

# REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

**RAINBOW TRUST**

SUPPORTING FAMILIES WITH A SERIOUSLY ILL CHILD

FOR THE YEAR ENDED 30 JUNE 2022

## Our performance and achievements highlights

- **1,126** families received in-depth support
- **542** new families started to receive our support, 32% up on last year
- New teams announced in **Reading and Liverpool** to expand the service and reach more families
- Online family support extended to **support families across the UK**
- 11th consecutive year in the **Best Companies to Work for**
- **Raised £5.3 million** to ensure the sustainable support of more families
- Celebrated **35 years of care**

For more information about Rainbow Trust please visit our website [rainbowtrust.org.uk](https://rainbowtrust.org.uk)



**RAINBOW TRUST CHILDREN'S CHARITY  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

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The Trustees, who are also the directors, present their report together with the financial statements for the year ended 30 June 2022.

## CORPORATE DIRECTORY

<b>Trustees</b>	Mark Cunningham (Chairman) Timothy Bunting Elizabeth Crighton Howard Dyer Andrew Honnor Dr. Jonathan Rabbs Charles Sermon (Appointed January 2022) Jennifer Smithson Michael Wainwright Celia Woollett	
<b>Chief Executive</b>	Zillah Bingley	
<b>Secretary</b>	Robert Coyne (to January 2022) Jayne Steele (from January 2022)	
<b>Principal Address</b>	Cassini Court Randalls Way Leatherhead Surrey KT22 7TW	
<b>Independent Auditors</b>	haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	
<b>Bankers</b>	NatWest Bank plc  1000 Cathedral Square Cathedral Hill Guildford Surrey GU2 7YL	
<b>Investment Managers</b>	Cazenove Capital 1 London Wall Place London EC2Y 5AU	Ruffer LLP 80 Victoria Street London SW1E 5JL
<b>Company Number</b>	3585123	
<b>Charity Number</b>	1070532	

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## OUR CORE PURPOSE AND ACTIVITIES

### OUR VISION

Every family in the UK who has a child with a life-threatening illness receives the support they need.

### OUR MISSION

We enable families who have a child with a life-threatening illness to make the most of time together by providing expert practical and emotional support wherever they need it for as long as it is needed.

### OUR OBJECTS AND PUBLIC BENEFIT

The charity was established to relieve the pain and suffering of families with a life-threatened or terminally ill child and to support them through bereavement if necessary.

The Trustees confirm that they have complied with their duty in section 17 of the Charities Act 2011, to have due regard to the public benefit guidance published by the Charity Commission, in determining the activities undertaken by the charity. Irrespective of a beneficiary's capacity, ethnicity, faith, or socio-economic environment, all charitable services are provided free. To ensure that support is offered to those that meet our criteria, there is a referral process in place with clear guidelines. Referrals may come from any source including healthcare professionals and families themselves.

### OUR WORK

In April 2020, research conducted by the University of York<sup>1</sup> revealed that the number of children in England with life-limiting or life-threatening conditions had increased to 86,625 in 2017/18. This means that since 2001-02, the figure almost trebled from 32,975. This number is predicted to rise by at least another 11% by 2030.

This rise in numbers reflects how vital Rainbow Trust's practical and emotional support is, as many more families across England care for babies, children, and young people with a life-threatening or terminal illness. The rise in prevalence matches Rainbow Trust's experience of seeing more such families in need.

Rainbow Trust provides expert Family Support Workers to families who have a child with a life threatening or terminal illness. When serious illness affects a child, family life is turned upside down, and time becomes more precious. Rainbow Trust pairs each family with a dedicated Family Support Worker who becomes a trusted and constant person in family life, providing practical and emotional support. They are there from diagnosis right through bereavement for as long as they are needed. This support helps families to face, and make the most of, each new day.

In the last decade, family referrals to Rainbow Trust have doubled and there are more families than ever who struggle to cope when their child is seriously ill.

Common challenges for these families include:

- Dealing with the physical and emotional strain
- Managing and getting to and from multiple clinical appointments
- Ensuring that life remains as normal as possible for siblings, including attendance and performance at school
- Ensuring sick children and siblings have opportunities to play
- Maintaining employment through prolonged periods of treatment and care giving
- Managing reduced income
- Poor family communication and resulting break-up
- Accessing benefits and support services
- Maintaining daily routine and chores
- Coming to terms with a child's diagnosis and the possibility of their death
- Coping with the death of a child
- Isolation felt by families who are cut off from normal activities and friends.

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<sup>1</sup> Fraser et al. (2020) *Make Every Child Count*

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Rainbow Trust's community-based direct support is available at no cost to families and is provided no matter what a family's background or circumstances. There is no other national organisation offering the range of social palliative care support that we do, directly to families when they need it most.

The Family Support Workers are available whenever a family needs them and, during times of crisis, support is available 24 hours a day.

The Family Support Worker assesses each child and family's needs individually and provides tailored support accordingly. Support needs often fluctuate; for example, they are highest when a child is in active treatment or at end of life. Sometimes families may require intensive support over several weeks, whilst at other times only need the occasional visit or phone call to reassure them or answer a question. This means that support can be flexible and responsive to need.

A life-threatening illness affects all aspects of a child's life. They are stuck at home or in hospital, miss prolonged periods of school, are unable to take part in 'normal' activities or socialise with friends. This, in addition to the physical symptoms of their illness, can make them feel distressed, isolated, and uncertain about their future.

Siblings can miss out on opportunities that other children may take for granted. Life at home is turned upside down with "strangers in the house", hospital stays, parents away from home and struggling with their emotions. Usual mealtimes are missed, clothes don't get washed, the house is a mess, there is no one to take them to school or help with homework, and everything is strange. Many siblings struggle educationally or are bullied for being different. They can become isolated, withdrawn, detached from social networks and get no break from pressures at home. Despite feeling ignored and anxious, they are often afraid to ask for help as they fear letting the family down. Many siblings find themselves in the role of young carers but are not always recognised as such and yet are having to deal with extraordinary and challenging circumstances. Lengthy periods apart and anxiety about the future mean some families struggle to communicate and relationships are strained.

Family Support Teams work in partnership with health and social care providers to prioritise families who most need support, including families:

- With poor support networks
- Who are geographically isolated, with few local support services
- With a recent diagnosis or whose child is at end of life
- Where there is a safeguarding concern impacting a child's treatment or wellbeing
- Who are unable to get to hospital
- With more than one sick child
- Who are recently bereaved
- Who are struggling financially and may have difficulty accessing hospital appointments.

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## ACHIEVEMENTS AND PERFORMANCE

We entered this year having stabilised the organisation after a period of great uncertainty triggered by the start of the COVID-19 pandemic fifteen months earlier. We had a very clear ambition to continue to adapt and to grow the number of families we support.

## OVERVIEW AND THIS YEAR'S HIGHLIGHTS

This year we planned to

1. **Develop and expand the service offering**
2. **Increase awareness, influence, and reputation**
3. **Optimise fundraising activity in our 35<sup>th</sup> anniversary year**
4. **Support staff to be the best they can be**
5. **Accelerate use of technology.**

Our progress against these aims is below.

Highlights include:

- 1,126 families received tailored support from a Family Support Worker
- 542 new families started to receive in-depth support, a 32% increase on last year
- New teams announced in Reading and Liverpool to expand the service and reach more families
- Online family support extended to give the potential to support families across the UK
- Reaching the milestone of 35 years of care
- Raised £5.3 million to ensure the sustainable support of more families
- Listed for the 11<sup>th</sup> consecutive year in the Best Companies to Work For (previously The Sunday Times awards), achieving 12<sup>th</sup> place in the Best Charities category and listed as Top 100 Best mid-sized company to work for.

## AIM 1: DEVELOP AND EXPAND THE SERVICE OFFERING

542 new families started receiving support from Rainbow Trust between July 2021 and June 2022. This is a 32% increase on the previous year. In total, 1,126 families benefitted from support across the year (1,075 last year), with 470 cases closed where families felt better able to cope and no longer required our tailored support. A summary of activity is below:

### Aim to return to pre-pandemic service delivery levels

Building back to pre-pandemic levels took longer than expected and we achieved 90% of the target we had set for the year. Families remained very anxious about the risk of infection further compromising their sick child. About 5% of the families we support continued to shield despite government advice to return to a more normal way of life.

Whilst all restrictions on day-to-day life were lifted for the public, for much of the year our access to hospitals remained limited, with many of them continuing to restrict entry. Visibility of Family Support Workers in hospitals and hospices is a significant driver for referrals to our services as it keeps Rainbow Trust 'front of mind' with associated professionals who refer, and families who self-refer. Limited access to hospitals reduced our visibility resulting in lower referral rates.

Our capacity was also reduced as many staff were unwell with COVID or isolating so unable to physically support families. A challenging recruitment market has also meant that open positions have taken a lot longer to fill. This has led to waiting lists in all teams at some point throughout the year, although these are very well managed, and support was juggled to ensure that a child at the end-of life is supported and never be put on a waiting list.

To increase the visibility of Rainbow Trust and drive referral rates despite restrictions, Family Support Workers maintained contact with hospitals and hospices by attending multi-disciplinary meetings

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where possible, whether online or socially distanced. We sought to diversify sources of referrals by retaining a presence on local palliative care networks and developing relationships with Community Nursing teams in areas where referrals were lower. Over the year we had 153 referrals from new sources which included midwives, primary schools, and clinical psychologists.

Towards the end of the year, we reintroduced group events for children and families as an important way to build connections after the isolation that many of them had felt during COVID. These included trips to fire stations, a circus skills day, and trips to the beach. These remained an immensely popular element of our support and the children welcomed the opportunity to again meet with others in similar situations to themselves.

The North West team continued to respond to the growing mental-health issues amongst young people by building on the Youth Resilience Groups, a programme to help children and young people with a seriously ill sibling develop greater skills in managing the changes in their family lives and the impact on their own lives. Two groups were held, both focussing on siblings. The next steps are to widen the age range and establish a new group for the seriously ill children themselves. We also plan to roll out the format to our other Care teams over the coming years when funding is available.

The Dad's Group in the North West, which met online during the pandemic, met three times in person this year giving fathers a support network where they can talk about how they were coping, to people who understand and never judge. Based on the success of the group we have started another Dad's Group in the South East and will continue to look to develop these across the country as appropriate and where funding allows.

Despite the challenges of the year, families told us, through two family surveys, that whilst other organisations had struggled to provide them with a continuity of service due to changing COVID restrictions, the flexibility of Rainbow Trust's service had given them the support they needed; for example, taking children out to activities when normal provision was closed.

## **Reach families in new areas**

**Extending the reach of existing teams:** We decided to review the catchment area of the South West care team based on areas of high need, the location of referrals and requests for support. As a result of this work, we extended the area the team covers to include Gloucestershire. To support this expansion, we recruited a Family Support Worker who lives in the county. Work is underway to meet with potential partners and a successful initial meeting has been held with the Grace Kelly Childhood Cancer Trust, a small organisation in Worcestershire that provides clinical care for families whose child has cancer.

**Developing an online support service:** In response to the first lockdown, we introduced online family support so we could continue supporting families already known to Rainbow Trust. It became apparent that it also offered a way to support families in areas where we do not have a physical presence on the ground.

The demand for online family support has continued, with 1 in 3 of all families receiving some of their support online, e.g. through our online support groups, one to one support with children in long-term isolation or for families needing supplementary emotional support. In addition, we supported eight families where we do not have a care team, including a family returning to Leeds from the Czech Republic, a family in Northamptonshire and several families in Devon and Cornwall.

To fully explore the potential of online family support we set up an internal project team of eight Family Support Workers and appointed an Advanced Practitioner role to act as project lead. The group will further test the efficacy and benefits of online family support, share best practice, coach colleagues, and explore the potential of setting up a dedicated online support team. Young Lives vs Cancer continue to assist us with peer review, and we are also a founding member of the Digital Service Consortium, a group of charities working together to share best practice as they develop new digital services for disabled and seriously ill children.

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## **Establish a new Family Support Team in a new geographic location**

It has long been a strategic priority for us to grow Care services to reach more families, both in the existing areas where we already provide support as well as expanding into new areas. We have been extremely fortunate to secure funding to underwrite two new Care teams: one in Liverpool to expand coverage in the North West and into North Wales, and one in Reading to boost care provision in the South.

Liverpool has been a target area for Rainbow Trust for several years as we have been aware that there are families in desperate need for the type of support Rainbow Trust provides. The most recent research<sup>2</sup> on the prevalence of childhood illness indicates that in Liverpool and the surrounding areas there are more than 2,500 families with a child that has a life-limiting illness. Rainbow Trust already supports some families attending Alder Hey hospital for treatment where their home is in an area that is covered by an existing team. We are also represented on the two palliative care networks in the region and are in discussion with the two local children's hospices to ensure that the new team can complement the existing network of support and families receive the full care that they require. We are very grateful to the Kentown Wizard Foundation which will ensure funding for this team for up to three years.

Reading was also chosen as a priority location as it will allow us to increase support for families across Oxfordshire and Berkshire. Research<sup>2</sup> indicates that there are potentially 1,500 children and their families in the area who could benefit from our support. Rainbow Trust is already represented on the Thames Valley palliative care network and has good working relationships with the children's hospices in the area. The costs of the new Reading team have generously been underwritten by a group of anonymous donors.

In the coming year we will open new offices in both locations as a team base and recruit a manager and three Family Support Workers for each team. Both teams will be CQC (Care Quality Commission) registered and plan to be fully operational by the end of the coming year. These two new teams will take the total number of care team locations across the country from six to eight, enhancing our face-to-face support with capacity to support an additional 160 families a year.

This, along with our new online family support offer, gives the opportunity to significantly increase our ability to reach more families in need, now and in the future, across the UK.

## **Increase volunteer support for families with less intense needs**

During 2021/22, 200 volunteers provided 2,346 hours of support to children and families, with over 400 hours of independent family support. Whilst this is a 47% increase in hours of support from the previous year it is still below pre-pandemic levels. As a result of the pandemic, we lost 24% of our Family Support Volunteers and there were still some areas of volunteer support that remained paused due to ongoing limited hospital access. We have welcomed 23 new care volunteers to our Family Support teams.

Volunteers provided face-to-face sibling support, bereavement support and practical help to families. Volunteer drivers also continued providing a vital service to ensure that families attended hospital appointments and other treatment safely.

We started work to restore a sense of community among volunteers, by holding our first in-person Volunteers' Week celebration events since 2019. This gave staff and volunteers the opportunity to get together again. We also piloted running volunteer inductions and training online to bring volunteers from across our care teams together to share learning and experience. This helped volunteers to feel more engaged as a team and motivated them to continue volunteering with us.

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<sup>2</sup> Fraser et al. (2020) *Make Every Child Count*

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## **Develop new partnerships with health and social care providers**

We completed the successful partnership with Shooting Star Chase Children's Hospices earlier in the year. The partnership goal was to implement a joint community project providing holistic support to children and young people nearing the end of life. A total of 21 referrals were made for new families to each service and although funding has now ceased, the relationships built up between the two organisations have continued, with staff meeting regularly to share information about families and ensure joined up care with no duplication. The project also resulted in a clearer understanding of the work of both organisations and how our services complement each other.

To help identify families in need of support, co-ordinate support and avoid duplication, we continued to work closely with other organisations including children's hospices in areas in which we operate. We developed good relationships with organisations in the areas where we will be opening the new teams including, Helen and Douglas House Hospice, Alexander Devine Hospice and Sebastian's Action Trust in the Reading area and Zoe's Place, Claire House and Alder Hey hospital in Liverpool.

The North East team secured funding from the local Clinical Commissioning Group (CCG) in the Tees Valley area to recruit a Family Support Worker for three days per week to increase the support offered to families in the area. Consistent with our plans to grow, we were able to secure funds elsewhere to ensure that this post could in fact be full time, part funded by the CCG. This role will increase our presence at James Cook Hospital and with Zoe's Place, both in Middlesbrough. In addition, we continued working with Morecambe Bay CCG to improve psychological support for children and Sebastian's Action Trust to map current provision in the Reading area.

During the year we developed specialist, CPD accredited, bereavement training with the intention of sharing this expertise with others in the children's palliative care sector. To date two sessions have been delivered to a local hospice and the NHS Children's Holistic Integrated Palliative Care Service with further sessions planned with a local palliative care network and NHS Cumbria. Training has also been rolled out to all staff.

Work also started on an exciting collaborative programme with the Kentown Wizard Foundation and Together for Short Lives. The Kentown Children's Palliative Care Programme is a community focused children's palliative care initiative in North West England covering Lancashire and South Cumbria. It is a new groundbreaking and transformative project to reach the growing numbers of children and young people with life-limiting conditions and to ensure that every family gets the right care and support, when and where they need it. The Programme will bring together specialist children's palliative care nurses, Family Support Workers and family service coordinators to link families living across Lancashire and South Cumbria to the services and support that they need. By delivering care designed around the unique needs of every family at home, families will be able to focus on being families and making the most of their time with their child.

## **AIM 2: INCREASE AWARENESS, INFLUENCE AND REPUTATION**

### **Connect with high-profile decision makers and parliamentarians to represent issues faced by families**

Rainbow Trust seeks to represent the children and families that we serve, so that their voice is always heard when Government decisions are made on issues that affect them.

Rainbow Trust regularly collaborated with others across the children's and palliative care sector attending regular webinars and online meetings with providers and key Parliamentary groups. These included Hospice UK, NHS England, National Bereavement Alliance, Disabled Children's Partnership, the National Council for Child Health and Wellbeing, the All-Party Parliamentary Groups for Baby Loss and for Children Who Need Palliative Care and the Health Policy Influencing Group. We held regular policy catchups with counterparts at Together for Short Lives, Young Lives vs Cancer, the Children and Young People with Cancer Coalition, Cancer Service Leads Network and the Digital Services Consortium.

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In addition, we contributed to consultations on the Department of Health and Social Care Mental Health and Well-Being Plan, the SEND Review, and the Independent Review of Children's Social Palliative Care. We supported Baby Loss Awareness Week activity and welcomed the introduction of the Neonatal (Leave and Pay) Bill. This Bill, when passed, will give parents access to paid leave and the support they need whilst their baby remains in hospital instead of being forced back into work.

## **Engage and cultivate supporters, particularly amongst our target audience of young families**

We continued our focus on engaging and cultivating supporters. In our 35<sup>th</sup> year we were delighted to be selected as the *i* newspaper's Christmas appeal charity. The appeal, which ran over the Christmas period, featured 45 articles about the families we support and the expert work of our staff. We were particularly grateful to Rob Delaney for contributing a very moving piece about his son Henry and the support the family has received from Rainbow Trust. The generosity of *i* readers surpassed our expectations and the appeal raised over £150,000, twice the initial target. This incredible partnership secured us over 2,000 new donors, including 53 new regular donors and increased awareness of our vital work supporting families with a seriously ill child. The positive impact of the partnership will continue to benefit the families we support for many years to come.

TV presenter Briony Williams took part in our annual Great Rainbow Bake, and we were delighted to once again be one of the charity partners for CarFest. Home bathroom suppliers, Victorian Plumbing also chose to support us.

To ensure that we understood families' situations we continued our twice-yearly survey of families supported by Rainbow Trust in January and July. Results from the 72 families who responded at the end of the year showed that 74% of parents felt that their mental health was worse than before the pandemic and 90% reported that their financial situation was worse since the start of the pandemic. 63% of parents responding were concerned about how they would manage financially. Results also showed that for many families Rainbow Trust's services had been the only source of support through the pandemic. Sharing these results secured valuable regional media coverage.

## **Continue to develop the *It's About Time* major funder campaign to extend family support reach**

In 2019/20, we launched the *It's About Time* campaign, highlighting the needs of families with seriously ill children and raising enough funds to pay for five additional Family Support Workers. The first phase of the campaign raised enough to pay for one year's funding and, following a pause in the campaign during the pandemic, we appointed five new Family Support Workers, in May, who have already started to provide vital support to families. In time they will support an additional 150 families a year. We will now build on this and develop our philanthropic giving programme to support the campaign over the coming years.

## **Engage celebrity and influencer networks**

This year we worked with high profile celebrities and influencers on a range of projects to drive our profile and awareness. The London Carol Concert saw the wonderful support of Giles Andrae, Tom Brittney, Rob Delaney, and Alex Kingston as readers, with our Patron, Mary Nightingale, as host. Sir Matthew Pinsent, Hugo Taylor, Jill Halfpenny, Anita Dobson, David Gower, Lord Julian Fellowes, and Annabel Croft all showed their support as part of the *i* newspaper campaign and continue to support us in various ways.

## **AIM 3: OPTIMISE FUNDRAISING ACTIVITY IN OUR 35<sup>TH</sup> ANNIVERSARY YEAR**

### **Improve fundraising performance, re-establishing live events**

Despite a year of changing COVID restrictions and recruitment challenges in filling new posts to underpin our growth strategy and vacant posts, we have had a strong fundraising year. We successfully held a full programme of live fundraising events including a Race Night at Windsor and our 35<sup>th</sup> Anniversary Ball. The Anniversary Ball, hosted by Alexander Armstrong, was our most

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successful event ever, raising £590,000 overall and providing a wonderful opportunity to get to know many of our supporters in person.

Our appeals and special 35<sup>th</sup> anniversary edition magazine exceeded targets and we continued with the successful virtual Q&A events introduced during previous lockdowns to give supporters the opportunity to hear directly from families, Family Support Workers, other professionals in the sector and the Rainbow Trust leadership.

To mark our 35<sup>th</sup> year several supporters, including Love Island's Laura Crane and six members of staff took part in *SkyDive35*, a tandem 30,000ft sky dive, raising over £5,000.

## **Develop digital fundraising opportunities**

Our social media communities continued to grow with 44,500 people now engaged with Rainbow Trust online, an increase of 7% on last year. Our early adoption of Tik Tok enabled us to engage with new audiences and we quickly reached the milestone of 2,000 followers. This year we also delivered several enhancements to our website including an upgrade of the donation portal to ensure as many people as possible completed and enjoyed a positive donation journey.

Over the year we increased our capacity to take cashless donations and developed our use of QR codes in fundraising activities. We built on our expertise in the online acquisition of new supporters through the completion of several social media campaigns.

## **Effectively steward our supporters to gain their long-term commitment**

The changes to the team structure to improve cross-team working and our supporter database, both introduced last year, continued to ensure that we maintained 'a single supporter view' and delivered efficiencies to improve the supporter experience and their stewardship.

We completed the second phase of our supporter insight programme to better understand supporter motivations and what is important to them to help steer our promotional activity and stewardship programmes.

During the year, we received no fundraising complaints from the public.

We continue to put significant effort into supporter care and any feedback we receive is taken seriously and used to improve. We also take our responsibility to protect vulnerable people seriously. We follow guidance issued by the Institute of Fundraising about treating donors fairly and our Supporter Promise reflects our approach to protecting both our beneficiaries and supporters.

We continued to ensure that our fundraising communications and data processing were fully compliant with GDPR. This included staff and volunteer training on data protection requirements to safeguard the integrity of our data and the security of the personal data which our supporters entrust to us.

## **AIM 4: SUPPORT STAFF TO BE THE BEST THEY CAN BE**

### **Establish a new Skills Development Programme to give Family Support Workers a foundation level of skills and/or further training opportunities**

In recognition of our staff being our most important asset and to invest in their development so we have the right skills, knowledge, and expertise to deliver services into the future, we launched the *Anne Harris Skills Development Programme*. This programme will, in time, provide front line Care staff with structured training to develop capacity, capability and resilience. It will help improve succession planning, identify future talent, and develop our managers and leaders. At the request of the funders of the training programme, it has been named in recognition of the incredible commitment to Rainbow Trust and long service of our Director of Care Services, Anne Harris.

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The programme proved to be a success with 40 applications received and approved this year. Training completed to date includes one member of staff completing Mental Health First Aid 'Train the Trainer' course which has allowed him to roll out the training to all staff. It will now form part of the new starter induction. The course enables Family Support Workers to better spot potential mental health issues, the steps to take as an early intervention, and understand when and where to refer families on for help. Staff also completed a 'Drawing and Talking' course to give them techniques to help reduce anxiety and worry in children and adults, counselling training to upskill in having difficult conversations and play therapy to enhance support for children.

Having launched the programme only in July 2021, we are committed to reviewing and developing the programme in line with business need and staff development across the organisation over the next few years.

## **Further embed equality and diversity agenda, promoting a culture of belonging and inclusion**

We are committed to encouraging equality, diversity, and inclusion (EDI) among our workforce, and eliminating unlawful discrimination. We want our workforce and volunteers to be truly representative of society and our beneficiaries, and for each employee to feel respected and able to give their best. EDI is being embedded into our culture and we encourage open communication as well as learning around the eight protected characteristics: age, disability, gender reassignment, marriage and civil partnership, race, religion or belief, sex, and sexual orientation.

This year we:

- Trained staff to further understand hidden disability, the impact of ableism, how to talk about disability and to work in an inclusive way
- During Pride and LGBTQ+ history month we celebrated our differences to raise awareness, educate ourselves and support open communication
- Created a menopause group, where people come together in a safe environment to discuss their experiences, seek advice, and provide support to one another
- Developed an Equality Impact Assessment (EqIA) tool and guidance which will be rolled out across the organisation next year. This will enhance our current process and ensure that we consider the impact of new policies, practices, or proposals on protected characteristic groups. The Public Sector Equality Duty requires public sector organisations to show that all its functions have been analysed to assess their effect on equality. It is not a legal requirement for charities; however, this tool will help embed EDI and promote a culture of belonging and inclusion.

## **Remain an Employer of Choice**

We were proud to have again achieved our highest Best Companies Index (BCI) score, achieving 1-star accreditation, demonstrating "outstanding" levels of engagement. We were awarded a top 20 Best Charity to work for, a top 100 South East Best Company and a place in the top 100 UK's Best Mid-Sized Companies to Work For 2021. This year we were also recognised for our 11<sup>th</sup> year committed to being a Best Company to work for.

The employee survey results identified line management and personal growth as being the most important to staff and Fair Deal as the lowest scoring factor. These areas have therefore been a focus to improve engagement and enable us to remain an employer of choice.

## **Line Management**

- We increased the use of Predictive Index technology to help managers and their teams understand how they like to work with suggestions on the best strategies to complement each other for strong team working
- We updated the content and increased the frequency of our management in-house training
- We delivered managing stress sessions to ensure staff were aware of the support available and to encourage open and honest conversation with their managers.

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## **Personal Growth**

As well as developing and rolling out the *Anne Harris Skills Development Programme* we:

- Improved mandatory training processes to give managers and employees a clearer overview of their training requirements, resulting in 100% compliance of completed mandatory and statutory training. This excluded staff on long-term sick leave or maternity leave
- We delivered internal training sessions, such as bereavement, managing difficult conversations, bullying and harassment, working with volunteers and objective setting
- Offered and provided external training to non-care staff outside the *Anne Harris Skills Development Programme* in diverse areas, including running effective online meetings, creative thinking for innovative problem solving, Microsoft programs and emergency first aid
- Provided internal and external mentoring to support staff development.

## **Fair Deal**

- Our annual salary benchmarking ensured that we rewarded fairly and in line with the market where possible
- A cost-of-living increase was given to eligible staff
- We amended our jury service policy to provide the first ten days paid.

## **Wellbeing**

The Feel-Good group, continued to share information and resources across the organisation. Some of the themes covered included:

- life-long learning to celebrate the benefits of learning and inspire more people to do so
- kindness as part of World Kindness Day where the Feel-Good group sent personalised thank you messages to staff; which helped boost morale
- LGBTQ+ history month and *Time to Talk* Day which focussed on financial wellbeing.

## **AIM 5: ACCELERATE USE OF TECHNOLOGY**

### **Invest in IT infrastructure to work as efficiently as possible**

We invested in our IT infrastructure with the successful decommissioning of our on-site file servers and migration of laptops to the Microsoft Azure Cloud, adding additional security and cyber security measures.

We have successfully upgraded our HR system, enabling a better user experience through enhanced self-service functionality and more efficient reporting and workflows.

We have continued to develop the use of our supporter database and tailor additional functionality to personalise communications and improve efficiencies to deliver better supporter care needs.

### **Make effective use of technology to support virtual working**

We continue to optimise our use of Microsoft Office 365, SharePoint, and Teams as our primary platform for virtual working. This year we have made better use of Teams functionality for sharing of information, supported more families through Teams calls and continued to hold monthly all-employee calls.

# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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## PLANS FOR NEXT YEAR

Rainbow Trust must continue to respond to the rising needs of families with a seriously ill child and play an even more critical role in achieving the change needed for families over the coming years. We are mindful of the current economic climate and the uncertainty it brings which could have an impact on fundraising and operational costs over the next couple of years. The success of this year's fundraising and the resultant level of reserves, provides a solid base and level of assurance that our plans for the forthcoming year are realistic. To achieve our goals next year, we will:

### **Ensure families have the support they need**

- Continue to re-build service levels post-pandemic and enhance support to improve family well-being
- Roll out Resilience and Dad's Groups to other areas.

### **Ensure every family has access to the support they need**

- Expand our reach into new geographical areas
- Develop online support for families where we do not offer face to face support.

**Work in partnership** with others to enhance support and reach more families.

**Achieve change for families** by influencing policy.

### **Inspire more people to support seriously ill children and their families**

- Deliver regular promotional campaigns to attract potential supporters
- Develop our fundraising and engagement activity, including introduce a new e-mail marketing role
- Improve impact reporting: outcome measurement, snapshot audit improvements, ethnicity, and deprivation data.

### **Increase our use of digital technologies:**

- Develop online resource hubs for our groups, such as our Teenage Resilience Group
- Invest in a new Care cloud-based database
- Continue our investment in IT infrastructure to secure Cyber Essentials Plus accreditation.

### **Grow and support our talent**

- Continue to recruit and retain high performing individuals to deliver against our growth plans
- Review and develop the *Anne Harris Skills Development Programme*, developing certification to reflect courses undertaken
- Develop a non-care training programme
- Continue to embed Equality Diversity and Inclusion in all that we do
- Develop an 'employee voice' group to support two-way communication
- Enhance hardware support so staff have equipment that is fit for purpose.

**Continue to develop our volunteer programme** to ensure volunteers are engaged, adding value, and integrated in all teams.

# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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## REVIEW OF YEAR'S RESULTS

The results for the charity for the year ended 30 June 2022 are set out from page 25.

This year the charity achieved income of £5,294k, an 12.2% increase on last year (2021: £4,718k).

Donations and fundraised income recovered well across all teams although we still saw slower recovery within our community and sporting events. Overall, donations and fundraised income was £4,477k, a 68.4% increase compared to 2021 (£2,659k). Key one-off events such as the 35<sup>th</sup> Anniversary Ball in March and the i-newspaper Christmas appeal contributed significantly to this as they were hugely successful, raising just over £730k.

Income from legacies also performed well, with income this year of £622k. Last year was exceptional, with income of £1,008k, prior to that the five-year average had been £265k p.a. Income more than this five-year average is transferred to the Legacy Equalisation fund. This fund which was established in 2021 helps to alleviate fluctuations in legacy income by providing a top-up to the general fund in years where legacy income falls below the average.

Statutory funding of £111k makes up only 2% of income this year, compared to 21% (£979k) in 2021 when the charity gratefully received significant COVID-specific Government funding. The level this year is consistent with years prior to the pandemic as we receive no regular statutory income. This year, the charity utilised the Coronavirus Job Retention Scheme for a small number of staff and was the recipient of the COVID Statutory Sick Pay Grant. During the further winter COVID-lockdown, our Family Support Workers supported families alongside hospices, which resulted in a grant of £43.2k from NHS England through the Beds and Capacity in Palliative End of Life Care services grant scheme.

Total expenditure of £3,725k (2021: £3,196k) is a 16.6% or £529k increase on the previous year, reflecting an increase in both care and fundraising activities. However, due to the continuation of restricted access to some hospitals and families, costs did not rise to budgeted levels for travel related expenditure. Challenges in the recruitment market also resulted in savings in staff costs.

The amount spent on care and family support services is 73p in the pound, the same level as 2020 but a slight decrease from 78p in 2021. This reflects the return to normal levels of fundraising activity.

The combination of a very successful fundraising year and lower than budgeted costs has resulted in a surplus of £1,547k (2021: £1,632k).

Total funds are now £4,506k (2021: £2,959k) of which £1,768k (2021: £1,202k) are general reserves which is just over our maximum reserve policy of 4.5 months of operating costs. The remaining funds are held in designated and restricted funds (see below) for planned sustainability and growth.

Overall, this is an extremely good financial result in a year where the challenges of the COVID pandemic continued to have an impact. This was achieved through the generosity and continued support of our donors, for which we are extremely grateful. We are mindful of the current economic climate and the uncertainty it brings which could have an impact on fundraising and operational costs over the next couple of years. The success of this year's fundraising, and the resultant level of reserves, provides a solid base and level of assurance that our plans for the forthcoming year are realistic.

## RESERVES POLICY

The Trustees regularly review the general reserves policy to ensure that all relevant risk areas are included in accordance with guidance issued by the Charity Commission. Risks included are the impact of an unexpected reduction in income and the potential impact of restructuring costs and liabilities required to downsize the organisation in an orderly manner, if a permanent income reduction were to arise.

# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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The Trustees are satisfied that the existing general reserve target level of three to four-and-a-half months of operating costs is sufficient to cover the risks identified in the review. This allows sufficient time for Trustees and management to take appropriate mitigating actions, if required.

Under the policy, there are available reserves of £1,887k (2021: £1,339k), which comprise the general fund adjusted for two non-cash property related items, which do not impact access to free reserves for reserve policy purposes. This is half a month of operating costs over the target range of between £1,128k and £1,686k. The general reserve at 30 June 2022 was £1,768k (2021: £1,202k)

The Trustees continue their commitment to develop and grow the level of care and family support services, whilst maintaining a focus on managing the overall costs of the charity at sustainable levels.

Designated funds are amounts that have been set aside at the discretion of the Trustees. At June 2022, these totalled £2,455k (2021: £1,661k), across three separate funds.

1. A designated Fixed Asset Fund of £241k (2021: £274k) represents the amount of the total reserves that are invested in tangible fixed assets.
2. A designated Legacy Equalisation Fund of £1,365k (2021: £1,008k) This fund was established to moderate the fluctuating and unpredictable nature of legacy income following the exceptional legacy income in 2020/21.
3. A designated Strategic Development Fund of £850k (2021: £378k) has been established to contribute funding in future years to support the strategic increase in care services and ensure the sustainability of the exceptional staff pay award effective from 1<sup>st</sup> July 2022. This pay award was approved by the Trustees for the 2022/23 budget as a response to the cost-of-living crisis.

As at 30 June 2022, the charity has restricted reserves of £282k, which are committed to be spent.

The Trading subsidiary generated a £58k profit (2021: £55k). Reserves are £0k (2021: £53k) The reduction in reserves is due to the implementation of a Deed of Covenant between the Trading subsidiary and the charity during 2022 for the efficient flow of profits into the charity. The Deed allows the trading subsidiary to accrue for the distribution of its profits to the charity in the year in which they arise. The 2021 profits of £53K were also distributed to the charity during 2022.

## FINANCIAL EFFECT OF ANY SIGNIFICANT EVENTS

The financial impact of COVID-19 has been detailed in the Review of Year's Results section above. There were no other significant events in the year that had a financial impact on the charity.

## INVESTMENT POLICY, POWERS, AND PERFORMANCE

The Trustees consider it desirable to build up a long-term investment portfolio. The Trustees continue to adopt a conservative investment policy that seeks to protect the reserves of the charity and to achieve an appropriate return. Investment managers have a brief to maximise total return over the long term with due regard to risk.

During the year, the investment strategy and policy have remained unchanged. In line with the increased reserves, the Trustees invested a further £900k in our investment funds and the portfolios generated a small unrealised loss of £23k (2021: gain of £109k). Income from investments and short-term deposits amounted to £24k (2021: £13k).

The investment strategy is reviewed by the Finance Committee and the Board regularly during the year, and due to the increased volatility in the markets caused by the Ukraine/Russia war and current economic situation it is likely that the charity will take an even more conservative approach in 2022/23.

# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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## REMUNERATION AND RECRUITMENT POLICY

Staff are paid according to industry baselines, on merit of their professional experience and the needs of the charity in the longer term. The Trustees review the performance of the Chief Executive and the Leadership Team annually, and salary reviews are awarded according to performance. This year, four employees earned more than £60,000. This is in line with other charities of a comparable size providing palliative care.

We advertise all vacant posts on our website and seek applicants both from our current staff and externally.

## RISK MANAGEMENT

A formal risk management process to assess risks and implement mitigation strategies is in place. The Audit Committee and the Board formally review the risk register annually and update it as necessary. The register identifies the types of risks the charity faces, prioritises them in terms of likelihood of occurrence and potential impact, and identifies the means of mitigating these risks. Contingency and emergency plans have also been reviewed and incorporated into a business continuity plan. Controls are in place to mitigate, as far as possible, any major risks to which the charity is exposed.

## PRINCIPAL RISKS AND UNCERTAINTIES

There are four risks on the risk register that are considered to be major risks to the charity. These are defined on the risk register as those risks measured as having the greatest potential impact on the charity and are not necessarily an indication of their likelihood of occurrence, as the charity has control factors and procedures in place to mitigate the risks.

### **1. Protecting the health and safety of employees, families, volunteers, and visitors during the COVID-19 crisis and evaluating the ongoing support model for families**

The charity manages this risk by regularly reviewing the advice and regulation from Public Health England, the NHS and other government bodies, and by updating and communicating health and safety measures taken to reduce workplace risk to the lowest reasonably practicable. As part of implementing our Business Continuity Plan, an Emergency Response Team was instigated which continued meeting regularly during the year to monitor and manage the risks and communication to the organisation. To reduce risks from interactions with other members of staff, any member of staff with COVID-like symptoms or where a member of their household tests positive will work from home and not meet in person with other members of staff, families or volunteers. Risk assessments have been undertaken and communicated to all staff to identify and mitigate operational risks for employees and the families we support. We conducted two surveys with the families supported by Rainbow Trust to ensure that the support offered is what is required and that families feel safe to continue to interact with us. We remained in regular negotiation with hospitals to ensure that we are compliant with individual guidance around entering premises.

### **2. Allegations of, or actual, abuse of children and families**

The charity manages this risk by regular mandatory child protection training for all care staff, with regular liaison with local Children's Social Care teams, where risks are present. All staff complete basic safeguarding training on induction. The charity complies with all relevant regulations and responds appropriately to any statutory requests for information. There are written policies and procedures, which are updated as necessary, including a Whistleblowing Policy and a Safeguarding Policy, which are reviewed annually and ratified by the Lead Trustee for Safeguarding. All our employees have an enhanced DBS check prior to commencing in their role, and the Senior Leadership Team and all care and frontline staff are re-checked every three years.

### **3. Income levels insufficient to cover planned operational activities**

The charity is managing this risk by Trustee oversight of monthly reporting against budget, future income key performance indicators and with the executive team having fortnightly cash flow forecasting to identify early trends of income shortfall. Income targets and budgets are set to achieve realistic returns on investments, and new business targets are identified. Our broad range of income streams with multiple donors reduces the risk of income shortfall. The charity aims to maintain sufficient reserves to cover any unexpected or short-term income shortfalls.

# **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

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## **4. Adverse media reporting**

The charity manages this risk by having agreed procedures for all media enquiries, together with an agreed complaints procedure. The charity regularly communicates these to all staff. There is also an agreed Crisis Communication Plan in place, in case of unexpected or sudden media attention, which is regularly reviewed.

## **PENSIONS**

Rainbow Trust operates a defined contribution pension scheme for the benefit of employees. In accordance with current legislation, all employees are enrolled on joining, following an initial three-month deferment and auto enrolled every three years, unless they chose to opt-out. At June 2022 we had 82% (2021: 99%) of employees enrolled in the pension scheme.

## **HEALTH AND SAFETY**

Rainbow Trust is committed to complying with all relevant health and safety legislation, and to promoting good health and safety practices amongst employees, volunteers, and families. Rainbow Trust operates a cross-functional Health and Safety Committee to review health and safety practices.

# **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

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## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **GOVERNING DOCUMENT**

Rainbow Trust Children's Charity is a registered charity (number 1070532), incorporated under the Companies Acts as a company limited by guarantee (number 3585123) and having no share capital. The charity is governed by its Memorandum and Articles of Association.

### **APPOINTMENT OF TRUSTEES**

Rainbow Trust currently has ten elected Trustees. The composition of the Board of Trustees ("the Board") is regularly reviewed, and Trustees are recruited by word of mouth, or through specialist firms. Successful applicants are appointed by the Board, and ratified by the Members, at the Annual General Meeting. Our Articles of Association describe in detail the selection, appointment, and duties of our Trustees.

### **TRUSTEES INDUCTION AND TRAINING**

New Trustees are provided with information including the history of the organisation, details of the governing document, finances, activities, and objectives together with the role and responsibilities of a Trustee. The induction process also includes meetings with other Trustees, Chief Executive, members of the Leadership Team, and family support services. Training in the duties and responsibilities of Trustees is provided, and new Trustees are strongly encouraged to attend a specialist training seminar, in their first year of appointment. All Trustees are regularly circulated training opportunities, and updates on changes in legislation affecting the charity. Rainbow Trust holds fundraising events during the year, providing opportunities for Trustees to meet donors and supporters.

### **ORGANISATION**

The Board is responsible for overall governance of the charity, including setting and monitoring strategy. It meets on a quarterly basis and receives reports of all the principal activities. There are four standing committees: Audit, Care Services, Finance and Fundraising & Engagement. Each of the Committees has its own terms of reference and includes Trustees, the Chief Executive, and other members of the Leadership Team as appropriate. Rainbow Trust has a Scheme of Delegation, which sets out those responsibilities delegated to the Leadership Team.

Authority to conduct Rainbow Trust Children's Charity day-to-day activities is delegated to the Chief Executive, who is responsible for ensuring that the strategy and policies are carried out. The Leadership Team meets formally twice a month, and all members report to the Chief Executive.

### **INTERNAL CONTROL**

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A three-year strategic plan, and one-year operational plans in each of the areas of work, with an annual budget approved by the Board
- Regular review of the financial results of the charity, including an explanation of variances from budget
- Delegation of authority
- Segregation of duties
- Identification and management of risks.

### **PUBLIC FUNDRAISING APPROACH**

Rainbow Trust raises most of its funds from the public, and we aim to do this respectfully. We are members of the Institute of Fundraising and the Fundraising Regulator. We work carefully to comply with the Fundraising Code of Practice set out by the Fundraising Regulator, and champion the standards they promote. We support all measures that will improve public trust and support for the sector, and Rainbow Trust actively contributes to consultations to develop best practice standards and guidelines for the sector.

## **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022**

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We are compliant with the General Data Protection Regulation (GDPR), and we operate our fundraising activity in accordance with all relevant regulation.

Rainbow Trust raises money using direct mail, telephone calling (current supporters only), e-marketing, building partnerships with businesses, community groups and schools, soliciting gifts from trusts and foundations, supporting the public to raise money from their own fundraising initiatives and from sponsored sports activities, challenge events, and special events such as golf days, concerts, and fashion shows and from supporter gifts in wills. All fundraising activity is in line with the Fundraising Code of Practice, set by the Fundraising Regulator and GDPR. Individuals registered with the Fundraising Preference Service are always excluded from communications.

We contact a number of supporters by telephone each year. Charity supporters registered on the Telephone Preference Service are only called if they have agreed to receive such calls.

We have robust policies in place regarding vulnerable people and treating donors fairly. We never sell, or give supporter's details to anyone else, except those that are employed directly by us to raise funds or manage fundraising events for us. Details about our approach, our full privacy policy for supporters and our Supporter Promise are on our website, and we actively encourage supporters to contact us with any feedback. We believe it is vital that we communicate with our supporters in the manner they prefer, and we are very keen to respect their privacy and preferences. We fully induct and support all our fundraising staff to regularly reinforce our fundraising ethics.

We monitor complaints and use this feedback to help us improve our fundraising activities. This year we received no complaints about fundraising activities.

### **TRADING SUBSIDIARY**

The charity has one wholly owned trading subsidiary, Rainbow Trust Trading Limited. The subsidiary is a company limited by share capital, incorporated in England and Wales.

As explained above, the Trading subsidiary generated a £58k profit (2021: £55k). Reserves are £0k (2021: £53k) The reduction in reserves is due to the implementation of a Deed of Covenant between the Trading subsidiary and the charity during 2022 allowing the trading subsidiary to accrue for the distribution of its profits to the charity in the year in which they arise.

# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2022

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## STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees, who are also the directors for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company and Charity law requires the Trustees to prepare financial statements for each financial year. Under Company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company, and of the profit or loss of the 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 Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2019 and FRS 102);
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards 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 company will continue in business.

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

So far as each of the Trustees is aware, at the time the report is approved:

- There is no relevant audit information of which the company's auditors are unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information, and to establish that the auditors are aware of that information.

### AUDITORS

haysmacintyre has expressed their willingness to continue in office and offer themselves for re-appointment.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions available.

Signed on behalf of the Trustees.

*Mark Cunningham*

*Tim Bunting*

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**Chairman**  
**Mark Cunningham**

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**Trustee**  
**Timothy Bunting**

18 October 2022

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAINBOW TRUST CHILDREN'S CHARITY FOR THE YEAR ENDED 30 JUNE 2022

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## Opinion

We have audited the financial statements of Rainbow Trust Children's Charity for the year ended 30 June 2022 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Group 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 30 June 2022 and of the group and parent charitable company's net movement in funds, including the 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.

## 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 group 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 group or parent 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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

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.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAINBOW TRUST CHILDREN'S CHARITY FOR THE YEAR ENDED 30 JUNE 2022

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## **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' Annual Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Annual Report have 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the directors' 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 by the group and parent charitable company; or
- the group and parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- The Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime, and take advantage of the small companies' exemptions, in preparing the Trustees' report and from the requirement to prepare a strategic report.

## **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the group and parent 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 group'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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

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

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

Based on our understanding of the group and parent charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the use of restricted funds, care quality commission compliance and compliance with employment law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities Act 2011 and Charities SORP.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAINBOW TRUST CHILDREN'S CHARITY FOR THE YEAR ENDED 30 JUNE 2022

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We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to accrued and deferred income. Audit procedures performed by the engagement team included:

- Inspecting minutes of Trustees' meetings;
- Reviewing allocations and disclosures relating to restricted funds;
- Reviewing the latest Care Quality Commission (CQC) reports;
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates. These related to accrued legacy income and depreciation.

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 for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

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



**Jane Askew (Senior Statutory Auditor)**

For and on behalf of haysmacintyre LLP, Statutory Auditor

10 Queen Street Place  
London  
EC4R 1AG

Date: ...**21 October** .....2022

**RAINBOW TRUST CHILDREN'S CHARITY**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE YEAR ENDED 30 JUNE 2022**

	Note	General Fund £	Designated Fund £	Restricted Fund £	Total Funds 2022 £	Total Funds 2021 £
<b>Income and endowments from:</b>						
Donations and legacies	3	3,252,227	-	764,835	4,017,062	2,735,763
<b>Charitable activities:</b>						
Statutory funding and grants	4	24,147	-	86,938	111,085	978,890
<b>Other trading activities:</b>						
Fundraising activities		1,066,874	-	14,949	1,081,823	931,237
Commercial operations		60,025	-	-	60,025	58,956
Investment income	2	24,407	-	-	24,407	13,468
<b>Total income</b>		<b>4,427,679</b>	<b>-</b>	<b>866,722</b>	<b>5,294,402</b>	<b>4,718,314</b>
<b>Expenditure on:</b>						
<b>Raising funds:</b>						
Grants and donations		559,136	-	-	559,136	567,178
Commercial operations	5	1,794	-	-	1,794	4,495
Fundraising activities		419,090	-	-	419,090	116,631
Donor acquisition		19,310	-	-	19,310	23,745
Move funding		-	-	-	-	-
<b>Total cost of raising funds</b>		<b>999,330</b>	<b>-</b>	<b>-</b>	<b>999,330</b>	<b>712,049</b>
<b>Net income available for charitable activities</b>		<b>3,428,350</b>	<b>-</b>	<b>866,722</b>	<b>4,295,072</b>	<b>4,006,265</b>
<b>Charitable activities</b>						
Carer and family support services		2,044,403	-	680,984	2,725,387	2,483,515
Governance costs		-	-	-	-	-
<b>Total expenditure</b>	6	<b>3,043,733</b>	<b>-</b>	<b>680,984</b>	<b>3,724,717</b>	<b>3,195,564</b>
Net income before gains/(losses) on investments		1,383,947	-	185,738	1,569,685	1,522,750
Gains/(loss) on investments		(22,924)	-	-	(22,924)	109,474
Net income before transfers		1,361,023	-	185,738	1,546,761	1,632,224
Transfers between funds	15	(794,397)	794,397	-	-	-
Net movement in funds		566,626	747,790	185,738	1,546,761	1,632,224
Fund balance brought forward		1,201,648	1,660,887	96,589	2,959,124	1,326,900
Fund balance carried forward		1,768,274	2,455,284	282,327	4,505,885	2,959,124

All transactions during the year are derived from continuing activities.  
All recognised gains and losses are included in the statement of financial activity.

Full comparatives for the year to June 2021 are shown in note 20.

**RAINBOW TRUST CHILDREN'S CHARITY  
CONSOLIDATED BALANCE SHEET  
AS AT 30 JUNE 2022**

Company No. 3585123

	Note	2022		2021	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	10		241,126		274,474
Investments	11		2,539,859		1,662,783
			<u>2,780,985</u>		<u>1,937,257</u>
<b>CURRENT ASSETS</b>					
Debtors	12	1,026,958		895,430	
Cash at bank and in hand		<u>1,575,308</u>		<u>983,451</u>	
		2,602,266		1,878,881	
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(749,898)</u>		<u>(716,053)</u>	
<b>NET CURRENT ASSETS</b>			1,852,368		1,162,828
<b>CREDITORS: amounts falling due after more than one year</b>	13		(127,468)		(140,961)
<b>NET ASSETS</b>			<u>4,505,885</u>		<u>2,959,124</u>
<b>FUNDS</b>					
Restricted funds	14/15		282,327		96,589
Unrestricted funds:					
Designated funds	15		2,455,284		1,660,887
General funds	15		1,768,274		1,201,684
<b>TOTAL FUNDS</b>			<u>4,505,885</u>		<u>2,959,124</u>

The surplus of the parent charity for the year to 30 June 2022 was £1,546,761 (2021: £1,592,995)

Approved and authorised for issue by the Trustees on 18 October 2022.

*Mark Cunningham*

*Tim Bunting*

\_\_\_\_\_  
**CHAIRMAN**  
Mark Cunningham

\_\_\_\_\_  
**TRUSTEE**  
Timothy Bunting

The notes on pages 29-43 form part of these financial statements.

**RAINBOW TRUST CHILDREN'S CHARITY**  
**CHARITY BALANCE SHEET**  
**AS AT 30 JUNE 2022**

Company No: 3585123

	Note	2022		2021	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	10		241,126		274,474
Investments	11		2,539,959		1,662,883
			<u>2,781,085</u>		<u>1,937,357</u>
<b>CURRENT ASSETS</b>					
Debtors	12	1,028,076		876,062	
Cash at bank and in hand		<u>1,566,141</u>		<u>954,187</u>	
		2,594,217		1,830,249	
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(741,949)</u>		<u>(724,029)</u>	
<b>NET CURRENT ASSETS</b>			1,852,268		1,106,220
<b>CREDITORS: amounts falling due after more than one year</b>	13		(127,468)		(140,961)
<b>NET ASSETS</b>			<u>4,505,885</u>		<u>2,902,616</u>
<b>FUNDS</b>					
Restricted funds	14/15		282,327		96,589
Unrestricted funds:					
Designated funds	15		2,455,284		1,660,887
General funds	15		1,768,274		1,145,140
<b>TOTAL FUNDS</b>			<u>4,505,885</u>		<u>2,902,616</u>

Approved and authorised for issue by the Trustees on 18 October 2022.

*Mark Cunningham*

*Tim Bunting*

\_\_\_\_\_  
**CHAIRMAN**  
**Mark Cunningham**

\_\_\_\_\_  
**TRUSTEE**  
**Timothy Bunting**

The notes on pages 29-43 form part of these financial statements.

**RAINBOW TRUST CHILDREN'S CHARITY  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2022**

	<b>2022</b> £	<b>2021</b> £
Net cash provided by operating activities	1,496,348	490,219
Cash flows from investing activities:		
Interest income	24,407	13,468
Fixed Asset: purchased	(28,898)	(37,017)
Fixed Asset: proceeds from disposals	-	1,499
Investments: additions at cost	(900,000)	(850,000)
Cash provided by/ (used in) investing activities	(904,491)	(872,050)
Increase/ (decrease) in cash and cash equivalents in the year	591,857	(381,831)
Cash and cash equivalents at the beginning of the year	983,451	1,365,282
Total cash and cash equivalents at the end of the year	1,575,308	983,451

**A: RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2022</b> £	<b>2021</b> £
Net income for the reporting period	1,546,761	1,632,224
Adjustments for:		
Investment income	(24,407)	(13,468)
Depreciation charge	62,246	61,220
(Profit) / loss on disposal of fixed assets	-	(758)
(Gains)/losses on investments	22,924	(109,474)
Increase in debtors	(131,528)	(432,527)
Increase/(decrease) in creditors	20,352	(646,998)
Net cash provided by operating activities	1,496,348	490,219

**B: ANALYSIS OF CHANGES IN NET CASH FUNDS**

	<b>At</b> <b>30 June</b> <b>2021</b>	<b>Cashflows</b>	<b>At</b> <b>30 June</b> <b>2022</b>
	£	£	£
Cash at bank and in hand	983,451	591,857	1,575,308
Total cash and cash equivalents	983,451	591,857	1,575,308

# RAINBOW TRUST CHILDREN'S CHARITY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2022

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#### 1. ACCOUNTING POLICIES

##### **BASIS OF ACCOUNTING**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) (Second Edition, effective 1 January 2019) 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.

Rainbow Trust Children's 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 note(s).

##### **PREPARATION OF ACCOUNTS ON A GOING CONCERN BASIS**

The Trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The review of the financial position, reserve levels, cash flow for the next 12 months from the date of approval of these financial statements and future plans, gives Trustees confidence that the charity remains a going concern for the foreseeable future.

##### **FUND ACCOUNTING**

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use, at the discretion of the Board of Trustees, in furtherance of the general charitable objectives.

Designated funds are amounts that have been set aside at the discretion of the Board of Trustees.

Restricted funds are funds subject to specific restricted conditions imposed by the donors.

##### **INCOME**

Income represents the total income receivable during the year comprising donations, income from fundraising activities and investment income.

##### **GRANTS**

Grant income is recognised in the accounting period to which it relates.

##### **CORONAVIRUS JOB RETENTION SCHEME (CJRS) INCOME**

Government grant income paid under the CJRS has been recognised in the Statement of Financial Activities in the period to which the underlying furloughed staff costs relate to.

##### **EXPENDITURE**

The costs of respite and domiciliary care, fundraising and promotional publicity and of administration comprise expenditure, including staff costs, directly attributable to the activity. Where costs cannot be directly attributed, they have been allocated to activities on a cost basis.

Central overheads are allocated to operational and fundraising functions on the basis of their use of central support services, with the aim of ensuring that those costs remaining within administration relate to the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

##### **FIXED ASSETS AND DEPRECIATION**

Fixed assets are held at depreciated cost. Assets costing more than £0.5k are capitalised. Depreciation is calculated to write-off the cost of fixed assets over their estimated useful lives on the following basis:

Computer equipment	between 3 and 5 years
Furniture and equipment	between 5 and 10 years

# **RAINBOW TRUST CHILDREN'S CHARITY**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 30 JUNE 2022**

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#### **INCOME TAX**

Income tax recoverable on gift aid is accounted for on a receivable basis.

#### **BASIS OF CONSOLIDATION**

The group financial statements consolidate the financial statements of Rainbow Trust Children's Charity and its subsidiary, Rainbow Trust Trading Limited. No separate Statement of Financial Activities is presented for the charity, which had a net movement in funds of £1,546,761 as provided by section 408 of the Companies Act 2006.

#### **DONATED ASSETS**

Where the charity has been donated assets or gifts in kind, and where it is possible to quantify the value, then this is reflected in the statement of financial activities.

#### **LEGACIES**

Income from legacies is recognised when there is a grant of probate; confirmation on sufficiency of funds to make a distribution; when it is possible to value the legacy with reasonable accuracy and when any conditions attached to the legacy have been met or are within the control of the charity.

#### **FINANCIAL INSTRUMENTS**

The charitable company 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.

#### **DEBTORS**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

#### **CASH AT BANK AND IN HAND**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### **CREDITORS AND PROVISIONS**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount, after allowing for any trade discounts due.

#### **EMPLOYEE BENEFITS**

Short-term benefits are recognised as an expense in the period in which the service is received. Termination benefits are accounted for on an accrual basis and in line with FRS 102. Rainbow Trust operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of Rainbow Trust in an independently administered fund. The pension costs charged in the financial statements represent the contributions payable during the year.

#### **CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the accounting policies, Trustees are required to make judgement, estimates, and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affected current and future periods.

In the view of the Trustees, there are no critical accounting judgements or key sources of estimation uncertainty.

**RAINBOW TRUST CHILDREN'S CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

<b>2. INCOME FROM INVESTMENTS</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Interest	24,407	13,468
	<u>24,407</u>	<u>13,468</u>
 <b>3. DONATIONS AND LEGACIES</b>	 <b>2022</b>	 <b>2021</b>
	<b>£</b>	<b>£</b>
Donations	3,395,416	1,727,750
Legacies	621,645	1,008,013
	<u>4,017,061</u>	<u>2,735,763</u>
 <b>4. STATUTORY FUNDING AND GRANTS</b>	 <b>2022</b>	 <b>2021</b>
	<b>£</b>	<b>£</b>
Statutory Income	63,865	97,308
NHS England	43,197	648,393
Coronavirus Job Retention Scheme	2,077	233,189
Coronavirus Statutory Sick Pay Grant	1,946	-
	<u>111,085</u>	<u>978,890</u>

**5. RESULTS FROM TRADING ACTIVITIES OF SUBSIDIARY**

Rainbow Trust Trading Limited is a wholly owned subsidiary of Rainbow Trust Children's Charity, which is incorporated in the UK, company number 02361243, and pays all its profits to the charity by Gift Aid. The charity owns the entire issued share capital of 100 Ordinary shares of £1 each. A summary of the trading results is shown below.

<b>Summary profit and loss account</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Turnover	60,025	58,956
Cost of sales and administrative expenses	(1,794)	(4,495)
Gift Aid distributions to Parent company	(110,640)	(15,232)
Retained in Subsidiary	<u>(52,409)</u>	<u>39,229</u>
Opening reserves	<u>(52,509)</u>	<u>13,280</u>
Closing reserves	100	52,509
 <b>Summary balance sheet</b>	 <b>2022</b>	 <b>2021</b>
	<b>£</b>	<b>£</b>
Current assets	46,911	57,130
Creditors: amounts falling due within one year	(46,811)	(4,621)
Total Net Assets	<u>100</u>	<u>52,509</u>

During the year Gift Aid of £54,461 was paid from the Trading Subsidiary to the parent Charity for profit relating to the year ending 30th June 2021.

During the year to June 2022 a deed of covenant was signed by the Trading subsidiary which created a legal obligation at 30th June 2022 for the Gift Aid owed to the Charity of £56,179

**RAINBOW TRUST CHILDREN'S CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

**6. ANALYSIS OF DIRECT AND ALLOCATED COSTS**

	Direct costs £	Allocated costs £	Support costs £	2022 Total £	2021 Total £
<b>Costs of raising funds</b>					
Commercial operations	1,794	-	-	1,794	4,495
Fundraising activities	419,090	-	-	419,090	116,631
Donor acquisition	19,310	-	-	19,310	23,745
Fundraising and publicity	320,046	178,403	60,687	559,136	567,178
<b>Charitable expenditure</b>					
Carer and family support services	1,866,270	641,608	217,509	2,725,387	2,483,515
	<u>2,626,510</u>	<u>820,011</u>	<u>278,196</u>	<u>3,724,717</u>	<u>3,195,564</u>

**ANALYSIS OF SUPPORT COSTS**

	Management £	Finance & Admin £	IT £	2022 Total £	2021 Total £
<b>Costs of raising funds</b>					
Fundraising and publicity	36,000	14,012	10,675	60,687	82,956
<b>Charitable expenditure</b>					
Carer and family support services	145,915	68,925	2,669	217,509	165,924
	<u>181,915</u>	<u>82,937</u>	<u>13,344</u>	<u>278,196</u>	<u>248,880</u>

**7. NET INCOME**

	2022 £	2021 £
These are stated before charging:		
Depreciation - owned assets	62,246	61,220
Expenditure on operating leases	356,379	338,641
Auditor's remuneration – parent company audit fee	15,720	14,700

**RAINBOW TRUST CHILDREN'S CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

**8. STAFF COSTS AND NUMBERS**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,024,807	1,944,566
Social security costs	216,314	205,483
Pension contributions	92,837	95,471
	<u>2,333,958</u>	<u>2,245,520</u>

The average number of total employees during the year was: 74                      75

	<b>2022</b>	<b>2021</b>
	<b>No</b>	<b>No</b>
Employees earning over £60,000 fell into the following bands:		
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
£80,001 - £90,000	-	-
£90,001 - £100,000	1	1

All of the above employees are in a defined contribution pension scheme at a cost to the charity of £14,850 (2021: £14,997).

**Key management remuneration**

The total employee benefits of the key management personnel, identified as members of the Rainbow Trust Leadership Team and other employees having authority and responsibility for planning, directing and controlling the activities of the charity were £557,816 (2021: £538,494).

**9. TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES**

No Trustees received remuneration during the year (2021: no Trustee remuneration). The Board of Trustees received reimbursed expenses during the year amounting to £nil (2021: none).

**RAINBOW TRUST CHILDREN'S CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

**10. FIXED ASSETS**

**GROUP AND CHARITY**

	<b>Furniture &amp; equipment £</b>	<b>Computer equipment £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>COST</b>				
At 1 July 2021	287,197	194,643	7,200	489,040
Additions	1,285	27,613	-	28,898
Disposals	-	(21,743)	(7,200)	(28,943)
At 30 June 2022	288,482	200,513	-	488,995
<b>DEPRECIATION</b>				
At 1 July 2021	91,059	116,307	7,199	214,565
Charge for Period	29,522	32,724	-	62,246
Disposals	-	(21,743)	(7,199)	(28,942)
At 30 June 2022	120,581	127,288	-	247,869
<b>NET BOOK VALUE</b>				
At 30 June 2022	167,901	73,225	-	241,126
At 30 June 2021	196,138	78,336	1	274,475

**11. FIXED ASSET INVESTMENTS**

**GROUP AND CHARITY**

	<b>Group UK Listed £</b>	<b>Investment in subsidiary £</b>	<b>Charity Total £</b>
<b>Market value</b>			
At 1 July 2021	1,662,783	100	1,662,883
Additions at cost	900,000	-	900,000
Unrealised Losses	(22,924)	-	(22,924)
At Current	2,539,859	100	2,539,959
Historic cost at 30 June 2021	1,500,474	100	1,500,574
Historic cost at 30 June 2022	2,414,392	100	2,414,492

**RAINBOW TRUST CHILDREN'S CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

12. DEBTORS	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Prepayments and accrued income	980,976	862,103	980,976	862,103
Trade and other debtors	45,982	33,327	8,237	13,959
Amount owed by trading subsidiary	-	-	38,863	-
	<u>1,026,958</u>	<u>895,430</u>	<u>1,028,076</u>	<u>876,062</u>

13. CREDITORS: Amounts falling due within one year	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	132,771	96,915	132,771	96,915
Accruals and deferred income	547,064	556,966	545,264	556,066
Other taxation and social security	50,421	44,957	50,421	44,957
Other creditors	19,642	17,215	13,493	13,494
Amount due to trading subsidiary	-	-	-	12,597
	<u>749,898</u>	<u>716,053</u>	<u>741,949</u>	<u>724,029</u>

CREDITORS: Amounts falling After more than one year	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Rent free accrual and dilapidation Provision	127,468	140,961	127,468	140,961
	<u>127,468</u>	<u>140,961</u>	<u>127,468</u>	<u>140,961</u>

**RAINBOW TRUST CHILDREN'S CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

**14. RESTRICTED FUNDS**

	At 1 July 2021	Income	Expenditure	At 30 June 2022
	£	£	£	£
Care team offices:				
Essex	31,500	68,790	(87,463)	12,827
Hampshire	-	21,000	(6,000)	15,000
London & South East	17,498	167,695	(123,679)	61,513
North East	-	40,955	(36,944)	4,012
North West	30,832	104,800	(108,631)	27,001
South West	10,094	70,606	(76,800)	3,900
Reading	-	5,000	-	5,000
NHS England	-	43,197	(43,197)	-
BBC Children in Need	6,665	75,865	(77,519)	5,010
It's About Time	-	151,315	(72,111)	79,203
Anne Harris Skills Development Programme	-	50,000	(28,548)	21,452
Kentown Wizard Project	-	21,500	(16,024)	5,476
Tees Valley CCG	-	36,000	(2,996)	33,004
Online Support	-	10,000	(1,072)	8,928
	96,589	866,722	(680,984)	282,327

Care Team offices: over the year, we received geographically limited grants towards the costs of running our regional care teams including salaries, associated and operating costs, of Family Support Workers.

NHS England awarded funding of £43.2k to allow the charity to make available community support from December 2021 to March 2022 to provide support to children and families with complex needs in the context of the COVID-19 situation, under the Beds and Capacity in Palliative End of Life Care services grant scheme.

BBC Children in Need provided funding for the salary and related costs of a Family Support Worker in the Greater Manchester area and made an additional COVID-19 Next Steps grant to support children in Greater Manchester who have been disproportionately affected by the pandemic.

The 2019/20 *It's About Time* campaign raised £151.3k to fund a Family Support Worker in each of five teams.

The *Anne Harris Skills Development Programme* provides funding for the training and development of our family support workers

Kentown Wizard is funding a Palliative Care Programme in the Northwest. This is a collaborative programme between Together for Short Lives, The Kentown Wizard Foundation and Rainbow Trust Children's Charity.

Tees Valley CCG is funding a part-time Family Support Worker in the North East.

The Edward Gosling Foundation has provided £10k towards our Online Support initiative, offering support to children and their families in regions where we do not have a physical team located.

Full comparatives for the year to June 2021 are shown in note 22.

**RAINBOW TRUST CHILDREN'S CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

**15. STATEMENT OF FUNDS**

	1 July 2021 £	Income £	Expenditure £	Transfers & Gains £	30 June 2022 £
<b>Unrestricted Funds:</b>					
General Fund	1,201,648	4,427,680	(3,043,733)	(817,321)	1,768,274
<b>Designated Funds:</b>					
Fixed Asset Fund	274,474	-	-	(33,348)	241,126
Legacy Equalisation Fund	1,008,013	-	-	356,645	1,364,658
Strategic Development Reserve	378,400	-	-	471,100	849,500
<b>Restricted Funds:</b>					
Donations	96,589	866,722	(680,984)	-	282,327
	2,959,124	5,294,402	(3,724,717)	(22,924)	4,505,885

The Fixed Asset Fund represents the amount of the total reserves that are invested in tangible fixed assets.

The Legacy Equalisation Fund was established following the exceptional legacy income in 2020/21 of £1,008,013. The fund aims to moderate the fluctuating and unpredictable nature of legacy income by allocating any future excess of legacy income received over a five-year average legacy income to the fund. This would be released back to the General Fund in years where the legacy income falls below the five-year average.

The Strategic Development reserve was established from General Funds in 2020/21, to earmark funding for future planned strategic development of care services and investment in technology from in 2022 and 2023. In 2021/22 £28,900 has been spent on this investment which includes the decommissioning of servers to the cloud. In recognition of the current cost of living crisis, a further £500k has been added, to fund the exceptional pay rise awarded to staff (effective 1st July 2022) for four years.

Restricted Funds represent donations where the donor has declared where the gift should be spent, with more detail provided in note 14.

Full comparatives for the year to June 2021 are shown in note 23.

**RAINBOW TRUST CHILDREN'S CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

**16. ANALYSIS OF GROUP NET ASSETS  
BETWEEN FUNDS**

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
<b>Fund balances at 30 June 2022 are represented by:</b>				
Tangible fixed assets	-	241,126	-	241,126
Investments	1,076,649	1,463,210	-	2,539,859
Current assets	1,568,991	704,341	282,327	2,555,659
Current liabilities	(749,898)	-	-	(749,898)
Creditors falling due after more than one year	(127,468)	-	-	(127,468)
	<u>1,768,274</u>	<u>2,408,677</u>	<u>282,327</u>	<u>4,459,278</u>

Full comparatives for the year to June 2021 are shown in note 24

**17. TAXATION**

As a registered charity, the company is not liable to income tax or corporation tax on income or gains derived from its charitable activities.

**18. FUTURE COMMITMENTS**

	Group and Charity 2022	Group and Charity 2021		
	£	£		
Capital expenditure authorised and contracted for at 30 June	nil	nil		
	<u>nil</u>	<u>nil</u>		
	<b>Land and buildings</b>	<b>Other</b>	<b>30 June 2022</b>	<b>30 June 2021</b>
	£	£	£	£
Amounts falling due:				
Within one year	175,974	84,897	260,871	276,345
Between one and five years	569,277	135,409	704,686	666,136
After five years	148,796	-	148,796	285,598
Total	<u>894,047</u>	<u>220,306</u>	<u>1,114,353</u>	<u>1,228,079</u>

**19. RELATED PARTY TRANSACTIONS**

The aggregate donations received from the Trustees in the year was £461,232 (2021: £178,590), of which £162.5k has been deferred, to be recognised in future periods.

There were no other transactions with related parties as at 30 June 2022 (2021: none)

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**20. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY**

	General Fund £	Restricted Fund £	Designated Fund £	Total Funds 2021 £
<b>Income and endowments from:</b>				
Donations and legacies	1,313,481	414,269	1,008,013	2,735,763
Charitable activities:				
Statutory income	259,533	719,357	-	978,890
Other trading activities:				
Fundraising activities	922,904	8,333	-	931,237
Commercial operations	58,956	-	-	58,956
Investments	13,468	-	-	13,468
<b>Total income</b>	<b>2,568,342</b>	<b>1,141,959</b>	<b>1,008,013</b>	<b>4,718,314</b>
<b>Expenditure on:</b>				
<b>Raising funds:</b>				
Grants and donations	566,279	-	-	566,279
Commercial operations	4,495	-	-	4,495
Fundraising activities	116,631	-	-	116,631
Donor acquisition	23,745	-	-	23,745
<b>Total cost of raising funds</b>	<b>711,150</b>	<b>-</b>	<b>-</b>	<b>711,150</b>
<b>Net income available for charitable activities</b>	<b>1,857,192</b>	<b>1,141,959</b>	<b>1,008,013</b>	<b>4,007,164</b>
<b>Charitable activities</b>				
Carer and family support services	1,237,567	1,246,847	-	2,484,414
<b>Total expenditure</b>	<b>1,948,717</b>	<b>1,246,847</b>	<b>-</b>	<b>3,195,564</b>
<b>Net income/(expenditure) before gains/(losses) on investments</b>	<b>619,625</b>	<b>(104,888)</b>	<b>1,008,013</b>	<b>1,522,750</b>
Gains/(losses) on investments	109,474	-	-	109,474
Net income/(expenditure) before transfers	729,099	(104,888)	1,008,013	1,632,224
Transfers between funds	(353,456)	-	353,456	-
Net movement in funds	375,643	(104,888)	1,361,469	1,632,224
Total funds brought forward	826,005	201,477	299,418	1,326,900
Total funds carried forward	1,201,648	96,589	1,660,887	2,959,124

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**21. COMPARATIVE OF TOTAL EXPENDITURE**

**ANALYSIS OF DIRECT AND ALLOCATED COSTS**

	<b>Direct Costs £</b>	<b>Allocated Costs £</b>	<b>Support Costs £</b>	<b>2021 Total £</b>
<b>Costs of raising funds</b>				
Commercial Operations	4,495	-	-	4,495
Fundraising activities	116,631	-	-	116,631
Donor acquisition	23,745	-	-	23,745
Fundraising and publicity	305,822	177,500	82,956	566,278
<b>Charitable expenditure</b>				
Carer and family support services	1,686,586	631,905	165,924	2,484,415
	<b>2,137,279</b>	<b>809,405</b>	<b>248,880</b>	<b>3,195,564</b>

**ANALYSIS OF SUPPORT COSTS**

	<b>Management £</b>	<b>Finance and Admin £</b>	<b>IT £</b>	<b>2021 Total £</b>
<b>Cost of raising funds</b>				
Fundraising and publicity	29,465	40,155	13,337	82,957
<b>Charitable expenditure</b>				
Carer and family support services	119,384	43,205	3,334	165,923
	<b>148,849</b>	<b>83,360</b>	<b>16,671</b>	<b>248,880</b>

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**22. COMPARATIVE ANALYSIS OF RESTRICTED FUNDS**

	At 1 July 2020 £	Income £	Expenditure £	At 30 June 2021 £
<b>Care Team Offices:</b>				
Essex	2,500	89,992	(60,992)	31,500
Hampshire	4,598	8,150	(12,748)	-
London & South East	109,136	90,998	(182,636)	17,498
North East	-	91,840	(91,840)	-
North West	8,962	129,046	(107,176)	30,832
South West	12,003	43,400	(45,309)	10,094
NHS England	-	648,393	(648,393)	-
BBC Children in Need Next Steps	-	39,990	(33,325)	6,665
Other	64,278	150	(64,428)	-
	<b>201,477</b>	<b>1,141,959</b>	<b>(1,246,847)</b>	<b>96,589</b>

Care Team Offices: over the year, we received geographically limited grants towards costs of running our regional care teams including salaries, associated and operating costs, of Family Support Workers.

Essex County Council provided a grant to fund our work with Essex families during the COVID-19 pandemic.

Surrey County Council provided Short Breaks grant funding for families caring for a child with a life threatening or terminal illness in Surrey.

The National Lottery Community Fund made an emergency grant of £81,583 through the Coronavirus Community Support Fund to fund our work with children and families in the North East and Cumbria.

The St.James's Palace Charitable Foundation funded the cost of providing a Family Support Worker to support families in Bristol, Bath and North East Somerset.

The NHSE awarded funding to allow the charity to make available community support from April 2020 to July 2020 to provide support to children and families with complex needs in the context of the COVID-19 situation and to provide community support from November 2020 to March 2021 for the same purpose.

BBC Children in Need provided funding for the salary and related costs of a Family Support Worker in the Greater Manchester area and made an additional COVID-19 Next Steps grant to support children in Greater Manchester who have been disproportionately affected by the pandemic.

Comparatives for the 2020 financial year can be found in the 2020 financial statements which are publicly available on the Charity Commission's website.

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES**  
**FOR THE YEAR ENDED 30 JUNE 2022**

**23. COMPARATIVE STATEMENT OF FUNDS**

	1 July 2020 £	Income £	Expenditure £	Transfer and Gains £	30 June 2021 £
<b>Unrestricted Funds:</b>					
General Fund	826,005	2,568,342	(1,948,717)	(243,982)	1,201,648
<b>Designated Funds:</b>					
Fixed Asset Fund	299,418	-	-	(24,944)	274,474
Legacy Equalisation Fund	-	1,008,013	-	-	1,008,013
Strategic Development Reserve	-	-	-	378,400	378,400
<b>Restricted Funds:</b>					
Donations	201,477	1,141,959	(1,246,847)	-	96,589
	<b>1,326,900</b>	<b>4,718,314</b>	<b>(3,195,564)</b>	<b>109,474</b>	<b>2,959,124</b>

The Fixed Assets fund represents the amount of total reserves that are invested in tangible fixed assets.

The Legacy Equalisation Fund has been established following the exceptional legacy income in 2020/21 of £1,008,013. The fund aims to moderate the fluctuating and unpredictable nature of the legacy income by allocating any future excess of legacy income received over a five-year average legacy income to the fund. This would be released back into the General Fund in years where the legacy income falls below the five-year average.

The Strategic Development Reserve has been established to earmark funding for future planned strategic development of care services and investments in technology.

Restricted Funds represent donations where the donor has declared where the gift should be spent, with more detail provided in Note 14.

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES**  
**FOR THE YEAR ENDED 30 JUNE 2022**

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**24. COMPARATIVE ANALYSIS OF GROUP NET ASSETS  
 BETWEEN FUNDS**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds £
<b>Fund balances at 30 June 2021 are represented by:</b>				
Tangible fixed assets	-	274,474	-	274,474
Investments	980,711	682,072	-	1,662,783
Current assets	1,077,951	704,341	96,589	1,878,881
Current liabilities	(716,053)	-	-	(716,053)
Creditors falling due after more than one year	(140,961)	-	-	(140,961)
	<b>1,201,648</b>	<b>1,660,887</b>	<b>96,589</b>	<b>2,959,124</b>