

**Company No: 2982937**  
**Registered Charity No: 1045025**

**FAMILY CARE TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REPORT AND FINANCIAL STATEMENTS**

**31 March 2018**

**COLLINS**

**CHARTERED ACCOUNTANTS**

**WEST MIDLANDS**

**FAMILY CARE TRUST**  
**(A Company Limited by Guarantee)**

**Company Information**

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**Trustees and Directors**

P Hughes - Chairman  
D Edwards  
K Llewellyn  
D Bowyer ( Resigned 31 March 2018)  
D Gamble  
S Radburn-Todd ( Resigned 20 Nov 2017)  
I Morgan (appointed 16 April 2018)  
R Purser (appointed 29 Jan 2018)  
R Look (appointed 16 April 2018)

**Secretary**

D Edwards

**Company number**

2982937

**Charity Registration number**

1045025

**Registered office**

6 Land Lane  
Marston Green  
Birmingham  
B37 7DE

**Auditors**

Collins  
The Lodge, Castle Bromwich Hall  
Chester Road  
Castle Bromwich  
West Midlands  
B36 9DE

**Bankers**

Lloyds Bank plc  
Solihull Business Centre  
PO Box 9363  
Birmingham  
B3 3ST

**FAMILY CARE TRUST**  
**(A Company Limited by Guarantee)**

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**FAMILY CARE TRUST**  
**(A Company Limited by Guarantee)**

**Report of the Trustee Directors**

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The Directors are pleased to present their report together with the financial statements of the Charity for the year ended 31 March 2018.

**Reference and administrative details**

Charity Number: 1045025

Company Number: 2982937

Principal Office: 6 Land Lane, Marston Green, Solihull, B37 7DE

Auditors Collins, The Lodge, Castle Bromwich Hall, Chester Road, Castle Bromwich, West Midlands, B36 9DE

Trustee Directors

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as "the Directors".

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

Chair	Mr Paul Hughes
Company Secretary:	Mr David Edwards
	Mr David Bowyer (Audit Committee) resigned 31/03/2018
	Mr David Gamble (Audit Committee) (Remuneration Committee)
	Mrs Katherine Llewellyn (Remuneration Committee)
	Mrs Susan Radburn-Todd (Remuneration Committee) resigned 20/11/2017
	Mr Richard Purser appointed 29/01/2018
	Mr Iain Morgan ( Audit Committee) appointed 16/04/2018
	Mr Roger Look appointed 16/04/2018

The Finance Manager throughout 2017/18 was Gary Neumann, and the Senior Learning Disabilities Manager throughout the same period was Daniel Adams.

**Structure, Governance and Management**

**Governing Document**

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

**Appointment of Directors**

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



**FAMILY CARE TRUST**  
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**Report of the Trustee Directors**

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**Director induction and training**

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

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

**Organisation**

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

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

**Related parties**

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

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

**Risk management**

The Directors have a risk management strategy that comprises:

1. An annual review of the operational and business risks the Charity may face;
2. Consideration of the major risks by Senior Managers on a regular basis;
3. Measures to mitigate those risks are in place
4. The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise:
5. Internal audits, which are undertaken throughout the organisation to verify quality and procedural adherence.



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**Report of Trustee Directors**

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This work has identified few new risks, but the outcome of each review is incorporated into the operational plans of the charity. It has been acknowledged that the difficult financial climate and the increased potential of some risks being realised needed to be reflected in the focus of Board meetings and changes that have been implemented during 2017/18 including significant restructuring and rationalisation. Additionally, policies and procedures are regularly reviewed in order to manage risks.

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

**Objectives and activities**

Principal objective of the Charity is:

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

The Charity has the general aim of improving the quality of life of people who receive it's services.

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

The Charity delivers public benefit by providing relief to those in need through ill-health and/or disability. At March 2018 care was carried out to 195 service users of the Charity. The reduction from 2016/17 represents the effect of losing the Care at Home Tender early in 2017. The Directors are satisfied that they have met the requirements to report on how the Charity delivers public benefit.

In 2017/18 the Family Care Trust's main operational objectives and targets were:

- Further reduce dependence on public funding to ensure the financial viability of the Trust by competing more robustly to further increase the percentage of private income (non-local authority/non NHS income). There is evidence of private client income increasing at our day centre for dementia and memory problems, and for our community support service. The Trust has also secured additional gardening contracts, and the wedding operations are growing in strength.
- Continually review the services that we provide to the local authority and NHS to ensure their financial viability, and to offer new services which are publicly funded where the funding is at a level to maintain a quality service. At the time of writing this report (September 2018) the Charity is on course to meet this objective.



**Report of the Trustee**

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**Objectives and activities - continued**

- Develop Newlands Bishop Farm as a community facility to increase income streams and opportunities for increased numbers of project workers. The Farm has increased the number of project workers at the farm during the financial year, and had a successful summer holding weddings at the same venue. Further work to develop non care income streams included the selling of Christmas trees, hanging baskets, and hosting corporate events in the café facilities.
- To value and support all employees and to ensure that they are properly trained to deliver a quality service and to meet all regulatory requirements – the organisation's focus on training has shifted from the traditional face-to-face training environment to a more e-learning based delivery method.
- To engage with all stakeholders to ensure that we are providing the service that they require. The Trust has made good progress during the financial year, with minor improvements to be made in the next financial year.
- To improve the financial position of the Charity, by improving revenues across all business streams and cutting cost where appropriate. The Trust has secured financial recovery during the 2017/18 financial year. The objective is now to build on this in 2018/19 to allow the board to evaluate options for growth with the local community in mind as beneficiaries.
- To raise the profile of the Trust across Solihull and beyond where appropriate; to ensure that potential service users know of its existence and are aware of the services it provides. Marketing efforts have been focused on Google advertising and strategic placements of leaflets. Evidence suggests this had a positive benefit for all the Trust's services.
- To engage in a Trustee recruitment drive to add to the current skillset of the board and to develop a Trustee toolkit to assist in the induction and development of Trustees, which had not been achieved due to other priorities. The Trust was successful in adding 1 new Trustee onto the board in the financial year, and another 2 shortly after the financial year end. Those joining have widened the overall skill set of the board.
- To identify and recruit ambassadors and patrons to the charity to assist in raising its profile and raising funds – this objective continues to be on hold due to capacity being spent in ongoing negotiations with SMBC on at least one contracted service the Trust provides.
- To become GDPR compliant ahead of the regulatory start date of 25th May 2018. Most preparations had been made by the financial year end. At the time of writing (September 2018), the Trust is now GDPR compliant for clients and staff.
- Obtain a 'Good' CQC inspection rating, following disappointment in previous inspections. This took place during August 2018, with the Trust securing an overall rating of 'Good', and a rating of 'Good' in four out of five areas of focus .



**Report of the Trustee Directors**

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**Objectives and activities - continued**

The position of day centres in the strategy of social care in Solihull remains under review by the Council (SMBC) due to further budgetary constraints. Further required savings are required from providers so new models of provision are being considered but the pressures remain considerable. There is increasing evidence of personal budgets set to become the 'norm'. This turns a service user into a customer, and is designed to make care providers compete with each other to limit care cost inflation.

The Charity has recovered well from the loss of the 'Care at Home' tender in early 2017. Council clients are not taken on unless the price fits within the Trust's business model. Negotiations for the renewal of the Dasset Road contract are ongoing, and therefore there is a risk of wider consequences for the Community Support business unit. The directors are hopeful of a solution that is acceptable for SMBC and provides the charity with medium term sustainability in providing the service.

The Befriending Service continues to be led by a part time member of staff, with the number of service users relatively constant during the financial year. The service is now based at the Ashram centre in Chelmsley Wood, free of rental charges to the Charity. This is a break even service for the Charity, but is rewarding in terms of how many with mental health problems the service reaches out to.

The Senior Management Team has adjusted well to the loss of two members of the team in May 2017. They have ensured the immediate financial recovery of the Charity, and have provided a platform to grow in future years. The focus is now on developing our current services, modifying business unit models to match market conditions.

Newlands Bishop Farm supports people with disabilities to gain independent living skills including preparing them for possible placement into employment. The Farm receives its income from direct payments following renegotiation of previous contractual arrangements with Solihull MBC. The Farm has continued to develop a partnership with Birmingham Metropolitan College, whose tutors attend the Farm, delivering IT, numeracy and basic language skills courses to those who attend the project. The development plan aims to develop the Farm as a visitor attraction over the next three to five years. The development plan has a number of phases and phase one is expected to be completed in 2018/19. Planning permission was also obtained for the buildings that are central to the development of phases two and three. The Farm has also started to gain an excellent reputation as an alternative wedding reception venue, with bookings now as far ahead as 2020/21.



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**Report of the Trustee Directors**

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**Achievement and Performance**

The Charity has put itself on a sound financial position during the year, with all services currently sustainable. Care is provided to those with learning disabilities, mental health conditions, and memory problems such as dementia within a financially sustainable model. Cashflow is steadily improving, and looks set to continue into 2018/19.

Both Newlands Bishop Farm and Community Gardening Services have continued to increase their income, surpassing the income targets set. Income streams have become more varied, ranging from plant sales through to hosting wedding receptions

Blanning day centre performed well during the financial year overall, but suffered from a loss of frail clients during the winter of 2017. The centre is now break even, and it is expected client numbers will improve during the summer of 2018.

Community Support services are performing well. There are less empty flats at the Dasset Road property, and the private client income rose steadily during 2017/18. This has resulted in a financially viable service. The only key risk remaining is the negotiation of the Dasset Road contract with SMBC.

Head Office cost reductions have allowed the Charity to improve its profit margins, with more cost effective contracts coming into effect during 2017/18. This has had positive consequences for the Charity as a whole during the financial year.

**Financial review**

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

In 2017/18 income was almost 15% down on 2016/17 primarily due to the loss of the 'Care at Home' tender early in 2017, causing a material drop in income. However, expenditure in the same period fell by nearly 31% following a restructure of both staffing and services between March 2017 and May 2017, with the redundancy costs accrued for in the 2016/17 financial year. This resulted in a net surplus of £150k in 2017/18 compared to a net deficit of £187k in 2016/17.

Donations and grants of £35,214 were received. This is marginally less than last year. Nevertheless all donations are gratefully received and our thanks go out to all those individuals and organisations that have been kind enough to donate either funds or time to the Family Care Trust.

**Investment policy**

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

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



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**Report of the Trustee Directors**

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**Reserves policy**

The Directors have established a policy on the level of free reserves that the Charity ought to have. The Directors aim to hold free reserves equal to at least six weeks of budgeted operating costs, but with additional funds to cover any winding up expenses for individual projects. The actual reserves for short term use at 31 March 2018 were £157,016, and in 2017 were (£19,667). This is due to a substantial improvement in profitability following a restructure of staffing and services at the start of the financial year. In calculating the short term reserve the Directors have excluded from total funds the restricted income funds of £2,908 and tangible fixed assets of £886,366. Six weeks of operating costs would amount to approximately £150,000 and reserves held as cash are now at a minimum acceptable level. Improving reserves remains an important objective, and evidence year to date (August 2018) shows the level of cash has strengthened since year end. The directors are satisfied that the liquidity of operational fixed assets provides further security given the overall balance sheet.

**Plans for future periods**

The EU referendum result is still causing uncertainty as at the end of 2017/18. If the UK and EU are not able to negotiate a mutually acceptable arrangement the UK Government may have to impose further financial constraints on local authorities which will be passed onto service providers. The Trust will remain vigilant to external factors and respond as appropriate. During the financial year all business units have developed in both income and surplus margins. This puts the charity in a good position to withstand the risks a 'no deal' Brexit or 'Brexit in name only - BRINO' scenario could present.

The previously devised marketing strategy will be implemented as appropriate and as finances allow. The emphasis will be to attract private fee payers to the organisation.

It is anticipated that Newlands Bishop Farm will develop as a visitor attraction but at a pace that does not detract from its primary purpose as a training and education centre for people with learning disabilities.

The cost of delivering services continues to rise. Operations and suppliers are regularly reviewed to ensure that they are effective and that value for money is obtained. Managers and staff are very aware of the need to control costs and proper management accounts are supplied to the departments for detailed analysis

In 2018/19 the Family Care Trust's main objectives and targets are as follows:

- Further investment into staff training to ensure the staff feel valued, a high quality of service and all regulatory requirements are met.
- Strengthen cash reserves in order to give the Trustees flexibility in how this will benefit the local community.
- Maintain a 'Good' rating with the CQC, with the next scheduled inspection scheduled to take place in 2020.
- Relocate the Head Office to Newlands Bishop Farm, and benefitting from the cost efficiencies resulting from that
- Improve the IT infrastructure of the Charity
- Complete 'phase 1' at Newlands Bishop Farm, which is a new garage to be built on the site.
- Improve private client income in all business units, making the Charity less reliant on local authority funding streams.



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**Report of the Trustee Directors**

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**Directors' responsibilities in relation to the financial statements**

Company law requires the Directors to prepare financial statements that give a true and fair view of the state of affairs of the Charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the Directors are required to:

1. Select suitable accounting policies and then apply them consistently;
2. Make sound judgements and estimates that are reasonable and prudent; and
3. Prepare the financial statements on the going concern basis unless it is not appropriate to presume that the Charity will continue in business.

The Directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enables them to ensure that the financial statements comply with the Companies Act 2006. The Directors are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Statement of disclosure to auditors**

In accordance with company law, as the company's directors, we certify that:

1. so far as we are aware, there is no relevant audit information of which the company's auditors are unaware: and
2. as the Directors of the Charity we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

**Auditors**

A resolution will be proposed at the Annual General Meeting that Collins be re-appointed as Auditors.

By order of the Trustees

  
P Hughes (Chairman)

Date: 17 September 2018



**Report of the Auditors**

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**TO THE TRUSTEES OF FAMILY CARE TRUST**

We have audited the financial statements of Family Care Trust for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "the Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

**Respective responsibilities of trustee directors and auditors**

As explained more fully in the Trustee Directors' Responsibilities Statement set out on page 8, the trustee directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and that it is appropriate for them to be prepared on a going concern basis. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustee directors; and the overall presentation of the financial statements. In addition, we read all the financial and non financial information in the trustees annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2018 and of its deficit 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.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustee Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

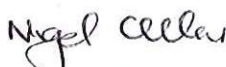
**Matters on which we are required to report by exception**

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

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

The Lodge  
Castle Bromwich Hall  
Chester Road  
Castle Bromwich  
West Midlands  
B36 9DE

Date: 17 September 2018

  
Nigel Collins FCA  
(Senior Statutory Auditor)  
for and on behalf of Collins  
Statutory Auditor



**FAMILY CARE TRUST**  
**(A Company Limited by Guarantee)**

**Statement of Financial Activities**

**For the year ended 31 March 2018**

		2018			2018 Total £	2017 Total £
		Restricted capital funds £	Restricted income funds £	Unrestricted funds £		
<b>Incoming resources</b>						
Donations and grants	2	16,890	9,810	8,514	35,214	35,458
Income from activities for generating funds:	3	-	-	148,764	148,764	97,620
Income from charitable activities	4	-	-	1,300,439	1,300,439	1,602,960
Investment income	5	-	-	2	2	3,951
		<b>16,890</b>	<b>9,810</b>	<b>1,457,719</b>	<b>1,484,419</b>	<b>1,739,989</b>
<b>Outgoing resources</b>	6					
Cost of generating fund:		-	6,902	4,689	11,591	23,997
Expenditure on charitable activities		34,918	-	1,259,701	1,294,619	1,848,640
Exceptional costs		-	-	27,430	27,430	54,800
		<b>34,918</b>	<b>6,902</b>	<b>1,291,820</b>	<b>1,333,640</b>	<b>1,927,437</b>
<b>Net</b>		<b>(18,028)</b>	<b>2,908</b>	<b>165,899</b>	<b>150,779</b>	<b>(187,448)</b>
Transfers		(19,450)	-	19,450	-	
Provision for pension fund deficit		-	-	-	-	89,050
Funds b/f		424,053	-	471,458	895,511	993,909
<b>Funds c/f</b>		<b>386,575</b>	<b>2,908</b>	<b>656,807</b>	<b>1,046,290</b>	<b>895,511</b>

The notes on pages 12 to 21 form part of these financial statements.

**FAMILY CARE TRUST**  
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**Balance sheet**

**As at 31 March 2018**

		<b>2018</b>		<b>2017</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>					
Tangible assets	10		886,366		915,178
<b>Current assets</b>					
Debtors	11	159,294		117,827	
Cash at bank and in hand		158,129		129,028	
		<u>317,423</u>		<u>246,855</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>115,749</u>		<u>200,272</u>	
<b>Net current assets</b>			201,674		46,583
<b>Creditors: amounts falling due after more than one year</b>					
Pension fund settlement	17		(41,750)		(66,250)
<b>Net assets</b>			<u>1,046,290</u>		<u>895,511</u>
<b>Unrestricted funds</b>					
General funds	15		656,807		471,458
<b>Restricted funds</b>					
Capital	15	386,575		424,053	
Income		<u>2,908</u>		<u>-</u>	
			<u>389,483</u>		<u>424,053</u>
			<u>1,046,290</u>		<u>895,511</u>

The financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies regime.

The financial statements were approved by the board on 17 September 2018

On behalf of the board

**P Hughes**



**Directors**

**I Morgan**



The notes on pages 12 to 21 form part of these financial statements.



**FAMILY CARE TRUST**  
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**Notes to the Financial Statements**

**As at 31 March 2018**

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**1 Accounting Policies**

**Basis of Preparation**

These financial statements are prepared under the historical cost convention. They follow the recommendations in 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) and the Companies Act 2006.

Family Care Trust 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 note(s)

**Income**

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

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

**Tangible fixed assets**

Freehold land is not depreciated. Depreciation is provided on all other tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Freehold buildings and property improvements	- 2% and 5% straight line basis
Leasehold property	- 1.25% straight line basis
Farm Equipment	- 20% straight line basis
Computer equipment	- 25% straight line basis
Furniture and equipment	- 25% straight line basis
Motor vehicles	- 25% of net book value and 10% straight line

**Leases**

Rentals paid under operating leases are charged to the Statement of Financial Activities as incurred.

**Pension costs**

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

**Expenditure**

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

**Designated funds**

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

**Restricted funds**

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

**Capital funds**

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

**Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

## Notes to the Financial Statements (continued)

As at 31 March 2018

**2 Donations and grants**

	Restricted funds £	Unrestricted Funds £	Total 2018 £	Total 2017 £
Lilly C Johnson trust	10,000	-	10,000	2,000
ESC Lottery	9,810	-	9,810	8,260
Befriending	-	-	-	17,112
Woodside Joinery	6,250		6,250	-
Other	640	8,514	9,154	8,086
	<u>26,700</u>	<u>8,514</u>	<u>35,214</u>	<u>35,458</u>

**3 Income from activities for generating funds**

	Restricted funds £	Unrestricted Funds £	Total 2018 £	2017 £
Farm trading income	-	142,449	142,449	84,337
Fundraising income	-	6,315	6,315	13,283
	<u>-</u>	<u>148,764</u>	<u>148,764</u>	<u>97,620</u>

**4 Income from charitable activities**

	Unrestricted Funds £	2017 £
Respite care:		
Local Authority funded	-	96,579
Privately funded	-	28,180
Community and Day Care:		
Local Authority funded	822,672	1,083,520
Privately funded	477,767	394,681
	<u>1,300,439</u>	<u>1,602,960</u>

**5 Investment income**

	Unrestricted Funds £	2017 £
Rental income	-	3,940
Interest received	2	11
	<u>2</u>	<u>3,951</u>



**FAMILY CARE TRUST**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements (continued)**

**As at 31 March 2018**

**6 Total expenditure**

	Cost of generating funds	Charitable activities	Exceptional costs	2018 Total	2017 Total
	£	£	£	£	£
Staff costs	-	842,240	27,430	869,670	1,352,958
Direct costs	6,902	103,388	-	110,290	91,034
Property costs	-	87,598	-	87,598	130,790
Other costs	4,689	176,271	-	180,960	281,675
Depreciation	-	85,122	-	85,122	70,980
	<u>11,591</u>	<u>1,294,619</u>	<u>27,430</u>	<u>1,333,640</u>	<u>1,927,437</u>

**7 Net incoming resources for the year**

	2018 £	2017 £
Depreciation - owned assets	85,122	70,980
Indemnity insurance	1,597	2,812
Operating lease rentals - property	-	24,086
- others	2,248	3,196
Auditors' remuneration - audit services	6,485	7,430

Trustees received £247 (2017 - £291) of expenses during the year.

**8 Staff costs and numbers**

	2018 £	2017 £
<b>Staff costs:</b>		
Wages and salaries	791,038	1,184,469
Staff redundancy costs	-	54,800
Social security costs	53,261	77,597
Pension costs	25,371	36,092
	<u>869,670</u>	<u>1,352,958</u>

The average number of employees during the year, analysed by function, was as follows:

	2018		2017	
	Full time equivalent No	Relief No	Full time equivalent No	Relief No
Day centres	10	-	10	-
Home support	9	1	20	3
Respite	-	-	9	-
Management and administration	4	-	4	-
Farm	15	-	12	-
	<u>38</u>	<u>1</u>	<u>55</u>	<u>3</u>

**FAMILY CARE TRUST**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements (continued)**

**As at 31 March 2018**

**9 Taxation**

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

**10 Tangible fixed assets**

	Freehold Land & building £	Leasehold Land and buildings £	Farm equipment £	Motor Vehicles £	Computer Equipment £	Furniture & Equipment £	Total £
<b>Cost</b>							
At 31 March 2017	788,775	184,160	90,754	237,823	10,044	159,879	1,471,435
Additions	6,807	-	3,140	43,237	2,226	1,500	56,910
Disposals	-	-	-	(103,500)	(3,493)	-	(106,993)
At 31 March 2018	795,582	184,160	93,894	177,560	8,777	161,379	1,421,352
<b>Depreciation</b>							
At 31 March 2017	104,996	74,057	71,232	197,379	8,870	99,723	556,257
Charge for the year	20,141	2,302	11,699	12,855	1,730	36,995	85,722
Eliminated on disposals	-	-	-	(103,500)	(3,493)	-	(106,993)
At 31 March 2018	125,137	76,359	82,931	106,734	7,107	136,718	534,986
<b>Net book value</b>							
At 31 March 2018	670,445	107,801	10,963	70,826	1,670	24,661	886,366
At 31 March 2017	683,779	110,103	19,522	40,444	1,174	60,156	915,178



**FAMILY CARE TRUST**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements (continued)**

**As at 31 March 2018**

<b>11 Debtors</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade debtors	147,830	104,266
Prepayments	11,464	13,561
	<b><u>159,294</u></b>	<b><u>117,827</u></b>
<b>12 Creditors: amounts falling due within one year</b>		
	<b>£</b>	<b>£</b>
Trade creditors	18,374	23,750
Other creditors	10,349	10,839
Other tax and social security	14,101	15,589
Accruals	52,925	81,369
Pension fund settlement (due within 1 year)	20,000	68,725
	<b><u>115,749</u></b>	<b><u>200,272</u></b>

**13 Obligations under operating leases**

**Operating leases**

At 31 March 2018 the company had total commitments under non-cancellable operating leases as set out below:-

	<b>2018</b>		<b>2017</b>	
	<b>Other</b>	<b>Land and buildings</b>	<b>Other</b>	<b>Land and buildings</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Operating leases which expire:</b>				
within one year	7,304	-	7,304	-
in two to five years	-	-	-	-
After more than five years	-	-	-	-
	<b><u>7,304</u></b>	<b><u>-</u></b>	<b><u>7,304</u></b>	<b><u>-</u></b>

<b>14 Analysis of net assets between funds</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	499,791	386,575	886,366
Current assets	314,515	2,908	317,423
Current liabilities	(115,749)	-	(115,749)
Longer term liabilities	(41,750)	-	(41,750)
	<b><u>656,807</u></b>	<b><u>389,483</u></b>	<b><u>1,046,290</u></b>

**FAMILY CARE TRUST**  
(A Company Limited by Guarantee)

**Notes to the Financial Statements (continued)**

**As at 31 March 2018**

<b>15 Movement in funds</b>	<b>At 01.04.17 £</b>	<b>Incoming resources £</b>	<b>Outgoing resources £</b>	<b>Grants received £</b>	<b>Transfer £</b>	<b>At 31.03.18 £</b>
<b>Restricted funds</b>						
<b>Capital</b>						
Farm equipment/buildings	57,197	6,890	(4,096)	-	(5,356)	54,635
Community gardening	106,017	-	(5,205)	-	-	100,812
Farm building	203,939	-	(10,197)	-	-	193,742
Other capital funds	56,900	10,000	(15,420)	-	(14,094)	37,386
	<u>424,053</u>	<u>16,890</u>	<u>(34,918)</u>	<u>-</u>	<u>(19,450)</u>	<u>386,575</u>
<b>Income</b>						
ESC lottery	-	9,810	(6,902)	-	-	2,908
	<u>424,053</u>	<u>26,700</u>	<u>(41,820)</u>	<u>-</u>	<u>(19,450)</u>	<u>389,483</u>
<b>Total restricted funds</b>						
<b>Unrestricted funds:</b>						
<b>General</b>	<u>471,458</u>	<u>1,457,719</u>	<u>(1,291,820)</u>		<u>19,450</u>	<u>656,807</u>
<b>Total funds</b>	<u>895,511</u>	<u>1,484,419</u>	<u>(1,333,640)</u>	<u>-</u>	<u>-</u>	<u>1,046,290</u>



**FAMILY CARE TRUST**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements (continued)**

**As at 31 March 2018**

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**16 Movement in funds (continued)**

**Purposes of restricted funds:**

- ***Farm equipment***  
The balance will fund future depreciation of equipment bought for the farm from specific grants and donations received.
- ***Community gardening fund***  
The balance represented the donation of property and assets with which the scheme had previously operated and the balance will fund the future depreciation of the assets capitalised.
- ***Farm Building***  
This represents monies towards building and equipping the training centre at Newlands Bishop Farm. The balance will fund the future depreciation of the assets capitalised.
- ***Other capital funds***  
There are various separate capital funds to cover building works and transport. The balances will fund future depreciation of the relevant capital assets.
- ***ESC lottery***  
This represents monies towards provision of sporting opportunities.

**FAMILY CARE TRUST**  
**(A Company Limited by Guarantee)**

**Notes to the Financial Statements (continued)**

**As at 31 March 2018**

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**17 Pensions**

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

One is a defined contribution scheme where the costs for the accounting period amounted to £35,388 and at the year end the amount of employee and employers contributions outstanding, paid across in April 2018, was £2,841.

The second relates to auto enrolment which the trust employees became eligible for during the previous year. The costs for this scheme in the year were £8,955 of which, at the year end the total of employee and employer contributions outstanding, paid across in April 2018 was £725.

The trust has previously paid contributions into the West Midlands Metropolitan Authorities Pension Fund which is a defined benefit scheme.

The employees who were within this scheme have all retired and as a result the shortfall in the fund has crystallised. Agreement was reached as to the payment. At 31 March 2018 there was a total liability of £61,750, repayable in quarterly instalments of £5,000.

On the balance sheet £20,000 is shown as a current liability with the balance of £41,750 as a longer term liability, falling due after more than one year.