



2022



**ANNUAL
REPORT**

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MESSAGE FROM OUR CHAIR AND CHIEF EXECUTIVE

Together, it has been our privilege to lead Family Holiday Charity this year and we are so grateful to everyone who supports us in any capacity – you are making a real difference to families facing tough times.

And times this year were tough. The cost-of-living crisis hit those living on a low income, the families we support, hardest. By the end of the year, a quarter of families with dependent children were worried about running out of food before they had money to buy more¹.

With family finances so stretched it has been even more important to extend our reach, improve wellbeing and mental health, build closer connections in families and communities and offer the chance for time away together to give hope for the future.

After the uncertainty and disruption of recent years, we were thrilled to return to operating without restrictions. And what a return it has been. Having decided to scale back our offer of days out in favour of helping more families to have a holiday, we are proud to have supported 1,854 families to do just that. That's the highest number of families we've helped to have a holiday in

our 47-year history and an increase of 41% on 2019, the last year our services were unaffected by covid and its after-effects.

We were only able to do this because of the fantastic support of our funders. Many years of collaboration and relationship building with the government in the UK and in Scotland led to the charity being awarded its first government grant funding in 2022. And this, along with growth in our fundraised income, gave us the resources we needed to improve and extend our services. Our team were able to scale rapidly and did an incredible job of putting these funds to good use in support of families in over 90% of English and Scottish local authority areas.

Throughout this report you will see evidence of the many steps we have taken to deliver on the commitment we made in our strategy to consider the families and referrers we serve as our customers and place them at the heart of everything we do. We know we still have plenty to do to ensure that every family feels they can spend time away together and can access the right holiday for them, but we are proud of the progress we are making.

Thank you for your continued support.



Philippa Harris
Chair of Trustees

Kat Lee
Chief Executive



OUR YEAR IN NUMBERS

48%

of families had NEVER had a holiday before

135%
increase
from 2021

1,854

families had a holiday

7%

of the families we supported needed wheelchair accessible accommodation

11%

of the families we supported needed to take their pet along as part of the family

**3,325 adults
and
4,554 children**
had a holiday in 2022

7,879

people directly impacted

In 43

of the families we helped the lead family member did not speak English

4

Average family size

(but 37% of families had more than 4 members)

We supported families in



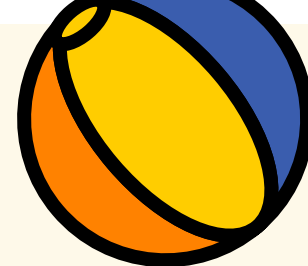
92% of English local authority areas



93% of Scottish local authority areas



61% of Welsh local authority areas



BEFORE THE HOLIDAY

55%

of families were experiencing mental health issues

29%

of families had experienced domestic abuse

8%

of families had experienced homelessness

36%

of families were experiencing isolation

21%

of families had children who were young carers

ON THEIR HOLIDAYS

92%

took part in outdoor activities like going for walks

64%

took part in sport

81%

rated their accommodation as 9 (or more) out of 10

64%

visited towns and villages near where they stayed

Nearly
2/3

are more likely to take part in these kinds of activities since their holiday

WHEN THEY CAME HOME

94%

said the holiday had a positive impact on their mental health and wellbeing

80%

feel more optimistic about the future

77%

feel more able to deal with the challenges they face

92%

feel more confident taking their family on holiday in the future

35%

are more active in their local communities



86% OF REFERRERS RATED THEIR EXPERIENCE OF US AS 9 (OR MORE) OUT OF 10



WHY HOLIDAYS?

We help families get time away together, often for the first time ever.

We're here for children living near the coast, who've never seen the sea. For teenagers who can't remember when they last saw mum smile. For parents having to choose between a day out and a new pair of school shoes. For young carers, and families facing illness, isolation, or bereavement.

When Family Holiday Charity started helping families to have a holiday in 1975, our aim was to give families facing tough times a chance to spend time together away from the stresses and strains they had at home.

But feedback from the families we help and the people who refer them to us has shown that the impact of a holiday is really threefold:



Positive mental health and wellbeing



Closer families and connected communities



New outlooks and hope for the future

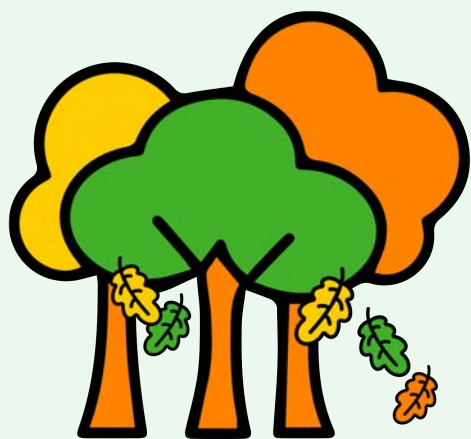
AFTER THEIR HOLIDAY 96% OF FAMILIES TOLD US IT ENABLED THEM TO SPEND MORE QUALITY TIME TOGETHER. BETTER STILL, TWO THIRDS OF THEM ARE STILL SPENDING MORE TIME TOGETHER AFTER THEY GET HOME AND MORE THAN A THIRD OF FAMILIES ARE MORE ACTIVE IN THEIR COMMUNITIES TOO.



POSITIVE MENTAL HEALTH AND WELLBEING

Over half of the families we supported in 2022 told us that mental health was one of the challenges they faced. That's double the prevalence in the UK population where it is estimated that around a quarter of people will experience a mental health issue each year.

After their holiday 94% of families told us they felt it had had a positive impact on their mental health and wellbeing.



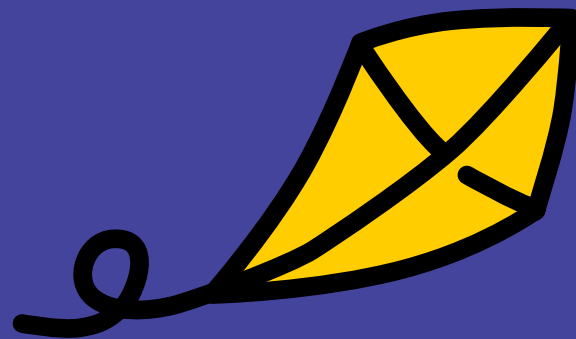
CLOSER FAMILIES, CONNECTED COMMUNITIES

Tough times put a strain on families and can isolate them from their communities. For many, there is precious little time and space to nurture relationships and build networks to draw on for support.

NEW OUTLOOKS AND HOPE FOR THE FUTURE

When times are tough it can be difficult to imagine a way out and a brighter future. But a family holiday has the power to change that. It opens up a world of possibilities and can be a turning point which makes a lifetime of difference. After their holiday 80% of families told us it had helped their family feel more optimistic about the future.

WHAT HAVE WE DONE WELL?



Focusing on Families

We are here for families facing tough times. More than half of the families we support are experiencing mental ill-health, almost a third have experienced domestic abuse, and in a fifth of them the children are young carers.

We know that on average the families we help are experiencing four additional challenges like homelessness, isolation, disability, terminal illness, or bereavement as well as coping on a low income. We've worked hard to acknowledge and reflect this in our services by making our processes quicker and simpler and offering help and reassurance over the phone to reduce the worry some families feel about going away.

We can help them create happy memories and introduce them to tourism in a way which motivates and supports them to prioritise a holiday with a new perspective on the benefits it can bring to them. To help us do that it matters that we understand what makes a great tourism experience for families and work hard to deliver it.

IN 2022, 48% OF THE FAMILIES WE SUPPORTED HAD NEVER HAD A HOLIDAY.

We had originally planned to pilot offering support with the cost of food whilst on holiday because families told us it was harder to shop economically in a new environment. But in the context of the rapidly rising cost of living we decided to extend this help to all families so that the expected cost of feeding the family whilst away wouldn't cause additional stress or prevent some families from accepting our support.

Because of feedback from families and referrers we've changed our way of working. Instead of being offered holiday dates and locations by email, families and their referrers now contact a call centre staffed by specially trained booking agents and follow a straight-forward booking process. They can choose from a wide choice of available UK destinations, accommodation types and dates, as well as transport options, with agents helping families to think about and choose the holiday that will best suit them.



Our new ways of working give families more choice and control over their holidays and bring their experience more into line with families funding their own holidays. And crucially they reduce the administrative burden on busy referrers by streamlining the customer journey and offering additional support.

With a more efficient and effective operating model our team have been able to focus on developing relationships with our network of referring organisations. We registered 2,067 new referrers during the year, increasing our network by 27% and more than a third of newly registered referrers made at least one application during the year. We sent printed welcome packs to referrers explaining our services and the difference they make to families and in total we received 2,652 applications for support.

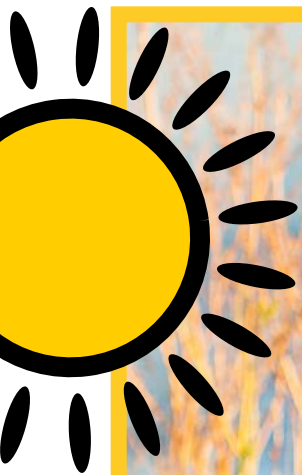
Overall, we were able to help a massive 1,854 families to have a holiday in 2022 - the highest number we've ever reached. But a further 798 families were referred to us who we couldn't help because we didn't have the funds. Growing our reach has taken a phenomenal amount of work, and crucially significant grant funding in both England and Scotland, but we know there are millions more families excluded from tourism that we can't hope to reach even with a significant increase in funds. A step change is needed to do more than scratch the surface of the need.



"THE GIRLS TALKED EXCITEDLY ABOUT THEIR TRIP WHEN THEY RETURNED TO SCHOOL & THE ELDEST DAUGHTER NOW FEELS THAT TRAVELLING 'ISN'T A BAD THING'. THE FAMILY ARE NOW SAVING UP FOR A SHORT BREAK NEXT YEAR."

Referrer, Derby City Council

GRANT FUNDED PROJECTS IN ENGLAND AND SCOTLAND



England for Everyone

In February 2022 we received a grant of £600k from the Department of Digital, Culture, Media and Sport to work in partnership with VisitEngland. We aimed to support up to 830 families living in England to have a 3- or 4-night holiday including food and travel in the lead up to the celebrations for Her Majesty the Queen's Platinum Jubilee in early June.

The funding also included a contribution towards our staff and administrative costs, impact research, referrer engagement and the costs associated with gathering and producing family stories.

This was an ambitious project with a short delivery timeline and stretching target for reach. Helped by our efficient new operating model and referrer engagement, 822 families travelled by 5th June 2022. As part of the project we collected stories from 17 families, 10 of which were accompanied by video interviews.

An independent impact evaluation concluded the project had successfully delivered its aims and objectives.





ON CONFIDENCE AND WELLBEING

96%

agreed that the holiday had helped them to have more fun and create happy memories as a family.

83%

agreed that the holiday had a positive impact on their family's confidence.

87%

agreed that the holiday had helped to reduce their feelings of stress and worry.

91%

agreed that the holiday had given their family an opportunity for new experiences.

89%

of families feel more comfortable and confident in taking a holiday with their family in future.

78%

agreed that the holiday had helped them to feel more optimistic about the future.

75%

agreed that the holiday had a positive impact on their family's ability to deal with the challenges they face together.

ON PARTICIPATION IN SPORT, OUTDOOR ACTIVITIES AND CULTURE



95%

of the families took part in outdoor activities and 63% took part in sport either indoors or outdoors.



61%

had visited towns/villages near to where they were staying.



37%

had also visited tourist attractions during their holidays with a smaller proportion taking part in cultural activities whilst away (17%).



59%

agreed that their families are now more likely to take part in these kinds of activities going forward, as a direct result of the holiday.



The research also included a social value assessment to provide an independent view of the impact and value of the project for all stakeholders, not just the families taking the holidays and referral organisations, but also the value for the public purse.

This piece of research used the Social Value Engine, a tool accredited by Social Value UK
<https://socialvalueengine.com/>

IT FOUND THAT FOR EVERY £1 INVESTED IN ENGLAND FOR EVERYONE, THIS GENERATED £7.21 IN SOCIAL VALUE.



That means that the investment of £600,000 in helping families to have a holiday through England for Everyone generated £4.33 million in social value.





IT'S LIKE PARADISE

"I faced my fear and I did it!"

For single mum Abi, travelling anywhere that she hasn't been before can trigger extreme anxiety. So the prospect of leaving her home in Hackney for a long weekend in East Sussex was always going to be a considerable challenge for her.

But, determined to make sure that her two children could have their first holiday away with her, she drew on all her inner reserves to navigate the train journey to Rye and then catch the bus on to Camber Sands.

"I have a phobia, especially when I'm not around where I live", she explains, "so I don't really travel."

The fear of visiting a new, unfamiliar place and the subsequent stress of having to make travel plans is not uncommon. The psychological impact can be crippling though.

"Not knowing where I'm going, not knowing what to expect or having to ask people makes the anxiety worse," says Abi.

Her phobia is one reason that the family have never had a holiday together before. But when offered the chance to stay in a caravan by the beach for three nights, Abi knew that she needed to conquer her fears for the sake of her daughter Loveina and son Diamond.

Thrilled at the thought of a mini break, the children relished the idea of spending time by the sea. And with its rolling sand dunes and miles of unspoilt beach, Camber Sands didn't disappoint.

Despite being out of her comfort zone initially, Abi quickly embraced the change in surroundings. "Camber Sands is all about experience. It's a different environment, it's beautiful. I wish Hackney could be like this, I really do."

The family very quickly made new friends. Six-year-old Loveina teamed up with a girl her age from the next-door caravan and they also got to know another Nigerian family that was down from London for the weekend.

With boundless energy, the kids zipped about between the amusement park, the arcade and the evening entertainment. "I didn't know before we went that there were all these activities like the disco and bingo," Abi says. "So we went on the Saturday night, the kids were dancing, they loved it."

She particularly enjoyed watching them darting in and out of the water fountain jets in their swimming costumes and goggles.

But it was the caravan itself that was the biggest hit. They'd never spent time in one before and for Abi it was a real home from home. "I wish I had one because it's your own space. You can just step outside and there's the green grass, it's very peaceful. It's like paradise."

They all slept like logs the first night. Even Loveina who's usually up with the larks at 5-30am. According to Abi: "It felt better than home for some reason. I'd like to stay a bit longer and next time I am definitely going to try and save up and come. It feels good."

There's no doubting that the whole family benefited enormously from their time away together. Abi's relationship with her children went from strength to strength and now they all have a bank of uplifting memories to call on.



The real breakthrough though came on the way back when Abi realised that she wasn't afraid to face the journey home. "Getting there was a bit scary," she explains. "But coming back was much easier. I was 100% less anxious."

"It makes me feel a bit braver about myself that I came all the way from Hackney and I got there safely and had fun. I feel now like I can do certain things. I feel much more confident," she concludes.



Abimbola and her family went on holiday for the first time courtesy of Family Holiday Charity, through *England for Everyone*.

Funded by the Department for Digital, Culture, Media & Sport, VisitEngland and *England for Everyone* provided short break holidays for more than 800 families facing tough times.

SCOTSPIRIT HOLIDAY VOUCHER SCHEME

In 2021 we began delivery of a 2-year project to deliver tourism experiences to families living in Scotland in partnership with Visit Scotland. The project was backed by funding from the Scottish Government and our aim was to support 500 families to have a holiday by the end of 2022.

The scheme was originally designed as a collaboration project - Visit Scotland would recruit the accommodation and days out providers and manage payments while we recruited referrers, managed applications and bookings, as well as committing our own funds to support with the cost of travel.

In March 2022 we agreed to pivot the model and for the charity to manage the process from end-to-end with a grant of £338k alongside its own funds to deliver on the ambition of the project.

This included the addition of a detailed impact evaluation and to the extension of the offer to families to include a contribution towards food costs.

At the end of 2022 the project had supported 609 families to have a holiday and 30 families to have a day out, significantly exceeding the original target. Around £25k in grant funding remains which will be used for families to have a holiday before Easter 2023.

This project is still ongoing but initial indications are that the project has had a similar impact as we saw for *England for Everyone* and the research will be finalised and shared in early 2023.



This family have returned from their holiday empowered and excited about the future for their children and for them as a family!

CONNECTING WITH A WIDER AUDIENCE

At the start of the year, we officially changed our name to **Family Holiday Charity** following extensive consultation which also saw us adopting a bold new visual identity and launching a new website. We did it to reach a wider audience with a clear and compelling message and properly represent the communities we work with so we can make sure we are here for families facing tough times for many years to come.

Since then, we've been putting the new brand to good use across our social media channels, website and print publications to really communicate the joy and hope of our work to a new audience. Over the year we've seen an 18% increase in the number of individual donors and have grown our audience on Facebook by 8.6%, Instagram by 57%, and LinkedIn by 34%

A key focus for us this year has been to encourage and support families to share the reasons they have been excluded from tourism, the tough times they face, and the difference having a holiday has made to them. As well as chatting to families 1-1, we travelled to visit one of our local referral partners in the Midlands to film moving and powerful interviews with several families who described the impact a holiday has had on them in their own words.

We're now regularly communicating the stories families generously share and our supporters have welcomed the chance to see how their donations have made a real and lasting impact and deepen their connection to our cause.



Throughout the year we've been testing different approaches to connecting with new audiences.

Over the summer we trialled a data-led digital lead generation advertising campaign with telephone conversion to a regular gift, lottery play or one-off gift. And towards the end of the year, we ran a geographically targeted advertising campaign featuring the charity on buses, in podcasts, and paid social media activity. We've learned a lot from these campaigns and will be refining our approach and building on this success as we move into 2023.

And in September we were thrilled to be recognised at the Third Sector Awards as the Winner in the highly competitive Brand Development category.

As a small charity with limited resources up against shortlisted entries from household names like The Scout Association and Mind, the win was a valued reflection of the team's hard work, the contribution of our supporters, referrers and families to the project, and the outstanding quality of the result.

GROWING SUPPORT

We owe our supporters, many of whom have been loyal to us for many years, a huge debt of gratitude for their ongoing support. We know, however, that to turn around a long-term trend of declining income we need to place our focus both on retaining their support and attracting new support so that we are here for families facing tough times for many years to come.

After the challenges of COVID, 2022 brought its own difficulties with a highly competitive funding environment influenced by the war in Ukraine and the squeeze on household finances and the cost-of-living crisis. Despite this challenging context our fundraised income, excluding government grants, grew by 17% in 2022 to £837k (2021: 717k).

At the start of the year, we launched a small charity lottery as a new way for donors to regularly support us. It took a while to get up and running but is now providing us with an attractive product for new regular donors with a low initial gift commitment that we will aim to grow over the coming 12 months.

Although across the sector events are not yet back up to pre-pandemic levels of engagement and support, we had our largest team of runners in the London Marathon this year with 45 taking part. This included a team of eight runners from across the travel sector who generated great coverage in travel media and engagement in the event.

Overall, we raised £60k from this event. We also offered a new event to our supporters, the Thames Path Ultra Challenge, with CEO Kat and Trustee John leading our team in a 100km walk from Fulham to Henley-On-Thames and raising a collective £6k through their efforts.



Working to build relationships both with trusts who have supported us historically and with new trusts and foundations whose aims align with our mission and vision has also been a priority. By reviewing our case for support and focusing squarely on the difference that supporting us makes to families, helped by the first-person stories and images families have shared with us, we've been able to communicate the impact in new and more powerful ways and seen income in this area grow by 63%.

Alongside trying lots of new things to reach new audiences we have also concentrated on our stewardship of existing donors. We've recognised the importance of getting the basics right to enhance our supporter journeys and have focussed on thanking and authentic, personalised communications.

Positive feedback from long-term donors and an increase of 37% in the average annual donation from regular gifts demonstrate the success of our approach.

WORKING SMARTER

Behind the scenes we continued our drive to reduce the amount of time our small but mighty staff team have to spend on administrative tasks and to turbo-charge their ability to deliver on our mission. It's not always glamorous but this year has seen us make a lot of small changes which together have made a huge difference.

Adopting a new electronic purchase request and expenses system has allowed us to set authorisation limits, hold our records in one place and streamline the invoicing and expenses process for staff. We've also improved our payment processes, introducing automated data transfer between our finance system and the bank, dramatically reducing the time it takes, and the room for error. Switching payroll providers has reduced our monthly costs and allowed us to integrate with our cloud-based HR system and introduce a secure online portal for two-way information exchange.

We've set up an offsite secure document and stock management facility which now allows us to catalogue, scan and securely store the records we need to retain, as well as storing supplies we use for events and supporter engagement like t-shirts, banners, and giant sunglasses (!) with a 24-hour recall facility.

And over the summer we started our digital development work, aiming to enhance the effectiveness of the whole organisation by investing in technology that supports and exploits operating in an increasingly digital environment. Our target is to select a platform and implement a new CRM, as well as defining the requirements for our service delivery and impact measurement and management functions, by summer 2023.



The family are spending more time with each other not hiding away in their bedrooms. Communication is better between family members.

The family have experienced severe trauma fleeing a war zone and this trip has brought them back together as a family and building on their feelings of safety and security.



SATURDAY NIGHT FEVER



After a gruelling few years of one challenge after another, for Maria it was a Saturday night at a caravan park clubhouse where she finally felt that she could be herself again.

"There was bingo on a scale that I've never experienced before," she laughs. Her eight-year-old daughter Lucy loved the entertainment laid on, and at the end of the evening they both hit the dance floor together.

Seeing them enjoying themselves like this, other people there that night might have thought that they didn't have a care in the world. But the reality couldn't be more different.

Some five years ago, at the age of 34, Lucy's dad had a completely unexpected cardiac arrest. Starved of oxygen for nearly twenty minutes, he suffered horrific brain damage. He's needed 24-hour nursing and medical care ever since and is a resident in a specialist hospital.

Overnight, Maria and Lucy's world was turned upside down and their life has never been the same again.

The fallout has been immense. Maria has had to come to terms with the loss of her partner and bring up her daughter alone. The worry of how to pay the bills and how they will manage in the future has all fallen on her shoulders.

Being plunged headlong into such a stressful situation took its toll and her own mental health has suffered as a result.

Not surprisingly, Lucy - who was only little when her dad's trauma occurred - has also been seriously impacted.

"She comes across as quite fiery and confident," Maria says of her daughter, "but her self-esteem can be a bit low and she can be anxious about things - for example she's always worrying something will happen to the people she loves."

So when a chance to leave their worries behind arose, Maria leapt at it, heading south to Parkdean Camber Sands on a weekend away with Family Holiday Charity.

Even just arriving at the caravan was huge fun. Everyone rushed to claim a bed, bursting into giggles when they discovered that their feet stuck out of the end of them! That sense of playfulness was something neither Maria nor Lucy had experienced in a very long time.

Mum and daughter both jumped at the opportunity to try everything that the caravan park had to offer. Together they braved the high wires. "Lucy and I absolutely loved it. It got my anxiety up quite a lot but the thrill of doing it was brilliant. And it gave her something that she felt she'd achieved so she felt really good about herself afterwards."

Keen to discover the local area, Maria took them off to nearby Dungeness where they spent the afternoon exploring the surreal and otherworldly beachscape.

"It's a crazy old place," she chuckles.

The seven-mile stretch of sandy beach right on their doorstep at Camber Sands was also a must. "It was windy and a bit damp, but we spent ages playing there, running in and out of the water, making shell patterns."

For Maria, the time away meant that for once she could relax knowing that everything had been organised for them. Back in London, her day-to-day life is governed by the constant need to plan and worry – whether about her daughter, her partner, the house or her own health and wellbeing. So some quality time spent with Lucy did her the world of good.

"You shouldn't underestimate how important these things are," she stresses. "Even two nights away makes quite a big difference. It's not only doing the fun things, it's the mental break that you get as well."

Maria had been starting to get her and Lucy back on their feet when the pandemic struck. This new setback brought its own series of problems. The hospital where Lucy's dad lives imposed strict restrictions on visitors and Lucy was unable to see him for almost a year.

According to Maria: "She didn't know what was going on, she thought that he was going to die." In the end, Maria had to threaten to take the hospital to court just so that Lucy could see her dad for 20 minutes in the garden.

The lockdowns were hard on both of them. Although they've both received counselling and have the support of family, they felt cut off from these networks and were becoming increasingly isolated.

The final straw came when a long hoped-for summer trip to Cornwall to see Maria's dad had to be cancelled when Lucy came down with Covid.



"That just broke us to be honest," Maria recalls.

So the caravan park holiday came at just the right moment. "We had such an awesome time. I feel like we made up for some of the things we missed out on over the summer and we were able to detach a bit from life." Replenished and temporarily rejuvenated, Maria now feels ready to tackle what life brings next.

WHAT DIDN'T GO SO WELL AND WHAT HAVE WE LEARNED?

It won't surprise anyone that some of the things we planned didn't work out as expected and we made some mistakes. We aren't beating ourselves up about these but using them to learn for the future. Here are some of the key things we are considering:

Responsiveness

The opportunity presented by significant government grant funding has been transformational for the charity. It required us to rapidly scale our operations to deliver more holidays to families in the first half of 2022 than we did in the whole of the previous year. We on-boarded new suppliers and implemented new ways of working, all whilst delivering to a tight deadline.

Inevitably this meant we learned as we went along and the pace and scale of change to our operating model was hard

for our staff team to cope with and tested our digital infrastructure to its limits. We employed a dedicated project manager to deliver the grant-funded work. But the highest demand on the team's time was in assessing applications and providing frontline customer service support given the number of families travelling in a short period.

We've used these learnings to restructure our Experiences and Impact team so it can scale more dynamically and effectively in response to future opportunities.

Digital development

Delivery of our digital development work to select a platform and implement a new CRM was originally scheduled to start in January but only got underway in the summer. This was an expected consequence of the decision to accept the significant grant funding from VisitEngland and the resourcing requirements of delivering that work in a short time scale.

Whilst we couldn't in good conscience refuse a grant which was so aligned to our mission and

which enabled us to positively impact so many families in 2022, the delay in the initiation of our digital development work has in turn delayed the expected realisation of its benefits - to put the charity on a more robust and sustainable footing for the long-term.

In 2023 we will need to make sure that the work progresses as planned and its benefits begin to be realised.

Recruitment

Like many charities we've found it hard to recruit to vacant positions this year. Despite recently reviewing and benchmarking our salary and benefits framework, and offering flexibility as standard, it took us 6 months to successfully recruit and onboard a new Events Fundraising Manager and we had two unsuccessful rounds of recruitment for both Individual Giving Fundraising Manager and Impact and Evaluation Manager roles.

We've had to be flexible in responding to these challenges, bringing in short term skilled resource to plug the gaps and deliver planned work broadly on schedule but this has been challenging and has contributed to protracted uncertainty. Going into 2023 we'll continue to monitor the sector trends and be open to working differently to achieve our goals.



WHAT'S NEXT FOR FAMILY HOLIDAY CHARITY?

Building on what went well and learning from what didn't go well, these are the areas we need to focus on next.

Having made such great strides in improving the experience for families and referrers, and streamlining our operating model we will now concentrate on increasing our impact. We'll be launching our updated Theory of Change in the early part of 2023 which will see the charity clearly setting out the connection between our activities and our impact goals to move forward with focus and purpose.

Embedding the Theory of Change into everything we do will open up new and exciting opportunities for us to deliver our mission. We'll be performing detailed analysis of the barriers to inclusion in tourism the families we support face – and we already know that these are not just financial. Following up with a series of focus groups to investigate in depth, we'll arm ourselves with a clear understanding and use this to extend our services beyond direct holiday delivery to find new ways to help families participate in tourism, and reach a wider audience than we could with our holidays alone.

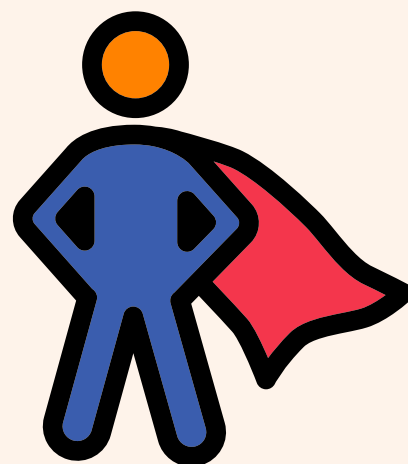
We'll also be ramping up our engagement with both the travel industry and government, whose support and actions are a fundamental part of facilitating inclusion in tourism for all families, sharing our insight and positioning the charity as a thought-leader and a recognised and respected voice on inclusion in travel.

By the middle of the year, we expect to have our new CRM up and running and our fundraising team will be using it to drive automation and personalisation in our supporter journeys, benefitting from improved access to joined up data across our finance and communications systems.

We'll then move on to the next phase of our digital development work which will focus on updating the system we use to manage applications and deliver holidays to families.

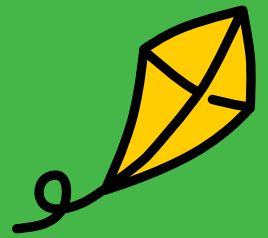
Our aim is to continue to improve the customer journey for referrers and families and to reflect the changes in our operating model in our core system so that it doesn't become a barrier to future development.

In fundraising we'll continue to focus on acquiring new donors with exciting plans to launch a new holiday twinning product aimed at engaging travel agents and their customers.





LETTING CHILDREN BE CHILDREN



Despite their age, Rosie, just 10, and her sister Ruby, 14, are both considered young carers. Their mum Rachael lives with a rare disorder called Fowler's syndrome as well as Agoraphobia and is housebound as a result.

"The condition has caused me to have depression and anxiety," Rachael explains. "I don't have the sensation to empty the bladder. I have a catheter which gets blocked which causes infection after infection. The girls support me if I need to leave the house for any reason."

So it's all hands on deck at home to keep everything running shipshape. "Being a young carer involves looking after mummy on a daily basis because she's very unwell," says Rosie.

Ruby – who herself sometimes uses a wheelchair because of mobility issues – adds: "We help do the washing and some meals when she can't get out of bed. I think caring for mum brings us closer in a way."

Financially, things are a bit of a struggle and a holiday away has just never been possible. Until recently, when the three were offered the chance of a lifetime to take a break for a few days along with Rosie and Ruby's grandad.

Encouraged by the girls, who were keen to explore somewhere new, Rachael summoned all her courage to head off to a Parkdean holiday resort in Great Yarmouth where the girls had an absolute ball.

As Rosie says irrepressibly: "I ate a lot of food. I tried American pancakes and I had chicken nuggets as well. And pasta. And meatballs. But not at the same time!" For Ruby, it was the ice slushies that won her over.

The sisters spent many happy moments in the arcades playing air hockey and Deal Or No Deal. They even won enough tickets to exchange them for a photo frame and "candy" as Rosie calls it.

After the stresses and strains of the past few years, Rachael was delighted to see her children just kicking back and letting go. "The holiday was a great opportunity to give them the chance to be kids not carers," she says.

"They don't want memories of me being ill all the time so it was an opportunity for us to be together, just somewhere where the atmosphere was different. The last few years have been hard on all of us. It's not nice for them to see me in and out of hospital."





A highlight for Rosie came when she got the chance to meet park characters Lizzie the lizard and Sid. She also adored the water slide and bouncing around in the swimming pool.

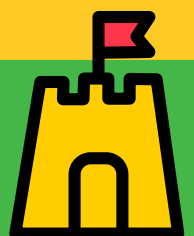
"It was amazing to be away," Rachael says with a broad smile. "It was a lovely site, the staff were so friendly and helpful."

"It was accessible too," Ruby chips in. "I have a wheelchair and there was a ramp to the caravan so it was easy to get up and down."

Her mum concludes: "It's so important to let your children be children because they work hard, they don't just go to school, they care 24/7. The fact that someone thought of us and put our name forward for a holiday was just amazing and I can't thank everyone enough."



The holiday was a great opportunity to give them the chance to be kids not carers.



GOVERNANCE REPORT: HOW WE STAY COMPLIANT WITH REGULATIONS

WHO WE ARE

Board of Trustees

Philippa leads the Board of Trustees. As Chair, she spends time getting to know the trustees on a personal and professional level. This enables her to draw their skills, knowledge and experience into meetings to enable active debate and engagement. She has regular meetings with the Chief Executive to build a close working relationship and ensure the strategy and actions agreed by the Board are implemented effectively.

PHILIPPA HARRIS CHAIR Re-appointed 26th April 2022	JACKIE KERSLAKE VICE CHAIR Appointed 9th July 2019	MARK SAXON TREASURER Re-appointed 26th April 2022
JOHN APPLEBY Re-appointed 27th May 2021	DAVID BURLING To 25th August 2022	JOHN DE VIAL To 15th December 2022
JULIE TUCKER Appointed 9th July 2019	CHARLIE HILLS Appointed 31st January 2022	INGRID BUSSELL Appointed 28th April 2022
JULIA LO-BUE SAID Appointed 30th May 2022		



Senior Leadership Team

As Chief Executive, Kat leads the Senior Leadership Team (SLT). She is responsible for putting the agreed strategy into action and for the day-to-day management of the charity. With support from the SLT, Kat is accountable for providing assurance to the Board on all aspects of the charity's performance.

KAT LEE
CHIEF EXECUTIVE

JAX SHAW
DIR. EXPERIENCES AND IMPACT

MAGS RIVETT
DIR. INCOME AND ENGAGEMENT

KATE HARRIS
DIR. FINANCE AND BUSINESS SUPPORT

Family Holiday Charity 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.

The Family Holiday Charity is governed by its Articles of Association as adopted on 30 November 2018.

Family Holiday Charity

7-14 Great Dover Street, London SE1 4YR

Registered Charity Number 800262 (England and Wales) and SC048203 (Scotland).

Registered Company Number 02301337

Trustees and SLT seek professional advice from:

Auditors

Price Bailey, 3rd Floor,
24 Old Bond Street, London
W1S 4AP

Bankers

Barclays Bank PLC, 89 Hatton
Garden, London EC1N 8DN

Legal advisers

Bates Wells, 10 Queen St
Place, London EC4R 1BE

Investment managers

HSBC Global Asset
Management (UK) Managers,
Sunderland SR43 4BF

Safeguarding adviser

Joanna Nicolas Ltd, c/o Stroud
Accountancy Edgehill, Gloucestershire,
England, GL6 7NY

REMUNERATION POLICY AND CEO PAY

Trustees approve the salary for our Chief Executive who then sets the pay framework for employed staff with support from the Nominations and Remuneration Committee.

On 1st January 2022 we implemented a new Remuneration Policy and pay framework, structured across eight distinct salary grades. These were benchmarked against similar charities in the London area. We chose to benchmark salaries against other London charities despite not requiring staff to attend our London office for more than 40% of their working hours because we wanted to compare favourably with other London charity employers. Salary bands will be reviewed at least every 3 years.

Our rewards package goes further than a salary: it includes pension provision, life assurance, and time off over the festive period for our people to spend with their loved ones. Trustees also put value in supporting the wellbeing of our people in recognition that work can be stressful and overwhelming at times. We provide an employee assistance programme which includes free counselling for our people when they need a little extra help.

Every new job created this year has been evaluated against a consistent and transparent framework by the SLT before being placed in a salary grade. Feedback from recruitment has indicated that the salaries on offer at the charity have been in line with candidate expectations.

The policy provides for pay progression for all staff not subject to formal performance or disciplinary action. Pay progression is

structured into 5 steps within each salary grade and provides an increase in salary of around 2.6% a year.

This annual increase is intended to allow for inflationary increases in the cost of living and recognition of the increased contribution staff make as their experience of their role and the charity grows.

However, 2022 has seen the most dramatic increase in the cost of living in 40 years and inflation of around 10% by year end. Immediately increasing pay in line with inflation is unfortunately not affordable for the charity and this does present us with risks for retention of existing staff and recruitment of new people. We have taken steps to mitigate these risks by removing the expectation for staff to travel into the London office until 31 March 2023 and awarding a one-off payment of £100 in the form of a voucher in December 2022.

We are proud to have gained accreditation as a Living Wage Employer by the Living Wage Foundation this year. This recognises that all our directly employed staff are paid at least the real living wage and demonstrates our commitment to fair treatment and remuneration which enables people to cover their costs.

As a result of implementing the new pay framework the charity's pay ratio has reduced from around 4:1 to roughly 3:1. This means in 2022 our highest paid employee, the Chief Executive, was paid £77,000, which is just over 3 times the lowest paid member of staff.

ORGANISATIONAL PURPOSE AND LEADERSHIP

Family Holiday Charity helps families get time away together, often for the first time ever.

We're here for children who have never seen the sea, for teenagers who can't remember when they last saw their mum smile. For parents having to choose between a day out and a new pair of school shoes. For young carers, kinship carers, families facing illness, isolation and bereavement.

Holidays open up new possibilities. There's time to reconnect, to try new things, and to make happy memories together. Time for running, playing, climbing trees and flying kites, time for picnics and bare feet. There's time enough to share a laugh and watch the tide come in - for buckets and spades and sandy sandwiches.

Once we find out what each family needs, we take care of all the details. That way families can take care of the most important thing - each other.

Families choose the holiday they need. It could be a caravan on the coast, a woodland adventure, or a day out at a museum. And whatever the weather, if it means time spent together, even a day's holiday helps build relationships, confidence and hope for the future.

Our purpose and strategy, which we finalised in March 2021, puts families at the heart of all we do and has continued to guide our progress throughout 2022.



IMPACT

Make a bigger difference to families

- Develop a balanced and sustainable income model
- Become a more resilient and flexible organisation
- Understand and increase our impact

QUALITY

Deliver a first-class experience

- Improve the holiday experience for families
- Improve the referral experience for referrers

DIALOGUE

Build more rewarding relationships

- Review and improve our brand
- Improve supporter experiences
- Collaborate with families, referrers and supporters



WE'VE MADE CONTINUOUS PROGRESS ACROSS OUR AREAS OF STRATEGIC FOCUS THIS YEAR.

HERE'S A SUMMARY OF WHAT WE'VE ACHIEVED:

IMPACT

Develop a balanced and sustainable income model

We've started to halt and turn around the decline in the charity's income with promising performance in several streams of income. For the first time we've received grant income from the UK and Scottish Governments.

Become a more resilient and flexible organisation

We've made big changes to our operating model by selling our caravans and partnering with a travel agent supplier, which enables us to flexibly scale our reach and respond to new priorities as they emerge.

Understand and increase our impact

We've generated rich insight into the difference we made to families by improving our collection and analysis of data, and using interviews and case studies to really understand the family and referrer perspective. We are now reviewing and developing our theory of change and impact measurement and management framework in consultation.

QUALITY

★ **Improve the break experience for families**

We've placed more choice and control over the holiday experience in the hands of families, sourcing accommodation from more suppliers than ever before, and reducing some of the barriers to families accepting our support by helping with food as well as travel costs.

★ **Improve the referral experience for referrers**

We've streamlined the experience for referrers by updating our application forms and partnering with suppliers to deliver travel and food grants directly to families as vouchers. We've made sure we have trained staff at the end of the phone to answer questions and offer support when they need us.

DIALOGUE



★ **Review and improve our brand**

We've changed our name and refreshed our brand and visual identity to more effectively communicate why we are here. Our new website provides referrers and supporters with a one-stop-shop for finding out about us and showcases the difference we make to families and the partners and supporters who make it happen.

★ **Improve supporter experiences**

We've focused on the basics by ensuring we properly thank our supporters and sharing high-quality information on the difference their support makes to families to connect them to our cause.

★ **Collaborate with families, referrers and supporters**

We've worked collaboratively with key referring organisations to ring-fence multiple spaces in our key projects for families in their network – giving them welcome certainty of available holidays for families meeting our referral criteria. We've also involved families and referrers in the development of our theory of change, running workshops and sharing surveys to validate the emerging approach and ensure it aligns with the experiences of our service users.



A GETAWAY TO EDINBURGH FUELS PAYTON'S TRAVEL BUG!



Nine-year-old Payton hasn't had much chance to travel, and like many children has found the last two years and many lockdowns lonely. So when Ellen - Payton's Great Aunt and Guardian - had the chance to go on a short break away through Family Holiday Charity, she jumped at it! Ellen and Payton didn't have to go far, just a couple of short train rides and they were in Edinburgh. A city Ellen hadn't visited for many years and a new destination for Payton.

Payton has faced significant change over her life. She was placed in foster care as a newborn baby, then in 2013 went to live permanently with her grandmother, Kathleen. In 2015 Ellen moved into the family home to care for her sister Kathleen, who sadly died in 2017. Before this time, Ellen adopted the main role of carer to Payton, and she has been providing her the stability and love that she's needed ever since.

More recently lockdown has been particularly tough and isolating. Ellen has ongoing health issues and is vulnerable to Covid, so the pair had to shield. It was a very anxious time but has Ellen always made sure that Payton's needs were met despite the challenges.

The holiday to Edinburgh came at a perfect time. Ellen and Payton are finally able to start to relax a little regarding Covid, and it was a chance for them to develop their already positive relationship together. A chance for them to step away from day-to-day life and just enjoy each other's company in a new environment.

Ellen says, "Payton was so excited before we went away. She kept asking, 'when are we going, Auntie?' She's not interested in animals so I knew the zoo was out, but I knew she wouldn't want to get out of the

hotel's swimming pool. We ended up going in every day - couldn't get her out!"

The trip was made more fun because Ellen was able to book with her cousin, who is also a kinship carer to two little girls. Both families were assessed by Family Holiday Charity and happened to be able to go together. Going on holiday together meant that Payton had company with her friends, and the traveling was easier for the grown-ups.

Now they have great memories together.

It was only a short break but both families packed as much as possible in. They had lots of fun visiting The Edinburgh Dungeon which was just on the right side of scary, played in the park for hours, and crammed in some shopping and a cheeky McDonalds. Payton loved the hotel, especially the pool and buffet breakfast, and now wants to know where they are going next!

Ellen says the break was really important, "It was great for Payton to have a change of scenery. Just exciting for her to get away and try something new. We couldn't have been luckier with the weather. It was a break we all needed and the main thing is we all enjoyed it so much. I'd tell other families to go for it!"

Ellen and Payton went on holiday for the first time courtesy of Family Holiday Charity, through the *ScotSpirit Holiday Voucher Scheme*. The project delivered short city breaks to families living in Scotland in partnership with Visit Scotland.



STATEMENT ON PUBLIC BENEFIT

The Board has complied with its duty to have due regard to the Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant and stayed true to the charity's 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.'

There were 6 Board meetings and 8 committee meetings across the year. Trustees' attendance was 100% in seven of the eight committee meetings, and at three of the six Board meetings.

They collaborated with staff on the initiation of the digital development work with the Chair and Treasurer representing the Board on the Digital Development Project Board governing this work. Trustees have also been part of working groups alongside staff to make focused progress on our fundraising and impact work.

They participated in workshops to review and develop the charity's theory of change, a full day of strategic planning and reflection,

safeguarding training both through online and facilitated sessions with our consultant, and recently commenced work to develop an ethical framework for investment and fundraising with support from an external consultant.

The Board of Trustees has two committees that support deeper conversation and scrutiny of issues. The committees have led on the recruitment of three new trustees and the assessment of learning and development needs amongst the Board, along with the review of Board performance. They have also regularly reviewed management accounts, policies and risk registers, and focused on understanding the origin of the endowment fund, progress on the execution of the estate of Ann Aschenagi of which the charity is a beneficiary and worked to understand the nature of the charity's relationship with the Lloyd Thomas Charity for Women and Girls.

The committees do not have approval powers; they discuss items and provide a summary for the Board to approve.

Our committees are:

Audit and Risk
Nominations and Remuneration

INTEGRITY

Safeguarding is a key trustee responsibility and this year Julie Tucker continued to act as Lead Trustee for Safeguarding meeting regularly with our Designated Safeguarding Lead, Jax Shaw.

Trustees completed the Local Authority's online safeguarding training and a bespoke training session with our retained consultant to improve their knowledge and understanding of their responsibilities. The Board receives an update on Safeguarding at every meeting, and a detailed report twice a year.

Staff and freelancers supporting us with family story capture attended in-person safeguarding training to ensure compliance with our policies and standards.

We received no reported concerns in 2022. This is an improvement on previous years and reflects the improvements we have made to our application assessment process which now better identifies and manages safeguarding risk, and the shift in our operating model away from caravan ownership to one where families access holidays in the same way as any other consumer.

Having disposed of our caravan assets, our health and safety processes for service delivery now focus on a due diligence approach to ensuring that the suppliers we work with have appropriate registration and certification to operate the service they offer.

We retain the support of external Health and Safety consultants who performed an annual inspection of our offices in the summer, producing a report and dashboard of actions we have systematically worked through alongside our landlords to ensure compliance.

We have reported no serious incidents to the Charity Commission (2021:0).

FUNDRAISING

Family Holiday Charity is registered with the Fundraising Regulator and adheres to the Fundraising Code of Practice. We employ a central team of professional fundraisers and commission the services of specialist consultants, for the purpose of raising money for the charity via contributions from members of the public, grant-making institutions, gifts in wills and companies.

This year as part of our focus on acquiring new supporters we launched a small charity lottery which is administered on our behalf by a third party. We also employed a telephone fundraising agency as part of a digital lead generation and conversion campaign.

For the 12 months to 31 December 2022, we received 10 complaints in relation to our fundraising activities (2021: 2). All complaints were resolved and, where necessary, have fed into process improvement plans.

Via written policies and training, our staff received guidance on safe and legal fundraising by third parties and at events, acceptance and refunding of donations and fundraising and vulnerable persons. We embedded principles for both safeguarding and permission when working with families, supporters and others who help with stories, photos, video and social media into our regular practice.

There have been no investigations into our fundraising practices or compliance issues raised by the Fundraising Regulator. Our complaints policy is available on our website and linked from our Fundraising Promise.



DECISION MAKING, RISK AND CONTROL

We continued to manage risk associated with our ability to raise funds, to deliver services and introduce new ways of working. Managing these risks has enabled us to become a more dynamic, responsive and outward-looking charity.

Principal risks to the charity managed in the year were:

Finance

Although we have halted the trend of declining income in 2022 there is still significant work to do to place the charity on a robust and sustainable footing for the long term. Grant funding has been short term and although projects have been delivered successfully and relationships with funders are positive the wider economic context and political instability have affected the likelihood of these grants being repeated.

We've made planned investments to support income generation and will continue to do so over the coming 2-3 years to achieve a balanced core operating budget by 2025. Operating a planned deficit budget holds inherent risk and we are managing this with careful monitoring of cashflow and expected return horizons.

People

As a small charity with a team of 12 we rely heavily on the knowledge, skills and experience of our employed staff to deliver our mission. Post-pandemic changes in the jobs market, along with the rising cost-of-living, have increased our people-related risks as we are challenged to keep up with rising salaries and changing expectations around employment.

We've responded with flexibility and a focus on our culture, alongside implementing the findings of our salary and benefits review, and this has supported us in retaining staff this year. However, the risks remain, and we will continue to manage them into 2023.

Technology

We recognise that some of our digital systems are not fit for purpose: they are out of date, hard to use, disconnected and lack functionality and technical support.

The Board has set aside money from our reserves to update and modernise the digital applications we rely on and this year we've started to make progress on this work. It will help join up our data, enable more efficient and effective working across fundraising, communications, finance and service delivery and strengthen our cyber security.



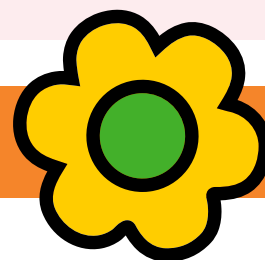
HOW DO WE MANAGE OUR PRINCIPAL RISKS?

Risks are managed across all levels of the charity. Trustees are accountable for the risks the charity takes. Strategic risks are considered by the Board at least every six months and by our Audit and Risk committee each quarter.

We monitor the ultimate impact of a risk and forecast how different actions can reduce the impact.

Annually the Board decides how much risk it is willing to take across several areas. This allows the Chief Executive to work within boundaries set by the trustees when making operational decisions and planning work.

BOARD EFFECTIVENESS



The Board of Trustees has up to 12 members led by the Chair of the Board.

All trustees are appointed through an open recruitment process. This year we welcomed three new members of the Trustee Board and said farewell to two trustees, David Burling at the end of the summer and John de Vial at the end of the year.

Both John and David are well known in the travel industry and our recruitment focused on replacing their skills and relationships, as well as adding valuable experience in marketing, communications and organisational development. Following recruitment we were thrilled to welcome three new trustees - Julia Lo-Bue Said, Charlie Hills and Ingrid Bussell.

The Board recognises a need to strengthen lived experience of not being able to access a holiday and increase diversity amongst our Trustees. Whilst the Board has valuable professional experience, the trustees do not originate from the full spectrum of the diverse communities we work with, and we recognise this needs to be addressed.

When trustees are recruited, we introduce them to the charity as a whole and help them form connections with our people. We make sure they know about their legal duties and check if they need any professional development to thrive in the role. Our Board makes the ultimate decisions on items such as budget, strategy and our values.

Our committees cannot agree things on behalf of the Board; they provide a platform for our Senior Leadership Team and trustees to discuss ideas in detail before recommending to the Board for approval. This gives an opportunity for reflection and review prior to a decision being made.

In line with the Charity Governance Code, we completed an external Board evaluation in 2020 and implemented most recommendations in 2021. We will continue to progress work on the findings of the review and take a continuous improvement approach. The Nominations and Remuneration Committee will review the need for further external review to assess progress during 2023.

EQUALITY, DIVERSITY AND INCLUSION



We believe every family has the right to enjoy time away from home together, whether they're able to do that under their own steam or need a bit of support. We think that time making memories is precious for every family regardless of race, age, gender, sexual orientation, faith and belief, disability, or current circumstance.

Every family should be included in the experience of having a holiday so they can try new things, meet new people, share a laugh and have fun. We want to live in a world which recognises our shared humanity and everyone's right to a fulfilling and enjoyable family life. It is vital that in everything Family Holiday Charity does, it walks that talk.

This year we improved our collection of demographic data on families who apply for our support, and this has generated some valuable insight. We know that poverty rates are highest amongst families with children¹ and financial barriers are an important factor in exclusion from tourism.

Looking at our data for 2022 we can also see that the families we support have more dependent children than the national average².

Number of dependent children	UK population	FHC supported families
1	24%	25%
2	48%	35%
3+	28%	40%

And that they are more likely to have Black or Multiple Ethnic heritage but less likely to have Asian or White ethnic heritage than the wider population of UK families³.

Ethnic group of 'head of family' or 'lead passenger'	UK population	FHC supported families
Missing Ethnicity	2.5%	1.46%
White¹	81.62%	78.69%
Mixed/Multiple Ethnic Groups²	1.08%	2.77%
Asian/Asian British³	8.52%	4.45%
Black/African/Caribbean/Black British⁴	4.15%	10.79%
Other Ethnic Group⁵	2.14%	1.84%

¹ Measuring-Poverty-2020-Web.pdf (socialmetricscommission.org.uk)

² Families and households - Office for National Statistics (ons.gov.uk)

³ Estimated number of parents in families with dependent children by ethnic group of the parent, UK, 2016 - Office for National Statistics (ons.gov.uk)

⁴ Child poverty facts and figures | CPAG

⁵ Child poverty facts and figures | CPAG

Notes

- 1 **White:** English/Welsh/Scottish/Northern Irish/British, Irish, Gypsy, Traveller or Irish Traveller, Any other White background
- 2 **Mixed/ Multiple ethnic groups:** White and Black Caribbean, White and Black African, White and Asian, Any other Mixed/ Multiple ethnic background
- 3 **Asian/ Asian British:** Indian, Pakistani, Bangladeshi, Chinese, Any other Asian background
- 4 **Black/ African/ Caribbean/ Black British:** African, Caribbean, Any other Black/ African/ Caribbean background
- 5 **Other ethnic group:** Arab, Any other ethnic group

This is perhaps unsurprising since children from Black and minority ethnic groups are more likely to be in poverty: 46 per cent are now in poverty, compared with 26 per cent of children in white British families⁴. And children in larger families are at a far greater risk of living in poverty – 47 per cent of children living in families with 3 or more children live in poverty⁵.

We plan to conduct further research to understand more about who is currently excluded from tourism and the barriers they face, including the intersectionality between poverty and diverse factors such as ethnicity, family size and disability, and to feed these insights into both our service delivery and our advocacy work in 2023.

OPENNESS AND
ACCOUNTABILITY



We engage and communicate with our extensive network of referrers, and the families they support, who feed into our work at an operational and strategic level. We strive to develop good relationships with all the relevant groups, organisations and individuals who have an interest in our charitable work.

The SLT represent the voice of our people to the Board, along with the findings of staff surveys on specific topics.

The Board has signed up to the Charity Governance Code and we have broken down this report into the headers of the Code. We are comfortable with our compliance with the Code and have highlighted areas to improve throughout the report. We will continue to listen, learn and improve.



Financial Review

FINANCIAL OVERVIEW

OUR INCOME

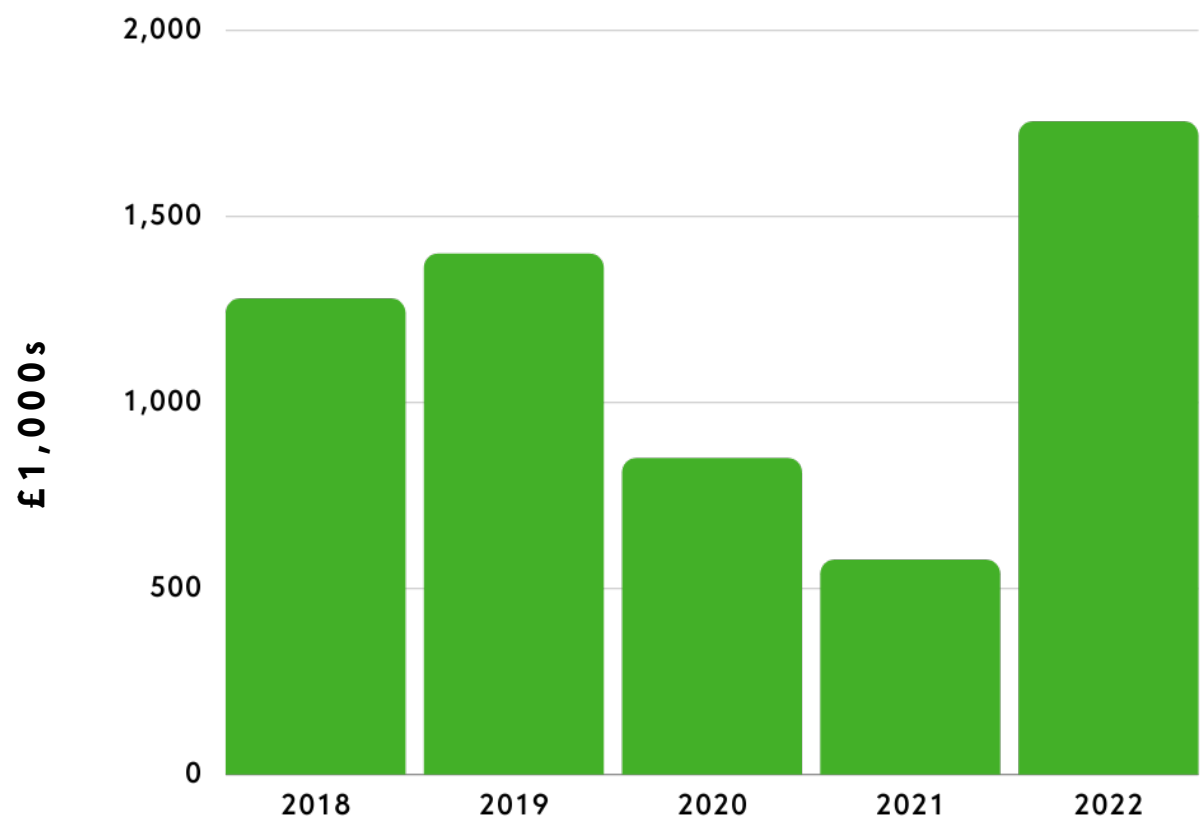
Family Holiday Charity receives almost all its income from voluntary donations. We owe our supporters, many of whom have been loyal to us for many years, a huge debt of gratitude for their ongoing support.

Despite this committed supporter base, when the unpredictable income from legacies is excluded, we have seen an underlying trend of decline that pre-dates the pandemic and its effects.

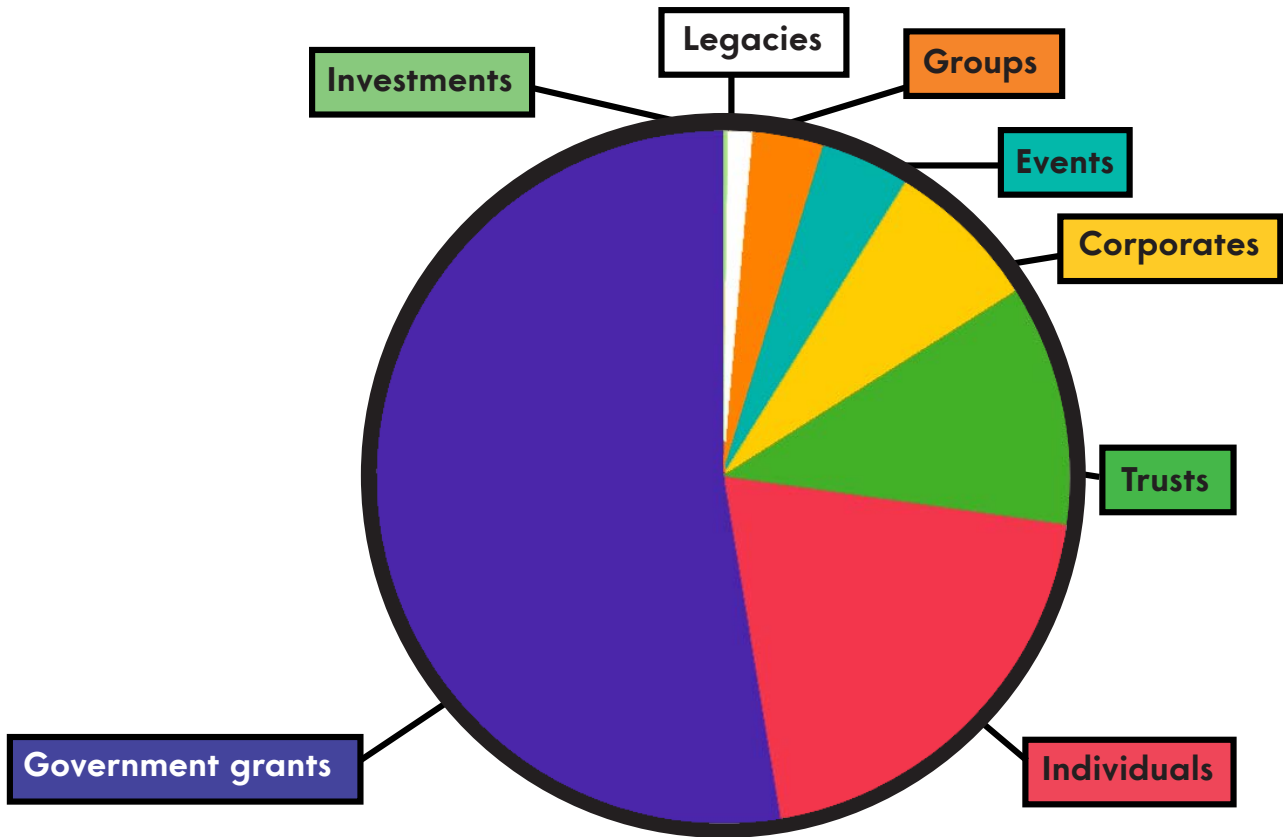
In 2022, however, we started to turn this trend around. With a focus on attracting new supporters, we increased our fundraised income by 17% against a backdrop of falling donations across the wider charity sector.

And, following several years of engagement and relationship building with officials in Scotland and England, for the first time we secured government grants in support of our core mission which totaled £934k. After successfully delivering on the ambitions of both of those projects we are in negotiation for a second round of grants with both funders to continue the work we started in 2022.

Income excluding legacies



With that as the context, our income for the year was significantly higher than the previous period with a 147% increase (2022: £1,775k, 2021: £720k).



In 2022 we generated income of £1,775k. This was from:

Donations and legacies | £836.8k

Legacies | £20.2k
Income from people leaving us gifts in their will.

Individual Donations | £357.7k
Income from our regular givers and one-off supporters.

Corporates | £127.2k
Income from our corporate partners and supporters.

Charitable trusts | £198.7k
Grants and donations from trusts and foundations.

Groups | £59.5k
Donations from local charities directed at supporting families in their area.

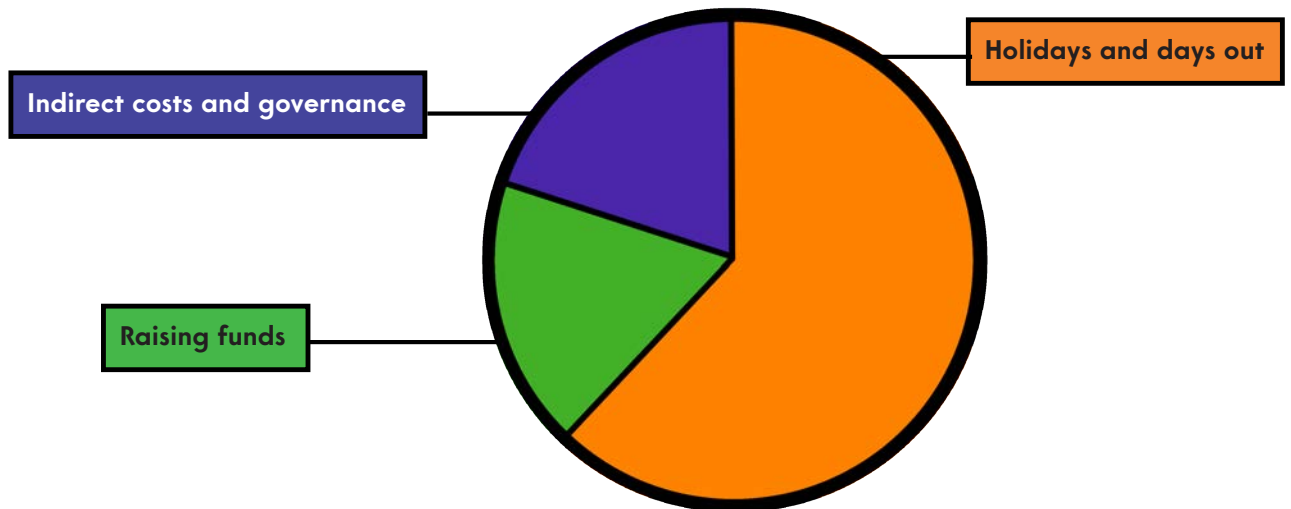
Events | £73.5k
Income raised mostly by participants in challenge events like the marathon.

Government grants | £934k
Income received from the UK and Scottish governments in grants.

Investment income | £4.2k
Income earned from bank interest and our investments.

OUR EXPENDITURE

In 2022 we spent £2,261k. This was spent on:



HOLIDAYS AND DAYS OUT | £1,403K

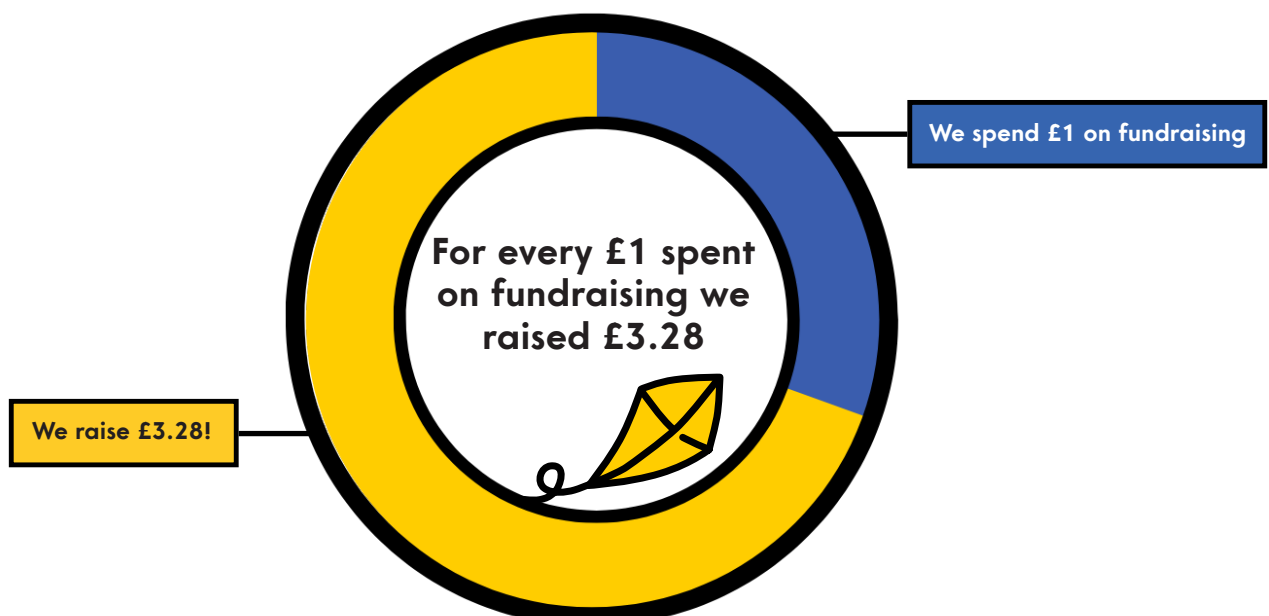
These are the costs involved in delivering our core services of holidays and days out for families. This includes the costs of accommodation, food and travel grants, our booking system and staff, maintaining our caravans prior to their sale and engaging with our referral network. It also includes the costs of research we undertake to improve our services and advocate for improving access to holidays for families.

RAISING FUNDS | £410K

These are the costs of our fundraising team and the activities they undertake such as running events, communicating with our supporters, developing our brand, and promoting our fundraising activities to current and potential supporters.

INDIRECT COSTS AND GOVERNANCE | £448K

These are the costs of running the charity including the pay costs of support staff in finance and business support, premises costs, IT and technology running costs, and costs of the governance of the organisation such as audit and other professional fees. These costs are allocated to the above categories in Note 7 of our accounts.



OUR FUNDS AND FINANCIAL HEALTH

We hold different types of reserves for different reasons: we hold restricted funds, where money is donated to us to spend on a specific activity, and we hold designated funds where we wish to take unrestricted funds to deliver significant or multi-year projects or commitments. Our unrestricted funds are primarily held to ensure we can continue to operate in a financially sustainable way, to protect us from having to make decisions that might damage the future of the charity if a financial risk materialises.

The total value of our funds at the end of December 2022 was £893k (2021: £1,394k).

These comprise:

General funds

These are the reserves remaining when restricted and designated reserves are excluded from the total amount.

At 31 December 2022 we had £368k of general funds (2021: £756k)

Designated funds

Designated funds are set aside by the trustees for a particular activity or investment. They represent our commitment to invest in areas we consider to be strategically or operationally important.

We have two designated funds.

These and their values at 31 December 2022 and prior year comparatives were:

Digital investment: £224k
(2021: £250k)

We have identified a need to modernise several of our systems to de-risk our operating environment and deliver significant improvements to our data capabilities.

This work has now started and costs in 2022 include some initial project management and review of the data assets held in our current supporter database.

Fixed assets: £19k
(2021: £172k)

This fund represents the value of the assets we use to help deliver and support our core activities. Its value has decreased significantly following the disposal of our caravan assets.

Restricted funds

Restricted funds represent amounts given to us and held for use in a particular activity as specified or agreed by donors. A breakdown of the purposes for which we hold these funds can be found in Note 21 of the accounts.

At 31 December 2022 we had £282k of restricted funds (2021: £215k).

Reserves Policy

The Trustees recognise the need to hold sufficient free reserves to ensure the protection of our core activities in the event of income shortfall. This has become particularly relevant for all charities post pandemic and in light of recent rises in inflation and the impact these have had in the sector.

Free reserves available for use by the charity are those that are readily available for application in the name of any or all of the charity's objectives. Namely our unrestricted funds less any fixed assets.

Our trustees have assessed the need for working capital and risks we believe we might face in terms of our income and expenditure. We have attributed values to these risks based on factors such as recent experience, scenario modelling, and benchmarking against similar

organisations in the sector, and future investment needed for delivery.

This has resulted in a target range for free reserves of between 30% and 50% of next year's budgeted expenditure.

Our reserves policy follows the best-practice approach as set out by the Charity Commission guide CC191.

Our total reserves were £1,394k at the start of 2022. We made planned investments in delivering our new strategy and turning around the decline in our income during the year and as a result the value of our total reserves has decreased to £893k at the end of 2022.

The year-end free reserves balance is 41% of 2023 budgeted spend which falls within our target range.

A rolling 3-year plan has been produced to provide oversight of planned movement in funds. The 2023 budget has been set with a planned deficit and we have forecast a year-end free reserves balance of 33% which would fall towards the lower end of our target range.

The deficit is planned to reduce further in 2024 and reach a breakeven point by 2025. This will provide the charity with a solid financial foundation to build on to ensure the future of the charity.

Regular monitoring of cashflow and preparation of forecasts throughout the year will support us to maintain the financial forward plan and the Audit and Risk Committee will monitor progress on a bi-monthly basis throughout the year.

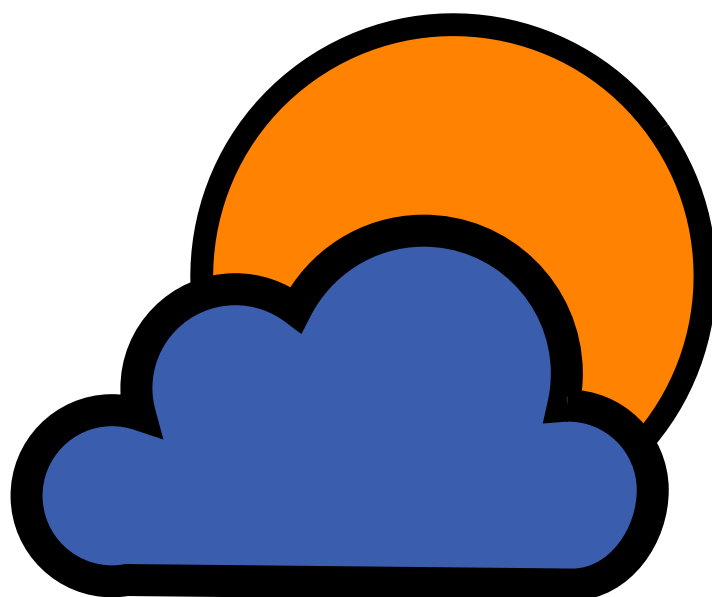
Financial Health

At 31 December 2022 we had net consolidated assets of £893k (2021: £1,394k).

The majority of our assets are liquid with a small portion held as investments (2022: £122k, 2021: £137k) and the majority as cash (2022: £748k, 2021: £1,103k) offset by creditors due within one year (£37k).

The trustees have reviewed the charity's financial position, free reserves balance and forecast, and income and expenditure expectations for the foreseeable future, and believe that the charity is well placed to manage its operational and financial risks.

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the accounts have been prepared on the basis that the charity is a going concern.



STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees are also Directors of Family Holiday Charity. For the purposes of company law, they are responsible for preparing the trustees' annual 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. These statements give a true and fair view of the state of affairs of the charitable company. They provide details of incoming resources and the application of resources, including the income and expenditure of the charitable company 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 Statement of Recommended Practice 2019 (FRS 102)
- 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 adequate 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

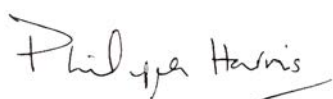
They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is 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 auditor is 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.

The Trustees' Annual Report, which includes the strategic report, has been approved by the Trustees on 27 April 2023 and signed on their behalf by:



Philippa Harris, Chair of Trustees

Date: 27 April 2023

Independent Auditors' Report to the Trustees of Family Holiday Charity

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF FAMILY HOLIDAY CHARITY

FOR THE YEAR ENDED 31 DECEMBER 2022

Opinion

We have audited the financial statements of Family Holiday Charity (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial activities, the Balance Sheet, The Statement of Cash Flows and 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) and the Charities SORP 2019.

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 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 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 charitable company 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 charitable company'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 trustees 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 the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 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 directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement on page 48, the trustees (who are also the directors of the charitable company for the purposes 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 charitable company'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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 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.

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:

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the sector in which it operates and considered the risk of the charitable company not complying with the relevant laws and regulations including fraud; in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting and tax legislation. In relation to the operations of the charitable company this included compliance with Companies Act 2006, Charities Commission, OSCR, employment law, health and safety and GDPR.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Review of legal fees incurred;
- Reviewing minutes of Trustee Board meetings;
- Agreeing the financial statement disclosures to underlying supporting documentation;
- Enquiring of management, including those charged with governance;
- Reviewing key accounting policies and estimates

To address the risk of management override of controls, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

We assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

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 a 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.

A further description of our responsibilities is available on the FRC's website at:
<https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>

This description forms part of our auditor's report.

Use of this 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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Cooper-Davis FCCA ACA (Senior Statutory Auditor)

for and on behalf of
Price Bailey LLP
Chartered Accountants
Statutory Auditors
24 Old Bond Street
London
W1S 4AP

Date: 27 April 2023

FAMILY HOLIDAY CHARITY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE PERIOD ENDED 31 DECEMBER 2022

	Notes	Unrestricted Funds 2022	Restricted Funds 2022	Endowment Funds 2022	Total 2022	Total 2021
Income and endowments						
Donations & legacies	2	560,430	1,210,299	-	1,770,729	717,107
Investments	3	4,194	-	-	4,194	2,444
Total income		564,624	1,210,299	-	1,774,923	719,551
Expenditure						
Raising funds	4	540,023	-	-	540,023	376,688
Charitable activities	5	570,109	1,150,994	-	1,721,103	928,608
Total expenditure		1,110,132	1,150,994	-	2,261,126	1,305,296
Net gain/(loss) on investment	12	-	-	(14,718)	(14,718)	6,700
Net movement in funds		(545,508)	59,305	(14,718)	(500,921)	(579,045)
Reconciliation of funds						
Total funds brought forward		1,178,056	78,271	137,181	1,393,508	1,972,553
Net movement in funds		(545,508)	59,305	(14,718)	(500,921)	(579,045)
Transfers		(21,881)	21,881	-	-	-
Total funds carried forward		610,667	159,457	122,463	892,587	1,393,508

The statement of financial activities includes all gains and losses recognised in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 57-73 form part of these financial statements

FAMILY HOLIDAY CHARITY BALANCE SHEET AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	11		19,043		172,697
Investments	12		122,463		137,181
			141,506		309,878
Current Assets					
Debtors	13	40,791		29,057	
Cash at bank and in hand		747,601		1,103,434	
		788,392		1,132,491	
Creditors: amounts falling due within one year	14	(37,311)		(48,861)	
Net current assets			751,081		1,083,630
Total net assets less current liabilities			892,587		1,393,508
Net assets			892,587		1,393,508
Charity funds					
Unrestricted funds			610,667		1,178,056
Restricted funds			159,457		78,271
Endowment funds			122,463		137,181
			892,587		1,393,508

The notes on pages 57-73 form part of these financial statements

Companies house number 02301337

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Trustees on 27 April 2023 and signed on their behalf by:



Mark Saxon
Treasurer

FAMILY HOLIDAY CHARITY

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2022

	Notes	2022	2021
Cash flows from operating activities			
Net cash used in operating activities	21	(504,376)	(479,261)
 Cash flows from investing activities			
Dividends, interests and rents from investments		4,194	2,444
Proceeds from the sale of tangible fixed assets		154,579	10,498
Purchase of tangible assets		(10,230)	(20,692)
Purchase of intangible fixed assets		-	-
Purchase of investments		-	-
Sale of investments		-	-
Net cash used in investing activities		148,543	(7,750)
 Net increase in cash and cash equivalents		(355,833)	(487,011)
 Cash and cash equivalents at the beginning of period		1,103,434	1,590,455
 Cash and cash equivalents at the end of the period		747,601	1,103,434

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

CHARITY INFORMATION

The Family Holiday Charity 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. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Family Holiday Charity is a private company limited by guarantee incorporated in England and Wales. The registered office is 7-14 Great Dover Street, London, SE1 4YR. The financial statements have been prepared in accordance with the Charities SORP

(FRS 102) 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), (Charities SORP (FRS 102)) the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes. The financial statements are presented in sterling which is the functional currency of the company and are rounded to the nearest £.

1.2 GOING CONCERN

The trustees consider that there are no material uncertainties about the FHC's ability to continue as a going concern. The Trustees have considered a period of at least 12 months from approval of the financial statements and have reviewed the financial position and financial forecasts, taking into account the levels of reserves and the systems of financial control and risk management. As a result of this review, the Trustees believe that they are well placed to manage operational and financial risks successfully.

1.3 CHARITABLE FUNDS

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes. Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements. The endowment fund is represented by long term investments, the income from which may be used for the charity's general purpose.

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

1.4 INCOMING RESOURCES

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

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or a distribution is received from the estate.

Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred.

Investment income is recognised on a receivable basis. Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1.5 RESOURCES EXPENDED

Liabilities are recognised as soon as there is a legal or constructive obligation committing the Trustees to the expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

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.

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

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 Trustees 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, all assets costing more than £500 are capitalised at their historical cost when purchased.

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

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

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year. Assets are reviewed for an indication of impairment at each balance sheet date.

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).

1.7 FIXED ASSET INVESTMENTS

Fixed asset investments are a form of basic financial instrument and are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date using the closing quoted market price. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

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.

1.9 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 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

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Fixed assets are recorded at depreciated historical cost. All other assets and liabilities are recorded at cost which is their fair value and investments are recorded at the closing market value.

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.

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

1.10 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.

1.11 RETIREMENT BENEFITS

The employees of the charity are entitled to join a defined contribution pension scheme. The pension cost charged in the accounts represent the contributions payable by the charity during the year and is disclosed in note 18.

1.12 OPERATING LEASES

Are recognised over the period of which the lease falls due.

1.13 TAXATION

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains applied exclusively to charitable purposes.

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

	Unrestricted Funds 2022	Restricted Funds 2022	Endowment Funds 2022	Total 2022	Total 2021
2 Donations and legacies					
Donations and gifts	540,203	1,210,299	-	1,750,502	573,169
Legacies receivable	20,227	-	-	20,227	143,938
Total	560,430	1,210,299	-	1,770,729	717,107

2021: Restricted: £188,446
Unrestricted: £528,661

	Unrestricted Funds 2022	Unrestricted Funds 2021
3 Investments		
Income from listed investments	1,258	984
Interest receivable	2,936	1,460
Total	4,194	2,444

	Unrestricted Funds 2022	Restricted Funds 2022
4 Raising funds		
Staging fundraising events	146,563	76,455
Staff costs	263,468	165,557
Support costs	129,992	134,676
Cost of generating voluntary income	540,023	376,688

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

5 Charitable activities	Direct activities cost 2022	Direct activities cost 2021
Staff costs	158,954	170,574
Depreciation and impairment	9,304	76,864
	<u>168,258</u>	<u>247,438</u>
Grant funding of activities	1,243,719	471,986
Share of support costs	292,482	188,546
Share of Governance costs	16,644	20,638
	<u>1,721,103</u>	<u>928,608</u>
Analysis by fund		
Unrestricted funds	570,109	715,692
Restricted funds	1,150,994	212,916
	<u>1,721,103</u>	<u>928,608</u>

Staff costs in notes 4 and 5 include employee costs from note 9 and temporary staff costs of £81,586 (2021 - nil)

	Direct activities costs 2022	Direct activities costs 2021
6 Grants payable		
Grants to institutions	-	-
Grants to individuals	1,243,719	471,986
	<u>1,243,719</u>	<u>471,986</u>

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

7	Support and Governance costs	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	Staff costs	291,580	-	291,580	165,557	-	165,557
	Establishment costs	97,001	-	97,001	125,547	-	125,547
	Printing, postage and stationery	4,131	-	4,131	4,107	-	4,107
	Subscriptions and donations	810	-	810	2,862	-	2,862
	Travel and subsistence	3,932	4,544	8,476	6,114	-	6,114
	Bank charges	2,690	-	2,690	5,600	-	5,600
	Depreciation	18,021	-	18,021	22,081	-	22,081
	(Profit)/loss on sale of fixed assets	(8,716)	-	(8,716)	(8,647)	-	(8,647)
	Legal and professional	13,025	-	13,025	-	11,338	11,338
	Auditor's remuneration	-	12,100	12,100	-	9,300	9,300
		422,474	16,644	439,118	323,222	20,638	343,860
Analysed between							
	Fundraising	129,992	-	129,992	134,676	-	134,676
	Charitable activities	292,482	16,644	309,126	188,546	20,638	209,184
		422,474	16,644	439,118	323,222	20,638	343,860

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. Trustees received expenses to the value of £4,544. (2021: £4,645).

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

9 Employees	Number 2022	Number 2021
Experience and Impact	5	3
Income and Engagement	4	5
Support	4	4
Total	<u>13</u>	<u>12</u>
Employment costs	2022	2021
Salaries	555,993	443,099
National insurance costs	54,461	40,407
Pension costs	21,962	18,182
Total	<u>632,416</u>	<u>501,688</u>

Key Management personnel

Total Key Management Personnel remuneration for 2022 £274,158 (2021: £268,726)

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

	2022	2021
£60,000 - £69,999	-	-
£70,000 - £79,999	1	1

£3,858 (2021: £3,500) was paid into a defined contribution pension scheme on behalf of the above higher paid employee.

The CEO and Directors are considered Key Management Personnel

Redundancy and settlement payments totalling £13,855 were made in the year (2021: none)

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

	Endowment fund 2022	Endowment fund 2021
10 Net gain/(loss) on investment		
Revaluation of investments	(14,718)	6,700

Net income/(expenditure) for the year

this is stated after charging:	2022	2021
- Depreciation	18,021	76,864
- Auditor remuneration	12,100	9,300
- Operating lease expenditure	46,191	45,521

11 Tangible fixed assets

Cost	Caravans	Office Equipment	Total
At 01.01.22	416,411	112,876	529,287
Additions	-	10,230	10,230
Disposals	(416,411)	(1,231)	(417,642)
At 31.12.22	-	121,875	121,875

Depreciation and impairment

At 01.01.22	266,965	89,625	356,590
Depreciation charged in the period	4,814	13,207	18,021
Removal in respect of disposal	(271,779)	-	(271,779)
At 31.12.22	-	102,832	102,832

Carrying amount

At 31.12.22	-	19,043	19,043
At 31.12.21	149,446	23,251	172,697

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

12 Investments

Unlisted investments

Cost or valuation

At 31.12.21 137,181

Valuation change (14,718)

At 31.12.22 122,463

13 Debtors

	2022	2021
Amounts falling due within one year		
Prepayments and accrued income	31,291	19,557
Other debtors	9,500	9,500
	<u>40,791</u>	<u>29,057</u>

14 Creditors

Amounts falling due within one year

Trade creditors	(1,573)	4,214
Accruals and deferred income	21,578	32,521
Taxation and social security	14,001	9,912
Other creditors	3,305	2,214
	<u>37,311</u>	<u>48,861</u>

Deferred income

£3,590 relates to income received in this period for an event in a future period London Marathon April 2023 (2022 - £500 LM)

	2022	2021
Balance brought forward	500	-
Released in year	-	-
Deferred in year	3,590	500
	<u>4,090</u>	<u>500</u>

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

15 Retirement benefit schemes

Defined contributions scheme

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 in the year in respect of defined contribution scheme was £21,962 (2021: £18,182)

There were no outstanding contributions payable to the pension fund at the balance sheet date (2021: £Nil)

16 Designated funds

The funds of the charity include the following designated funds which have been set aside from unrestricted funds by the Trustees for specific purposes

	Balance at 01.01.22	Incoming resources	Transfers	Balance at 31.12.22
Fixed asset fund	172,697	10,230	(163,884)	19,043
Digital investment fund	250,000	-	(25,768)	224,232
	422,697	10,230	(189,652)	243,275

Fixed asset fund - which equates to the amount shown on the top of the balance sheet as the carrying value of office equipment, allocating fixed assets to the designated fund means the amount in unrestricted funds more accurately represents available cash

Digital investment fund - are funds used for investment in a digital project to improved systems, operations and the digital offering

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

17 Analysis of net assets between funds

Fund balances at 31 December 2022	Unrestricted funds 2022	Restricted funds 2022	Endowment funds 2022	Total 2022	Unrestricted funds 2021	Restricted funds 2021	Endowment funds 2021	Total 2021
Tangible assets	19,043	-	-	19,043	172,697	-	-	172,697
Investments	-	-	122,463	122,463	-	-	137,181	137,181
Current assets/ (liabilities)	591,624	159,457	-	751,081	1,005,359	78,271	-	1,083,630
Provisions	-	-	-	-	-	-	-	-
	610,667	159,457	122,463	892,587	1,178,056	78,271	137,181	1,393,508

18 Funds analysis - current year

	Balance at 01.01.22	Income	Expenditure	Transfers	Gains / (Losses)	Balance at 31.12.22
	£	£	£	£	£	£
Unrestricted funds						
General funds	1,178,056	564,624	1,110,132	(21,881)	-	610,667
Total general funds	1,178,056	564,624	1,110,132	(21,881)	-	610,667
Restricted funds	78,271	1,210,299	1,150,994	21,881	-	159,457
Total restricted funds	78,271	1,210,299	1,150,994	21,881	-	159,457
Endowment funds	137,181	-	-	-	(14,718)	122,463
Total Endowment funds	137,181	-	-	-	(14,718)	122,463
Total funds	1,393,508	1,774,923	2,261,126	-	(14,718)	892,587

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

Funds analysis - prior year

	Balance at 01.01.21 £	Income £	Expenditure £	Transfers £	Gains / (Losses) £	Balance at 31.12.21 £
Unrestricted funds						
General funds	1,739,331	531,105	1,092,380	-	-	1,178,056
Total general funds	1,739,331	531,105	1,092,380	-	-	1,178,056
Restricted funds	102,741	188,446	212,916	-	-	78,271
Total restricted funds	102,741	188,446	212,916	-	-	78,271
Endowment funds	130,481	-	-	-	6,700	137,181
Total Endowment funds	130,481	-	-	-	6,700	137,181
Total funds	1,972,553	719,551	1,305,296	-	6,700	1,393,508

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

Restricted funds

Special Projects – These funds represent a grant/funds from individual funders listed below, in respect of providing holidays to families under specific conditions. (There are no unfulfilled conditions or contingencies relating to amounts recognised during the year.)

Fresh Leaf Charitable Foundation	Provides funding for holidays for families who have experienced domestic abuse
----------------------------------	--

All other funds are given with a restriction of providing holidays for families who live in a geographical area

Funder	Geographical condition
The Jarman Charitable Trust	Birmingham
Wilmcote Chariturst	Birmingham and Warwickshire
Charles S French Charitable Trust	Essex
The Eveson Trust	West Midlands
Sir James Reckitt Charity	Hull and East Yorkshire
The Joseph & Ann Slater Memorial Fund	Manchester
The Eagle Charity Trust	Manchester
The Pennycress Trust	Norfolk
R W Mann Trust	North Tyneside
Maud Elkington Charitable Trust	Northamptonshire & Leicestershire
The Rothley Trust	Northumberland
The Fifty Fund	Nottinghamshire
Sir John Priestman Charity Trust	Sunderland and County Durham
The 29th May 1961 Charitable Trust	Warwickshire, Birmingham and Coventry
Rotherham Holiday Aid	Rotherham
The Sheffield Family Holiday Fund	Sheffield
Ray Gravell & Friends Charitable Trust	West Wales
The Annie Tranmer Charitable Trust	Suffolk
The Wixamtree Trust	Bedfordshire
The Craig Charity for Children	Bradford
Sir John Sumner Trust	Oxfordshire
Hesslewood Children's Trust	East Yorkshire and North Lincolnshire
The W E Dunn Trust	West Midlands
Lord Austin Trust (Birmingham)	Birmingham
John James Bristol Foundation	Bristol
The Barnabas Charitable Trust	Manchester
The Paul Bassham Charitable Trust	Norfolk
York Common Good	York
CB & HH Taylor	Birmingham
Baron Davenport Charity	Birmingham and West Midlands
Ernest Klienwort Charitable Trust	Sussex

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

19 Operating lease commitments

	2022	2021
Within one year	9,500	12,667
Between two and five years	-	-
	<hr/> 9,500	<hr/> 12,667

20 Related party transactions

There were no disclosable related party transactions during the period (2021 - none)

21 Cash generated from operations

	2022	2021
(Deficit)/Surplus for the period	(500,921)	(579,045)
Adjustments for:		
Investment income recognised in SOFA	(4,194)	(2,444)
Gain on disposal of tangible fixed assets	(8,716)	(8,297)
Fair value gains and losses on investment	14,718	(6,700)
Depreciation and impairment of tangible fixed assets	18,021	76,864
Movement in working capital		
(Decrease)/Increase in debtors	(11,734)	104,486
(Decrease)/Increase in creditors	(11,550)	(45,625)
(Decrease)/Increase in provisions	-	(18,500)
	<hr/> (504,376)	<hr/> (479,261)
Cash generated from operations		

FAMILY HOLIDAY CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(CONTINUED)

22 Analysis of changes in net funds

The charity had no debt during the year

	31.12.21	Cash movement	31.12.22
Cash in hand	1,103,434	(355,833)	747,601
Total cash and cash equivalents	1,103,434	(355,833)	747,601

23 Contingent 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 released. As the legacy cannot be reliably measured an outstanding amount is not yet being recognised in the accounts.

24 Contingent liability

The Family Holiday Charity (FHC) is the sole trustee of The Lloyd Thomas Charity for Women and Girls, which has as one of its charitable purposes making grants to poor women and girls who are in need of rest or holiday to allow them to go on such rest/holiday. The FHC has historically received grants from this charity. During a review of this arrangement the trustees identified a need to consider whether when each of these grants was made the conflict of interest inherent in the FHC's position as sole trustee of the charity was properly considered and the restrictions in the use of the funds were properly communicated in the terms of the grants. The Charity obtained legal advice during the year and is in the process of arranging retiring as the Trustee.

THANK YOU

Our work over the last year would not have been possible without the kind support of a number of individuals, corporate partners, trusts and the generous donations left to us as legacies. We would like to thank the following:

CORPORATE SUPPORTERS

AITO
Britain Thinks
Canvas Holidays
Cape Cove
CLIA UK & Ireland
Eviivo
Heremastaete Limited
Host Unusual
Ice Travel Group
Inside Travel Group
Make My Day Ltd
Norfolk Fenders
Spear Travels
TIF Group
Titan Storage
Tui Care Foundation
Visit York

Vodafone
Worldwide Kids

LEGACIES

Mr T Edginton
Ms A R Lennon-Brown
Ms V A Spooner

LOCAL GROUPS

Sheffield Family Holiday Fund
Rotherham Holiday Aid
North London Friends

GRANT FUNDERS

VisitEngland and DCMS
Visit Scotland

TRUSTS AND FOUNDATIONS

Barnabas Trust
Baron Davenport's Charity
CB & HH Taylor 1984 Trust
Charles S French Charitable Trust
Davis-Rubens Charitable Trust
DM Charitable Trust
Ernest Klienwort Charitable Trust
ExPat Foundation
Finderman Charitable Trust
Glossop Family Trust
Hesslewood Children's Trust
Institute of Our Lady of Mercy
John James Bristol Foundation
Lord Austin Trust
Paragon Trust
Persula Foundation
Pitt-Rivers Charitable Trust
Sheldonia Charitable Trust
Sir John Priestman Charity Trust
Sir John Sumner's Trust
Squishy Charitable Trust
The 29th May 1961 Charitable Trust
The Bothwell Charitable Trust
The CMF Charitable Trust
The Craig Charity for Children
The Cuckoo Hill Trust

The Eagle Charity Trust
The Earmark Trust
The Edward Vinson 1957 Charity Settlement
The Eveson Trust
The Finderman Charitable Trust
The Fresh Leaf Charitable Foundation
The GM Morrison Charitable Trust
The Helianthus Charitable Trust
The Joseph and Ann Slater Memorial Fund
The Keith Coombs Trust
The Maud Elkington Charitable Trust
The May Gibson Charitable Trust
The Nagel Family Foundation
The Paget Trust
The Patrick & Helena Frost Foundation
The Paul Bassham Charitable Trust
The Penelope Gluckstein Trust
The Pintail Trust
The Rest-Harrow Trust
The Rothley Trust
The Sir Derek Greenaway Foundation
The Sir James Reckitt Charity
The Sir James Roll Charitable Trust
The W.E.D. Charitable Trust
Wilmcote Charitrust
York Common Good Trust



Family Holiday Charity

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