

COMPANY REGISTRATION NUMBER 03348314

**CLACTON FAMILY TRUST LIMITED
COMPANY LIMITED BY GUARANTEE
GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2018**

Charity Number 1075437

JAMESONS
Chartered Accountants & Statutory Auditor
92 Station Road
Clacton on Sea
Essex
CO15 1SG

CLACTON FAMILY TRUST LIMITED

GROUP FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

Contents	Page
Trustees Annual Report	2
Independent auditor's report to the members	7
Statement of financial activities	11
Statement of financial position	12
Statement of cash flows	13
Notes to the financial statements	14
The following pages do not form part of the financial statements	
Detailed consolidated statement of financial activities	25

CLACTON FAMILY TRUST LIMITED

TRUSTEES ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT)

YEAR ENDED 31 MARCH 2018

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2018, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

OBJECTIVES AND ACTIVITIES

The charity's objectives are to provide homes with excellent care and resources to meet the needs of its service users and to provide a safe and caring, yet challenging environment and encourage all service users to reach their full potential.

When reviewing the aims and objectives of the charity, the trustees have had due regard to the Charity Commission's guidance on public benefit. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The charity provides residential care and supported living, across five specialist residential care homes. The care provided across the homes is "Person Centred" and tailored to each individual resident reflecting their choices, dreams and aspirations. From the initial assessment, the individual is supported and encouraged to be part of the planning process and takes an active role in any decision's to be made. Family, friends and professionals are also encouraged to be actively involved in the process of setting goals and reviewing progress. The homes pride themselves on their excellent varied communication techniques.

The homes have been designed without compromise, reflecting the belief and experience that individuals respond to quality and spacious surroundings. Harmonious environments have been created by using exceptional materials with great attention to detail. Each property is created and developed to have a warm and homely atmosphere. Each home consists of a spacious communal living space facilitating interaction, with additional rooms encouraging individual pursuits and providing privacy. The bedrooms are bright and airy and residents are encouraged to personalise their rooms to their own taste. The trained staff support the residents while encouraging them to develop skills and make choices in their daily lives. The charity aims to embrace each residents individuality and promote person centred care whilst still ensuring that each house maintains a homely atmosphere that each resident can relax and feel safe and secure in.

The charity owns Willow Park Resource Centre, which provides a learning and leisure environment for people with learning difficulties, physical disability and sensory impairment. This offers a wide range of workshops including Art & Craft, Performing Arts, Healthy Living and many more. The Hydro Pool and Swim Spa are fully accessible whilst sensory rooms are available to offer a calming and therapeutic environment.

There is a strong emphasis on identifying the needs of an individual and creating well thought out plans that will deliver the right outcomes. This process starts at the time of an individual's initial assessment and is continually monitored and reviewed. The individual is always at the centre of the planning process. Once the individual is happy with the service, a Care Plan is developed in partnership with them, their carer and the referring and purchasing bodies. The Care Support Plan clearly identifies all of the individual's needs, how these will be met and covers aspects such as health, independent living skills, personal safety, communication, equal opportunities and personal care. Daily Support Plans are developed from the Care Plan and form the basis for the achieving quality outcomes. These plans are produced for every need identified within the individual's care plan and provide staff with specific guidance on how to provide effective support. Care plan's Daily Support Plans and Daily diaries are produced in easy read formats enabling the individual to take an active role in agreeing the components of these. Working in a person-centred way enables individuals to reflect on the support they receive, be involved in decisions about how support is provided and ultimately develop as individuals.

CLACTON FAMILY TRUST LIMITED

TRUSTEES ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) (continued)

YEAR ENDED 31 MARCH 2018

The charity aims to recruit with the right attitude and an enthusiasm for making a difference. Substantial investment in training the staff team underpins the delivery of a high quality service. Emphasis is placed on staff supporting each individual to make choices and to live as independently as possible. A big part of the staff's role is to encourage and support people to take the necessary steps towards fulfilling their dreams and aspirations. All of the staff undergo an extensive induction program that reflects the needs of each individual resident. All staff at the homes work closely with a wide range of professionals enabling them to always provide an excellent service.

ACHIEVEMENTS AND PERFORMANCE

The charity monitors performance with reference to occupancy levels. The homes have the capacity to support thirty seven service users and there were no vacancies at the year end.

In addition, the charity monitors performance by comparing income from care fees with employment costs. The staff/income ratio increased from 56% to 60%.

The activities of Willow Park Resources Ltd have continued to provide educational and remedial activities for the majority of the service users of the charity (and many third parties) during the year.

During the year, the charity purchased Willow Park Resource Centre, a learning and leisure environment for people with learning disabilities, physical and sensory impairments. The centre offers a wide range of enjoyable activities which can be tailored to the individual's needs.

The charity also ensures that the Standards of Care, as monitored by the Care Quality Commission, are met at all times.

FINANCIAL REVIEW

The charity showed a deficit of £820,599 for the year, which included an impairment loss of £550,001.

Incoming resources decreased by £173,384 and expenditure increased by £223,274 compared to last year.

The principal sources of funding were from Borough and County councils in Essex and the South East who provide funding for specific service users from their Borough/County.

Investment policy

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

Reserves policy

The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are required to bridge the funding gaps between spending on improvements and running of the homes and receiving the resources from councils for the care of service users. The trustees consider that the ideal level of reserves is £300,000, which covers the average value of resources expended for one month.

The actual reserves at 31 March 2018 were £2,555,151 (2017: £3,375,750). The majority of reserves are tied up in the property assets owned by the charity. The liquid reserves at 31 March 2018 amounted to £135,271.

CLACTON FAMILY TRUST LIMITED

TRUSTEES ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) (continued)

YEAR ENDED 31 MARCH 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Clacton Family Trust Limited is a company limited by guarantee governed by its Memorandum and Articles dated 3 March 1999. It is registered as a charity with the Charity Commission. There are currently six members, each of whom agree to contribute £10 in the event of the charity winding up.

Recruitment, induction and training of trustees

All members are circulated with invitations to nominate trustees prior to the AGM advising them of retiring trustees and requesting nominations for the AGM. When considering co-opting trustees, the Board has regard to the requirement for any specialist skills needed.

New trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Risk management

The trustees have reviewed the risks the charity may face and have established systems and procedures to mitigate those risks. In particular procedures are in place to ensure the health and safety of all staff, service users and visitors to the care homes.

The principal risk that the charity is exposed to is the risk that service users will be exposed to injury or abuse whilst under the care of the charity. The charity provides all mandatory training on an annual basis to all staff on the handling of vulnerable people and all staff are subject to advanced CRB screening before employment commences. The trustees continue to monitor the charity's exposure to risk on an ongoing basis.

Organisational structure

The board of trustees administers the charity. The board meets monthly and two of the trustees are responsible for meeting with the manager of the charity on a weekly basis. The charity is managed on a day to day basis by D Thompson and S Butler is responsible for the management of the care services provided to service users.

Remuneration of key management

The directors consider the board of directors, who are the charities trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. Details of key management personnel remuneration are disclosed in note 11 of the accounts.

Related parties

Any connection between a trustee or senior manager of the charity and a related party must be disclosed to the full board of trustees.

PLANS FOR FUTURE PERIODS

The charity continues to offer a wide range of enjoyable activities throughout the Willow Park Resource Centre. Sensory rooms continue to benefit from up to date technology providing the ultimate sensory experience.

CLACTON FAMILY TRUST LIMITED

TRUSTEES ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) (continued)

YEAR ENDED 31 MARCH 2018

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Clacton Family Trust Limited
Charity registration number	1075437
Company registration number	03348314
Principal office	Tuctaway, Oaktree Drive, Clacton, Essex, CO15 2DR
Registered office	92 Station Road Clacton on Sea Essex CO15 1SG

THE TRUSTEES

The trustees who served the charity during the period were as follows:

	M Chapman D Harris C D Hawkins C P Johnson P Carratt J Martin
Secretary	C D Hawkins
Chief Executive Officer	D Thompson
Homes Manager	S Butler
Auditor	Jamesons Chartered Accountants & Statutory Auditor 92 Station Road Clacton on Sea Essex CO15 1SG
Bankers	Barclays Bank Plc 44 Station Road Clacton on Sea Essex, CO15 1RZ

CLACTON FAMILY TRUST LIMITED

TRUSTEES ANNUAL REPORT (INCORPORATING THE STRATEGIC REPORT) (continued)

YEAR ENDED 31 MARCH 2018

TRUSTEES' RESPONSIBILITIES STATEMENT

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

AUDITOR

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

The trustees' annual report and the strategic report were approved on 20 December 2018 and signed on behalf of the board of trustees by:

D Harris
Trustee

CLACTON FAMILY TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLACTON FAMILY TRUST LIMITED

YEAR ENDED 31 MARCH 2018

Charity Secretary

Opinion

We have audited the financial statements of Clacton Family Trust Limited (the 'charity') for the year ended 31 March 2018 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its income for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

CLACTON FAMILY TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLACTON FAMILY TRUST LIMITED (continued)

YEAR ENDED 31 MARCH 2018

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

Matters on which we are required to report by exception

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

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

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

CLACTON FAMILY TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLACTON FAMILY TRUST LIMITED (continued)

YEAR ENDED 31 MARCH 2018

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

CLACTON FAMILY TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLACTON FAMILY TRUST LIMITED (continued)

YEAR ENDED 31 MARCH 2018

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

ALAN BROWN (Senior Statutory Auditor)
For and on behalf of
JAMESONS
Chartered Accountants & Statutory Auditors
92 Station Road
Clacton on Sea
Essex
CO15 1SG

20 December 2018

CLACTON FAMILY TRUST LIMITED

NOTE TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2018	Total Funds 2017
		£	£	£	£
Income:					
Charitable activities	5	4,516,937	-	4,516,937	4,690,112
Investments	6	2	-	2	211
Total income		<u>4,516,939</u>	<u>-</u>	<u>4,516,939</u>	<u>4,690,323</u>
Expenditure:					
Charitable activities:	7	(4,778,939)	(731)	(4,779,670)	(4,586,616)
Other	8	(7,867)	-	(7,867)	22,353
Total expenditure		<u>(4,786,806)</u>	<u>(731)</u>	<u>(4,787,537)</u>	<u>(4,564,263)</u>
Losses on impairment		(550,001)		(550,001)	(697,229)
Net (expenditure)/ income		<u>(819,868)</u>	<u>(731)</u>	<u>(820,599)</u>	<u>(571,169)</u>
Other recognised gains/ (losses)		-	-	-	-
Net movement in funds		<u>(819,868)</u>	<u>(731)</u>	<u>(820,599)</u>	<u>(571,169)</u>
Reconciliation of funds					
Total funds brought forward		<u>3,372,831</u>	<u>2,919</u>	<u>3,375,750</u>	<u>3,946,919</u>
Total funds carried forward		<u>2,552,963</u>	<u>2,188</u>	<u>2,555,151</u>	<u>3,375,750</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

CLACTON FAMILY TRUST LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2018

	Note	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Fixed assets					
Tangible assets	14/15	8,383,694	4,731,398	8,333,978	4,612,671
Investments	16	-	-	50,000	50,000
Total Fixed Assets		8,383,694	4,731,398	8,383,978	4,662,671
Current assets					
Debtors	17	163,509	214,077	205,033	207,137
Cash at bank and in hand		622,908	1,532,075	479,116	1,401,929
Total Current Assets		786,417	1,746,152	684,149	1,609,066
Liabilities					
Creditors falling due within one year	18	(924,832)	(682,817)	(815,284)	(492,157)
Net Current assets		(138,415)	1,063,335	(131,135)	1,116,909
Total assets less current liabilities		8,245,279	5,794,733	8,252,843	5,779,580
Creditors: falling due after more than 1 year	20	(5,690,128)	(2,418,983)	(5,685,658)	(2,399,574)
Net assets		2,555,151	3,375,750	2,567,185	3,380,006
The funds of the charity:					
Unrestricted income funds	23	2,552,963	3,372,831	2,564,997	3,377,087
Restricted income funds		2,188	2,919	2,188	2,919
Total charity funds		2,555,151	3,375,750	2,567,185	3,380,006

These financial statements were approved by the board of trustees and authorised for issue on 20 December 2018 and are signed on behalf of the board by:

D Harris
Trustee

Company Registration Number: 03348314

CLACTON FAMILY TRUST LIMITED

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	2018 £	2017 £
Cash flows from operating activities		
Net (expenditure)/ income	(820,599)	(571,169)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	665,577	455,083
Impairment of tangible fixed assets	550,001	697,229
Other interest receivable and similar income	(2)	(211)
Interest payable and similar charges	118,061	79,797
Gains on disposal of tangible fixed assets	(152)	(5,998)
Accrued (income)/ expenses	65,688	(97,481)
<i>Changes in:</i>		
Trade and other debtors	44,795	215,805
Trade and other creditors	(6,367)	(23,063)
Cash generated from operations	617,002	749,992
Interest paid	(118,061)	(79,797)
Interest received	2	211
Taxation	8019	(9,909)
Net cash from operating activities	506,962	660,497
Cash flows from investing activities		
Purchase of tangible assets	(4,940,549)	(105,450)
Proceeds from sale of tangible assets	72,827	40,650
Net cash used in investing activities	(4,867,722)	(64,800)
Cash flows from financing activities		
Proceeds from borrowings	3,458,078	(76,579)
Payments of finance lease liabilities	(6,485)	(44,238)
Net cash used in financing activities	3,451,593	(120,817)
Net increase/ (decrease) in cash and cash equivalents	(909,167)	474,880
Cash and cash equivalents at beginning of year	1,532,075	1,057,195
Cash and cash equivalents at end of year	622,908	1,532,075

CLACTON FAMILY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 92 Station Road, Clacton on Sea, CO15 1SG, Essex.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historic cost basis in accordance with the accounting policies set out below.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Consolidation

These financial statements consolidate the results of the Charity and its wholly owned subsidiary undertaking, Willow Park Resources Limited. The results of the subsidiary are consolidated on a line by line basis. A separate Statement of Financial Activities is not presented for the Charity itself following exemptions allowed by section 408 of the Companies Act 2006.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds that are for use at the discretion of the Trustees in furtherance of the general objectives of the charity and have not been designated for any other purpose.

Restricted funds are funds subject to special conditions imposed by the donors. The funds can be utilised for the purchase of equipment and motor vehicles for use by the residents.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income: Income from donations or grants is recognised when there is

CLACTON FAMILY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

3. Accounting policies (*continued*)

evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably. Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Resources expended are recognised on an accruals basis. Any resources expended which do not relate to the principal activity of the charity, but are incurred in its overall administration, are included under governance costs.

Outgoing resources are allocated to the charitable activities to which they relate. Where expenses are shared by activities, they have been allocated in direct proportion to the income received.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	Over 20 years
Computer Equipment	50% reducing balance
Fixtures, Fittings & Equipment	25% reducing balance
Motor Vehicles	25% reducing balance
Leasehold Property Improvements	Straight line over lease term

Items purchased for less than £1000 are written off to repairs. Land is not depreciated.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

CLACTON FAMILY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

CLACTON FAMILY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

3. Accounting policies (*continued*)

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease.

4 Limited by guarantee

The liability of the members is limited to £10 per member. As at 31 March 2018 there were six members.

5 Income from charitable activities

	Unrestricted funds 2018	Unrestricted Funds 2017
Residential care	3,556,676	3,535,508
Property letting	-	110,086
Resource centre	959,761	1,044,518
Other income from charitable activities	500	-
Total income from charitable activities	4,516,937	4,690,112

6 Income from investments

	Unrestricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
Cash or cash equivalents	2	2	211
	<u>2</u>	<u>2</u>	<u>211</u>

CLACTON FAMILY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

7 Analysis of expenditure on charitable activities

	Total Funds 2018 £	Total Funds 2017 £
Residential care	3,859,078	3,325,572
Property letting	-	115,342
Resource centre	910,992	1,136,102
Governance costs (see note 10)	9,600	9,600
	4,779,670	4,586,616

8 Analysis of other resources expended

	Total Funds 2018 £	Total Funds 2017 £
Taxation	8,019	(16,355)
Profit/ (Loss) on disposal of fixed assets	(152)	(5,998)
	7,867	(22,353)

9 Analysis of support costs

	Total Funds 2018 £	Total Funds 2017 £
Staff costs	2,727,068	2,645,077
Premises	733,166	952,097
Communications and IT	57,955	48,581
General office	142,470	132,249
Finance costs	108,211	70,089
Governance costs	9,600	9,600
Motor and travel costs	80,544	85,463
Depreciation costs	665,577	455,083
Other costs	262,946	166,024
	4,831,135	4,564,263

10 Analysis of governance costs

	Total Funds 2018 £	Total Funds 2017 £
Audit fees	9,600	9,600

CLACTON FAMILY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

11 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel of the group

	2018	2017
	£	£
Salaries and wages	2,552,291	2,511,911
Social security costs	163,158	125,398
Pension costs	11,619	7,768
	<u>2,727,068</u>	<u>2,645,077</u>

There was one employee receiving emoluments of more than £60,000 during the current year (2017: one).

Pension costs are allocated to activities in proportion to the related staffing costs incurred and are wholly charged to unrestricted funds.

The key management personnel of the group comprise those of the Trust and the key management personnel of its wholly owned subsidiary Willow Park Resources Limited. The total employee benefits of the key management personnel of the Trust were £186,049 (2017: £194,561).

12 Staff Numbers

The average monthly head count and the average monthly number of full-time equivalent employees during the year were as follows:

	2018 Number	2017 Number
Management	6	5
Other employees	146	142
	<u>152</u>	<u>147</u>

13 Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

CLACTON FAMILY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

14 Tangible fixed assets of the group

	Land and Buildings £	Other plant & machinery, etc. £	Total £
Cost:			
As at 1 April 2017	6,667,076	1,605,462	8,272,538
Additions	4,637,187	303,362	4,940,549
Disposals	-	(190,787)	(190,787)
	<u>11,304,263</u>	<u>1,718,037</u>	<u>13,022,300</u>
As at 31 March 2018	<u>11,304,263</u>	<u>1,718,037</u>	<u>13,022,300</u>
Depreciation:			
As at 1 April 2017	2,503,666	1,037,474	3,541,140
Charge for the year	443,887	221,690	665,577
On disposals	-	(118,112)	(118,112)
Impairment losses	550,001	-	550,001
	<u>3,497,554</u>	<u>1,141,052</u>	<u>4,638,606</u>
As at 31 March 2018	<u>3,497,554</u>	<u>1,141,052</u>	<u>4,638,606</u>
Net book value			
As at 1 April 2017	<u>4,163,410</u>	<u>567,988</u>	<u>4,731,398</u>
	<u>4,163,410</u>	<u>567,988</u>	<u>4,731,398</u>
As at 31 March 2018	<u>7,806,709</u>	<u>576,985</u>	<u>8,383,694</u>

Included in the net book value of freehold property is land acquired for development and investment held at its cost of £177,084. The land is not depreciated.

During the year the lease relating to Willow Park was cancelled. All costs incurred had previously been depreciated over the term of the lease. Remaining costs at the lease cancellation date were fully impaired to reflect the loss of benefit to Clacton Family Trust Limited.

CLACTON FAMILY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

15 Tangible fixed assets of the company

	Land and Buildings £	Other plant & machinery etc. £	Total £
Cost:			
As at 1 April 2017	6,547,961	1,296,618	7,844,579
Additions	4,628,113	298,136	4,926,249
Disposals	-	(116,283)	(116,283)
	<u>11,176,074</u>	<u>1,478,471</u>	<u>12,654,545</u>
Depreciation:			
As at 1 April 2017	2,419,075	812,833	3,231,908
Charge for the year	443,887	201,807	645,694
On disposals	-	(63,438)	(63,438)
Impairment losses	506,403	-	506,403
	<u>3,369,365</u>	<u>951,202</u>	<u>4,320,567</u>
Net book value			
As at 1 April 2017	<u>4,128,886</u>	<u>483,785</u>	<u>4,612,671</u>
As at 31 March 2018	<u>7,806,709</u>	<u>527,269</u>	<u>8,333,978</u>

16 Investments

The charity holds 50,000 shares of £1 each in its wholly owned trading subsidiary company Willow Park Resources Limited (Company number: 06772669) which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid. This company operates a resource centre for disabled adults.

During the year ended 31 March 2018, Willow Park Resources Limited made a loss of £7,778 from a turnover of £1,151,107 and at 31 March 2018 its capital and reserves amounted to £37,966.

17 Debtors

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Trade debtors	108,290	76,714	48,762	31,417
Amount due from subsidiary undertaking	-	-	107,247	108,671
Other debtors	1,548	29,358	1,548	22,161
Prepayments and accrued income	53,671	108,005	47,476	44,888
	<u>163,509</u>	<u>214,077</u>	<u>205,033</u>	<u>207,137</u>

CLACTON FAMILY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

18 Creditors: amounts falling due within one year

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Bank loans and overdrafts	273,686	101,268	273,686	101,268
Trade creditors	152,198	152,201	122,119	48,030
Taxation and social security	34,629	35,710	25,379	25,915
Other creditors	46,782	36,860	40,965	29,497
Accruals and deferred income	417,537	356,778	353,135	287,447
	924,832	682,817	815,284	492,157

Within creditors falling due within one year, a bank loan of £273,686 and hire purchase contracts of £34,995 are secured on freehold property and motor vehicles owned by the charity.

19 Deferred income

Deferred income comprises money received from Essex County Council in March 2018 relating to services provided by Clacton Family Trust Limited in April 2018.

	Group £	Charity £
Balance as at 1 April 2017	119,207	119,207
Amount released to income earned from charitable activities	(119,207)	(119,207)
Amount deferred in the year	170,366	170,366
Balance as at 31 March 2018	170,366	170,366

20 Creditors: amounts falling due after more than one year

	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Bank loans and overdrafts	5,616,536	2,329,475	5,616,536	2,329,475
Other creditors	73,592	89,508	69,122	70,099
	5,690,128	2,418,983	5,685,658	2,399,574

All of the liabilities disclosed under creditors falling due after more than one year are secured on freehold property and motor vehicles owned by the charity.

CLACTON FAMILY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

21 Commitments under finance leases

Future commitments under finance lease agreements are as follows:

	2018 £	2017 £
Amounts payable within 1 year	34,995	25,564
Amounts payable between 2 to 5 years	73,592	89,508
	<u>108,597</u>	<u>115,072</u>

22 Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £11,619 (2017: £7,768).

23 Analysis of charitable funds

Unrestricted funds

	Balance 1 April 2017 £	Incoming resources £	Resources Expended £	Funds 31 March 2018 £
General funds	<u>3,372,831</u>	<u>4,516,939</u>	<u>(5,336,807)</u>	<u>2,552,963</u>

Restricted funds

	Balance 1 April 2017 £	Incoming resources £	Resources Expended £	Funds 31 March 2018 £
Restricted funds	<u>2,919</u>	<u>-</u>	<u>(731)</u>	<u>2,188</u>

CLACTON FAMILY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

24 Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2018	2017
	£	£
Included in other creditors (note 20)	822	(7,197)
	<u>822</u>	<u>(7,197)</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2018	2017
	£	£
Accelerated capital allowances	3,479	6,209
Unused tax losses	(2,657)	(13,406)
	<u>822</u>	<u>(7,197)</u>

25 Analysis of group net assets between funds

	General Funds £	Restricted Funds £	Total £
Tangible fixed assets	8,381,506	2,188	8,383,694
Cash at bank and in hand	622,908	-	622,908
Other net current assets/(liabilities)	(761,323)	-	(761,323)
Creditors of more than one year	(5,690,128)	-	(5,690,128)
	<u>2,552,963</u>	<u>2,188</u>	<u>2,555,151</u>

26 Commitments under operating leases

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

	2018	2017
	£	£
Amounts payable within 1 year	-	340,000
Amounts payable between 2 to 5 years	-	1,360,000
Amounts payable later than 5 years	-	4,760,000
	<u>-</u>	<u>6,460,000</u>

CLACTON FAMILY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

27 Related parties

During the year, the Charity paid rent to TNH Properties Ltd, a company owned and controlled by Mr D P Thompson, totalling £226,667 (2017: £340,000) .

During the year the charity purchased Willow Park Resource Centre from TNH Properties Ltd for consideration of £4,500,000.

The balance owed to TNH Properties at the balance sheet date was £15,000 (2017: £85,000).

The Charity purchased building and maintenance services from M Thompson, Mr D P Thompson's son, totalling £37,530 (2017: £17,010). The balance owed to M Thompson at the balance sheet date was £3,645(2017: £3,510).

During the year, the Charity purchased building services from A Thompson, Mr D P Thompson's son, totalling £25,920 (2017: £23,760). The balance owed to A Thompson at the balance sheet date was £3,780 (2017: £1,485).

CLACTON FAMILY TRUST LIMITED

DETAILED CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2018

	2018 £	2017 £
INCOME		
INVESTMENTS		
Bank interest receivable	2	211
	<hr/>	<hr/>
CHARITABLE ACTIVITIES		
Residential care	3,556,676	3,535,508
Property letting	-	110,086
Resource centre	959,761	1,044,518
Other income from charitable activities	500	-
	<hr/>	<hr/>
TOTAL INCOME	4,516,939	4,690,323
	<hr/>	<hr/>
CHARITABLE EXPENDITURE		
Purchases	133,807	109,152
Wages and salaries	2,577,286	2,511,911
Employer's NIC	138,163	125,398
Pension costs	11,619	7,768
Rent	233,267	455,342
Rates and water	20,986	14,690
Light and heat	63,792	63,461
Repairs and maintenance	352,641	366,220
Insurance	25,713	26,768
Cleaning and supplies	36,767	25,616
Motor and travel costs	80,544	85,463
Accountancy fees	15,463	15,248
Computer support	57,955	48,581
Bookkeeping	39,957	40,888
Legal and professional	54,665	26,008
Telephone	38,723	37,562
Sundry expenses	61,346	48,450
Depreciation	665,577	455,083
Bank charges	5,261	4,767
Printing, postage and stationery	48,327	38,551
Interest payable	108,211	70,089
Bad debt expense	-	-
	<hr/>	<hr/>
	4,770,070	4,577,016
GOVERNANCE COSTS		
Audit fees	9,600	9,600
	<hr/>	<hr/>
OTHER		
Taxation	8,019	(16,355)
(Profit)/ loss on disposal of fixed assets	(152)	(5,998)
	<hr/>	<hr/>
TOTAL EXPENDITURE	4,787,537	4,564,263
	<hr/>	<hr/>
LOSSES ON IMPAIRMENT		
Gains/ (losses) on impairment	(550,001)	(697,229)
	<hr/>	<hr/>
NET INCOME FOR THE YEAR	(820,599)	(571,169)
	<hr/>	<hr/>