries from referrers and families throughout the year.

What we learned...

- Furloughing meant that staff with less hands-on experience of the breaks booking system needed to use it. We hadn't considered this in our risk management and in future we will ensure better written manuals are available for key processes.

Future plans

Key developments for 2021 include:

- Moving out of our office and securing new accommodation to support hybrid working
- Reviewing our ownership of caravans
- Researching which families are now unable to access a break away from home together
- Reviewing and improving the customer journey for families
- Building our corporate supporter pipeline and piloting new ways to attract individual supporters
- Reviewing and redeveloping our brand and replacing our website
- Building on great delivery partnerships with Visit Scotland, HF Holidays and YHA
- Establishing better mechanisms for dialogue with families and referrers
- Implementing the findings of the governance review.

Financial review

Details of the Family Holiday Association income and expenditure for the 16-month period to December 2020 are set out on pages 20 to 21. Income for the 16-month period was £1,935k (2018/19: £1,907k); costs were £1,202k (2018/19: £1,498k).

The surplus in 2019-20 was £733k comprising an unrestricted surplus of £149k after designating £230k as a Fixed Asset Fund and £250k as a Digital Investment Fund (2018/19: £0).

Carried forward restricted funds were £103k (2018/19: £none).

The application of funds in support of the Family Holiday Association's charitable activities is disclosed in note 8. At 31 December 2020 total charity fund balances increased to £1,973k (2019: £1,240k).

In November 2019 Trustees decided to depreciate the caravan stock over 8 years rather than 10; this has resulted in an additional depreciation in 2019/20 as this adjustment is made.

During the year the Family Holiday Association received £73,629 from the Coronavirus Job Retention Scheme. This is shown as a separate grant in the income note number 6 on.

Reserves policy

In defining its reserves policy, the Family Holiday Association has considered what level of free reserves it is appropriate for the charity to hold in order to ensure its financial sustainability, future strategic development and continuing to operate and deliver its objectives and activities in the event that unforeseen and potentially financially damaging circumstances arise. It has considered the reliability and continuance of future income generation and funding, timing of cash flow and working capital requirements and cover for unplanned costs.

Free reserves represent unrestricted funds of the charity excluding restricted and designated funds.

The determination of an appropriate reserves level is a key part of the strategic planning process. The Trustees review the reserves level on an annual basis, along with the risk assessment of key areas of income, as this provides the information on an adequate level of reserves to be maintained.

The severe disruption the charity has experienced as a result of COVID-19 during this financial period and the ongoing risks related to it is an example of why we hold such free reserves and the Trustees are aware that we may need to utilise free reserves during 2021 and beyond due to the uncertainty currently faced.

The Trustees consider therefore that it would be prudent to set aside an amount equivalent to between 40% and 60% of the forthcoming year's planned expenditure costs - for 2021 this would be between £706k and £1,058k.

The free reserves at 31 December 2020 of £1,297k are £239k above the range of its reserves policy.

The Trustees also acknowledge that a programme of strategic investment is needed at the charity. The Board had planned to commence a programme of investment in the charity during this financial period following the appointment of Kat Lee as Chief Executive, but this has largely been delayed because of the pandemic.

The Trustees have agreed a deficit budget for 2021 to facilitate the delivery of strategic improvements. This is expected to bring the free reserves into the target range by the end of the year.

Going concern

The Trustees reviewed the Family Holiday Association's financial plans in January 2021, as part of their normal annual review. At that time, they were satisfied that there were sufficient resources to continue operating for the foreseeable future and accounts have been prepared in the knowledge that the Family Holiday Association is a financially viable organisation.

With regard to the next accounting period, the year ending 31 December 2021, the most significant areas that are likely to affect the charity's net assets are a trend of declining income across all income streams and the accompanying programme of rapid investment intended to turn this trend around.

We moved swiftly to ensure our staff were able to operate remotely following government advice in 2020 and have refined our set up over the year. We hope to return to a hybrid working model with some office based and home working in the second half of 2021 but our capacity to operate is not affected by the ability to do so.

We have delayed the start of our breaks season in 2021 to accommodate the national lockdown and will concentrate our service delivery on the second half of the year, taking advantage of the flexibility in dates we are afforded when we purchase breaks from other suppliers.

We have actively reduced operating costs as far as possible, without detrimentally impacting on our offer to families or capacity to raise funds, and we will continue to review our plans to identify any further cost savings.

The charity has a strong balance sheet, with free reserves of £1,297k and no indication of any short term cashflow shortfall. Given the availability and liquidity of these unrestricted funds, the Trustees believe the charity will have sufficient resources to meet its liabilities as they fall due.

As such, they remain satisfied that the charity can continue operating for the foreseeable future and these accounts have been prepared on a going concern basis.

Reference and administrative details

Status	The organisation is a charitable company limited by guarantee, incorporated on 30 September 1988 and not having a share capital. The company was registered as a charity on 25 October 1988.
Governing Document	The Family Holiday Association is governed by its Articles of Association as adopted on 30 November 2018.
Company number	02301337
Charity number (England and Wales)	800262
Charity number (Scotland)	SC048203
Registered office and operational address	3 Gainsford Street, London SE1 2NE (to 18/04/2021) 7-14 Great Dover Street, London SE1 4YR (from 19/04/2021)
Trustees	Philippa Harris, Chair Mark Saxon, Treasurer David Burling John Appleby Julia Ridgway John de Vial Julie Tucker Jacqueline Kerslake Joelle Leader (to 26 November 2020) Jonathan Scott (to 9 July 2020)
Chief Executive	Kat Lee (from 6 January 2020)
Banker	Barclays Bank PLC, 89 Hatton Garden, London EC1N 8DN
Auditor	CBW Audit Limited, 66 Prescott Street, London E1 8NN

Structure, governance and management

Governing document

The Family Holiday Association is a company limited by guarantee governed by its Articles of Association dated 30 November 2018. It is registered as a charity with the Charity Commission in England and Wales, and the Office of the Scottish Charity Regulator in Scotland.

Appointment of Trustees

As set out in the Articles of Association, the Board of Trustees comprises at least three Trustees. Board members may serve up to two terms of three years from the first meeting at which the charity accounts are adopted following their appointment.

The Trustees may by a 75% majority decision decide that exceptional circumstances apply and accordingly that a Trustee may be reappointed for further term(s) of office.

Trustees' induction and training


On appointment, new Trustees are provided with information about the company including its constitution, strategy and plans, finances, staffing structure. Their attention is drawn to relevant Charity Commission guidance. They are offered the opportunity to meet with the chief executive and other staff for a full briefing on the organisation's work and to visit the locations from which it operates.

Organisation

The Board is responsible for the governance of the charity. The Trustees delegate the running of the organisation to the chief executive. The Board meets 6 times per year.

Trustees

The Trustees who served during the year, and their pattern of attendance at Board meetings, are shown in the table below.

 FAMILY HOLIDAY ASSOCIATION The charity that gives families a break	17/09/19	28/11/19	23/01/20	26/03/20	16/04/20	18/05/20	24/06/20	09/07/20	24/09/20	26/11/20
John Appleby	X	O	X	X	X	X	X	X	X	X
David Burling	O	O	X	O	X	X	X	X	X	X
John de Vial	O	X	X	X	X	X	X	X	X	X
Philippa Harris (Chair)	X	X	X	X	X	X	X	X	X	X
Jackie Kerslake	X	X	X	X	X	X	X	X	X	X
Joelle Leader	X	X	X	X	X	X	X	X	O	X
Julia Ridgway	X	X	O	O	X	X	X	X	X	X
Mark Saxon (Treasurer)	X	X	X	X	X	X	X	X	X	X
Julie Tucker*	X	X	O	O	O	O	O	X	X	X
Jonathan Scott	O	X	O	X	X	X	X	X	n/a	n/a

Key n/a: not in post, O: did not attend, X: attended

*absence due to ill health

The Board has delegated detailed aspects of its work during this financial period to the Strategy working group. The group is a time-limited group with no delegated decision-making authority. The Board members who served on the group were Philippa Harris (Chair), Jackie Kerlake, Mark Saxon and Julia Ridgway alongside Kat Lee who served as a co-opted member of the group.

The strategy working group was constituted

- To consider what the strategic direction of the charity would have likely been prior to COVID-19 to serve as a baseline and possible long-term strategic goal.
- To investigate the potential scenarios which any COVID-19 exit strategy should consider including timelines and resourcing requirements.
- To take any resulting recommendations for action to the Board for approval.

The Board has agreed to delegate detailed aspects of its work to the Governance working group from January 2021. The group will be a time-limited group with no delegated decision-making authority. The Board members who will serve on this group are Philippa Harris (Chair), John Appleby and Julia Ridgway alongside Kat Lee who will serve as a co-opted member of the group.

The governance working group will be constituted

- To consider the recommendations of the governance review in 2020
- To prioritise, plan and execute where appropriate the actions required to implement those recommendations the group choose to adopt.
- To take any resulting recommendations for action to the Board for approval.
- To complete the FHA governance manual and put in place a schedule for subsequent annual review and update of its contents as appropriate.

The Trustees would like to register our thanks for the commitment, input and service of Jonathan Scott and Joelle Leader who stepped down on 9 July 2020 and 26 November 2020 respectively.

Key executive personnel

The key executive personnel (The Family Holiday Association's senior leadership team) at the end of the year were:

Kat Lee, Chief Executive; Jax Shaw, Experiences and Impact Director; Tarun Chotai, Finance and Resources Director (left 30 April 2021).

Mags Rivett had been appointed to the role of Income and Engagement Director and started in post on 4 January 2021. Liz Sell joined as Director of Finance (interim) on 26 April 2021.

Related parties

None of the Trustees receives remuneration or other benefit from their work with the charity. Trustees are invited to declare any relevant interests at each Board meeting, and formally requested to submit an annual register of interests' form. Board members have reported no relevant interests or transactions.

Remuneration policy

The Board is responsible for considering the Chief Executive's remuneration, taking account of the skills and experience required and sector norms for charities of similar size. Staff pay is reviewed annually in relation to the external economic environment and financial affordability for the Family Holiday Association.

Kat Lee's salary was £70,000 per annum plus pension benefits of 5%.

Risk management

The Family Holiday Association's approach is to minimise the organisation's exposure to reputational, compliance, safeguarding and excessive financial risk, whilst accepting and encouraging more risk in pursuit of our mission and strategic objectives. The Family Holiday Association's appetite for risk varies according to the activity undertaken, and our acceptance of risk is always subject to ensuring that potential benefits and risks are fully understood before activities are authorised, and that sensible measures to mitigate risk are established.

The Board follows a comprehensive risk management policy which clearly defines the roles of the Board, and senior staff in identifying and managing risk, and how the register of risks should be used as a live document. The key risks currently identified by the Board, and their mitigation, are shown in the table below.

Key risk	Mitigation
There is disruption to our planned supply of breaks.	<ul style="list-style-type: none"> • Pre-season checks in our caravans • Close monitoring of the government guidelines • Proactive supplier management • Diversification of purchased breaks suppliers
The cost of delivering our services increases more quickly than our income	<ul style="list-style-type: none"> • Recruitment of specialist staff to increase capacity in income generation • Diversification of supplier list to enable competitive negotiations for purchased breaks • Relationship development with key partners such as Visit Scotland and YHA, HF holidays
We are unable to secure the skills we need to deliver our strategy	<ul style="list-style-type: none"> • Flexibility in working patterns and base locations offered • Building a strong and positive culture
Post pandemic funding priorities lie in other areas such as NHS, foodbanks, homelessness.	<ul style="list-style-type: none"> • Strengthening relationships with existing funders • Scoping potential for new supporters • Recruited specialist staff in corporate fundraising and individual giving

The Trustees are satisfied that appropriate steps are being taken to manage these risks, and that sufficient procedures are in place to enable management and Trustees to assess the effectiveness of risk management.

Compliance with the Charity Governance Code

The aim of the Charity Governance Code is to help charities and their Trustees develop high standards of governance. As a sector, we owe it to our beneficiaries, stakeholders and supporters to demonstrate exemplary leadership and governance. The Code is not a legal or regulatory requirement. Instead, the Code sets the seven principles and recommended practice for good governance and is deliberately aspirational, a tool for continuous improvement towards the highest standards.

We completed a self-assessment against the Charity Governance Code in March 2020. This identified a number of areas in which our performance was below the expected benchmark. As a result, the Trustees commissioned Joy Allen at Leading Governance to conduct an independent governance review.

The review recommended actions to focus on

1. Creation of a Governance Manual and Governance Calendar; Decision Cover Sheet and Compliance Checklist
2. Establishing Audit & Risk and Nominations & Remuneration Committees
3. Agreeing and embedding the new values
4. Training and development for Board members and Board review processes
5. Improving the way that stakeholders can communicate with the Board

The Governance Working Group will be responsible for taking forward these recommendations on behalf of the Board in the first half of 2021.

Trustee's responsibilities in relation to the financial statements

The Trustees (who are also directors of the Family Holiday Association for the purposes of company law) are responsible for preparing the Trustees' annual report including the strategic report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charitable group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure to our auditors

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware

- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Auditor reappointment

CBW Audit Ltd was reappointed as the charitable company's auditors during the year and has expressed its willingness to continue in that capacity.

Approval

The Trustees' annual report was approved by the Trustees on 17 June 2021 and signed on their behalf by



Philippa Harris
Chair



Mark Saxon
Treasurer

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 period ended 31 December 2020 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 FRS 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 December 2020 and of its incoming resources and application of resources, for the period 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 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Council are responsible for the other information. 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 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 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

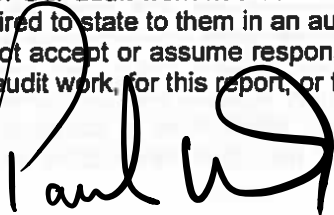
We have been appointed as auditor under section 144 of the Charities Act 2011 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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: <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 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

17 June 2021
.....

Chartered Accountants
Statutory Auditor

66 Prescot Street
London
E1 8NN

THE FAMILY HOLIDAY ASSOCIATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE COUNCIL OF THE FAMILY HOLIDAY ASSOCIATION

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 PERIOD ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Endowment funds 2019 £	Total 2019 £
<u>Income and endowments from:</u>								
Donations and legacies	4	1,661,016	191,650	-	1,852,666	1,901,783	-	1,901,783
Investments	5	8,268	-	-	8,268	4,746	-	4,746
Other income	6	73,629	-	-	73,629	-	-	-
Total income		1,742,913	191,650	-	1,934,563	1,906,529	-	1,906,529
<u>Expenditure on:</u>								
Raising funds	7	562,986	-	-	562,986	303,303	-	303,303
Charitable activities	8	550,289	88,909	-	639,198	1,194,764	-	1,194,764
Total resources expended		1,113,275	88,909	-	1,202,184	1,498,067	-	1,498,067
Net gains/(losses) on investments	13	-	-	243	243	-	4,345	4,345
Net movement in funds		629,638	102,741	243	732,622	408,462	4,345	412,807

THE FAMILY HOLIDAY ASSOCIATION
STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Endowment funds 2019 £	Total 2019 £
Net movement in funds		629,638	102,741	243	732,622	408,462	4,345	412,807
Fund balances at 1 September 2019		1,109,693	-	130,238	1,239,931	701,230	125,893	827,123
Fund balances at 31 December 2020		1,739,331	102,741	130,481	1,972,553	1,109,692	130,238	1,239,930

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

All income and expenditure derive from continuing activities.

THE FAMILY HOLIDAY ASSOCIATION

SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 2020

	All income funds	
	Period	
	ended	
	31 December	31 August
	2020	2019
	£	£
Gross income	1,934,563	1,906,529
Total expenditure from income funds	1,202,184	1,498,067
Net income for the period	732,379	408,462

THE FAMILY HOLIDAY ASSOCIATION

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	14	230,647		301,537	
Investments	15	130,481		127,515	
		<u>361,128</u>		<u>429,052</u>	
Current assets					
Debtors	16	133,543		128,029	
Cash at bank and in hand		1,590,445		717,227	
		<u>1,723,988</u>		<u>845,256</u>	
Creditors: amounts falling due within one year	17	(94,063)		(34,378)	
Net current assets		<u>1,629,925</u>		<u>810,878</u>	
Total assets less current liabilities		<u>1,991,053</u>		<u>1,239,930</u>	
Provisions for liabilities		(18,500)		-	
Net assets		<u><u>1,972,553</u></u>		<u><u>1,239,930</u></u>	
Capital funds					
Endowment funds		130,481		130,238	
Income funds					
Restricted funds		102,741		-	
Unrestricted funds - general					
Designated funds	20	480,647		-	
General unrestricted funds		<u>1,258,684</u>		<u>1,109,692</u>	
		<u>1,739,331</u>		<u>1,109,692</u>	
		<u><u>1,972,553</u></u>		<u><u>1,239,930</u></u>	

THE FAMILY HOLIDAY ASSOCIATION

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the period ended 31 December 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The director acknowledges her 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 period 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



.....
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 PERIOD ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash generated from operations	25		884,082		315,225
Investing activities					
Purchase of tangible fixed assets		(19,132)		(42,277)	
Proceeds on disposal of tangible fixed assets		-		22,653	
Investment income received		8,268		4,746	
Net cash used in Investing activities			(10,864)		(14,878)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			873,218		300,347
Cash and cash equivalents at beginning of period			717,227		416,880
Cash and cash equivalents at end of period			1,590,445		717,227

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

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 7-14 Great Dover Street, London, SE1 4YR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], 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) (effective 1 January 2019)". 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.

Designated funds comprise funds which have been set aside at the discretion of the Council for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

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 Income

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.

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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.

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.

1.5 Expenditure

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

Caravans	12.5% straight line
Office equipment	25% 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.

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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.

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).

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 PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.11 Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

1.12 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.

1.13 Retirement benefits

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

1.14 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 Change in accounting policy

The Charity has revised its estimate of the useful economic life of caravans - from 10 years to 8 years during the year. This is on the Trustee's assessment that the caravans are usually sold after 8 years, therefore, the depreciation charge should reflect this. This came into effect on 01 September 2019 and the change was applied prospectively. As a result, a prior period adjustment is not required.

3 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.

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

4 Donations and legacies

	Unrestricted funds general 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds general 2019 £
Donations and gifts	575,579	191,650	767,229	1,400,982
Legacies receivable	1,085,437	-	1,085,437	500,801
	<u>1,661,016</u>	<u>191,650</u>	<u>1,852,666</u>	<u>1,901,783</u>

5 Investments

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Income from listed investments	5,791	3,234
Interest receivable	2,477	1,512
	<u>8,268</u>	<u>4,746</u>

6 Other income

	Unrestricted funds general 2020 £	Total 2019 £
CVJRS grants receivable	<u>73,629</u>	<u>-</u>

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

7 Raising funds

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
<u>Costs of generating voluntary income</u>		
Staging fundraising events	91,914	84,287
Staff costs	218,958	219,016
Support costs	252,114	-
	<hr/>	<hr/>
Costs of generating voluntary income	562,986	303,303
	<hr/>	<hr/>
	<u>562,986</u>	<u>303,303</u>

8 Charitable activities

	Direct activities 2020 £	Direct activities 2019 £
Staff costs	216,503	242,960
Depreciation and impairment	75,223	-
	<hr/>	<hr/>
	291,726	242,960
Grant funding of activities (see note 9)	149,919	643,445
Share of support costs (see note 10)	174,115	294,587
Share of governance costs (see note 10)	23,438	13,772
	<hr/>	<hr/>
	639,198	1,194,764
	<hr/>	<hr/>
Analysis by fund		
Unrestricted funds - general	550,289	1,194,764
Restricted funds	88,909	-
	<hr/>	<hr/>
	<u>639,198</u>	<u>1,194,764</u>

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

9 Grants payable

	Direct activities 2020 £	Direct activities 2019 £
Grants to institutions:		
Grants to individuals	149,919	643,445
	<u>149,919</u>	<u>643,445</u>

10 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Staff costs	218,360	-	218,360	79,530	-	79,530
Establishment costs	113,773	-	113,773	86,347	-	86,347
Office expenses	-	-	-	5,428	-	5,428
Printing, postage and stationary	2,606	-	2,606	4,700	-	4,700
Subscriptions and donations	2,195	-	2,195	1,803	-	1,803
Sundry and other costs	68,496	-	68,496	36,371	-	36,371
Travel and subsistence	947	-	947	1,422	-	1,422
Bank charges	5,054	-	5,054	4,270	-	4,270
Depreciation	25,209	-	25,209	65,504	-	65,504
(Profit)/Loss on sale of fixed assets	(10,411)	-	(10,411)	9,212	-	9,212
Legal and professional fees	-	14,438	14,438	-	5,372	5,372
Auditor's remuneration	-	9,000	9,000	-	8,400	8,400
	<u>426,229</u>	<u>23,438</u>	<u>449,667</u>	<u>294,587</u>	<u>13,772</u>	<u>308,359</u>
Analysed between						
Fundraising	252,114	-	252,114	-	-	-
Charitable activities	174,115	23,438	197,553	294,587	13,772	308,359
	<u>426,229</u>	<u>23,438</u>	<u>449,667</u>	<u>294,587</u>	<u>13,772</u>	<u>308,359</u>

The allocation of support costs to Fundraising is unusually high in the period given the restrictions imposed on our charitable activity during the Covid pandemic.

Governance costs includes payments to the auditors of £8,400 (2019: £8,400) for audit fees.

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

11 Council

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

12 Employees

The average monthly number of employees during the period was:

	2020 Number	2019 Number
Experience and Impact	3	6
Income and Engagement	5	5
Support	4	2
Total	<u>12</u>	<u>13</u>

Employment costs	2020 £	2019 £
Wages and salaries	585,868	471,833
Social security costs	45,193	37,799
Other pension costs	22,760	31,874
	<u>653,821</u>	<u>541,506</u>

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

	2020 Number	2019 Number
£60,000 - £70,000	<u>2</u>	<u>-</u>

13 Net gains/(losses) on investments

	Endowment funds	Endowment funds
	2020 £	2019 £
Revaluation of investments	<u>243</u>	<u>4,345</u>

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

14 Tangible fixed assets

	Caravans £	Office equipment £	Total £
Cost			
At 1 September 2019	456,989	156,966	613,955
Additions	33,663	-	33,663
Disposals	(41,198)	(64,782)	(105,980)
At 31 December 2020	449,454	92,184	541,638
Depreciation and impairment			
At 1 September 2019	205,302	107,117	312,419
Depreciation charged in the period	75,223	25,209	100,432
Eliminated in respect of disposals	(37,078)	(64,782)	(101,860)
At 31 December 2020	243,447	67,544	310,991
Carrying amount			
At 31 December 2020	206,007	24,640	230,647
At 31 August 2019	251,687	49,850	301,537

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

15 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 September 2019	127,515
Valuation changes	2,966
At 31 December 2020	130,481
Carrying amount	
At 31 December 2020	130,481
At 31 August 2019	127,515

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

16 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Other debtors	8,750	3,029
Prepayments and accrued income	124,793	125,000
	<u>133,543</u>	<u>128,029</u>

17 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	5,942	9,661
Trade creditors	66,739	15,402
Other creditors	738	915
Accruals and deferred income	20,644	8,400
	<u>94,063</u>	<u>34,378</u>

18 Provisions for liabilities

	2020	2019
	£	£
Provision for dilapidations	<u>18,500</u>	<u>-</u>

Movements on provisions:

	Provision for dilapidations
	£
Additional provisions in the year	<u>18,500</u>

The charity recognised a provision for dilapidations due on the office leasehold.

19 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 £30,930 (2019: £31,874).

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			
	Incoming resources	Balance at 1 September 2019	Transfers	Balance at 31 December 2020
	£	£	£	£
Fixed Assets Fund	-	-	230,647	230,647
Digital Investment Fund	-	-	250,000	250,000
	<u>-</u>	<u>-</u>	<u>480,647</u>	<u>480,647</u>

Fixed Asset Fund which equates to the amount shown at the top of the Balance Sheet as the carrying value of caravans and office equipment. This matching of Designated Funds to the fixed assets means that the amount in unrestricted funds more accurately represents the cash that is available to spend.

Digital Investment Fund earmarked for investment in the enabling work to improve charity's digital ecosystem and enable the delivery of charity's strategic aims.

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

21 Analysis of net assets between funds	Unrestricted funds		Restricted funds		Endowment funds		Unrestricted funds		Endowment funds		Total	
	2020	£	2020	£	2020	£	2019	£	2019	£	2020	2019
Fund balances at 31 December 2020 are represented by:												
Tangible assets	230,647		-		-		301,537		-		230,647	301,537
Investments	-		-		130,481		-		127,515		130,481	127,515
Current assets/(liabilities)	1,527,184		102,741		-		808,155		2,723		1,629,925	810,878
Provisions	(18,500)		-		-		-		-		(18,500)	-
	<u>1,739,331</u>		<u>102,741</u>		<u>130,481</u>		<u>1,109,692</u>		<u>130,238</u>		<u>1,972,553</u>	<u>1,239,930</u>

THE FAMILY HOLIDAY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

22 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:

	2020 £	2019 £
Within one year	21,667	65,000
Between two and five years	-	65,000
	<u>21,667</u>	<u>130,000</u>

23 Related party transactions

There were no disclosable related party transactions during the period (2019 - none).

24 Contingents assets

The charity has received part payment from a large legacy but the estate management was halted due to the death of the executor. There is now significant uncertainty around the current value of the estate assets (including commercial property and a non-UK based investment portfolio) or when they will be realised. As the legacy cannot be reliably measured an outstanding amount is not yet being recognised in the accounts.

25 Cash generated from operations

	2020 £	2019 £
Surplus for the period	732,622	412,807
Adjustments for:		
Investment income recognised in statement of financial activities	(8,268)	(4,746)
(Gain)/loss on disposal of tangible fixed assets	(10,411)	9,212
Fair value gains and losses on investments	(243)	(4,345)
Depreciation and impairment of tangible fixed assets	100,432	65,504
Movements in working capital:		
(Increase) in debtors	(8,235)	(124,366)
Increase/(decrease) in creditors	59,685	(38,841)
(Decrease) in provisions	18,500	-
Cash generated from operations	<u>884,082</u>	<u>315,225</u>

26 Analysis of changes in net funds

The charity had no debt during the year.