

# REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

**RAINBOW TRUST**

SUPPORTING FAMILIES WITH A SERIOUSLY ILL CHILD

FOR THE YEAR ENDED 30 JUNE 2020

## Our performance and achievements highlights

- Rapidly adapted and innovated our service from the start of the COVID-19 pandemic
- 592 new families supported
- *It's About Time* campaign launched
- *Parents Matter: The impact on parents' mental health when caring for a child with a life-threatening illness* report published attracting attention of parliamentarians and media
- 11% increase in volunteering hours directly supporting families
- Listed in The Sunday Times Top 100 Best Not-For-Profit Organisations To Work For, for the ninth consecutive year, achieving our highest ever position at number 35
- Achieved a breakeven financial position in an incredibly tough and unprecedented economic situation.

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 2020**

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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 2020.

## CORPORATE DIRECTORY

<b>Trustees</b>	Mark Cunningham (Chairman) Timothy Bunting Elizabeth Crighton (appointed 28 January 2020) Howard Dyer Andrew Honnor Dr. Jonathan Rabbs Jennifer Smithson (appointed 23 October 2019) Michael Wainwright Celia Woollett	
<b>Chief Executive</b>	Zillah Bingley	
<b>Secretary</b>	Robert Coyne	
<b>Principal Address</b>	Cassini Court Randalls Way Leatherhead Surrey KT22 7TW	
<b>Independent Auditors</b>	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG	
<b>Bankers</b>	NatWest Bank plc 1000 Cathedral Square Cathedral Hill Guildford Surrey GU2 7YL	
<b>Investment Managers</b>	Cazenove Capital 1 London Wall Place London EC2Y 5AU	Ruffer LLP 80 Victoria Street London SW1E 5JL
<b>Company Number</b>	3585123	
<b>Charity Number</b>	1070532	

# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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## A LETTER FROM THE CHIEF EXECUTIVE, ZILLAH BINGLEY



Dear Members, Supporters and Friends,

### **2020 has been a year like no other in Rainbow Trust's history**

Our broad plan for the financial year was to reach more families and develop our service; increase awareness, influence and reputation; develop funding opportunities; develop technology and improve data and systems and develop our people.

We made very good progress against these aims, and then quite suddenly in March, the support needs of our families and nature of our support delivery changed significantly as the COVID-19 pandemic took hold with a vengeance.

The following report of the Trustees sets out some of our successes in the year. However, from my perspective at an operational level, by far the overriding achievement lay in our response to COVID-19. We rapidly adapted and innovated our service from the start of the pandemic, and in addition, despite having seen an immediate 60% drop in income, we achieved a breakeven financial position in an incredibly tough and unique economic environment.

### **The evolution of our service during the pandemic**

We quickly changed our service delivery model in the most pragmatic and sustainable way possible. With the vast majority of families we support self-isolating from mid-March onwards, this naturally triggered an overnight re-think of the way we could continue to meet families' needs. We were no longer always able to be by a family's side, in person.

The pandemic has heightened the need for support for these families. We believe there was no other organisation providing the type of flexible, responsive support and continuity that Rainbow Trust does.

We immediately started to support families in different ways and were available to provide emergency practical, mental, and emotional health support 24 hours a day to these families, for example by:

- Acting as a bridge between hospital and home, relieving pressure on vital NHS staff by giving emotional support to parents who have nowhere else to turn.
- Delivering breast milk from new mothers to their premature babies on neonatal wards, as they are separated and unable to visit.
- Sourcing and delivering vital medical and grocery items that vulnerable families need to keep going. For example, medicine, milk and nappies.
- Giving regular video and telephone support to life-threatened children and their siblings to combat isolation and listen to their fears and worries.
- Remaining a lifeline for parents whose children have recently died, providing vital emotional support as they face the terrifying prospect that they do not know when or how they can hold a funeral for their child.

## RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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*"All of a sudden, we became a million things that we weren't before. Obviously, we were all capable of it - it became a completely different job for a while. We were there, without limits (but always in line with restrictions). We filled in all those gaps that other organisations simply could not. Some of the things I have done have been so 'out there', and it is great that we have been able to do those things. Without that, some of the families we support would not have got through this emotionally and mentally."*

Family Support Worker in West London

In the height of the lockdown, during the three months from April to June, we delivered 6,215 family interactions, which was an average of 500 per week. This included:

- 481 substantive phone calls, helping those feeling isolated, giving emotional support and reassurance
- 476 virtual play sessions to bring some joy to seriously ill children and their siblings
- 573 activity pack drops to keep children entertained
- 87 medication drops for families who were unable to get out to collect it themselves
- 190 journeys where a Family Support Worker safely drove children to critical medical appointments
- 203 grocery drops for families who could not get basic groceries or help from other sources
- 27 end-of-life support sessions, where children died from their serious illness in the height of the pandemic
- 246 bereavement support sessions for families whose child had died.

We are proud to have consistently been there for families, to have weathered the initial shockwaves of the pandemic, to bring us to a slightly more stable position from which we can move forward.

As the UK moves into new phases of living with COVID-19, we are continually representing families caring for a seriously ill child, making sure that their experiences and voices are heard. We are deepening our understanding of their challenges based on all that we have learned this year, to inform further evolution of our services.

Despite a tumultuous year, ending in a restructure and a 17% reduction in our staff numbers, we have not given up on plans to continue to grow in the future. Whilst we may not be able to support the same number of families going forward into next year, we are doing our utmost to preserve as much of our frontline support as we can. Whilst I am sad to be losing great people who are all passionate about what Rainbow Trust does, I share excitement and pride with our team as we move forward into a new financial year.

Yours sincerely

Zillah Bingley  
Chief Executive

22 October 2020

# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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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 where they need it for as long as it is needed.

### OUR OBJECTS AND PUBLIC BENEFIT

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

The Trustees confirm that they have complied with their duty in section 17 of the Charities Act 2011, to have due regard to the public benefit guidance published by the Charity Commission, in determining the activities undertaken by the charity. Irrespective of a beneficiary's capacity, ethnicity, faith, or socio-economic environment, all charitable services are provided free. To ensure that Rainbow Trust offers support 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.

### OUR WORK

April 2020 saw the release of a new study showing that the number of children in England with life-limiting or life-threatening conditions has trebled over the last 17 years, and the likely need for services is significantly higher than previously understood. The number is predicted to rise by at least another 11% by 2030.

The *Make Every Child Count* study, conducted by the University of York, revealed that the number of children in England with life-limiting or life-threatening conditions increased to 86,625 in 2017/2018. The figures for 2001/2 were 32,975. This new research reflects how vital Rainbow Trust's emotional and practical 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.

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

Common challenges for these families include:

- Dealing with the physical and emotional strain
- Managing and getting to and from multiple clinical appointments
- Ensuring that life remains as normal as possible for siblings, including attendance and performance at school
- Ensuring sick children and siblings have opportunities to play
- Maintaining employment through long periods of treatment and care needs
- 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.

## **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

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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.

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. This support helps families to face, and make the most of, each new day.

The Family Support Worker is 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 a number of weeks whilst at other times only need the occasional visit or phone call to reassure them or respond to a question. This means that support can be flexible and respond to need.

A life-threatening illness affects all aspects of a child's life. They are stuck at home or in hospital, miss long 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, makes them feel distressed, isolated and uncertain about their future.

Siblings miss out on opportunities that other children 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. Mealtimes are ignored, clothes don't get washed, the house is a mess, there's no one to take them to school or help with homework, and everything is different. Many siblings struggle educationally or are bullied for being different. They can become isolated, withdrawn, detached from social networks and get no break from pressures at home. Despite feeling ignored and anxious, they are often afraid to ask for help as they fear letting the family down. Many siblings find themselves in the role of young carers, having to deal with extraordinary and challenging circumstances. Long periods apart and anxiety about the future means 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 on a child's treatment or wellbeing
- Struggling with mental health issues
- Who are unable to get to hospital
- With more than one sick child
- Who are recently bereaved
- Who are struggling financially.

# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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## ACHIEVEMENTS AND PERFORMANCE

### OVERVIEW & THIS YEAR'S HIGHLIGHTS

This year we planned to

- **Reach more families and develop our service**
- **Increase awareness, influence and reputation**
- **Develop funding opportunities**
- **Develop technology and improve data and systems to drive fundraising growth**
- **Develop our people**

The progress to these aims is detailed in the sections below.

Highlights include

- Rapidly adapted and innovated our service from the start of the COVID-19 pandemic
- 592 new families supported
- *It's About Time* campaign launched
- *Parents Matter: The impact on parents' mental health when caring for a child with a life-threatening illness* report published attracting attention of parliamentarians and media
- 11% increase in volunteering hours directly supporting families
- Listed in The Sunday Times Top 100 Best Not-For-Profit Organisations To Work For, for the ninth consecutive year, achieving our highest ever position at number 35
- Achieved a breakeven financial position in an incredibly tough and unprecedented economic situation.



# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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## AIM 1: REACH MORE FAMILIES AND DEVELOP OUR SERVICE

In total, 592 new families started receiving support from Rainbow Trust during this financial year. 504 families who felt better able to cope had their cases closed across the year.

Before the impact of the COVID-19 pandemic, the number of new families referred to us for support was continuing to rise, and referrals were 2% up by end of February, reflecting the growing need for and awareness of our high-quality trusted service.

However, March saw a quite sudden and immediate impact on our ability to deliver a service in person, and many referral sources were cut due to prioritisation of treatment for COVID-19 by the NHS. In the last quarter from April to June, we had 49 new families referred, compared with 153 in the same period last year. In addition, we stopped all light touch support. This means that the number of new families supported over the year was 17% down on the previous year's total, due solely to the effects of the pandemic.

Here is a summary of the activity that was undertaken in order to reach more families.

### **Diversify referral streams to reach families as yet unaware of Rainbow Trust support**

Building awareness and understanding of our service amongst medical, health and social care professionals is vital to ensure we reach those families who are in most need of our support. 86% of families referred come from professionals. Here are some examples of successful referrals in Essex and the North West.

In Essex, our Neonatal Support Worker has successfully opened up professional networks as a viable new referral stream. Through a systematic outreach programme, she has engaged with the six neonatal units in the county and attended in person to present at five study days to tell the unit staff what we can offer. In addition, she created a neonatal network comprising other local charities and agencies who are involved in neonatal cases. This network helps to educate and promote cross referral of cases.

Working closely and deepening professional relationships with the neonatal units meant we could provide rapid response to any referrals. When a family was referred in the community who had been in the hospital, they were able to work out how this could have come earlier, and now this happens as part of care plan discussion.

Further afield at the Royal London Hospital in East London, which serves many families from Essex, the Neonatal Support Worker set up a drop-in service, in partnership with charity Bliss. Whilst this has paused during the pandemic it is planned to recommence as soon as is possible. This will ease the pressure on NHS staff and nurses to make the referrals themselves taking the pressure off the NHS and removing an extra step which adds time to the process. Once those families return home to Essex, Rainbow Trust support can continue in the community.

*"Having a regular, named contact who knows the unit and the staff is invaluable. The Rainbow Trust Family Support Worker can respond to a family's individual support needs- particularly in preparation for discharge - in a way that we feel we cannot, because of her in-depth local knowledge. We just would not get anywhere near that unfortunately, we rarely have the time to make those relationships with other local and specialist agencies, so the Family Support Worker is the 'connector'. We have little else other than Rainbow Trust to help families in these ways – Rainbow Trust is the only tool in our armoury! We have gone from a position of feeling we're stuck and unable to know which agencies can help, to having Rainbow Trust to help advise, signpost and support families in our care."*

Helen Aitchison, Psychotherapist based on the neonatal unit at the Royal London Hospital

In the North West of England, the team has worked hard to reconnect and re-engage with professionals across the region, which covers large, rural geographical areas including Cumbria and Lancashire.

Within the broad demographic of Cumbria, social deprivation, economic disadvantage and isolation are common in the families we reach. This means families with a seriously ill child are already facing acute challenges, and it is essential to work alongside the other professionals supporting them.

Playing an active part in the Cumbria Palliative Care Network, which comprises 20 professionals across the children's palliative care sector helps to keep awareness of our services high on their radar, which inevitably increases referrals. This network includes the South Lakes Children's Community Nursing Team, Carlisle Community Nursing Team and Jigsaw Hospice. By strengthening these relationships, our Cumbria based Family Support Worker has doubled the size of her caseload since 2018. For some families, where mental health and economic wellbeing were poor, we stepped in when there was nothing else.

## **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

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A Lancashire based Family Support Worker has worked hard to build and develop strong working relationships with health and social care teams, community nurses, hospitals, hospices and palliative care networks. This has helped to improve awareness of professionals and increased referrals for support. In just six months, the Family Support Worker has managed to double his caseload of families. A member of the Local Mental Health champions network made up of over 50 local services, he also works closely with the Paediatric and Oncology Shared Care Unit (POSCU) at Lancaster Royal Hospital, which is now taking some oncology referrals that would previously have gone to Manchester or Newcastle. Through developing a positive relationship with this Unit, the Family Support Worker has attended multi-disciplinary meetings attended by Consultants, Children's Ward Team, MacMillan Nurse and Community Nursing Team. This is hugely beneficial to professionals in terms of avoiding duplication and sharing knowledge and expertise in a way that improves family experience and outcomes.

### **Increase partnership working and collaboration**

Organisations such as Rainbow Trust exist for one reason and one reason only, for the families that need our support. If we are not the best placed organisation to do what a family needs, we will find the organisation or person who is. We have always been committed to sharing our skills, our resources and opportunities to collaborate for the benefit of the families and no one else.

We found that the pandemic accelerated a real desire by charities to collaborate much more than ever before to achieve their aims. We are delighted to see the world out there slowly beginning to appreciate our long-standing desire to collaborate. We have taken the first steps in doing this and are excited to see how our skills and expertise can complement those of other organisations to ensure a holistic and effective approach to children's palliative care.

Collaboration has been a key factor in the development of our neonatal service. We supported 87 neonate cases this year, 50 of those were in the Southampton care team area, which is a 42% increase on last year. The onset of the pandemic did not temper this in any way, as we stepped in to provide a vital service where there was nothing else for some families.

We worked with the neonatal unit in Queen Alexandra hospital in Portsmouth to develop links that meant referrals could be made and responded to very quickly. As a result, when the pandemic hit, the staff were aware of the ways in which we could adapt our service and offer a safe support network. This has meant that parents have been helped to continue to visit their babies or, where that has not been possible, have been able to express breast milk for delivery by the Family Support Worker to their baby in hospital. The strong working collaboration means that this referral pathway will continue into the future.

In March 2020, we submitted a joint bid with Shooting Star Children's Hospices to the North West London Clinical Commissioning Groups, working in partnership to deliver a holistic service for families accessing either organisation. The aim of the partnership is to offer an improved experience for families, particularly those with a child at end of life, to ensure that families receive the care they need, at the time they need it and in a location of their choice. We aim to demonstrate that families have better outcomes from a service if organisations work together in partnership. By offering an integrated care package for families, referrals to both services are likely to increase and families will have increased choice about services available to them. We are excited to see this partnership develop into the next financial year.

In addition, we have strengthened connections to the Defence Medical Welfare Service, in the first instance to promote our service and ensure that Army families can access our support if the need arises. We now regularly present at the Unit Welfare Officer Training Course, both in person and online since the pandemic, so that all Army unit welfare officers can refer cases. This also increased interest in fundraising, and also a recognition that the experiences in communities of Army veterans can be similar to those of the families we support, for example isolation, attending multiple appointments and living away from family members. We hope that this too will lead to further collaboration for mutual benefit.

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### **Start to resource teams to full staff capacity**

Sadly, and inevitably due to the impact of the pandemic, our plans to recruit two new Family Support Workers as part of our *It's About Time* campaign were put on hold in March. Whilst the plan was progressing and the recruitment process had started for both, we had to halt this in the face of uncertainty. It does of course remain an ambition, but by the end of the year the operational management of the organisation and the uncertainty of the ongoing pandemic meant that it could not be progressed.

### **Improve family centred plans and revise outcome measures to include the child's voice**

Revised outcome measures will allow us to structure the desired outcome related directly to the area in which the family most needs support. The aim is that the outcomes will be entirely person/family centred rather than a part of a pre-defined theme. We will be able to review them in real time and change the desired outcome and the nature of our support to meet family need.

The new outcome measurement framework began to be tested in the North East team and was about to be rolled out to the Southampton team to provide a comparator, however the onset of COVID-19 halted progress.

*"Completing the outcomes has been challenging during the pandemic due to adapting our service, however, in general it has been more useful in tailoring support and less rigid than the old system. It allows us to be more flexible when writing plans and capturing the changing support we have been providing through lockdown - from supporting families to applying for various grants, changing support to be adapted within the pandemic and helping families make memories in this difficult time."*

Family Support Worker in the North East

We will continue to progress and refine these plans into 2020/21.

### **Develop our people to help sustain high-quality and tailored services, by training advanced practitioners in specialisms such as bereavement, volunteering and training**

Previously, we identified that external training did not deliver a rich or specific enough experience for Family Support Workers, so two Advanced Practitioner roles have been established to enhance and develop good practice, consistency and deepen and share expertise across the organisation.

All Family Support Workers will experience supporting families through bereavement and grief at some point. For example, 46 children in families we supported last year sadly died. One of our Advanced Practitioners has developed and delivered a one-day bereavement training course to all staff and volunteers, to help them reflect, introduce theories and tools, and instil confidence in facing and discussing bereavement.

*"After I attended the training, a child I worked with died the next day. The training kicked straight in. I used so many strategies I had learned to support the family and to keep good boundaries in place to protect myself. It was a sad circumstance but as their Family Support Worker I was able to really help that family when they needed us the most"*

Family Support Worker in the West London

It was then delivered externally, to children's cancer charity, The Candlelighters Trust.

*"The whole team found the training invaluable; before they took part in this training, they had never really had the opportunity to sit together and discuss their own experiences with one another around bereavement. We had some staff members who were really new to this line of work - everyone felt that they didn't always know what was appropriate to say or do. As a result of this training our staff now feel much more confident in their ability to support recently bereaved families; knowing that just being there to listen helps families to feel comfortable and supported. The practical activities used at the session are also now being utilised in our own working practices."*

CEO, Candlelighters

The result has been a raised profile and prominence of bereavement work both internally and externally, giving supporters, funders and families a better understanding of our role. It allowed for an interaction and a deeper understanding internally between the care function and other departments which has shown how we can support each other. It laid the foundations for further training to be delivered, with an overwhelmingly positive response to take part in new training sessions on Play and Attachment as a next step. Training that is accredited and delivered outside the organisation is another way that we can show our leadership in the sector.

# **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

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## **Increase targeted use of volunteers, improving impact and family support**

We achieved an 11% increase in volunteer hours directly supporting families to end of February, through 87 volunteers.

This improved impact because we were able to offer families an increased level and scope of support and allowed Family Support Workers the capacity to accept more new referrals as the trained volunteers continued to support families who had less intense needs.

In Essex, an Advanced Practitioner has focused aims of recruiting volunteers to eventually provide increased independent support to families in Essex, increase the number of hours of support and make volunteer support a more robust and seamless process.

The Advanced Practitioner enhanced the interviewing, induction and the enrolment process and as a result, there was a rise in interest in volunteering in the Colchester area. They refined and localised a Volunteer Toolkit to guide colleagues through the process of volunteering, from enrolment through to independent support and supervision.

The team grew from two active volunteers to seven, within 3 months. Eight months after the Advanced Practitioner taking up post, there were 11 Volunteers providing 98.75 hours of independent support, with the number of families receiving volunteer support rising from five in July to 14 in February. Before the nation was hit by COVID-19, the Essex team were in a strong position with five additional new volunteer recruits, at various stages of induction, training or shadowing.

Ultimately, this will help us reach more families and increase the nature of support to include very practical tasks such as gardening and dog walking for families unable to manage these activities due to the caring demands of their sick child.

We recognise that volunteers add an extra dimension to the support we can offer and the use of volunteers often means that families are able to access support more frequently and for longer periods than would otherwise be possible. Developing and recruiting more volunteers remains a core part of our future strategy.

## **Additional highlights**

### Demographic research

Over the last 12 months, Rainbow Trust has initiated a project examining referrals received across a five year period and the demographic profile of families receiving support. The purpose is to identify how representative our support is compared to what is known about the prevalence of childhood serious illness, as well as to identify any patterns and changes in the caseload over time.

Factors examined include: the age of children at the point of their family's referral, the length of time that Rainbow Trust has provided support, the category of their medical condition, their sex, ethnicity, first language and faith, where recorded, and the source of the referral, such as health or social care professional, hospital or other organisation.

By examining each of these against what is known about the prevalence of childhood illness in the regional and national population, Rainbow Trust will be better able to determine how best to improve its reach into communities which are under-represented, and how to build our profile with new referral sources. The project is expected to continue into 2021.

### Care Quality Commission

Our regulatory body, the Care Quality Commission (CQC), inspected the Surrey care team this year and it was awarded an overall rating of Good in all key lines of enquiry which are safety, effectiveness, responsiveness, care and leadership. The report can be found on CQC's website. Suggestions from inspectors help develop our service and ensure full compliance in every team. Inspections were due to happen in the North East and South West teams, but were cancelled due to COVID-19.

## **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

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At the start of the pandemic we were proactive and devised an emergency support framework based on CQC guidance that we developed for each team – these were sent to the lead inspectors for each team and we received very positive feedback. The CQC responded with recognition and commented that *“It is so good to see how much care you have taken to tackle the difficult issues thrown up by the pandemic.”*

### Safeguarding

Safeguarding remains at the heart of everything that Rainbow Trust does, and the safety of children remains paramount. We have a robust reporting system that allows regular review of situations of concern and has a strong link into the relevant Local Authorities. All staff receive regular safeguarding training to Level 3. We completed the NSPCC Safeguarding Audit to ensure that we were compliant and operating at best practise levels of safeguarding practise - this is an annual audit of our Care practice. Once the pandemic struck, it became apparent that much of our support would be online. In order to adhere to best practice and to ensure that all Care staff were aware and alert to the potential risks of this altered method of working, all Care staff have completed the NSPCC ‘Keeping children safe online’ training.

# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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

The needs of families who have a child with a life-threatening or terminal illness are often overlooked. Rainbow Trust seeks to represent the children and families that we serve, so that their voice is always heard when government decisions are made on issues that affect them. Here is a summary of work undertaken to this aim:

### **Publish our findings on the impact of childhood illness on parental mental health, with recommendations on how Rainbow Trust can support parents in this situation**

Our report, *Parents Matter: The impact on parents' mental health when caring for a child with a life-threatening illness*, won both specialist and regional media interest. Specialist press included an article in the journal, *Nursing Children and Young*, while a mother's experiences were featured in three radio news bulletins on Global Radio in the north east, and in print in the *Newcastle Chronicle*. PR pitching for the report may have contributed to excellent media coverage in the same period about the start of employees' entitlement to paid parental bereavement leave. This resulted in a BBC World interview with a parent and the Rainbow Trust Policy Manager, and detailed quotes from the Director of Care in a *Guardian* feature on parental bereavement.

The report was widely disseminated and was acknowledged in a letter received from the Minister for Mental Health, Nadine Dorries MP. It prompted a parliamentary question to the Department for Education on Short Breaks provisions for parents, from the then Shadow Children and Families Minister, Steve Reed MP. This was important for making both ministers and civil servants aware of Rainbow Trust's concerns that parental mental health is going under the radar of government. The report also led to a meeting with a newly elected MP, David Simmonds, MP for Ruislip, Northwood and Pinner, former Chair of the Local Government Association's Children and Young People's Board, and now a member of the Commons Education committee. Further promotion of the report was paused owing to the outbreak of the Coronavirus pandemic, but our messages on parental mental health have become even more relevant with fresh evidence of the need for emotional support for parents in this new climate.

### **Continue to expand our relationships with relevant parliamentarians**

In addition to activity referred to above, Rainbow Trust communicated with many MPs and Lords about the grave challenges to the continuation of our service as a result of the Coronavirus pandemic and its impact on fundraising. This resulted in a parliamentary question to the Department for Health and Social Care from Cat McKinnell, former Co-Chair of the All Party Parliamentary Group for Children Who Need Palliative Care. Our briefing was quoted by Baroness Brinton in a debate on social care, and Rainbow Trust listed among charities named by the Bishop of St. Albans in a debate on the pandemic's impact on charities.

Rainbow Trust's profile with NHS England and regional commissioners has grown significantly this year, resulting in the first ever award of NHS funding for a Family Support Worker in North West London, working with Shooting Star Chase Hospice, and a modest sum towards parent support by the North West team from Morecombe Bay Clinical Commissioning Group.

Rainbow Trust regularly collaborated with others across the children's sector throughout this year. Zillah Bingley was invited to author the introduction to a report on the impact of serious illness on school attendance published by a technology start-up, No Isolation. Detailed input was provided to a Children's Society project looking at hard-to-reach Young Carers, reporting to the Department for Education. Presentations on Rainbow Trust's policy work were given to meetings convened by the Disabled Children's Partnership and the National Children's Bureau.

Over the year Rainbow Trust has regularly published comment pieces in response to government policy developments and responded to relevant public consultations, including on Neonatal Leave and Pay and on Carer's Leave.

As the year ended, we took over the secretariat for the National Council for Child Health and Wellbeing (NCCHW) Chaired by Dame Marion Roe, DBE. This network brings together more than 50 professional groups, focused on improving the health and welfare of children and young people across the UK. Meeting four times a year, the NCCHW identifies current issues causing concern in the sector. With their unique expertise and experience they share information and initiatives being taken forward within each group, College or Association, and work towards lobbying for positive improvements for children and young people's health and welfare.

## **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

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### **Increase awareness of Rainbow Trust and what we do across the country by rolling out and embedding the *It's About Time* campaign for increased reach**

Raising awareness of the issues faced by families with a seriously ill child is core to our mission. In September 2019, we commissioned research with the general public to explore particular feelings and perceptions of childhood illness. An online survey was conducted by Atomik Research among 2,002 parents of under 18s from the UK.

The research revealed that the biggest fear among Britain's parents is that their child will become seriously ill. The majority of respondents said their child being diagnosed with a serious illness is their worst fear and 65% of all those surveyed said they would have no idea how to cope if this happened.

The research highlighted that 91% of parents feel there is not enough time to do everything they would like for their family, with six in 10 only managing one hour of quality time with their children a few times a week, or less. These findings gave us the opportunity to stress how much harder that must be if one of your children is seriously ill.

By launching the *It's About Time* campaign, we renewed the urgency behind our call on the public to help families with a life-threatened or terminally ill child. The PR and broadcast campaign had an audience reach of just under 12.8 million, with print and online coverage reaching 3 million. Our campaign marked a change in tempo, and a refreshed look and feel to our messaging and case for support. It laid the foundations for engagement on a much wider scale. When the COVID-19 pandemic hit three months later, we accelerated and enhanced the urgency behind our need for funding through our emergency appeal, which raised almost £600,000 to the end of June.

We transformed our reach and engagement during the crisis, particularly through social media channels. Over the year, we posted 500 more pieces of content to these channels than the previous year, presenting the voice of the families we support, their stories, their need for help and the impact that our support has. Not only did our social media community rise by 9%, but engagement with our content more than doubled on the previous year. Traffic to the website from social media also doubled.

In addition, Rainbow Trust featured on a BBC Breakfast report in early April to highlight the issues faced by families we support and reinforce the need for funding at such an unprecedented time.

### **Increase engagement with (and leverage networks of) media ambassadors, committees and celebrities.**

Rainbow Trust's network of Family Media Ambassadors continued to grow, and we now have a group of 35 Family Media Ambassadors who are happy and willing to speak to the media. This vital group of parents and young people help amplify our message and illustrate how Rainbow Trust makes a positive impact, from their own personal experiences.

Our work with this group of families led to extensive coverage in key campaigns throughout the year, including our *It's About Time* campaign launch, much of which relied entirely on the strength of the personal stories of our Family Media Ambassadors.

Other coverage was secured throughout the year thanks to our Family Media Ambassadors forming relevant case studies, including national titles including The Daily Mail, Sky News, BBC Breakfast, BBC World, ITV.com, Virgin Radio and Heart FM. The work with our Family Media Ambassadors was a key part toward a successful year of media liaison in general, generating over 850 pieces with an overall news reach of 113 million.

It was another strong year for celebrity engagement as we continued to build on our existing relationships with high profile individuals and bring new names on board to help us raise awareness of the charity.

Katherine Parkinson, Matt Pinsent, Hugo Taylor, Jill Halfpenny and Annabel Croft fronted our *It's About Time* campaign launch video. The video was shared by the celebrities on their own social channels and received a great response online, with over 70,000 views. Gyles Brandreth also gave his support by endorsing the campaign across all media outreach.

## **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

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Jill Halfpenny became a Rainbow Trust Celebrity Ambassador and visited one of care teams to meet our Family Support Workers and engage with, and understand, the work of the charity. This resulted in a heartfelt video message from Jill to promote Rainbow Trust and our partnership with CarFest. Nell McAndrew continued to show her dedicated support at Grate48 stair climb in November, where she started the race, took part herself and handed out medals to competitors. The annual London Carol Concert brought on board an exciting new number of celebrities who read and performed during the event, including Cressida Cowell, Pippa Hayward, Callum Turner and Diana Vickers.



# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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## AIM 3: DEVELOP FUNDING OPPORTUNITIES

Fundraising performance until February, was stable as highlighted below. However, the COVID-19 pandemic had an immediate and dramatic impact on our ability to fundraise.

Social distancing restrictions stopped all events and most fundraising activities, which caused an immediate substantial loss of income. The postponement of the London Marathon and two of our special events saw a loss of £500,000 in just one weekend in April. Our immediate strategy to recover lost income was to launch an Emergency Appeal, request support from current and previous funders, and apply to all eligible emergency funds. This approach was successful, with almost £600,000 emergency funding being donated by our incredible supporters between March and June 2020. We also took advantage of the Coronavirus Job Retention Scheme and received £192,800. Both of these have provided short term financial support against our lost income from COVID-19 this year, and despite being faced with an unprecedented situation with the immediate economic impact of the global pandemic, we managed to achieve total income of £4.3m. To develop funding opportunities, we completed the following activity:

### **Undertake more family-focused community fundraising**

We were thrilled to be a charity partner for CarFest 2019, helping us to reach tens of thousands of people to raise awareness of the charity at CarFest North, a three-day family event in Bolesworth, Cheshire, and CarFest South, in Overton, Hampshire. Festival goers received an exclusive downloadable car kit from Rainbow Trust to engage them before arriving at the festival. Festival goers met our team and competed in a fun bike powered head-to-head challenge in the Tent of Inspiration. They also learnt more about the charity's vital work by taking part in an engaging car treasure hunt. Families who we support and have supported took to the stage to tell the crowds exactly how Rainbow Trust help them, and other families with a seriously ill child. In November, a family we support was delighted to join Chris Evan's live on Virgin Radio to hear the news that CarFest raised an amazing £244,664 for Rainbow Trust.

Bring Back the Colour, a fun, messy colour run aimed at schools was launched – the idea is to incorporate the fun run into the end of the school year or as a sports day finale. This year we saw three schools sign up to take part with a sponsorship target for each student and we hope to develop this once schools return, and events pick up.

We raised £3,700 at Chessington Garden centre over Halloween half term, by providing local families with children's fundraising activities and spooky face painting. We would like to say a huge thank you to the 70 volunteers who helped to make this happen.

Other events planned for the Spring and Summer were unfortunately cancelled or postponed due to COVID-19. In place of those, we focused more heavily on engaging families in other ways, for example by providing daily Boredom Busters on social media aimed at adults who were looking for activities to do with children in lockdown.

After the London Marathon was postponed in April, London Marathon Events and other event organisers launched the 2.6 Challenge to raise money to help save the UK's charities. Participants were encouraged to take part in any kind of activity in relation to the number 26 or 2.6 and fundraise or donate. We focused on promoting the 2.6 challenge to families to encourage them to participate, which resulted in £22,596 income.

We also strengthened our communications programme with families we support and have supported in the past, as many choose to engage and fundraise on our behalf, for which we are very grateful.

### **Increase number of engaged fundraising ambassadors**

Our fundraising ambassadors are volunteers who help by attending events or meetings with people, business or groups who have or are raising money for Rainbow Trust, to represent the charity by building relationships, giving information and delivering talks or speeches on our behalf. These volunteers gave 41 hours of support this year, an increase of 310% on the prior year, helping to raise our profile in more communities, particularly in the North East and North West. We welcomed two new ambassadors to the programme. Ambassadors can help by attending events to talk about Rainbow Trust or collect donations where we would otherwise be unable to due to geographical or resourcing constraints. One ambassador based in the North East, attended a concert for us in Newcastle in January and spoke about the support that Rainbow Trust had given her family personally. This raised £800 - without her support and presence there may have been no physical representation from Rainbow Trust, which could have limited the money raised.

## **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

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Long standing volunteer, Bob Green, held another successful race night which raised £6,000 and he continues to support the annual Rainbow Trust Golf Day, which was sadly postponed until August 2021.

We were also very grateful to our friends from Harold Wood, who continued to support Rainbow Trust by running the Harold Wood charity shop and fundraising out and about in their local community. We sadly took the decision to close our other charity shop, which was based in Upminster, despite the fantastic commitment, effort and energy of all the volunteers and staff involved. The local market environment has led to an overall trend of declining sales and so the Rainbow Trust Leadership Team, together with the Trustees made the difficult decision to stop trading and close the shop.

We are very grateful to 40 dedicated special events committee members helped in shaping, planning and promoting special events including our annual London Carol Concert.

### **Focus on investing in, and growing campaigns that resonate with our target audience**

Key target audiences include parents who are likely to feel empathy to the cause. *It's About Time*, our report on parental mental health *Parents Matter: The impact on parents' mental health when caring for a child with a life-threatening illness*, and our Christmas fundraising appeal (centred around an animation voiced by Gyles Brandreth) were all important campaigns designed to appeal to and engage core target audiences.

We prioritised improving our content, reflecting our urgent case for support to attract and inspire engagement and donations. In addition, we invested in developing our Great Rainbow Bake fundraising campaign, which was due to take place in May but had to be postponed until such a time when people can come together to raise money once again. In the meantime, we worked up a virtual option to take place later in the summer.

### **Effectively steward our supporters**

The way Rainbow Trust communicates and engages with our supporters is a priority. The launch of our new campaign *It's About Time* included a review of supporter communications and the insight was used to create a renewed sense of urgency and bring supporters closer to the work of our Family Support Workers.

Following supporter feedback, we completed a re-design of our supporter magazine taking it to a larger format to allow us to fully tell the stories of the families we support. We also enhanced the email communications arriving in supporters' inboxes, leading to improved supporter engagement.

During the year, we received five fundraising complaints from the public relating specifically to door-to-door charity clothes collection bags. All were dealt with effectively and resolved internally. We continue to put significant effort into supporter care and take all feedback seriously. We also take our responsibility to protect vulnerable people seriously. We follow guidance issued by the Institute of Fundraising about treating donors fairly and our Supporter Promise reflects our approach to protecting both our beneficiaries and supporters.

We continued to ensure that our fundraising communications and data processing were fully compliant with GDPR. This included ensuring that our staff were trained on data protection requirements to ensure the integrity of our data and the security of the personal data, with which our supporters trust us.

## **AIM 4: DEVELOP TECHNOLOGY AND IMPROVE DATA AND SYSTEMS TO DRIVE FUNDRAISING GROWTH**

We are committed to accelerating the use of technology and improving Rainbow Trust's digital maturity, both to drive efficiency to help the development of our service, as well as support fundraising growth.

This is what we did:

### **Implemented SharePoint**

Microsoft platform SharePoint was implemented in October 2019 as the next stage of standardising systems and access across the organisation, with particular benefit to remote working care teams. This included the creation of an intranet, video meeting facilities, and enhanced document management and storage systems that allow access to information and Rainbow Trust files in a structured manner from any geographical location.

The timing of this implementation put us in an exceptionally strong position to work remotely when COVID-19 first hit. We were still able to effectively operate after we had to close all our offices in March. Family Support Workers had the equipment they needed to communicate with families and switch seamlessly to delivering virtual support, and all head office staff had the necessary equipment needed to immediately work effectively, and indefinitely, from home.

We have learned new ways of providing support to families and will continue to develop our technology to facilitate more digital and online working following the experience gained during COVID-19.

### **Upgraded our website**

During the year, we successfully upgraded our website to a new Content Management System (CMS). This provides us with a more flexible and advanced website platform with enhanced security

### **Improved data processes**

Over the year, we researched how we could become more efficient in our processes and are very grateful to travel technology company Travelport, who provided pro bono support sessions to help us map key processes, identify efficiencies and apply Continuous Improvement theory to improve our operations.

### **Customer Relationship Management (CRM)**

This year, we reviewed and updated the requirements for our fundraising CRM system as part of developing a business case for an enhanced system that will improve supporter experience and better support our fundraising and technology strategy. This will be refined and completed next year.

# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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## AIM 5: DEVELOP OUR PEOPLE

The immediate impact of the pandemic was that our income fell by 60%, as so much of our fundraising activity was impacted by social distancing measures. Whilst we mitigated the immediate loss with an Emergency Appeal, grants from the Coronavirus Job Support Scheme and cost saving initiatives, we also needed to plan for the longer-term survival of Rainbow Trust. The ongoing nature of COVID-19 and the resultant economic uncertainty means that we expect our income to be adversely impacted next year and that we will not return to pre COVID-19 income levels for a number of years. Consequently, it was also necessary to undertake an organisational restructure which included reducing our cost base to a level which could be supported by our income generation. Unfortunately, part of the restructure was a 17% reduction in our staff numbers, from 92 to 76 staff, and sadly this included 10 redundancies with the remainder from natural vacancies.

It has been a difficult time for everyone at Rainbow Trust, especially those whose roles were directly impacted by the restructure. However, we maintained our commitment in developing our people and achieved this aim by:

### **Remaining an employer of choice with high levels of engagement**

To support our strategic goals and to continue to build an efficient, high-performing organisation, we remain committed to developing and engaging our staff. It was once again a huge achievement to be placed in the Top 50 of *The Sunday Times* Top 100 Best Not-For-Profit Organisations to Work For in the UK, achieving our highest position to date at no.35. This year we also achieved a two-star accreditation – which indicates outstanding engagement. We have remained in the Top 100 for the past nine years.

### **Creating opportunities for staff to enhance their careers/skills**

Our career pathway pilot has been a huge success, with the Advanced Practitioners being confirmed in permanent roles and the Deputy Family Support Managers continuing with the pilot for a further 6 months. The pilot demonstrated these additional roles support the Care structure and provide career development opportunities for the Family Support Workers.

We introduced an internal talent management programme, tailoring an individual plan to support the development of one of our fundraisers. Using our people planning tool and the performance development review process, individuals are identified who have the desire and ability to progress within the organisation. This pilot commenced in Q3 but was put on hold due to Covid-19. This will continue in the coming year.

Over the year, some examples of training given include counselling skills, bullying and harassment, managing stress, safeguarding, lone working, bereavement, enhancing conversations and emotional intelligence.

### **Continuing to develop and grow our volunteer programme.**

Our volunteers remain a vital component of what we do, therefore keeping them engaged and feeling valued is essential. The dedication we see from our volunteers, and the support from staff in ensuring they are part of the team and feel valued, is how our volunteer programme remains such a success. Our partnership with Room to Reward, a charity that works with the hospitality industry, has resulted in three volunteers winning a special break as a thank you for going above and beyond.

Whilst volunteering stopped at the onset of the pandemic, volunteer contributions up until February were very strong.

- 350 volunteers in total
- 11% increase in volunteer hours directly supporting families
- We have seen a decrease in the number of interns at Rainbow Trust, as well as saying goodbye to some of our Head Office volunteers, which has caused this small decrease on previous year
- Volunteer contribution during the period totalled 14,100 hours, estimated to be worth a minimum of £123,000 to Rainbow Trust.

# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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## FUTURE PLANS

After a year in which we saw unprecedented change due to the onset of the COVID-19 pandemic, our main areas of focus in 2020/21 are:

- Stabilise the organisation
- Learn from the ways we have worked and adapted during the pandemic
- Progress and develop working in partnership.

Priorities are to:

### **Rebuild family support**

- Identify and build relationships and partnerships with health and social care professionals and organisations to ensure that families in the most need are aware of Rainbow Trust's support
- Evolve and innovate our service delivery model to ensure it meets families' needs, as society adapts to living alongside COVID-19
- Improve our impact and outcomes measurement to demonstrate efficacy, relevance and value, ensuring the voice of each family member is heard.

### **Increase awareness, influence and reputation**

- Connect with high-profile influencers and networks including key decision makers and parliamentarians
- Engage and cultivate new and existing supporters particularly amongst our target audience of young families
- Evolve brand purpose following the launch of *It's About Time* campaign.

### **Optimise fundraising activity**

- Improve fundraising performance across all channels, introducing new supporter insight programme
- Develop digital fundraising skills to enable us to optimise our digital reach and fundraising activity
- Effectively steward our supporters to gain their long-term commitment.

### **Develop our people**

- Remain an Employer of Choice
- Lead, support and develop staff to be the best the best they can be and safeguard their wellbeing
- Reevaluate and develop our volunteer programme across all teams.

### **Accelerate use of technology**

- Ensure staff have the right equipment to support service delivery
- Implement new Customer Relationship Management (CRM) system to improve supporter experience and to support our fundraising strategy
- Optimise use of Office365 to enhance communication and collaboration.

# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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## FINANCIAL REVIEW

### REVIEW OF YEAR'S RESULTS

The results for the charity for the year ended 30 June 2020 are set out from page 29. Overall, we made a deficit of £7k (2019: £9k surplus), which resulted in total funds of £1,327k (2019: £1,334k).

Our total income for the year was £4,257k (2019: £4,628k), which is an overall 8% reduction over last year. However, without the support from our emergency appeals and the Coronavirus Job Retention Scheme (CJRS) grant, this reduction would have been over £1.1m, or 25%, lower than last year and we are extremely grateful to all our donors and the government for their crucial and extremely generous support to enable us to survive during this period.

Income has been a significant challenge this year resulting from the COVID-19 crisis which has necessitated social distancing and created a high degree of economic uncertainty which has impacted all of our income streams. At February 2020, our overall financial position was in line with our budget for the year, however from March 2020 we saw an immediate reduction in our income, including the loss of £500m in income over one weekend from the cancellation of the London Marathon and our two flagship special events. We make most of our income in the final quarter of the year and budget to part-fund our operations from reserves until then. This year, we saw a 60% fall in our budgeted income after the start of COVID-19.

We took immediate action to implement a successful emergency appeal, sought emergency grants which together raised almost £600k and we received £193k from the CJRS. More information on the fundraising measures we took to survive through this period can be found page 16.

Due to the immediate impact on fundraising, we furloughed most of our fundraising and head office staff from April. Our focus has been to maintain our support to families, most of whom had to self-isolate over this period and we were able to adapt and innovate our services. When we had determined the new support levels, we furloughed some of our care staff from May. More details on our essential care service support provided during COVID-19 can be found on page 8.

Total expenditure of £4,285k (2019: £4,607k) is an overall 7% decrease, which reflects cost reduction initiatives to stop all discretionary and non-essential activity since the start of COVID-19, with a focus on maintaining our care support services. Within this, our care and family support services costs only fell by 3% resulting in the amount spent on care and family support services increasing to 73p in the pound (2019: 70p).

### RESERVES POLICY

The Trustees regularly review the 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 unexpected reduced income, and the potential impact of restructuring costs and liabilities required to downsize the organisation in an orderly manner, if a permanent income reduction was anticipated.

The Trustees are satisfied that the existing 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 £983k (2019: £1,140k), 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 £963k and £1,355k. The general reserve at 30 June 2020 was £826k (2019: £964k).

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.

The Trading subsidiary generated a £15k profit (2019: £43k), which has generated total reserves of £17k (2019: £2k).

# RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

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As at 30 June 2020, the charity has restricted reserves of £201k, which are committed to be spent.

Designated funds are amounts that have been set aside at the discretion of the Board of Trustees. At June 2020, these total £299k (2019: £336k), which all relate to amounts invested in fixed assets.

## FINANCIAL EFFECT OF ANY SIGNIFICANT EVENTS

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

## INVESTMENT POLICY, POWERS AND PERFORMANCE

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

The investment strategy and policy remain unchanged following the COVID-19 volatility of worldwide stock markets. After an initial fall in investment values in March, these recovered to a break-even position by the end of April and ended the year with an unrealised gain of £20k (2019: £5k realised loss and £7k unrealised loss). Income from investments and short-term deposits amounted to £14k (2019: £14k).

## 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 CEO and the Leadership Team annually, and salary reviews are awarded according to performance. This year, three employees earned in excess of £60,000. This is in line with other charities of a similar 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 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 regular reviewing the advice and regulation from of Public Health England, the NHS and other government bodies, and by the updating and communicating of health and safety measures taken to reduce workplace risk to the lowest reasonably practicable. As part of implementing our Business Continuity Plan, an Emergency Response Team was instigated which has been meeting regularly since 9 March 2020 to monitor and manage the risks and communication to the organisation. To reduce risks from interactions with other members of staff, with effect from 16 March 2020, it was decided that Family Support Workers (FSWs) and Managers (FSMs) should operate from home and to close all our offices. Risk assessments have been undertaken and communicated to all FSWs and FSMs to identify and mitigate operational risks for employees and families. The use of volunteers was temporarily suspended. We conducted two surveys with the families supported by Rainbow Trust to ensure that the support offered is what is required and that families feel safe to continue to interact with us. We are in regular negotiation with hospitals to ensure that we are compliant with individual guidance around entering premises.

## **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

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### **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 for 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 is 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 all care and frontline staff are subsequently re-checked every three years.

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

The charity is managing this risk by Management and Trustee oversight of monthly reporting against budget, future income key performance indicators and with 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, and auto enrolled every three years. At June 2020 we had 98% (2019: 93%) 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 2020**

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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 being a company limited by guarantee (number 3585123), having no share capital. The charity is governed by its Memorandum and Articles of Association.

### **APPOINTMENT OF TRUSTEES**

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

### **TRUSTEES INDUCTION AND TRAINING**

New Trustees are provided with information including the history of the organisation, details of the governing document, finances, activities and objectives together with the role and responsibilities of a Trustee. The induction process also includes meetings with other Trustees, Chief Executive, members of the Leadership Team, and family support services. Training in the duties and responsibilities of Trustees is provided, and new Trustees are strongly encouraged to attend a specialist training seminar, within their first year of appointment. All Trustees are circulated training opportunities on a regular basis, 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 reports to the Chief Executive and meets formally twice a month.

### **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 the majority 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.

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

## **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

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Rainbow Trust raises money using direct mail, telephone calling (current supporters only), private site, e-marketing, sponsored sports activities, challenge events, and special events such as golf days, concerts and fashion shows 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, and recruit new donors for the Rainbow Trust lottery through private sites. External agencies who do this work for us are required to work in accordance with our standards and GDPR, and we closely monitor their compliance. We provide training, and work with them to produce any materials used, and monitor calls. 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 5 complaints about fundraising activities, all were dealt with effectively and resolved internally.

### **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.

# **RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

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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 2015 and FRS 102)
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed, and explained in the financial statements
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

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

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

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

### **AUDITORS**

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

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

Signed on behalf of the Trustees.

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**Chairman**  
**Mark Cunningham**

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**Trustee**  
**Timothy Bunting**

22 October 2020

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAINBOW TRUST CHILDREN'S CHARITY FOR THE YEAR ENDED 30 JUNE 2020

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## Opinion

We have audited the financial statements of Rainbow Trust Children's Charity for the year ended 30 June 2020 which comprise the Statement of Financial Activity, the Group and Charity Balance Sheets, the Consolidated 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's and of the parent charitable company's affairs as at 30 June 2020, and of the group's 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.

## Responsibilities of Trustees for the financial statements

As explained more fully in the Trustees' responsibilities statement on page 26, the Trustees (who are also the directors of the charitable company for the purposes of company law), are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the Trustees either intend to liquidate the group or the 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.

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

## Conclusions relating to going concern

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

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

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAINBOW TRUST CHILDREN'S CHARITY FOR THE YEAR ENDED 30 JUNE 2020**

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## **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Report of the Board of Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements, or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Report of the Board of Trustees for the financial year for which the financial statements are prepared, is consistent with the financial statements; and
- The Report of the Board of Trustees has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group, and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Board of Trustees.

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 charitable company; or
- The 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.

## **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.

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**Anna Bennett (Senior Statutory Auditor)**

For and on behalf of Haysmacintyre LLP, Statutory Auditors

10 Queen Street Place  
London  
EC4R 1AG

Date: \_\_\_\_\_

**RAINBOW TRUST CHILDREN'S CHARITY**  
**STATEMENT OF FINANCIAL ACTIVITY**  
**FOR THE YEAR ENDED 30 JUNE 2020**

	Note	General Fund £	Restricted Fund £	Designated Fund £	Total Funds 2020 £	Total Funds 2019 £
<b>Income and endowments from:</b>						
Donations and legacies	3	2,127,326	609,259	-	2,736,585	3,007,208
Charitable activities:						
Statutory funding and grants	4	240,878	44,500	-	285,378	58,834
Other trading activities:						
Fundraising activities		1,126,802	46,374	-	1,173,176	1,400,648
Commercial operations		48,574	-	-	48,574	147,378
Investments	2	13,750	-	-	13,750	13,502
<b>Total income</b>		<b>3,557,330</b>	<b>700,133</b>	<b>-</b>	<b>4,257,463</b>	<b>4,627,570</b>
<b>Expenditure on:</b>						
<b>Raising funds:</b>						
Grants and donations		779,722	-	-	779,722	798,156
Commercial operations		43,342	-	-	43,342	53,995
Fundraising activities		309,713	-	-	309,713	474,088
Donor acquisition		17,689	-	-	17,689	30,777
Head office move		-	-	-	-	12,500
<b>Total cost of raising funds</b>		<b>1,150,466</b>	<b>-</b>	<b>-</b>	<b>1,150,466</b>	<b>1,369,516</b>
<b>Net income available for charitable activities</b>		<b>2,406,864</b>	<b>700,133</b>	<b>-</b>	<b>3,106,997</b>	<b>3,258,054</b>
<b>Charitable activities</b>						
Carer and family support services		2,601,417	532,666	-	3,134,083	3,237,118
<b>Total expenditure</b>	6	<b>3,751,883</b>	<b>532,666</b>	<b>-</b>	<b>4,284,549</b>	<b>4,606,634</b>
Net (expenditure)/income before gains/(losses) on investments		(194,553)	167,467	-	(27,086)	20,936
Gains/(losses) on investments		20,237	-	-	20,237	(11,713)
Net (expenditure)/income before transfers		(174,316)	167,467	-	(6,849)	9,223
Transfers between funds		36,600	-	(36,600)	-	-
Net movement in funds		(137,716)	167,467	(36,600)	(6,849)	9,223
Total funds brought forward		963,721	34,010	336,018	1,333,749	1,324,526
Total funds carried forward		826,005	201,477	299,418	1,326,900	1,333,749

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 2019 are shown in note 21.

**RAINBOW TRUST CHILDREN'S CHARITY  
CONSOLIDATED BALANCE SHEET  
AS AT 30 JUNE 2020**

Company No. 3585123

	Note	2020		2019	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	10		299,418		336,018
Investments	11		703,309		683,072
			<u>1,002,727</u>		<u>1,019,090</u>
<b>CURRENT ASSETS</b>					
Debtors	12	462,903		359,480	
Cash at bank and in hand		<u>1,365,282</u>		<u>631,546</u>	
		1,828,185		991,026	
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(1,349,558)</u>		<u>(508,420)</u>	
<b>NET CURRENT ASSETS</b>			478,627		482,606
<b>CREDITORS: amounts falling due after more than one year</b>	13		(154,454)		(167,947)
<b>NET ASSETS</b>			<u>1,326,900</u>		<u>1,333,749</u>
<b>FUNDS</b>					
Restricted funds	14		201,477		34,010
Unrestricted funds:					
Designated funds	16		299,418		336,018
General funds	15		826,005		963,721
<b>TOTAL FUNDS</b>			<u>1,326,900</u>		<u>1,333,749</u>

The deficit of the parent charity for the year to June 2020 was £22,081 (2019: £34,160).

Approved and authorised for issue by the Trustees on 22 October 2020.

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

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

The notes on pages 33 to 42 form part of these financial statements.

**RAINBOW TRUST CHILDREN'S CHARITY**  
**CHARITY BALANCE SHEET**  
**AS AT 30 JUNE 2020**

Company No: 3585123

	Note	2020		2019	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	10		299,418		336,018
Investments	11		703,409		683,172
			<u>1,002,827</u>		<u>1,019,190</u>
<b>CURRENT ASSETS</b>					
Debtors	12	440,848		355,339	
Cash at bank and in hand		<u>1,354,845</u>		<u>629,063</u>	
		<u>1,795,693</u>		<u>984,402</u>	
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(1,334,445)</u>		<u>(503,943)</u>	
<b>NET CURRENT ASSETS</b>			461,248		480,459
<b>CREDITORS: amounts falling due after more than one year</b>	13		(154,454)		(167,947)
<b>NET ASSETS</b>			<u>1,309,621</u>		<u>1,331,702</u>
<b>FUNDS</b>					
Restricted funds	14		201,477		34,010
Unrestricted funds:					
Designated funds	16		299,418		336,018
General funds	15		808,726		961,674
<b>TOTAL FUNDS</b>			<u>1,309,621</u>		<u>1,331,702</u>

Approved and authorised for issue by the Trustees on 22 October 2020.

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

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

The notes on pages 33 to 42 form part of these financial statements.



**RAINBOW TRUST CHILDREN'S CHARITY  
CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 £	2019 £
Net cash provided by operating activities	A	743,409	387,041
Cash flows from investing activities:			
Interest income		13,750	13,502
Purchase of tangible fixed assets		(23,423)	(356,230)
Proceeds from the sale of fixed assets		-	1,252
Cash (used in) investing activities		<u>(9,673)</u>	<u>(341,476)</u>
Increase in cash and cash equivalents in the year		<u>733,736</u>	<u>45,565</u>
Cash and cash equivalents at the beginning of the year		631,546	585,981
Total cash and cash equivalents at the end of the year		<u>1,365,282</u>	<u>631,546</u>

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

	2020 £	2019 £
Net (expenditure)/income for the reporting period	(6,849)	9,223
Adjustments for:		
Investment income	(13,750)	(13,502)
Depreciation charge	59,699	52,552
Loss on disposal of fixed assets	324	-
(Gains) / losses on investments	(20,237)	11,713
(Increase) / decrease in debtors	(103,423)	59,140
Increase in creditors	827,645	267,915
Net cash provided by operating activities	<u>743,409</u>	<u>387,041</u>

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

	At 1 July 2019 £	Cashflows	At 30 June 2020 £
Cash at bank and in hand	631,546	733,736	1,365,282
Total cash and cash equivalents	<u>631,546</u>	<u>733,736</u>	<u>1,365,282</u>

# RAINBOW TRUST CHILDREN'S CHARITY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2020

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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 2015) (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**

COVID-19 has had a significant impact on our income this year which continues into the next financial year, and with an expectation that income levels will not return to pre COVID-19 levels for a number of years.

The immediate impact of the reduced income has been mitigated through our emergency appeal, emergency grants and from the CJRS grant, together with actions to reduce our expenditure where possible and in line with maintaining core support services. We have ended the year with a break-even position, a strong balance sheet and within our reserves policy. This puts us in a good position for the start of the next financial year.

However, the outlook for the year to June 2021 remains uncertain as income levels will be impacted by the risk of further lockdowns and continuing social distancing restrictions. Our budget for this year is reflecting a 34% reduction in our underlying income, we will continue to claim the CJRS grant and we have contingency plans for further emergency donations, if required. We have reviewed the way we operate and have reduced costs across the organisation to better align with the expected lower income environment.

We have developed a break-even rolling budget to June 2021, which is tracked on a monthly basis against our actual performance and is regularly updated to reflect the changing COVID-19 environment.

The Trustees are satisfied that there is sufficient financial oversight, with sufficient reserves to manage any unexpected impacts from COVID-19. The review of our financial position, reserve levels and future plans gives the Trustees confidence that the charity remains a going concern for the foreseeable future

##### **FUND ACCOUNTING**

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

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

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

##### **INCOME**

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

##### **GRANTS**

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

##### **Coronavirus Job Retention Scheme (CJRS) Income**

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

# RAINBOW TRUST CHILDREN'S CHARITY

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2020

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#### 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.

#### DEPRECIATION

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
Motor vehicles	25% on net book value

#### 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 £(22,081) 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.

**RAINBOW TRUST CHILDREN'S CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

<b>2. INCOME FROM INVESTMENTS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Interest	13,750	13,502
	<u>13,750</u>	<u>13,502</u>
<b>3. DONATIONS AND LEGACIES</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Donations	2,514,860	2,829,191
Legacies	221,725	178,017
	<u>2,736,585</u>	<u>3,007,208</u>
<b>4. STATUTORY FUNDING AND GRANTS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Statutory Income	72,619	58,834
Coronavirus Job Retention Scheme	192,759	-
Retail Grant Scheme	20,000	-
	<u>285,378</u>	<u>58,834</u>

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

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

<b>Summary profit and loss account</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Turnover	58,574	97,312
Cost of sales and administrative expenses	(43,342)	(53,995)
Interest receivable	-	66
Retained in the subsidiary	<u>15,232</u>	<u>43,383</u>
<b>Summary balance sheet</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Current assets	37,893	11,387
Creditors: amounts falling due within one year	(20,514)	(9,240)
Total Net Assets	<u>17,379</u>	<u>2,147</u>

**RAINBOW TRUST CHILDREN'S CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**6. ANALYSIS OF TOTAL EXPENDITURE**

	Staff costs £	Other costs £	Depreciation £	2020 Total £	2019 Total £
<b>Costs of raising funds</b>					
Commercial operations	3,762	39,580	-	43,342	53,995
Fundraising activities	95,826	213,887	-	309,713	474,088
Donor acquisition	-	17,689	-	17,689	30,777
Fundraising and publicity	635,574	130,322	13,826	779,722	810,656
<b>Charitable expenditure</b>					
Carer and family support services	2,205,308	888,902	39,873	3,134,083	3,237,118
	<u>2,940,470</u>	<u>1,290,380</u>	<u>53,699</u>	<u>4,284,549</u>	<u>4,606,634</u>

**ANALYSIS OF DIRECT AND ALLOCATED COSTS**

	Direct costs £	Allocated costs £	Support costs £	2020 Total £	2019 Total £
<b>Costs of raising funds</b>					
Commercial operations	43,342	-	-	43,342	53,995
Fundraising activities	309,713	-	-	309,713	474,088
Donor acquisition	17,689	-	-	17,689	30,777
Fundraising and publicity	503,999	193,174	82,549	779,722	810,656
<b>Charitable expenditure</b>					
Carer and family support services	2,300,149	653,795	180,139	3,134,083	3,237,118
	<u>3,174,892</u>	<u>846,969</u>	<u>262,688</u>	<u>4,284,549</u>	<u>4,606,634</u>

**ANALYSIS OF SUPPORT COSTS**

	Manager £	Finance and admin £	IT £	2020 Total £	2019 Total £
<b>Costs of raising funds</b>					
Fundraising and publicity	33,373	37,774	11,402	82,549	82,856
<b>Charitable expenditure</b>					
Carer and family support services	132,992	44,296	2,851	180,139	181,195
	<u>166,365</u>	<u>82,070</u>	<u>14,253</u>	<u>262,688</u>	<u>264,051</u>

Included within the finance and admin costs are governance costs of £16,836 (2019 £14,813) for audit fees.

**RAINBOW TRUST CHILDREN'S CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

<b>7. NET INCOME</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
These are stated before charging:		
Depreciation - owned assets	59,699	52,552
Expenditure on operating leases	421,549	405,821
Auditor's remuneration – parent company audit fee	13,836	12,288
– subsidiary audit fee	3,000	2,525

<b>8. STAFF COSTS AND NUMBERS</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,497,876	2,619,336
Social security costs	243,120	250,244
Pension contributions	111,632	126,174
Redundancy	63,359	-
	<u>2,915,987</u>	<u>2,995,754</u>

The average number of total employees during the year was: 96 104

	<b>2020</b>	<b>2019</b>
	<b>No</b>	<b>No</b>
Employees earning over £60,000 fell into the following bands:		
£60,001 - £70,000	-	1
£70,001 - £80,000	2	2
£80,001 - £90,000	1	-
£90,001 - £100,000	-	1

All of the above employees are in a defined contribution pension scheme at a cost to the charity of £11,375 (2019: £15,083).

**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 £514,503 (2019: £529,561).

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

No Trustees received remuneration during the year (2019: £nil). The Board of Trustees received reimbursed expenses during the year amounting to £nil (2019: £nil).

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**10. FIXED ASSETS**

**GROUP**

	<b>Furniture &amp; equipment</b>	<b>Computer equipment</b>	<b>Motor Vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST</b>				
At 1 July 2019	287,249	270,799	7,200	565,248
Additions	273	23,150	-	23,423
Disposals	(324)	(8,588)	-	(8,912)
At 30 June 2020	287,198	285,361	7,200	579,759
<b>DEPRECIATION</b>				
At 1 July 2019	30,277	191,754	7,199	229,230
Charge for year	30,376	29,323	-	59,699
On disposals	-	(8,588)	-	(8,588)
At 30 June 2020	60,653	212,489	7,199	280,341
<b>NET BOOK VALUE</b>				
At 30 June 2019	259,972	79,045	1	336,018
At 30 June 2020	226,545	72,872	1	299,418

**TRUST**

	<b>Furniture &amp; equipment</b>	<b>Computer equipment</b>	<b>Motor Vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST</b>				
At 1 July 2019	287,249	270,799	7,200	565,248
Additions	273	23,150	-	23,423
Disposals	(324)	(8,588)	-	(8,912)
At 30 June 2020	287,198	285,361	7,200	579,759
<b>DEPRECIATION</b>				
At 1 July 2019	30,277	191,754	7,199	229,230
Charge for year	30,376	29,323	-	59,699
On disposals	-	(8,588)	-	(8,588)
At 30 June 2020	60,653	212,489	7,199	280,341
<b>NET BOOK VALUE</b>				
At 30 June 2019	256,972	79,045	1	336,018
At 30 June 2020	226,545	72,872	1	299,418

**RAINBOW TRUST CHILDREN'S CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**11. FIXED ASSET INVESTMENTS**

<b>GROUP AND TRUST</b>	<b>Group UK Listed £</b>	<b>Investment in subsidiary £</b>	<b>Trust Total £</b>
<b>Market value</b>			
At 1 July 2019	683,072	100	683,172
Unrealised gains	20,237	-	20,237
At 30 June 2020	703,309	100	703,409
Historic cost at 30 June 2019	638,270	100	638,370
Historic cost at 30 June 2020	638,270	100	638,370

**12. DEBTORS**

	<b>Group</b>		<b>Trust</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Prepayments and accrued income	438,739	348,504	431,945	340,901
Amount due from trading subsidiary	-	-	-	4,763
Trade and other debtors	24,164	10,976	8,903	9,675
	462,903	359,480	440,848	355,339

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

	<b>Group</b>		<b>Trust</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade Creditors	256,206	144,861	247,726	142,974
Accruals and Deferred Income	914,872	264,887	903,092	262,297
Other taxation and social security	54,819	66,640	54,819	66,640
Other creditors	123,661	32,032	123,407	32,032
Amount due to trading subsidiary	-	-	5,401	-
	1,349,558	508,420	1,334,445	503,943

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

	<b>Group</b>		<b>Trust</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Rent free accrual and dilapidation provision	154,454	167,947	154,454	167,947
	154,454	167,947	154,454	167,947



**RAINBOW TRUST CHILDREN'S CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**14. RESTRICTED FUNDS**

	At 1 July 2019	Income	Expenditure	At 30 June 2020
	£	£	£	£
Care team offices:				
Surrey	-	133,956	82,568	51,388
Hampshire	14,673	40,314	50,389	4,598
Essex	5,587	98,569	101,656	2,500
Swindon	13,750	71,470	73,217	12,003
North West	-	135,845	126,883	8,962
North East	-	35,795	35,795	-
Central London	-	37,166	25,502	11,664
North West London	-	60,290	14,206	46,084
Other	-	86,728	22,450	64,278
	34,010	700,133	532,666	201,477

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.

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

ABF The Soldiers' Charity provided a grant to enable us to provide specific support to army families caring for a child with a life threatening or terminal illness.

BBC Children in Need provided funding for the salary of a Family Support Worker in the Greater Manchester area.

The North West London Clinical Commissioning Group funded a Family Support Worker to work in partnership with Shooting Star Children's Hospice to provide holistic support to local families.

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

Between April and June, we received grants from Community Foundations to support our response to the COVID-19 pandemic, including: The Community Foundation for Surrey, The Community Foundation for Tyne & Wear and Northumberland, Tees Valley Community Foundation, Portsmouth City Community Fund, County Durham Community Foundation, Berkshire Community Foundation and Hampshire and Isle of Wight Community Foundation.

Comparatives for the 2019 financial year can be found in the 2019 financial statements which are publicly available on the Charity Commission's website.

**15. GENERAL FUND**

The general fund balance at 30 June 2020 is £826,005 (2019: £963,721), which is sufficient to continue the work of the charity and its ongoing development.

**RAINBOW TRUST CHILDREN'S CHARITY  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2020**

**16. DESIGNATED FUNDS**

	At 1 July 2019 £	Transfers In £	Transfers Out £	At 30 June 2020 £
Fixed asset fund	336,018	23,423	(60,023)	299,418

The fixed asset fund represents the net book value of the charity's unrestricted tangible fixed assets.

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

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	Total Funds £
<b>Fund balances at 30 June 2020 are represented by:</b>				
Tangible fixed assets	-	-	299,418	299,418
Investments	703,309	-	-	703,309
Current assets	1,626,708	201,477	-	1,828,185
Current liabilities	(1,349,558)	-	-	(1,349,558)
Creditors falling due after more than one year	(154,454)	-	-	(154,454)
	826,005	201,477	299,418	1,326,900

**18. 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.

**19. FUTURE COMMITMENTS**

	Group and Trust 2020 £	Group and Trust 2019 £
Capital expenditure authorised and contracted for at 30 June	nil	nil

	Land and buildings £	Other £	30 June 2020 £	30 June 2019 £
Amounts falling due:				
Within one year	188,639	127,000	315,639	445,470
Between one and five years	593,795	209,991	803,786	1,063,509
After five years	422,400	-	422,400	593,905
Total	1,204,834	336,991	1,541,825	2,102,884

**20. RELATED PARTY TRANSACTIONS**

The aggregate donations received from the Trustees in the year was £94,402 (2019: £194,533). There were no other transactions with related parties as at 30 June 2020.

**RAINBOW TRUST CHILDREN'S CHARITY**  
**NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES**  
**FOR THE YEAR ENDED 30 JUNE 2020**

**21. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY**

	General Fund £	Restricted Fund £	Designated Fund £	Total Funds 2019 £
<b>Income and endowments from:</b>				
Donations and legacies	2,441,606	565,602	-	3,007,208
Charitable activities:				
Statutory income	51,209	7,625	-	58,834
Other trading activities:				
Fundraising activities	1,333,978	66,670	-	1,400,648
Commercial operations	97,378	-	50,000	147,378
Investments	13,502	-	-	13,502
<b>Total income</b>	<b>3,937,673</b>	<b>639,897</b>	<b>50,000</b>	<b>4,627,570</b>
<b>Expenditure on:</b>				
<b>Raising funds:</b>				
Grants and donations	798,156	-	-	798,156
Commercial operations	53,995	-	-	53,995
Fundraising activities	474,088	-	-	474,088
Donor acquisition	30,777	-	-	30,777
Head office move		-	12,500	12,500
<b>Total cost of raising funds</b>	<b>1,357,016</b>	<b>-</b>	<b>12,500</b>	<b>1,369,516</b>
<b>Net income available for charitable activities</b>	<b>2,580,657</b>	<b>639,897</b>	<b>37,500</b>	<b>3,258,054</b>
<b>Charitable activities</b>				
Carer and family support services	2,580,332	656,786	-	3,237,118
<b>Total expenditure</b>	<b>3,937,348</b>	<b>656,786</b>	<b>12,500</b>	<b>4,606,634</b>
<b>Net income/(expenditure) before gains/(losses) on investments</b>	<b>325</b>	<b>(16,889)</b>	<b>37,500</b>	<b>20,936</b>
Gains/(losses) on investments	(11,713)	-	-	(11,713)
	(11,388)	(16,889)	37,500	9,223
Transfers between funds	(173,402)	-	173,402	-
Net movement in funds	(184,790)	(16,889)	210,902	9,223
Total funds brought forward	1,148,511	50,899	125,116	1,324,526
Total funds carried forward	963,721	34,010	336,018	1,333,749