

# REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

**RAINBOW  
TRUST**

SUPPORTING FAMILIES  
WITH A SERIOUSLY ILL CHILD

FOR THE  
YEAR ENDED  
30 JUNE 2023

## Our performance and achievements highlights

- **1,185** families received in-depth support
- **582** new families started to receive our support
- New teams opened in **Reading and Liverpool** to expand the reach of our services
- Online family support extended to **support 16 families across the UK**
- 12th consecutive year in the **Best Companies to Work for** awards
- **Raised £4.8** million to ensure the sustainable support of more families
- Successful lobbied for the introduction of the **Neonatal Care (Leave and Pay) bill**

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 2023**

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# RAINBOW TRUST CHILDREN'S CHARITY

## REPORT AND FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2023

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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 2023.

#### CORPORATE DIRECTORY

##### Trustees

Mark Cunningham (Chairman)  
Tim Bunting (retired January 2023)  
Elizabeth Crighton  
Howard Dyer  
Andrew Honnor  
Dr. Jonathan Rabbs  
Charles Sermon  
Jennifer Smithson  
Michael Wainwright  
Celia Woollett

##### Chief Executive

Zillah Bingley

##### Secretary

Jayne Steele

##### Principal Address

Cassini Court  
Randalls Way  
Leatherhead  
Surrey  
KT22 7TW

##### Independent Auditors

haysmacintyre LLP  
10 Queen Street Place  
London  
EC4R 1AG

##### Bankers

NatWest Bank plc  
1000 Cathedral Square  
Cathedral Hill  
Guildford  
Surrey  
GU2 7YL

##### Investment Managers

Cazenove Capital  
1 London Wall Place  
London  
EC2Y 5AU

Ruffer LLP  
80 Victoria Street  
London  
SW1E 5JL

##### Company Number

3585123

##### Charity Number

1070532

# **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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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 OBJECTIVES 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. Family referrals to Rainbow Trust doubled in the decade prior to the pandemic and are gradually returning to pre-pandemic levels. 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 the support is 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 have no break from pressures at home. Despite feeling ignored and anxious, they are often afraid to ask for help as they fear letting their 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 struggling financially and may have difficulty accessing hospital appointments.

# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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## ACHIEVEMENTS AND PERFORMANCE

We entered this year having stabilised the organisation following the COVID-19 pandemic two years ago and continued to build out to try and reach pre-pandemic levels. We have a very clear ambition to continue to adapt and grow the number of families we support.

## OVERVIEW AND THIS YEAR'S HIGHLIGHTS

This year we planned to

1. Ensure families have the support they need
2. Ensure every family has access to the support they need
3. Work in partnership with others to enhance support and reach more families
4. Achieve change for families by influencing policy
5. Inspire more people to support seriously ill children and their families
6. Increase our use of digital technologies
7. Grow and support our talent
8. Continue to develop our volunteer programme.

Highlights for the year 2023-23 include:

- 1,185 families received tailored support from a Family Support Worker
- 582 new families started to receive in-depth support, a 5% increase on last year
- Online family support was provided to 16 families across the UK
- 19 families were supported through the Kentown Children's Palliative Care programme
- New teams launched in Reading and Liverpool to expand the reach of our services
- Attended the Liverpool Labour party conference and successfully lobbied for the Neonatal Care (Leave and Pay) bill which will be implemented in 2025
- Raised £4.8million to ensure the sustainable support of families
- Played an active role in the Digital Services Consortium, a collective of 12 member charities, developing a bid to fund digital services and share digital insight
- Care volunteering hours increased by 69%, with a total of 62 volunteers across the teams
- Listed for the 12<sup>th</sup> consecutive year in the Best Companies to Work For.

Our progress against our aims is as follows:

### **Aim 1: Ensure families have the support they need**

The support provided to families is gradually returning to pre pandemic levels. This was slower than hoped due to recruitment challenges across the entire sector. Despite this referrals were up 5% on the prior year with new referral streams identified in every team.

There has been a welcome return to group activities and family days. These have been evaluated and children and parents have really appreciated the opportunity to meet others in similar situations and share experiences.

Some families remain anxious about the ongoing threat of COVID and continue to shield despite the removal of all restrictions. However, we have found other ways to support these families, such as through our online service.

Despite the challenges of the year, families told us that Rainbow Trust remains a significant, and in some cases, the only support they receive. Feedback from our family surveys remains positive and the difference that our support makes is clearly expressed by recipients.

Training has been delivered to enable a second team to run a further youth resilience group. This is planned to commence as soon as enough young people have been identified to make up the group.

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The Dad's group was launched in one other area as a face-to-face meeting by popular request. This can make attendance difficult for some and there are plans to consider the option of an online forum either as an alternative or as well as the physical group. We continue to look at ways to develop these groups in other areas.

We successfully launched a new drop-in group on a neonatal unit. The focus was originally for parents however its remit has widened to include siblings if they are visiting the unit. This has been very well received by attendees and staff alike.

#### **Aim 2 : Ensure every family has access to the support they need**

The two new Family Support teams in Liverpool and Reading opened in this financial year and are becoming well established, making an impact in the areas they cover.

Referrals into the Reading team have been steady, and the Family Support Manager has worked well to develop new relationships in areas where Rainbow Trust was not previously known. This has resulted in new referral sources and a heightened profile in the area. The office has been registered with the Care Quality Commission and the Family Support Manager interviewed and appointed as the registered manager for the service. The Reading team had some vacant posts in the year, however despite this, families have received a high-quality service.

The Liverpool Team has three Family Support Workers who have worked well to raise the profile of the team and gain access to key hospitals in the area. The caseload is growing and feedback from families and referrers remains high. The office is registered with the Care Quality Commission and is an excellent base for the team. Recruitment for a manager for the team is ongoing and, in the interim, the team is managed by the Head of Care Services with the manager of the Greater Manchester team operating as the registered manager for the Care Quality Commission.

During the pandemic we developed innovative ways of providing our support online. This has continued to grow and the demand for this type of support is increasing. In particular, this has enabled us to support families in areas in which we do not have a physical presence. In the financial year 16 families benefitted from this form of support. A key benefit of providing support in this way is that there is the opportunity to utilise different Family Support Workers with different family members where this is helpful. This allows for greater confidentiality, particularly for siblings who can feel wary about disclosing their true thoughts to a Family Support Worker who is also actively supporting their parents.

Currently the online support team comprises Family Support Workers from the existing care teams. As the project develops, we will review the potential to pilot a bespoke online worker with a view to seeing whether a standalone online support team is viable. This could allow for a wider reach for the service offering.

Online support is also made available to families who receive face to face support providing a hybrid approach where applicable. This can be very useful when families receive treatment at a hospital far from home. In these circumstances, families have welcomed the opportunity to remain in contact with their known Family Support Worker who can offer a vital link to home.

To support development of our online family support we continued to play an active role in the Digital Services Consortium, a collective of 12 member charities, developing a consortium bid to fund digital services and sharing digital insight.

Families with a child who has a life threatening illness are often disproportionately impacted by the cost of living crisis due to the need to keep their home warm, run lifesaving equipment and drive to numerous medical appointments. This year our Family Support Workers saw an increased need in this area and have helped more families access help with financial support. This has been achieved through the work our Family Support Workers do to signpost families to other grant making organisations, and the practical help we give in completing both these grant and government benefit applications.

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We also saw an increase in the number of requests for hospital transport. During the year we welcomed back several volunteer drivers and aim to increase the number of volunteer drivers in the coming year to help more families struggling with the cost of living crisis.

## **Aim 3: Work in partnership with others to enhance support and reach more families**

Partnership working remains an important part of our strategy.

Links have been strengthened with Derian House and Brian House hospices in the North West, which has resulted in coordination of care and sharing of expertise to support families more effectively and in a joined up manner. We worked collaboratively with Alexander Devine Hospice to lobby government concerning the impact of the cost of living crisis, increased fuel costs and resultant impact on families – this led to a better understanding of the service offered by each organisation and the potential for collaborative working in the future.

We were fortunate to benefit from some funding from Tees Valley CCG which allowed us to increase the service in the area and introduced improved links with local hospitals and schools. This has had a positive impact for families as well as the CCG.

We worked closely with BLISS charity recognising the support offered by Rainbow Trust, to develop a strong submission to the Government regarding the Neonatal Care (Leave and Pay) Bill which was finally enacted in 2023.

This year saw the launch of the Kentown Children's Palliative Care Programme. This is a collaborative programme between Together for Short Lives, The Kentown Wizard Foundation and Rainbow Trust Children's Charity. It is a community focused children's palliative care initiative in Northwest England covering Lancashire and South Cumbria. A project with three key complementary delivery elements: Nursing Care, Social Care and Information and Awareness, Kentown Support is delivered by 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. The Kentown Programme is developing well with 19 families supported over the year and is a new way of working for all partners. This pilot project will be independently evaluated, and we look forward to sharing these results at the end of the three year project.

## **Aim 4: Achieve change for families by influencing policy**

Rainbow Trust has remained active in the parliamentary field keeping in regular contact with MPs and decision makers. As a result, we have had questions asked in the House of Commons which identify concerns raised by families who have a terminally ill child. Rainbow Trust remains a member of the Disabled Children's Partnership to ensure that its voice is heard by decision makers when they are looking at policy that will affect the families we support.

We were instrumental in discussions leading to the enactment of the Neonatal (Leave and Pay) Bill, have input to the Health & Social Care Bill and other issues affecting families caring for a child with a life-threatening condition.

Rainbow Trust regularly collaborated with other organisations across the children's 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 catch ups 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.

In 2022 we reviewed and updated our report on Hidden Savings. This identified that, five years on from our original report, the estimated savings to the public purse made by the support provided by



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Rainbow Trust is closer to £6 million as opposed to the £2 million prior estimate. This report was distributed to key decision makers and also flagged the concerns that families have about the cost of living crisis.

### **Aim 5: Inspire more people to support seriously ill children and their families**

In 2022/23 we raised £4.8million. 99.4% of our income is provided by the generosity of the public through donations, and without this generous and dedicated support, we couldn't continue to provide the vital services that families so desperately need. We continued our focus on engaging and cultivating supporters.

Highlights in the year included the following:

- Macfarlanes completing their Charity of the Year partnership with us, having raised an amazing £140,000;
- our continued partnership with CarFest;
- generous support from the Oak Foundation;
- the Michael Josephson MBE Charity Ball which raised £100,000;
- support from Royal Bank of Canada; and
- the students at Durham University who raised an incredible £221,000 from their Fashion Show, of which £178,000 was donated to Rainbow Trust.

We were also delighted to cheer on our team of 119 runners across two London Marathons in October and April who raised over £288,000.

We also owe our celebrity supporters huge thanks for helping us to raise funds and spread awareness of the cause. We'd especially like to thank Rob Delaney who generously donated £82,000 from the royalties from his best-selling memoir '*A Heart that Works*'.

Throughout the year we have delivered a number of promotional campaigns. For the Coronation of His Majesty King Charles III we held a *Royal Rainbow Bake* and *Kids in Crowns* campaigns which encouraged new supporters to find out more about our work and get involved with community fundraising.

This year also marked our late Patron, George Michael's 60<sup>th</sup> birthday. To celebrate this milestone, we released unseen archive images and footage of his support for Rainbow Trust. This resulted in significant social media engagement and regional coverage across the BBC network.

Our Impact report was developed and distributed to relevant stakeholders alongside the animation video '*If I had a Magic Wand*' which shared the voices of the children we support from our annual Family Survey.

In November we launched our Christmas Appeal focussing on the increased demand from families for transport due to the cost of living crisis and the impact that this was having on our costs. The generosity and enthusiasm of supporters led to the appeal raising over £100,000. The appeal also garnered significant media interest and was featured in several national media titles including the Mail, Mirror, Express and Sun online.

This year we were also fortunate to appear on BBC Children in Need. The show, featuring Masud's family in Manchester, aired in November, and was watched by eight million people. Our website saw a significant uplift in traffic when the film was shown.

During the year we revisited the *It's About Time* philanthropic giving campaign which was set up pre-COVID with a target of funding five Family Support Workers for four years. The five Family Support Workers are now all in place and we are grateful for the generosity of the *It's About Time* donors who made this possible.

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Throughout the year we promoted leaving a *Gift in your Will* to supporters, staff and volunteers alongside our free will writing service partners Guardian Angels. Gifts in Wills are an important source of income to Rainbow Trust and campaign activity generated several enquiries and pledgers.

Following the opening of new care teams in Reading and Liverpool, we held a networking event in Liverpool to introduce ourselves to local organisations. With the support of the regional branch of the Institute of Directors and law firm, Carpenters, the event, held in February was very well attended and successful. We are planning similar events in other Care team areas going forward.

May saw the launch of two exciting new initiatives – our first family event, the *Rainbow Family Adventure Trail* and our first ever children's activity newspaper, *Fun First*. The *Rainbow Family Adventure Trail*, kindly hosted by Denbies Vineyard attracted over 350 participants and gave us the opportunity to trial a family event which can be rolled out across Care team areas to raise our profile. The *Fun First* newspaper was enthusiastically received by supporters, the public and the families we support. We are hopeful that this will help boost our profile in hospitals and other community settings to reach more families in need of support and enhance our profile.

In June we held a *No Ball Ball* which gave supporters the opportunity to stay in for the evening and donate so that even more seriously ill children and their families could go out instead. Going out for these families meant Rainbow Trust taking them to hospital for life saving treatment, to or from school or to the soft play so parents could have a break from the pressures of caring for a seriously ill child. We were delighted that celebrity supporter Rob Delaney kindly agreed not to Chair the non-event, Mary Nightingale not to host, Angela Hartnett not to create and cook a five-course seasonal menu and Sir Mathew Pinsent, Louis Cunningham and Gyles Brandreth kindly agreed not to attend. We were thrilled to raise £31,000, including Gift Aid.

This year we made great strides in making it easier to give to Rainbow Trust by upgrading the donation section of the website, allowing people to also donate at the checkout in our online shop and making it easier to sign up for e-news. Over the year our e-news community grew by 50% to 34,800 strong. We also acquired 15,000 new email addresses of potential supporters and, to ensure that we effectively look after this community and our existing supporters, we recruited a new e-mail marketing role to the Fundraising and Engagement team. This role will enable us to effectively segment our audience and ensure that our potential and current supporters have the best experience possible when interacting with Rainbow Trust.

In the year we held our first online family Q&A to engage existing and new supporters plus give a greater insight into the lives of families, the support we provide and the impact support has. We are very grateful to the family who took part. Feedback was excellent and we will continue this programme of online events in the coming year.

We continued to empower families to have their voices heard through our family surveys. This year the surveys focused on isolation and loneliness across all aspects of life: in relationships, at school, work and within wider society. For the first time we also conducted a public survey via social media for families with a seriously ill child who are not currently supported by Rainbow Trust. We had 164 responses to both surveys. Results showed that 90% of parents felt isolated from friends and families, and some from their partners and spouses.

50% of respondents had to leave their jobs to look after their seriously ill child. Results also showed that for many families Rainbow Trust's services helped to reduce their feelings of isolation and loneliness and supported them to stay in work, and siblings to attend school. The full results will be shared in a report in the coming year.

# RAINBOW TRUST CHILDREN'S CHARITY

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#### Governance

As a member of the Fundraising Regulator scheme, Rainbow Trust Children's Charity operates in accordance with the Code of Fundraising Practice and is an organisational member of the Chartered Institute of Fundraising.

Fundraising programmes are compliant with the Code of Practice and during the year the team completed further training on the code. The charity also operates a whistleblowing policy and a complaints policy and process. Our Supporter Promise is available on our website, and this confirms our commitment to abiding by the Fundraising Preference Service, and the Mail and Telephone Preference Services. We have not paid any professional fundraisers in the year and received one complaint which was investigated and resolved. We welcome feedback from supporters and the public.

#### Aim 6: Increase our use of digital technologies

We have not yet been able to develop the proposed online hub for groups such as our Teenage Resilience Group, but this remains an ambition. Work is also underway to increase Family Support Worker confidence around using digital services and explore how this can support further development of our Care services.

The new Care database was developed during the year. There were a number of delays on the developer's side, but it is on track to be launched during the next financial year. The new system will allow for more efficient reporting and an increased ability to monitor family reported outcomes following service delivery.

During the year we received our Cyber Essentials Plus accreditation and there is regular ongoing training via targeted phishing campaigns to ensure that all staff remain alert to the possibility of fraud and hacking.

We continue to invest in laptops for all staff and ensure that all employees and volunteers have the tools to do their jobs.

#### Aim 7: Grow and support our talent

We are committed to ensuring that the recruitment and selection of staff is conducted in a way that is fair, efficient, effective and promotes equal opportunities. Effective recruitment and selection are central and crucial to the success of Rainbow Trust. It depends on finding people with the necessary skills, expertise and qualifications to deliver our strategic objectives and the ability to make a positive contribution to the values and aims of the organisation. We recognise that this year has been challenging in terms of recruitment, and in recognition of this we have:

- Improved our internal processes to ensure that our initial response to applicants and interview procedures are quick and efficient
- Refreshed the content of our adverts and job descriptions to ensure they are clear, fit for purpose and inclusive
- Updated the recruitment section of our website ensuring our vacancies are more prominent and accessible from mobile phones, and highlighting the benefits of working for Rainbow Trust
- Used new and innovative ways of advertising vacancies including videos on social media platforms
- Increased the value of our recruitment referral bonus to encourage staff to refer suitable candidates to Rainbow Trust
- Continued to deliver Recruitment and Selection Training to new managers to support with fair and consistent recruitment across the organisation.

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Despite the challenges we were able to successfully recruit 30 new members of staff in this financial year across the organisation, including in the two newly established Care teams and the Kentown Programme. We saw an increase in the number of recruitment referrals made by staff, and successfully re-employed a former member of staff who was keen to return to Rainbow Trust. We were also able to successfully employ one of our volunteers into a fixed term position in our Fundraising and Engagement team.

Last year we launched the *Anne Harris Skills Development Programme*, 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. The programme has continued to be successful with 40 applications received and approved in its first year, and a further 20 applications received and approved in 2022-2023. Training completed includes a 'Drawing and Talking' course to give staff techniques to help reduce anxiety and worry in children and adults, counselling training to upskill in having difficult conversations, art and play therapy to enhance support for children and project management training. We also had three managers complete leadership and management courses. As a result of the skills acquired through the *Anne Harris Skills Development Programme*, we have had one member of staff undertake a Diploma in Play Therapy and then successfully apply to become an Advanced Practitioner in this field. She will use her expertise to support Family Support Workers across the care teams with meaningful methods and resources to enhance their support via play for children.

We are committed to reviewing and developing this programme in line with business need and staff development across the organisation over the coming years, including for staff not in frontline care.

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:

- Continued to assess our policies against the Equality Impact Assessment tool developed last year which is designed to enhance our current process and ensure that we consider the impact of new policies, practices, or proposals on protected characteristic groups.
- Updated our equal opportunities monitoring form to include questions on the caring responsibilities of our staff to ensure appropriate support is in place if necessary
- Ensured that our interview process includes adjustments for applicants as required
- Continued the menopause group, where people come together in a safe environment to discuss their experiences, seek advice, and provide support to one another
- Continued to focus on employee wellbeing via our Feel Good group, where we also celebrated a number of national and international awareness days such as Pride month and LGBTQ+ history month to raise awareness, celebrate our differences, educate ourselves and support open communication.
- Continued to promote an open and inclusive culture by providing training on bullying and harassment, stress management and difficult conversations, and by promoting the use of 360 degree and SBI feedback.

We are proud to have once again achieved one-star Best Companies accreditation this year which indicates very good levels of engagement. We have now been accredited by Best Companies for 12 consecutive years, and this year we were placed in the Top 50 South East Best Companies to work for (based on head office location), the Top 25 Best UK Charity and the Top 100 Best UK Small Company to work for.

The previous employee survey results identified Leadership and My Team 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 a fantastic place to work.



## RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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### Leadership:

- We changed the format of the Senior Leadership Team (SLT) roadshows based on feedback to make these more collaborative
- We ran a Strategy Feedback session at the last staff conference to encourage input from staff and gather their views
- We re-launched the Employee Voice group
- We continued regular communications including monthly SLT briefings, all employee calls and HR drop-in sessions.

### My Team:

- We continued the use of Predictive Index technology to help managers and their teams understand each other's working styles with suggestions on the best strategies to complement each other to enable improved team dynamics
- We provided shadowing opportunities to help embed new teams, and sessions on effective team working
- We increased team content and activities via the Feel Good group and encouraged team social activities.

### Fair Deal:

- We conducted an annual salary benchmarking exercise using an external company, to ensure that we reward fairly and in line with the market where possible
- We increased the base salary of the Family Support Worker role
- We provided retail discounts and perks to staff via our Employee Assistance Programme Unum, Reward hub and the Blue Light Discount card
- We introduced a paid volunteering day to enable staff to spend a day giving back to an organisation of their choice.

Ensuring employees feel that there is good communication within Rainbow Trust is fundamental for us. Therefore, this year we implemented an Employee Voice group to support and enable another meaningful two-way communication between employees and the Senior Leadership Team (SLT). This group provides an additional mechanism of communication that supports us to continue to be an open and transparent organisation.

The Employee Voice group represents views from across the organisation and shares these with the SLT. Employees in the group canvass views of all staff on specific subjects that the group feel are important, or the leadership team has asked about. The Employee Voice group is an advocate for staff and provides the opportunity for employees to be involved in initiatives that will develop the organisation, as well as can make suggestions for changes to current initiatives. The groups' role is to distil the ideas to SLT, bring solutions as well as challenge through the Chair, for SLT's consideration and decision.

We currently have 10 employees from across the organisation participating in the Employee Voice group, with membership rotating on a regular basis to allow for fair representation.

### **Aim 8: Continue to develop our volunteer programme to ensure volunteers are engaged, adding value, and integrated in all teams**

This year we saw a significant increase in volunteer hours compared to last year. One of our key objectives was to return to around 50% of pre-pandemic levels and we were very close at 44%. In Care we were able to pilot some great corporate volunteering opportunities and the return of drop-in groups meant that we successfully recruited new volunteers and welcomed back those who had previously supported in this way. Office support continued to recover, and the return of many large-scale events saw event support volunteering increase significantly.

Our 2023 volunteer survey results showed that volunteers remain very happy with their experience at Rainbow Trust and would recommend volunteering with us to others. Improvements were also made

## **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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in giving volunteers opportunities to share their ideas and feedback with us. We were able to provide more opportunities for volunteers to meet each other such as online training opportunities, and during Volunteers' Week, we ran an online celebration event for the first time which was attended by volunteers in a range of roles and teams from across the country.

We continued to deliver Working with Volunteers Workshops across the organisation, and the Volunteer Working group, made up of representatives from each team, meet regularly to provide support and guidance on managing volunteers.

In partnership with the volunteer recognition charity, Room to Reward (who provide hotel breaks as a thank you to people who give up their time to volunteer), we were able to award prizes to three of our volunteers in recognition of their significant impact on Rainbow Trust.

# **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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## **PLANS FOR NEXT YEAR, 2023-2024**

We have set an ambitious fundraising target for the coming year of £5.5million. The achievement of this will allow us to not only meet the current needs of families we are supporting but expand our reach to help more families in these communities. Increased annual funding also allows us to confidently plan for the future knowing that our increased awareness, supporters and fundraising teams can achieve the long-term requirements of an increased service.

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

- Continue to provide top quality emotional and practical support to families in such vital need
- Expand Youth Resilience groups
- Expand the reach of our Dad's group – creating both in person and online events.
- Expand the reach of our online support, with a particular focus on siblings, who can find it easier to share on this medium.

### **Develop and deepen partnerships**

- Continue to look for other organisations with whom to partner and coordinate care and share expertise
- Build on the learnings from the Kentown programme
- Develop a strategy for partnering with organisations in targeted areas based on prevalence data
- Continue as an active member of the various sector organisations, such as the Disabled Children's Partnership and the Children and Young People's Cancer Coalition.

### **To drive change for families through influencing policy**

- Prepare and issue a new report on Isolation and Loneliness in families with a terminally ill child
- Utilise the report to advocate for change in policy where relevant
- Continue to develop relationships with MPs and lobby Government on the issues that affect the families we support.

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

- Further invest in areas of strong fundraising performance
- Develop campaigns that are engaging, innovative and help to build new and grow existing supporter communities
- Deliver compelling communications that demonstrate the breadth and importance of our support for families, bringing our audience closer to the cause.

### **Use technology to grow and better understand our supporter base**

- Introduce the use of AI software to deepen relationships with existing supporters
- Optimise digital opportunities including developing the use of our CRM, e-marketing and online promotion.

### **Grow and manage our talent**

- Recruit, train and develop high performing teams to deliver our growth plans and further enhance our quality of service
- Develop a culture of volunteering and expand the use of volunteering across the organisation.

# **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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## **REVIEW OF YEAR'S RESULTS**

The results for the charity for the year ended 30 June 2023 are set out from page 25.

This year the charity achieved income of £4,809k, a 9.2% decrease compared with the prior year (2022: £5,294k).

Donations and fundraised income was £4,203k, a slight decrease compared to 2022 (£4,477k). This level was expected, as our 2022 income had included the very successful one-off 35<sup>th</sup> Anniversary event. We have been fortunate that the cost of living crisis did not impact our charity's fundraising this year in any substantial way, but we remain mindful of the ongoing challenges for the general public and businesses and how this could affect donations as we move forward into 2023/24.

Income from legacies also fell slightly with income this year of £463k (2022: £622k). In 2021 legacy income was exceptional at £1,008k, prior to that the five-year average had been £265k p.a. Income more than the 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 £32k makes up less than 1% of income this year, compared to 2% (£111k) in 2022 when the charity gratefully received £43k from the COVID-specific Hospice Grant from the Government. The level this year is consistent with years prior to the pandemic as we receive no regular statutory income.

Total expenditure of £4,191k (2022: £3,725k) is a 12.5% or £467k increase on the previous year, reflecting an increase in frontline care activities with the opening of three new teams: Reading, Liverpool and the Kentown programme based in Lancashire and South Cumbria. However, due to the national and sector wide challenges with recruitment of staff, costs did not rise to budgeted levels. The average number of staff during the year of 80 was significantly lower than our budgeted number of 98 and all teams across the charity were impacted.

We are grateful to the donors that funded specific cost of living grants to assist us with the increased costs of running our fleet of cars as well as other inflationary increases. Utilities costs for some of our regional offices rose significantly, but our head office in Leatherhead benefitted from a fixed price contract which came to an end in September 2023.

The amount spent on care and family support services is 79p in the pound, an increase from 2022 (73p). This reflects the increase in our frontline care activities, and a reduction in our fundraising costs, driven by staff vacancies, this year.

The combination of a successful fundraising year and lower than budgeted costs has resulted in a surplus of £539k (2022: £1,547k).

Total funds are now £5,045k (2022: £4,506k) of which £1,688k (2022: £1,768k) are general reserves. This level of general reserve represents 4 months of operating costs which is within our policy range of 3 - 4.5 months. The remaining funds are held in designated and restricted funds (see below) for planned sustainability and growth.

Overall, this is another very good financial result. 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.



# **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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## **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.

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 £1,726k (2022: £1,887k), 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 within the target range of between £1,283k and £1,936k. The general reserve at 30 June 2023 was £1,688k (2022: £1,768k)

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 2023, these totalled £3,153k (2022: £2,455k), across three separate funds.

1. A designated Fixed Asset Fund of £237k (2022: £241k) represents the amount of the total reserves that are invested in tangible fixed assets.
2. A designated Legacy Equalisation Fund of £1,490k (2022: £1,365k). 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 £1,427k (2021: £850k) 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 given in 2022 and a further exceptional pay award effective from 1 July 2023. This pay award was approved by the Trustees for the 2023/24 budget as a response to the cost of living crisis and after a detailed benchmarking exercise.

As at 30 June 2023, the charity has restricted reserves of £204k, which are committed to be spent.

The Trading subsidiary generated a £30k profit (2022: £58k). Reserves are £0k (2022: £0k). The reserves position 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.

## **FINANCIAL EFFECT OF ANY SIGNIFICANT EVENTS**

There were no significant events in the year that had a financial impact on the charity. Whilst the impact of COVID has continued to affect some care services, there has not been a financial impact this year.

## **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 were reviewed. Overall, the investment objectives of the charity remain unchanged; however, Trustees decided to transfer one of the funds into a 'sustainable/responsible' fund in line with the charity's desire to invest ethically whilst still maximising

# **RAINBOW TRUST CHILDREN'S CHARITY**

## **REPORT AND FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 30 JUNE 2023**

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returns. The increase in reserves this year allowed further investment and Trustees invested £500k in one of the investment funds. The portfolio generated a small unrealised loss of £79k (2022: loss of £23k). Income from investments and short-term deposits amounted to £62k (2022: £24k).

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 2023/24.

#### **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. During this year we have kept abreast of the COVID prevalence and adapted our policy where relevant 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.

##### **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.

# **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

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## **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.

## **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 2023 we had 89% (2022: 82%) 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 2023**

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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 nine elected Trustees. One Trustee retired during the year and the Charity is actively seeking a replacement. 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 2023**

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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, dinners and concerts, 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 one complaint about fundraising activities (2022: nil)

### **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 £30k profit (2022: £58k). Reserves are £0k (2022: £0k). A Deed of Covenant between the Trading subsidiary and the charity allows 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 2023

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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

The Trustees have agreed to go out to tender for our auditors in the coming year for governance purposes and to ensure that we are competitive. Our auditors for this year, haysmacintyre, will be offered the opportunity to tender alongside other firms.

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

Signed on behalf of the Trustees.

*Mark Cunningham*

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**Chairman**  
**Mark Cunningham**

2 November 2023

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAINBOW TRUST CHILDREN'S CHARITY FOR THE YEAR ENDED 30 JUNE 2023**

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## **Opinion**

We have audited the financial statements of Rainbow Trust Children's Charity for the year ended 30 June 2023 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 2023 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 2023**

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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 2023

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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:

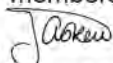
- Inspecting minutes of Trustees' meetings;
- Reviewing allocations and disclosures relating to restricted funds;
- Reviewing the latest Care Quality Commission (CQC) reports;
- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known 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: 20/11/2023 2023



**RAINBOW TRUST CHILDREN'S CHARITY**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE YEAR ENDED 30 JUNE 2023**

	Note	General Fund £	Designated Fund £	Restricted Fund £	Total Funds 2023 £	Total Funds 2022 £
<b>Income and endowments from:</b>						
Donations and legacies	3	2,478,906	165,555	692,576	3,337,037	4,017,062
<b>Charitable activities:</b>						
Statutory funding and grants	4	25,178	-	6,590	31,768	111,085
<b>Other trading activities:</b>						
Fundraising activities		1,302,752	-	26,504	1,329,256	1,081,823
Commercial operations		48,657	-	-	48,657	60,025
Investment income	2	62,499	-	-	62,499	24,407
<b>Total income</b>		<b>3,917,992</b>	<b>165,555</b>	<b>725,670</b>	<b>4,809,217</b>	<b>5,294,402</b>
<b>Expenditure on:</b>						
<b>Raising funds:</b>						
Grants and donations		571,294	-	-	571,294	559,136
Commercial operations	5	19,131	-	-	19,131	1,794
Fundraising activities		278,181	-	-	278,181	419,090
Donor acquisition		21,970	-	-	21,970	19,310
Move funding		-	-	-	-	-
<b>Total cost of raising funds</b>		<b>890,576</b>	<b>-</b>	<b>-</b>	<b>890,576</b>	<b>999,330</b>
<b>Net income available for charitable activities</b>		<b>3,027,416</b>	<b>165,555</b>	<b>725,670</b>	<b>3,918,641</b>	<b>4,295,072</b>
<b>Charitable activities</b>						
Carer and family support services		2,330,815	165,555	804,372	3,300,742	2,725,387
Governance costs		-	-	-	-	-
<b>Total expenditure</b>	6	<b>3,221,391</b>	<b>165,555</b>	<b>804,372</b>	<b>4,191,318</b>	<b>3,724,717</b>
Net income before gains/(losses) on investments		696,601	0	(78,702)	617,899	1,569,685
Gains/(loss) on investments		(78,693)	-	-	(78,693)	(22,924)
Net income before transfers		617,908	0	(78,702)	539,206	1,546,761
Transfers between funds	15	(698,161)	698,161	-	-	-
Net movement in funds		(80,253)	698,160	(78,702)	539,206	1,546,761
Fund balance brought forward		1,768,274	2,455,284	282,327	4,505,885	2,959,124
Fund balance carried forward		1,688,021	3,153,445	203,625	5,045,091	4,505,885

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 2022 are shown in note 20.

**RAINBOW TRUST CHILDREN'S CHARITY**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT 30 JUNE 2023**

Company No. 3585123

		2023		2022	
	Note	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	10		236,636		241,126
Investments	11		2,961,166		2,539,859
			<u>3,197,802</u>		<u>2,780,985</u>
<b>CURRENT ASSETS</b>					
Debtors	12	838,071		1,026,958	
Cash at bank and in hand		<u>1,738,805</u>		<u>1,575,308</u>	
		2,576,876		2,602,266	
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(661,587)</u>		<u>(749,898)</u>	
<b>NET CURRENT ASSETS</b>			1,915,289		1,852,368
<b>CREDITORS: amounts falling due after more than one year</b>	13		(68,000)		(127,468)
<b>NET ASSETS</b>			<u>5,045,091</u>		<u>4,505,885</u>
<b>FUNDS</b>					
Restricted funds	14/15		203,625		282,327
Unrestricted funds:					
Designated funds	15		3,153,445		2,455,284
General funds	15		1,688,021		1,768,274
<b>TOTAL FUNDS</b>			<u>5,045,091</u>		<u>4,505,885</u>

The surplus of the parent charity for the year to 30 June 2023 was £539,206 (2022: £1,546,761)

Approved and authorised for issue by the Trustees on 2 November 2023.

*Mark Cunningham*

**CHAIRMAN**  
**Mark Cunningham**

The notes on pages 28-43 form part of these financial statements.

**RAINBOW TRUST CHILDREN'S CHARITY**  
**CHARITY BALANCE SHEET**  
**AS AT 30 JUNE 2023**

Company No: 3585123

		<b>2023</b>		<b>2022</b>	
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>					
Tangible assets	10		236,636		241,126
Investments	11		2,961,266		2,539,959
			<u>3,197,902</u>		<u>2,781,085</u>
<b>CURRENT ASSETS</b>					
Debtors	12	847,961		1,028,076	
Cash at bank and in hand		<u>1,722,258</u>		<u>1,566,141</u>	
		2,570,219		2,594,217	
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(655,030)</u>		<u>(741,949)</u>	
<b>NET CURRENT ASSETS</b>			1,915,189		1,852,268
<b>CREDITORS: amounts falling due after more than one year</b>	13		(68,000)		(127,468)
<b>NET ASSETS</b>			<u>5,045,091</u>		<u>4,505,885</u>
<b>FUNDS</b>					
Restricted funds	14/15		203,625		282,327
Unrestricted funds:					
Designated funds	15		3,153,445		2,455,284
General funds	15		1,688,021		1,768,274
<b>TOTAL FUNDS</b>			<u>5,045,091</u>		<u>4,505,885</u>

Approved and authorised for issue by the Trustees on 2 November 2023.

*Mark Cunningham*

**CHAIRMAN**  
**Mark Cunningham**

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 2023**

	2023 £	2022 £
Net cash provided by operating activities	652,826	1,496,348
Cash flows from investing activities:		
Interest income	62,499	24,407
Fixed Asset: purchased	(51,828)	(28,898)
Fixed Asset: proceeds from disposals	-	-
Investments: additions at cost	(500,000)	(900,000)
Cash provided by/ (used in) investing activities	(489,329)	(904,491)
Increase/ (decrease) in cash and cash equivalents in the year	163,497	591,857
Cash and cash equivalents at the beginning of the year	1,575,308	983,451
Total cash and cash equivalents at the end of the year	1,738,805	1,575,308

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

	2023 £	2022 £
Net income for the reporting period	539,206	1,546,761
Adjustments for:		
Investment income	(62,499)	(24,407)
Depreciation charge	55,283	62,246
(Profit) / loss on disposal of fixed assets	1,036	-
(Gains)/losses on investments	78,693	22,924
(Increase)/decrease in debtors	188,886	(131,528)
Increase/(decrease) in creditors	(147,778)	20,352
Net cash provided by operating activities	652,826	1,496,348

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

	At 30 June 2022	Cashflows	At 30 June 2023
	£	£	£
Cash at bank and in hand	1,575,308	163,497	1,738,805
Total cash and cash equivalents	1,575,308	163,497	1,738,805

# RAINBOW TRUST CHILDREN'S CHARITY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2023

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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.

##### **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 2023**

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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 £539,206 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 2023**

**2. INCOME FROM INVESTMENTS**

**2023**  
**£**

**2022**  
**£**

Interest	62,499	24,407
	<u>62,499</u>	<u>24,407</u>

**3. DONATIONS AND LEGACIES**

**2023**  
**£**

**2022**  
**£**

Donations	2,873,617	3,395,416
Legacies	463,420	621,645
	<u>3,337,037</u>	<u>4,017,062</u>

**4. STATUTORY FUNDING AND GRANTS**

**2023**  
**£**

**2022**  
**£**

Statutory Income	31,768	63,865
NHS England	-	43,197
Coronavirus Job Retention Scheme	-	2,077
Coronavirus Statutory Sick Pay Grant	-	1,946
	<u>31,768</u>	<u>111,085</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.

**Summary profit and loss account**

**2023**  
**£**

**2022**  
**£**

Turnover	48,657	60,025
Cost of sales and administrative expenses	(19,131)	(1,794)
Gift Aid distributions to Parent company	<u>(29,526)</u>	<u>(110,640)</u>
Retained in Subsidiary	-	(52,409)

Opening reserves	<u>100</u>	<u>52,509</u>
------------------	------------	---------------

Closing reserves	100	100
------------------	-----	-----

**Summary balance sheet**

**2023**  
**£**

**2022**  
**£**

Current assets	6,658	46,911
Creditors: amounts falling due within one year	<u>(6,558)</u>	<u>(46,811)</u>
Total Net Assets	<u>100</u>	<u>100</u>

During the year Gift Aid of £58,231 was paid from the Trading Subsidiary to the parent Charity for profit relating to the year ending 30th June 2023.

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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

	Direct costs £	Allocated costs £	Support costs £	2023 Total £	2022 Total £
<b>Costs of raising funds</b>					
Commercial operations	19,131	-	-	19,131	1,794
Fundraising activities	278,181	-	-	278,181	419,090
Donor acquisition	21,970	-	-	21,970	19,310
Fundraising and publicity	326,375	174,877.0	70,042.0	571,294	559,136
<b>Charitable expenditure</b>					
Carer and family support services	2,447,611	615,517	237,614	3,300,742	2,725,387
	<u>3,093,268</u>	<u>790,394</u>	<u>307,656</u>	<u>4,191,318</u>	<u>3,724,717</u>

**ANALYSIS OF SUPPORT COSTS**

	Management £	Finance & Admin £	IT £	2023 Total £	2022 Total £
<b>Costs of raising funds</b>					
Fundraising and publicity	38,995	18,183	12,864	70,042	60,687
<b>Charitable expenditure</b>					
Carer and family support services	152,226	82,172	3,216	237,614	217,509
	<u>191,221</u>	<u>100,355</u>	<u>16,080</u>	<u>307,656</u>	<u>278,196</u>

**7. NET INCOME**

	2023 £	2022 £
These are stated before charging:		
Depreciation - owned assets	55,451	62,246
Expenditure on operating leases	361,228	356,379
Auditor's remuneration – parent company audit fee	18,480	15,720

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**8. STAFF COSTS AND NUMBERS**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,285,483	2,024,807
Social security costs	263,931	216,314
Pension contributions	107,635	92,837
	<u>2,657,049</u>	<u>2,333,958</u>

The average number of total employees during the year was: 80 74

	<b>2023</b>	<b>2022</b>
	<b>No</b>	<b>No</b>
Employees earning over £60,000 fell into the following bands:		
£60,001 - £70,000	1	2
£70,001 - £80,000	1	1
£80,001 - £90,000	1	-
£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 £15,960 (2022: £14,850).

**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 £569,934 (2022: £557,816)

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

No Trustees received remuneration during the year (2022: no Trustee remuneration). No Trustees received reimbursement for expenses during the year. (2022: none).

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**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 2022	288,482	200,513	-	488,995
Additions	10,660	41,168	-	51,828
Disposals	(1,679)	-	-	(1,679)
At Current	297,463	241,681	-	539,144
<b>DEPRECIATION</b>				
At 1 July 2022	120,581	127,289	-	247,869
Charge for Period	27,093	28,190	-	55,283
Disposals	(644)	-	-	(644)
At current	147,030	155,479	-	302,508
<b>NET BOOK VALUE</b>				
At current	150,434	86,202	-	236,636
At 30 June 2022	167,901	73,225	-	241,126

**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 2022	2,539,859	100	2,539,959
Additions at cost	500,000	-	500,000
Unrealised Losses	(78,693)	-	(78,693)
At Current	2,961,166	100	2,961,266
Historic cost at 30 June 2022	2,414,392	100	2,414,392
Historic cost at 30 June 2023	3,027,202	100	3,027,302



**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**12. DEBTORS**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Prepayments and accrued income	809,449	980,976	809,449	980,976
Trade and other debtors	28,622	45,982	9,812	8,237
Amount owed by trading subsidiary	-	-	28,700	38,863
	<b>838,071</b>	<b>1,026,958</b>	<b>847,961</b>	<b>1,028,076</b>

**13. CREDITORS: Amounts falling due within one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	142,536	132,771	142,536	132,771
Accruals and deferred income	439,803	547,064	437,344	545,264
Other taxation and social security	58,411	50,421	58,411	50,421
Other creditors	20,837	19,642	16,739	13,493
	<b>661,587</b>	<b>749,898</b>	<b>655,030</b>	<b>741,949</b>

**CREDITORS: Amounts falling After more than one year**

	<b>Group</b>		<b>Charity</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Rent free accrual and dilapidation provision	68,000	127,468	68,000	127,468
	<b>68,000</b>	<b>127,468</b>	<b>68,000</b>	<b>127,468</b>

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**14. RESTRICTED FUNDS**

	At 1 July 2022	Income	Expenditure	At 30 June 2023
	£	£	£	£
Care team offices:				
Essex	12,827	53,096	65,302	620
Hampshire	15,000	4,575	18,521	1,054
London & South East	61,513	175,339	175,517	61,335
North East	4,012	30,010	24,788	9,234
North West	27,001	138,057	123,494	41,564
South West	3,901	21,346	24,589	657
Reading	5,000	1,531	6,531	-
Liverpool	-	112,321	112,321	-
BBC Children in Need	5,010	30,175	30,257	4,928
It's About Time	79,203	-	79,203	-
Anne Harris Skills Development Programme	21,452	-	21,452	-
Kentown Wizard Programme	5,476	159,220	91,270	73,427
Tees Valley CCG	33,004	-	22,199	10,806
Online Support	8,928	-	8,928	-
	282,327	725,670	804,372	203,625

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.

BBC Children in Need providing 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 *It's About Time* campaign raised £151.3k in 2019/20 to fund a Family Support Worker in each of the 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 provided £10k towards our online support initiative in 2022, 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 2022 are shown in note 22.

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**15. STATEMENT OF FUNDS**

	<b>1 July 2022 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers &amp; Gains £</b>	<b>30 June 2023 £</b>
<b>Unrestricted Funds:</b>					
General Fund	1,768,274	3,917,992	(3,221,391)	(776,853)	1,688,021
<b>Designated Funds:</b>					
Reading Care Team	-	165,555	(165,555)	-	-
Fixed Asset Fund	241,126	-	-	(4,490)	236,636
Legacy Equalisation Fund	1,364,658	-	-	125,150	1,489,808
Strategic Development Reserve	849,500	-	-	577,500	1,427,000
<b>Restricted Funds:</b>					
Donations	282,327	725,670	(804,372)	-	203,625
	<b>4,505,885</b>	<b>4,809,217</b>	<b>(4,191,318)</b>	<b>(78,693)</b>	<b>5,045,091</b>

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 2022/23 £37,500 has been spent on this investment which includes the initial development of a new care database and improvements to the website. An additional £100k has been added this year for further planned investment in IT systems and the renewal of aging hardware.

In recognition of the cost of living crisis and this period of economic uncertainty £500k had been added to the strategic development fund in 2021/22, for the sustainability of the exception pay rise awarded. This amount included a nominal rate of inflation for future years. This year, the Trustees agreed a further substantial pay award and an additional amount of £215k has been added to provide for the sustainability of this in the short-term when income is expected to be less certain.

The amount of £300k contained within the strategic fund for the 5 family support worker roles originally funded by the It's about time campaign have been funded over the past two years by underlying income, due to the success of fundraising. During this time, we have opened two new teams in Liverpool and Reading. This year we have transferred £300k to the strategic development fund to ensure that we have set aside £600k for the future underwriting of the costs of these teams and growth from 3 family support workers to 5 in each team.

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 2022 are shown in note 23.

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**16. ANALYSIS OF GROUP NET ASSETS  
 BETWEEN FUNDS**

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
<b>Fund balances at 30 June 2023 are represented by:</b>				
Tangible fixed assets	-	236,636	-	236,636
Investments	795,306	2,165,860	-	2,961,166
Current assets	1,622,302	750,949	203,625	2,576,876
Current liabilities	(661,587)	-	-	(661,587)
Creditors falling due after more than one year	(68,000)	-	-	(68,000)
	1,688,021	3,153,445	203,625	5,045,091

Full comparatives for the year to June 2022 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**

FUTURE COMMITMENTS			Group and Charity 2023	Group and Charity 2022
			£	£
Capital expenditure authorised and contracted for at 30 June			nil	nil
	Land and buildings	Other	30 June 2023	30 June 2022
	£	£	£	£
Amounts falling due:				
Within one year	71,661	239,374	311,035	260,871
Between one and five years	658,300	368,564	1,026,863	704,686
After five years	5,935	-	5,935	148,796
Total	735,896	607,938	1,343,834	1,114,353

**19. RELATED PARTY TRANSACTIONS**

The aggregate donations received from the Trustees in the year was £259,894 (2022: £461,232), of which £72.5k has been deferred, to be recognised in future periods.

There were no other transactions with related parties as at 30 June 2023 (2022: none)

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**20. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY**

	General Fund £	Restricted Fund £	Designated Fund £	Total Funds 2022 £
<b>Income and endowments from:</b>				
Donations and legacies	3,252,227	-	764,835	4,017,062
Charitable activities:				
Statutory income	24,147	-	86,938	111,085
Other trading activities:				
Fundraising activities	1,066,874	-	14,949	1,081,823
Commercial operations	60,025	-	-	60,025
Investments	24,407	-	-	24,407
<b>Total income</b>	<b>4,427,679</b>		<b>866,722</b>	<b>5,294,402</b>
<b>Expenditure on:</b>				
<b>Raising funds:</b>				
Grants and donations	559,136	-	-	559,136
Commercial operations	1,794	-	-	1,794
Fundraising activities	419,090	-	-	419,090
Donor acquisition	19,310	-	-	19,310
<b>Total cost of raising funds</b>	<b>999,330</b>	<b>-</b>	<b>-</b>	<b>999,330</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>Charitable activities</b>				
Carer and family support services	2,044,403	-	680,984	2,725,387
<b>Total expenditure</b>	<b>3,043,733</b>	<b>-</b>	<b>680,984</b>	<b>3,724,717</b>
<b>Net income/(expenditure) before gains/(losses) on investments</b>	<b>1,383,947</b>	<b>-</b>	<b>185,738</b>	<b>1,569,685</b>
Gains/(losses) on investments	(22,924)	-	-	(22,924)
<b>Net income/(expenditure) before transfers</b>	<b>1,361,023</b>	<b>-</b>	<b>185,738</b>	<b>1,546,761</b>
Transfers between funds	(747,790)	747,790	-	-
<b>Net movement in funds</b>	<b>566,626</b>	<b>747,790</b>	<b>185,738</b>	<b>1,546,761</b>
<b>Total funds brought forward</b>	<b>1,201,648</b>	<b>1,660,887</b>	<b>95,589</b>	<b>2,959,124</b>
<b>Total funds carried forward</b>	<b>1,768,274</b>	<b>2,455,284</b>	<b>282,327</b>	<b>4,505,885</b>



**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**21. COMPARATIVE OF TOTAL EXPENDITURE**

**ANALYSIS OF DIRECT AND ALLOCATED COSTS**

	Direct Costs £	Allocated Costs £	Support Costs £	2022 Total £
<b>Costs of raising funds</b>				
Commercial Operations	1,794	-	-	1,794
Fundraising activities	419,090	-	-	419,090
Donor acquisition	19,310	-	-	19,310
Fundraising and publicity	320,046	178,403	60,687	559,136
<b>Charitable expenditure</b>				
Carer and family support services	1,866,270	641,608	217,509	2,725,387
	<b>2,626,510</b>	<b>820,011</b>	<b>278,196</b>	<b>3,724,717</b>

**ANALYSIS OF SUPPORT COSTS**

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

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**22. COMPARATIVE ANALYSIS OF 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 Programme	-	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.

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES**  
**FOR THE YEAR ENDED 30 JUNE 2023**

**23. COMPARATIVE STATEMENT OF FUNDS**

	1 July 2021 £	Income £	Expenditure £	Transfer and 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	-	-	471,400	849,500
<b>Restricted Funds:</b>					
Donations	96,589	866,722	(680,984)	(22,924)	282,327
	<b>2,959,124</b>	<b>5,294,402</b>	<b>(3,724,717)</b>	<b>109,474</b>	<b>4,505,885</b>

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.

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES**  
**FOR THE YEAR ENDED 30 JUNE 2023**

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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 2022 are represented by:</b>				
Tangible fixed assets	-	241,126	-	241,126
Investments	1,030,042	1,509,817	-	2,539,859
Current assets	1,615,598	704,341	282,327	2,602,266
Current liabilities	(749,898)	-	-	(749,898)
Creditors falling due after more than one year	(127,468)	-	-	(127,468)
	<b>1,768,274</b>	<b>2,455,284</b>	<b>282,327</b>	<b>4,505,885</b>

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