

RAINBOW TRUST

SUPPORTING FAMILIES
WITH A SERIOUSLY ILL CHILD



Annual Report 2024-2025

Highlights

- 1,532 families received support, 20% more than last year
- 94% of families supported would recommend Rainbow Trust
- £5.3million raised, a 6% increase on last year
- Listed in the 'Best Companies to Work For', 13 years in a row



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Cover image:

Alexander was diagnosed with a life-limiting neurological disorder when he was only four months old. Family Support Worker Jaimie started supporting the family in December 2022.

Jaimie is supporting Alexander's family through bereavement and will be there for them for as long as they need it.

RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

The Trustees, who are also the directors, present their report together with the financial statements for the year ended 30 June 2025.

CORPORATE DIRECTORY

Trustees	Mark Cunningham (Chairman) Elizabeth Crighton Andrew Honnor Penny Mancais (Appointed January 2025) Richard Rogerson Charles Sermon Jennifer Smithson Laura Vaughan Celia Woollett (Retired January 2025)	
Chief Executive	Zillah Bingley	
Secretary	Jayne Steele	
Principal Address	Cassini Court Randalls Way Leatherhead Surrey KT22 7TW	
Independent Auditors	Saffery LLP 71 Queen Victoria Street London EC4V 4BE	
Bankers	NatWest Bank plc 1000 Cathedral Square Cathedral Hill Guildford Surrey GU2 7YL	
Investment Managers	Cazenove Capital 1 London Wall Place London EC2Y 5AU	Ruffer LLP 80 Victoria Street London SW1E 5JL
Company Number	3585123	
Charity Number	1070532	

RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

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 or terminal illness to make the most of their time together by providing expert practical and emotional support wherever they need it for as long as it is needed.

OUR OBJECTIVES AND PUBLIC BENEFIT

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

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

OUR WORK

The incidence of children with a life-threatening or terminal illness continues to rise: There is new research due to be published shortly and it is feasible that the numbers of such children are now well over 100,000. In the last decade, family referrals to Rainbow Trust have more than doubled and there are more families than ever who struggle to cope when they receive the news that their child has a life-threatening condition and might die. These rising numbers indicate how many more families are likely to need Rainbow Trust's vital practical and emotional support. We have also seen an increase in the complexity of families seeking our help.

For nearly 40 years, Rainbow Trust has been pioneering wrap-around practical and emotional support which is the vital social element of palliative care complementing the clinical support required for families who have a child with a life threatening or terminal illness. When serious illness affects a child, family life is turned upside down. When a family hears the worst possible news, they need more than hope. They need someone who shows up to support when, where and for as long as that support is needed. That is what we do.

Rainbow Trust pairs each family with a dedicated, expert Family Support Worker who provides care for the whole family which can include the sick child, parents, carers, siblings and grandparents. Family Support Workers are a trusted and constant in family life. They are available whenever a family needs them and, during times of crisis, support is available 24 hours a day. They are there from diagnosis right through bereavement for as long as they are needed, ensuring families do not have to cope alone.

Rainbow Trust's approach is flexible, responsive and built around the needs of each child and their loved ones. From hospital visits and school runs to sitting with the family to talk, just to sit together or to help them to manage their grief, Rainbow Trust is there - in homes, in hospitals, and with families across the country.

Common challenges for these families include:

- Coming to terms with a child's diagnosis and the possibility of their death
- Dealing with the physical and emotional strain of caring for a seriously ill child
- Managing and getting to and from multiple clinical appointments
- Ensuring that life remains as normal as possible for siblings, including attendance and performance at school
- Ensuring sick children and siblings have opportunities to play
- Maintaining employment through prolonged periods of treatment and care giving

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- Managing reduced income
- Poor family communication and resulting break-up
- Accessing benefits and support services
- Maintaining daily routine and chores
- Coping with the death of a child
- Isolation.

With serious childhood illness there is a loss of community. Friends can fall away, unsure of what to say. Extended family struggle to bridge the gap. Isolation sets in, making an already unbearable situation even harder.

Life-threatening illness erases everyday life: the dinner table conversations about school and friendships are replaced with test results and prognosis. Sick children are stuck at home or in hospital, miss prolonged periods of school and are unable to take part in 'normal' activities. Birthdays spent in hospital rooms instead of back gardens. The loss of normalcy, of spontaneity, of the simple ability to just be a family. This, in addition to the physical symptoms of their illness, can make them feel distressed, isolated, and uncertain about their future.

Siblings can miss opportunities that other children may understandably take for granted. Life at home is turned upside down with "strangers in the house," parents away from home and struggling with their emotions. Usual mealtimes are missed, clothes do not get washed, the house is a mess, there is no one to take them to school or help with homework, and everything feels strange. Many siblings struggle educationally or are bullied for being different. They can become isolated, withdrawn, detached from social networks and get no break from pressures at home. Despite feeling ignored and anxious, they are often afraid to ask for help as they fear upsetting their parents even more or letting the family down. Many siblings find themselves in the role of young carers but are rarely recognised as such and yet are having to deal with extraordinary and challenging circumstances.

Lengthy periods apart and anxiety about the future mean some families struggle to communicate and relationships are strained.

Families facing serious childhood illness are everywhere: affecting every culture, every background, every community. This is why Rainbow Trust's community-based support is available at no cost to families and is provided no matter what a family's background or circumstances. Rainbow Trust provides an immediate scaffolding of care tailored to each family's evolving needs. There is no other national organisation offering the range of social palliative care support that we do, directly to families when and where they need it most.

Family Support Workers assess each child and family individually. Support needs often fluctuate; they are highest when a child is in active treatment or at end of life. Sometimes families may require intensive support over several weeks, whilst at other times they may only need an occasional visit or phone call to reassure them or answer a question. Rainbow Trust adapts its support accordingly.

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

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

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ACHIEVEMENTS AND PERFORMANCE

Once again, our year started with a strong plan and clear objectives. Our objective to support families was steadfast by growing our Care teams and forging new working relationships to reach more people. With the unsettled economy continuing to affect fundraising, we aimed to be agile and reactive to fundraising opportunities and threats.

OVERVIEW AND THE YEAR'S HIGHLIGHTS

This year we planned to

1. Identify and reach children and families most in need to provide them with high quality support.
2. Develop new strategic collaborations to meet family need and diversify referral streams.
3. Strengthen our impact reporting and share best practice.
4. Continue to develop relationships with MPs and lobby Government on the issues affecting the families we support.
5. Inspire and recruit even more people to support seriously ill children and their families.
6. Grow, support, and manage our workforce and volunteers.
7. Maximise technology to support care services, fundraising and operations.

Our progress against these aims is below.

Highlights include:

- 1,532 families received tailored support from a Family Support Worker, 20% more than last year
- 94% of families would recommend Rainbow Trust
- £5.3million raised to ensure the sustainable support of more families. A 6% increase on the previous year
- Listed for the 13th consecutive year in the 'Best Companies to Work For'

Aim 1: Identify and reach children and families most in need to provide them with high quality support

The support offered to families over the year has grown. Overall, our teams supported 1,532 families, compared to 1,274 last year – a rise of 20%.

At the end of the third quarter of the year the Government announced the abolition of NHS England. This significantly impacted the health and care sector, making relationships with charity sector stakeholders more uncertain. This had an impact on referrals throughout the last quarter, which were lower than the start of the year and was reflected across the sector. To meet this challenge, we identified new ways of working and promoting Rainbow Trust through direct mailing, networking events and targeted work with key stakeholders, such as neonatal service leads, community nursing teams, schools and faith groups.

The support provided to families continued to grow in complexity throughout the year and our Family Support Workers play a vital role as part of the multidisciplinary team around the family. As they are often the only professionals who see a family in their own home, they have a unique insight into the factors affecting a family. Family Support Workers are often the first to have concerns disclosed to them by a family. We continue to collaborate with other community providers on behalf of the families we support, including food banks and hygiene banks.

As part of our ambition to ensure that the care and support we offer remains of the highest quality, well-led and safe, we introduced a programme of mock inspections to mirror the inspection process undertaken by our regulatory body, the Care Quality Commission (CQC). This process has been independently reviewed by a senior nursing professional who is also a member of our Care Committee. It has fostered a culture of professional curiosity, shared learning and has built the

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competence and confidence of our Care teams in relation to the high level of support we provide and the expected regulatory standards.

Our Online Support continued to develop this year to support for 41 families, a 46% increase on last year. Whilst originally established during the pandemic to support families who live outside the catchment area of a Rainbow Trust team on the ground, the service has been expanded to provide hybrid support to some families that we also see face-to-face. In the year, we trained more Family Support Workers to deliver online support, and this also enabled us to provide support on a national level.

The Open University report into the online service, which we referred to last year, was published and identified the value and impact of online support to families, both in terms of the additional flexibility it provides for families and the potential to extend the reach of the support offered geographically. It also identified the benefit of professional development and the extended scope of practice.

The recommendations included suggestions for ongoing staff training and sharing of good practice and the potential for the recruitment of staff to deliver online support exclusively, which may open up employment to candidates not physically able to carry out some aspects of the existing face-to-face Family Support Worker role.

Aim 2: Develop new strategic collaborations to meet family needs and diversify referral streams

We continue to collaborate with Together for Short Lives and the local Integrated Care Boards in Lancaster and South Cumbria through the Kentown Programme, which is a tripartite collaboration providing joined-up clinical and social care support to families across the region, funded by the Kentown Wizard Foundation.

Through the many community 'drop-in' groups run by our Care teams, we started working more closely with Ronald McDonald House Charity, which provides affordable accommodation to families near to hospitals where their child is receiving treatment. Many of the children whose families use this service meet Rainbow Trust's criteria for support and we can provide a joint offer to allow families to access Rainbow Trust's in-person or online support as suits the family.

We are part of the Digital Services Consortium (DSC) which launched its groundbreaking Digital Inclusion Programme to improve digital skills, confidence and access to digital services to thousands of children in May. DSC is an alliance of 12 children's charities co-chaired by Kids and Sense. The other member charities are: Ambitious about Autism, The Children's Trust, Contact, Dingley's Promise, Family Fund, Kids, National Deaf Children's Society, Roald Dahl's Marvellous Children's Charity, Sense, Well Child and Whizz Kidz. Partners of the DSC include Good Things Foundation, AbilityNet, Vodafone, Virgin Media, O2 and CAST with funding from BBC Children in Need and the National Lottery.

The DSC programme enables us to continue to develop our Online support service.

Aim3: Strengthen our impact reporting and share best practice

This year we recruited a new Care Data Impact and Analytics Lead. This role builds on previous work to deliver more integrated working between Care and the Fundraising and Engagement teams taking a cohesive approach to the development of outcome measures, data requirements for specific funders and feedback, aligning this to strategic data review processes.

As part of our commitment to continuous improvement, we carried out a review of our care service audit tools during the second half of the financial year. This focused on the tools we use to measure impact and data quality across the organisation. The rollout of Power BI has transformed how we analyse and present data, enabling interactive visualisations to identify both areas of strong delivery and regions with unmet need. These insights have already begun to inform strategic decisions, helping us target resources more effectively and maintain a child and family-focused approach in everything we do.

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The review reinforced the value of visual data tools in communicating impact and allowing us to evidence more clearly how our services remain equitable and responsive. It has also supported our goal of tailoring support to the specific needs of families across different geographies, ensuring no family is left without the right support at the right time.

Feedback from families remains central to our impact measurement. In our family survey during the year:

- 93% described their Family Support Worker in positive, impactful terms
- 91% said we helped them feel less isolated
- 87% said we helped them spend more quality time together
- 87% said we supported them to better manage stress
- 94% said they would recommend Rainbow Trust
- 88% said we helped them better manage their emotions and changed environment

Alongside survey data, families also participated by sharing stories or insights, collected internally to amplify the voice of families. These rich, qualitative accounts offer valuable context to the quantitative data and help inform service development and storytelling.

Rainbow Trust continues to innovate, reflect, and improve. By embedding learning and sharing best practice across our teams and with external stakeholders, we are enhancing our effectiveness and ensuring our services remain impactful, equitable and family-led.

Aim 4: Continue to develop relationships with MPs and lobby Government on the issues affecting the families we support

Rainbow Trust was mentioned in Parliament during a Westminster Hall debate on children's palliative care. This followed our direct engagement with an MP who was responding on behalf of the Opposition.

We were invited to comment and participate in the *Commission on the Future of Palliative Care* and the *Select Committee's Expert Panel Non-Inquiry on Palliative and End of Life Care*. These high-profile influencing opportunities spanned our policy themes and positioned Rainbow Trust as a serious voice on palliative and social care policy at a national level.

We responded to the NHS 10-Year Plan consultation and the Lords Pre-Term Birth Committee Report.

Our policy and public affairs strategy became more focused this year with activity centring on five key themes:

- Strategic influencing
- Better funding and commissioning
- Cost of living and fair deal for families
- Education for both siblings and ill children
- Mental health - including isolation and bereavement

We launched our Children and Young People's Panel, offering young people the opportunity to provide insights, feedback, and recommendations on services, policy, fundraising, and other key areas. It provides a platform for children and young people with serious illnesses, siblings, and bereaved siblings, to help shape Rainbow Trust's activities. Feedback from the Panel on their experiences, particularly within education, led to us completing a survey of children and young people to improve our understanding of their experiences.

In May 2025, we issued two new briefings, "*Isolation and loneliness amongst families who have a child with a life-threatening or terminal illness: The impact on parents: finances, employment and support networks*" and "*The impact on children and young people: education and friendships*" to coincide with Mental Health Awareness Week.

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The findings were clear that parents feel isolated in many areas, particularly where they give up work and are caring for their sick child round the clock. Siblings noted feeling overlooked, which was an area we clearly identified in 2018 when we issued our report, “*See us, Hear us, Notice us*”. Some six years later they are saying the same thing and Rainbow Trust is often their only outlet.

Aim 5: Inspire and recruit even more people to support seriously ill children and their families

In 2024/25, we were thrilled to increase our income to match our ambition to expand our reach. In total our supporters raised an incredible £5.3million, a 6% increase on the previous year. This was almost entirely donated by members of the public, corporates, trusts and foundations. Without this dedicated support, we simply could not continue to provide the vital services which seriously ill children and their families so desperately need.

This was achieved through further investment of time, energy and money into areas of strong fundraising and marketing performance. This informed our strategy for our brand, marketing and fundraising activity and delivered strong financial performance, supporting our financial sustainability for the future. We ended the year with an income ROI of 5:1 and 80p of every pound raised being spent directly on care services for children and families.

We increased our focus on sharpening our case for support highlighting how Rainbow Trust is unique and the value that we add. We commissioned a project with an external agency to help us understand and pull out what makes Rainbow Trust special and why Rainbow Trust's support matters to families with a seriously ill child and society in general. This work will continue into the next financial year. We also began working with Care Services to demonstrate our social value by collating anonymised data to submit to an external body for verification and analysis.

Our Impact Report, *Imprints*, showcased a new style of emotive films and used technology to create a more easily digestible version of our impact data and achievements. The report received excellent feedback and one of the films achieved a bronze award in the People's Choice category, the Smiley Charity Film Awards. We promoted our Care services by sharing the films and stories of three families across the country to demonstrate the impact of support, the breadth of service and the work of our Family Support Workers.

We continue to work with a variety of celebrities. Jane Garvey supported Rainbow Trust as the host of our annual London Carol Concert and was joined by four other celebrity readers. We were very grateful to Lord David Cameron for speaking very movingly at lunch in May about his son Ivan and the support his family had received from Rainbow Trust. We were also fortunate to hear from both Denise Wilson OBE and Pinkly Lilani OBE at our Women of Impact breakfasts in February and May respectively. We were delighted to receive the ongoing support of the radio DJ and presenter, Chris Evans, through CarFest and his *Gig in the Garden*.

In the year we produced two editions of our *Families First* magazine showcasing our support for children and families which were delivered to thousands of supporters, both new and old. We continued to use data to inform decisions, using AI to support data selections and we completed demographic analysis of our data to learn more about who supports Rainbow Trust so we can tailor the information they receive from us and find others who have a similar ethos.

This year we spent c.£1million to raise £5.3million. We continued to maintain a diverse financial base to ensure long-term sustainability. This ensures that we are not overly reliant on any one source but cultivate support from a mix of major donors, corporate partnerships, individual givers and community fundraisers. Events and sports programmes also play a crucial role in helping us to sustain our work. Fundraising highlights during the year included:

- The Big Give Christmas Challenge
- The Michael Josephson MBE Charity Ball
- The continued support from the Oak Foundation and Kentown Wizard Foundation
- Our partnership with CarFest
- Charity partnerships with Invesco, CASCAID and Taylor Wimpey

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- A Race Night at Windsor Racecourse
- A lunch with Lord David Cameron

In the past year we launched eight donor campaigns and engaged over 9,000 individual givers, 615 companies. 539 people raised funds for children and families through a whole host of activities including runs, walks, climbs, treks, online gaming, open gardens, and bake sales. An incredible team of 61 runners took part in the London Marathon, who raised almost £155,213. This year we also launched a new event, the Adventure Triple Challenge on the doorstep of our Lancaster Care team in the Lake District. Forty-seven people took part, raising an amazing £36,000.

In December, we took part for the first time ever in the Big Give Christmas Challenge, raising £100,250. Our main Christmas Appeal followed, featuring Alexander. Sadly, shortly before the appeal launched Alexander died and we were very grateful to Emma, Alexander's mother, whose wish was that we should continue in his memory. Alexander's appeal went on to raise £89,000.

Throughout the year we promoted leaving a Gift in your Will to encourage supporters, staff, and volunteers to remember Rainbow Trust. Gifts in Wills are an important source of income to us, and the promotional activity generated enquiries and a further nine new pledges.

We are proud to have a reputation as a well-run, well-regulated organisation demonstrated through our ongoing compliance with the Fundraising Regulator.

Aim 6: Grow, support and manage our workforce and volunteers

Recruitment across the sector continued to be challenging, however we remain committed to ensuring that our recruitment practice is fair, inclusive and robust; and supports Rainbow Trust in delivering its strategic objectives. Our vacancy ratio has been slightly higher this year. We introduced several new posts to enhance the service we provide, which contributed to this. We had two internal promotions in Care: the Deputy Family Support Manager role in the Essex team and the Advanced Practitioner role focusing on Mental Health – which created a need for additional Family Support Workers in these teams.

We are so delighted that the member of staff promoted to Deputy Family Support Manager had originally joined us as a volunteer over eight years ago.

We have made significant efforts to increase the reach of our recruitment advertising via social media, job boards and physical adverts on community noticeboards as well as sourcing free advertising for our volunteering roles. We increased the use of recruitment agencies for more challenging roles, negotiating reduced rates and limited the use of agencies to those that have an excellent understanding of the sector.

This year we:

- Successfully recruited 28 new members of staff
- Provided three student placement opportunities at Head office and at our Greater Manchester team and have internships planned for the coming year.
- With the support of external benchmarking company Croner, we conducted an annual salary benchmarking exercise to ensure that pay aligns with market rates, is fair and equitable and effectively reflects the responsibilities of the role.
- Successfully recruited a previous intern into a permanent role as the Marketing and Communications Executive in our Engagement team.
- Offered all staff a cost-of-living voucher in the lead up to Christmas.
- Promoted the recruitment referral voucher scheme, successfully recruiting two new employees on the recommendation of staff members.

We are proud to have once again achieved one-star Best Companies' accreditation in the year indicating very good levels of staff engagement. We have successfully achieved this accreditation for 13 consecutive years. This year we were placed in the Top 25 Best Charity to Work for, The Top 50

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South East Best Company to work for based on the location of our head office, and the Top 75 Best Mid-Sized Company to Work for. We had an 80% response rate to the survey and the results showed that 98% of our staff feel proud to work for Rainbow Trust, with 89% indicating a strong belief that this organisation is run on strong values and principles.

We continue to recognise the importance of investing in the crucial training and development of our staff to ensure they can give their best and have the right skills, knowledge, and expertise.

The *Anne Harris Skills Development Programme*, which was launched in 2021 for staff to enhance their expertise and improve the range of specialist support offered to families continued to be popular with a range of applications for a variety of different training courses. These included British Sign Language, Personal Impact and Influencing, Diploma in Leadership and Management and a course on Autism and Learning Disabilities.

The Care Leadership team began a programme of professional development training for care managers to strengthen communication and interpersonal effectiveness through a series of interactive and reflective workshops including coaching skills, difficult conversations and conflict resolution, and positive impact and influence.

To further support a high performing culture and workforce development, we used our Employee Voice group to ask for feedback on key areas of the Charity and to hear any questions they have. We are committed to Equality, Diversity and Inclusion (EDI) and we encourage open communication as well as learning around this important topic. As part of our annual performance process this year, all staff were given a mandatory objective to demonstrate how they will contribute to Rainbow Trust's One Team approach and work collaboratively across the organisation to ensure that this is recognised as a priority.

We worked with one of our corporate partners to deliver training to our staff on the foundations of EDI which included mitigating biases and prejudices and examples of good practice from both an organisational and individual perspective.

Our Feel-Good group continues to be active in supporting our staff's wellbeing across the organisation and we undertook our annual well-being survey. The results show that we care for staff and their well-being, ensuring support is available when needed. Also, to support the financial wellbeing of our staff, we arranged financial education sessions run by an external financial advisor which covered topics including budgeting, how to manage your money and pensions.

We were delighted that our former Director of Care Services, Anne Harris, received an MBE in the King's Birthday Honours list in recognition of her support for children with life-threatening illnesses and their families.

We are pleased to have seen an increase in volunteers across the organisation and particularly in our care teams. Every month an average of 25 volunteers provided direct support to families. During the year, volunteers donated 4,834 hours of their time. We continued to recruit volunteers for a variety of roles including support with administration and driving and to help run drop-in groups alongside our Family Support Workers. Our survey results revealed that 97% would recommend Rainbow Trust and rated their experience 4.6 out of 5; 97% felt valued and appreciated; 82% felt they made a tangible difference.

Volunteering at our large-scale events continued, including at the London Marathon, the Rainbow Adventure Trails and CarFest with the number of volunteers at events increasing by 19% this year. We also continued to offer opportunities to corporate volunteers, including creating an outdoor space for a family to enjoy over the summer.

We introduced a new role of Volunteer Coordinator to support the Volunteer Manager; we are pleased to have seen the number of volunteer enquiries increase this year from 159 to 449. We now have 252 registered volunteers, which is an increase of 29% compared to last year.

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Aim 7: Maximise technology to support care services, fundraising and operations

We started to test AI to help us improve fundraising performance by predicting which of our individual givers would be most likely to donate and when. This resulted in our being able to treat donors more personally, reducing the number of people we mailed, therefore saving money, and improving the performance of our postal appeals. We also used AI technology to boost our website performance with content suggestions, web coding support and copy editing and AI was used to transcribe family interviews.

All our use of AI was closely tracked to monitor its impact and maintain the crucial balance between testing and embracing new opportunities to improve our efficiency whilst keeping an authentic voice.

We continued to build on our data capabilities by streamlining processes through our fundraising and relationship management database, Donorfy, and, where it is possible, to integrate with other platforms including Shopify and Dotdigital. We also continued to improve our data tracking and integration with platforms that allow us to access real-time data and work towards us becoming a data-led organisation.

This, coupled with last year's recruitment of an e-marketing specialist, enabled us to significantly improve our e-marketing capabilities including segmenting audiences and introducing several automated supporter journeys.

Our IT team continue to keep abreast of the latest IT security systems and we have again successfully renewed our Cyber Essentials Plus accreditation. We continue to maintain regular staff and volunteer training and awareness of fraud, phishing and other cyber threats.

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PLANS FOR NEXT YEAR

As Rainbow Trust continues to respond to the rising needs of families with a seriously ill child, we will play an even more critical role in achieving the change needed for families over the coming years. A child's life should not be defined by illness alone and a family should not be left to navigate this unimaginable journey by themselves.

We are mindful of the current economic climate and the uncertainty it brings which could have an impact on fundraising and operational costs. To achieve our goals next year, we will:

1. Grow our footprint and identify and reach children and families most in need to provide them with high quality support
2. Develop new strategic collaborations to meet family needs and diversify referral streams from across the country to reach frequently excluded families
3. Strengthen our impact reporting and share best practice to attract new audiences and donors and raise the profile of seriously ill children and their families
4. To shape the future of palliative care and advocating for families by lobbying MPs and reach more families in areas with high levels of socio-economic need and deprivation.
5. Inspire even more people to support seriously ill children and their families and raise £5.7m to continue sustainable support across our 9 Care Teams
6. Grow our online reach to represent families where we do not have a physical care team and to enhance the care we provide
7. Grow, support, and manage our workforce and grow our volunteer supporters across our Care teams.
8. Maximise technology to support care services, fundraising and operations.
9. Introduce Family Support Co-ordinator posts in our largest Care teams: Greater Manchester and London Care teams

RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

REVIEW OF YEAR'S RESULTS

The results for the charity for the year ended 30 June 2025 are set out from page 24.

This year the charity achieved income of £5,329k, a 6% increase on the prior year (2024: £5,032k restated).

Donations and fundraised income were £4,599k, representing growth of 12% on 2024 (£4,106k). Income from Corporate, Major Donor, Individuals and Community Fundraising all increased compared to prior year, reflecting strong pipelines coming into the year and a number of successful events. However, we remain mindful of the ongoing challenges for the general public, businesses and trusts and foundations and how this could affect donations as we move forward into 2025/26 and beyond.

Income from legacies was £493k this year, a decrease of 27% compared to 2024 (£678k). 2024 legacy income was boosted by one particularly large legacy, reflecting the unpredictable nature of this income stream.

Statutory funding of £22k represents 0.4% of total income this year, compared to £64k (or 1.3%) in 2024. This statutory funding in 2025 was provided for Family Support in Surrey. We continue to receive no central Government funding and call on the Government to address this and recognise the value and impact of the vital role our Family Support Workers play in children's palliative care. They support terminally ill children and their families at home, in hospitals and in the community.

Total expenditure of £5,273k (2024: £4,931k restated) is a 7% or £342k increase on the previous year, reflecting an increase in frontline care activities in line with an increased demand for our services and planned growth in our teams, some of which happened part way through 2024. In total, headcount rose to an average of 98 this year, up from an average of 95 in 2024. There was a small year on year increase in our expenditure on raising funds, predominantly within our fundraising activity costs, to support the income growth described above.

The amount spent on care and family support services is 79p in the pound, compared to 80p in 2024.

Whilst we did not quite achieve our ambitious plans to reach £5.7m income this year, it was still a successful year, given the challenging fundraising environment. The combination of a successful fundraising year, lower than budgeted costs and good investment performance has resulted in a surplus of £119k (2024: £181k).

Total funds are now £5,345k (2024: £5,226k) of which £2,376k (2024: £1,654k) is in general reserves. This level of general reserve represents five months of operating costs which is within our policy range of three to five months. Trustees wish to keep general reserves at the top end of the policy in recognition of the current economic climate with the uncertainty it brings in terms of income, as well as inflationary pressures, not least our focus on trying to ensure we reward our staff fairly when we compare them to similar charities in our sector. The remaining funds are held in designated and restricted funds for planned sustainability and growth.

Overall, this has been another good year for us, which was achieved through the generosity and continued support of our donors, for which we are extremely grateful. Staff salaries account for 64% of our total costs, and we continue to be tremendously appreciative of our donors' recognition of the value of funding core costs, without which Rainbow Trust could not exist.

We end this year with a solid base of reserves which provides a good level of assurance for the families that we support and for our staff. It also paves the way for us to continue our strategic growth plans into the forthcoming year. A deficit budget has been approved by trustees for the 2025/26 financial year to reflect these growth plans.

RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

RESERVES POLICY

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

The trustees are satisfied that the general reserve target level of three to five 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. The trustees continue their commitment to develop and grow the level of care and family support services, whilst maintaining a focus on managing the overall costs of the charity at sustainable levels.

At the year end the balance on the General Fund was £2,376k (2024: £1,654) which is equivalent to five months of operating costs. This level of reserves is within our reserves policy range of three to five months of operating costs. After adjusting for two non-cash property related items (which do not impact access to free reserves) free reserves are £2,479k (2024: £1,792k). Trustees currently require our general reserves to be at the top end of the policy in recognition of the uncertainty of fundraising in the current climate where Grant funders in particular are receiving record numbers of applications and the general public are giving less.

At the end of June 2024, the balance in the Legacy Equalisation Fund stood at £1,490k. During 2024/25 trustees undertook a full review of reserves to ensure they align with the charity's five-year strategy and ensure general funds remain within the policy range of three to five months. Following this review trustees decided to remove the designated Legacy Equalisation Fund and increase both the unrestricted General Fund and the designated Strategic Development Reserve accordingly. £540k was transferred to the General Fund and £950k was transferred to the designated Strategic Development Reserve.

Designated funds are amounts that have been set aside at the discretion of the trustees. At June 2025, these totalled £2,674k (2024: £3,262k), across two separate funds.

1. A designated Fixed Asset Fund of £168k (2024: £216k) representing the amount of the total reserves that are invested in tangible fixed assets.
2. A designated Strategic Development Fund of £2,506k (2024: £1,556k) established to contribute funding in future years in order to:
 - support the strategic increase and sustainability in care services within new regions (for example in our two newest teams in Merseyside and Cheshire and the Thames Valley);
 - ensure the sustainability of the staff pay awards given in recent years to align staff pay with benchmarked salaries in our sector, and considering continuing cost-of-living pressures;
 - invest in technology, including investment in a new website and new systems to support the growth and operational efficiency of the charity;
 - pay for exceptional items such as the move of the charity's head office functions, following expiration of the current lease.

As a result of the investments described above, trustees have approved a deficit budget of £725k for 2025/26 which is equivalent to 29% of the charity's Strategic Development Fund.

As at 30 June 2025, the charity has restricted reserves of £296k (2024: £311k), which are committed to be spent.

In 2025 the Trading subsidiary generated a £26k profit (2024: £35k). Reserves are £0k (2024: £0k). The reserves position is due to the implementation of a Deed of Covenant between the Trading subsidiary and the charity during 2022 for the efficient flow of profits into the charity. The Deed allows the trading subsidiary to accrue for the distribution of its profits to the charity in the year in which they arise.

Further information on our reserves can be found in note 16 on page 40.

RAINBOW TRUST CHILDREN'S CHARITY

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

FINANCIAL EFFECT OF ANY SIGNIFICANT EVENTS

There were no 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 returns over the long term with due regard to risk.

During the year, the investment strategy and policy were reviewed, and overall, the investment objectives of the charity remain unchanged. Due to the level of potential market volatility caused by the current economic and political environment, less certainty in fundraising projections and more favourable interest rates the trustees decided to move £400k of invested funds from fixed asset to current asset investment funds.

In addition, £600k of cash was also put into the current asset investment funds to take advantage of better returns in the short term. At the year-end £800k of assets were reclassified on the Balance Sheet from current asset investments to fixed asset investments, leaving £1,289k in current asset investments (2024: £1,024k). This remaining current asset investment balance covers the planned deficit for 2025-26 and any risks in income generation over this period. Fixed asset investments are £3,110k, an increase of £508k from the prior year (2024: £2,602k).

In total, the portfolio generated an unrealised gain of £64k (2024: £80k restated). In the statement of financial activity (SOFA) we have now recognised all dividends, distributions and interest accrued on fixed asset and current asset investments within Investment income, totalling a further £145k (2024: £126k). This represents income which is re-invested in the investment funds.

Previously this income was included within Gains or Losses on investments. This change does not impact the overall net movement in funds and the split in funds between categories carried forward. 2023/24 comparatives in the SOFA have also been adjusted for consistency.

Cash income receipts from investments and short-term deposits amounted to £40k, an £18k increase from prior year (2024: £22k).

The investment strategy is reviewed by the Finance Committee and the Board regularly during the year and is likely to remain conservative in the short-term due to the current economic and political climate.

REMUNERATION AND RECRUITMENT POLICY

Staff are paid according to industry baselines, on merit of their professional experience and the needs of the charity in the longer term. The trustees review the performance of the Chief Executive and the Leadership Team annually, and salary reviews are awarded according to benchmarking data for similar roles in a similar sized charity. This year, six employees had remuneration of more than £60,000. This is in line with other charities of a comparable size providing palliative care. No senior manager is involved in decisions relating to their own remuneration.

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

RISK MANAGEMENT

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

RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

PRINCIPAL RISKS AND UNCERTAINTIES

There are five risks on the risk register that are considered to present extreme 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. Allegations of, or actual, abuse of children and families

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

2. Income levels insufficient to cover planned operational activities.

The charity is managing this risk by Trustee oversight of monthly reporting against budget, future income key performance indicators and with the executive team having fortnightly cashflow forecast meetings to identify any likely 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.

3. Lack of disaster recovery planning

The charity manages this risk by having business continuity and communications plans in place with regular reviews, emergency response policies, IT data backup procedures, risk assessments for all families prior to service delivery, risk assessments for external events and detailed plans in place to switch to remote working in the event of an extreme event.

4. Failure to operate within Charitable guidelines

The charity manages this risk by ensuring senior management are kept up to date with technical and legislative changes through attending relevant briefings, seminars and training, ensuring all charity committees have terms of references which are reviewed regularly, and encouraging trustees to attend training where relevant.

5. Unauthorised access to systems & data theft

The charity manages this risk by ensuring we have enhanced firewall and password security for all employees and volunteers accessing systems, strong Antivirus software, ensuring all employees are aware of all policies and processes on data storage, Cyber Essential accreditation and Cyber Essentials Plus, and quarterly employee training on fraud awareness supported by regular email reminders and training videos.

PENSIONS

Rainbow Trust operates a defined contribution pension scheme for the benefit of employees. In accordance with current legislation, all employees are enrolled on joining, following an initial three-month deferment and auto-enrolled every three years, unless they choose to opt-out. At June 2025 we had 91% (2024: 91%) 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 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

GOVERNING DOCUMENT

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

APPOINTMENT OF TRUSTEES

Rainbow Trust currently has eight elected trustees. One trustee retired during the year and one new trustee was appointed. 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, the Chief Executive, members of the Leadership Team, and family support services. Training in the duties and responsibilities of trustees is provided, and new trustees are strongly encouraged to attend a specialist training seminar in their first year of appointment. All trustees are regularly circulated training opportunities, and updates on changes in legislation affecting the charity. Rainbow Trust holds fundraising events during the year, providing opportunities for trustees to meet donors and supporters.

ORGANISATION

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

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

INTERNAL CONTROL

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

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

PUBLIC FUNDRAISING APPROACH

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

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 2025

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

We have robust policies in place regarding vulnerable people and treating donors fairly. We never sell, or give supporters' 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 two complaints about fundraising activities which have both been resolved (2024: 0).

TRADING SUBSIDIARY

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

As explained above, the Trading subsidiary generated a £26k profit in the year to June 2025 (2024: £35k). Reserves are £0k (2024: £0k). A Deed of Covenant between the Trading subsidiary and the charity allows the trading subsidiary to accrue for the distribution of its profits to the charity in the year in which they arise.

RAINBOW TRUST CHILDREN'S CHARITY REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Rainbow Trust Children's Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 Charities SORP (FRS 102);
- make judgements and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the reparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

The auditors, Saffery LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the annual general meeting.

Signed on behalf of the Board of Trustees.

Mark Cunningham

Chairman
Mark Cunningham

27 January 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAINBOW TRUST CHILDREN'S CHARITY FOR THE YEAR ENDED 30 JUNE 2025

OPINION

We have audited the financial statements of Rainbow Trust Children's Charity (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 June 2025 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated statement of cash flows and notes to the financial statements, including 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 affairs of the group and the parent charitable company as at 30 June 2025 and of the group's incoming resources and application of resources, including its 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 and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

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

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAINBOW TRUST CHILDREN'S CHARITY FOR THE YEAR ENDED 30 JUNE 2025

OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit;
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities set out on page 20, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of the 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 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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAINBOW TRUST CHILDREN'S CHARITY FOR THE YEAR ENDED 30 JUNE 2025

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include the Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities (including the Care Quality Commission) to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the parent 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 parent 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Wilkie

Helen Wilkie (Senior Statutory Auditor)

For and on behalf of Saffery LLP, Statutory Auditor

71 Queen Victoria Street
London
EC4V 4BE

Date: 5 February 2026

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

RAINBOW TRUST CHILDREN'S CHARITY
STATEMENT OF FINANCIAL ACTIVITY
FOR THE YEAR ENDED 30 JUNE 2025

		General	Designated	Restricted	Total Funds	Restated Total Funds
	Note	Fund £	Fund £	Fund £	2025 £	2024 £
Income from:						
Donations and legacies	3	2,657,868	171,800	960,430	3,790,098	3,601,017
Charitable activities:						
Statutory funding and grants	4	-	-	22,440	22,440	64,145
Other trading activities:						
Fundraising activities		1,277,412	-	24,503	1,301,915	1,182,865
Commercial operations		28,554	-	-	28,554	36,583
Investment income	2	185,594	-	-	185,594	147,274
Total income		4,149,428	171,800	1,007,373	5,328,601	5,031,884
Expenditure on:						
Raising funds:						
Grants and donations		732,682	-	-	732,682	719,421
Commercial operations		2,310	-	-	2,310	1,895
Fundraising activities	6	276,712	-	-	276,712	205,844
Donor acquisition		57,290	-	-	57,290	40,137
Investment management fees		35,951	-	-	35,951	40,188
Total cost of raising funds		1,104,945	-	-	1,104,945	1,007,485
Net income available for charitable activities		3,044,483	171,800	1,007,373	4,223,656	4,024,399
Charitable activities:						
Carer and family support services	6	2,974,380	171,800	1,021,734	4,167,914	3,923,044
Total expenditure		4,079,325	171,800	1,021,734	5,272,859	4,930,529
Net income before gains/(losses) on investments		70,103	-	(14,361)	55,742	101,355
Gains/(losses) on investments		63,618	-	-	63,618	79,531
Net income before transfers		133,721	-	(14,361)	119,360	180,886
Transfers between funds	16	588,095	(588,095)	-	-	-
Net movement in funds		721,816	(588,095)	(14,361)	119,360	180,886
Fund balance brought forward		1,653,711	3,261,721	310,545	5,225,977	5,045,091
Fund balance carried forward		2,375,527	2,673,626	296,184	5,345,337	5,225,977

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

In the SOFA we now recognise all dividends, distributions and interest accrued on fixed asset and current asset investments in Investment income, even where this income is re-invested in the investment funds. Previously this income was included within Gains or Losses on investments. In addition, we now recognise investment management fees within expenditure. This does not impact the overall net movement in funds and the split in funds between categories carried forward. 2023/24 comparatives in the SOFA have also been adjusted for consistency.

Full comparatives for the year to June 2024 are shown in note 21.

**RAINBOW TRUST CHILDREN'S CHARITY
CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2025**

Company No. 3585123

	Note	2025		2024	
		£	£	£	£
FIXED ASSETS					
Tangible assets	10		167,446		215,911
Investments	11		3,110,072		2,601,742
			<u>3,277,518</u>		<u>2,817,653</u>
CURRENT ASSETS					
Debtors	12	705,416		651,638	
Investments	11	1,289,000		1,024,379	
Cash at bank and in hand		840,005		1,540,673	
		<u>2,834,421</u>		<u>3,216,690</u>	
CREDITORS: amounts falling due within one year	13	<u>(680,602)</u>		<u>(724,366)</u>	
Net Current Assets			2,153,819		2,492,324
Total Assets less Current Liabilities			5,431,337		5,309,977
Provisions for liabilities and charges	14		(86,000)		(84,000)
TOTAL NET ASSETS			<u>5,345,337</u>		<u>5,225,977</u>
FUNDS					
Restricted funds	15,16		296,184		310,545
Unrestricted funds:					
Designated funds	16		2,673,626		3,261,721
General funds	16		2,375,527		1,653,711
TOTAL FUNDS			<u>5,345,337</u>		<u>5,225,977</u>

As permitted by S408 of Companies Act 2006, the charity has presented its own income and expenditure account and related notes. The charity's net income for the year ended 30 June 2025 is £119,360 (2024: net income of £180,886).

Approved and authorised for issue by the Trustees on 27 January 2026.

Mark Cunningham

CHAIRMAN
Mark Cunningham

The notes on pages 29-47 form part of these financial statements.

**RAINBOW TRUST CHILDREN'S CHARITY
CHARITY BALANCE SHEET
AS AT 30 JUNE 2025**

Company No: 3585123

	Note	2025		2024	
		£	£	£	£
FIXED ASSETS					
Tangible assets	10		167,446		215,911
Investments	11		3,110,172		2,601,842
			<u>3,277,618</u>		<u>2,817,753</u>
CURRENT ASSETS					
Debtors	12	704,095		667,081	
Investments	11	1,289,000		1,024,379	
Cash at bank and in hand		834,185		1,521,912	
		<u>2,827,280</u>		<u>3,213,372</u>	
CREDITORS: amounts falling due within one year	13	<u>(673,561)</u>		<u>(721,148)</u>	
Net Current Assets			2,153,719		2,492,224
Total Assets less Current liabilities			5,431,337		5,309,977
Provisions for liabilities and charges	14		(86,000)		(84,000)
TOTAL NET ASSETS			<u>5,345,337</u>		<u>5,225,977</u>
FUNDS					
Restricted funds	15,16		296,184		310,545
Unrestricted funds:					
Designated funds	16		2,673,626		3,261,721
General funds	16		2,375,527		1,653,711
TOTAL FUNDS			<u>5,345,337</u>		<u>5,225,977</u>

Approved and authorised for issue by the Trustees on 27 January 2026.

Mark Cunningham

CHAIRMAN
Mark Cunningham

The notes on pages 29-47 form part of these financial statements.

**RAINBOW TRUST CHILDREN'S CHARITY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025**

	2025 £	2024 £
Net cash provided by operating activities	(114,067)	327,987
Cash flows from investing activities:		
Interest income	40,309	21,663
Fixed Asset: purchases	(26,910)	(47,782)
Investments: additions at cost	(600,000)	(500,000)
Cash (used in) investing activities	(586,601)	(526,119)
(Decrease) / Increase in cash and cash equivalents in the year	(700,668)	(198,132)
Cash and cash equivalents at the beginning of the year	1,540,673	1,738,805
Total cash and cash equivalents at the end of the year	840,005	1,540,673

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

	2025 £	Restated 2024 £
Net income for the reporting period	119,360	180,886
Adjustments for:		
Interest income	(40,309)	(21,663)
Depreciation charge	75,310	67,873
Loss on disposal of fixed assets	66	634
(Gains) / losses on investments	(63,618)	(79,531)
Dividends and interest and from investments	(145,285)	(125,611)
Management fees on investments	35,951	40,188
(Increase) / decrease in debtors	(53,779)	186,432
(Decrease) / increase in creditors	(41,763)	78,779
Net cash provided by operating activities	(114,067)	327,987

B: ANALYSIS OF CASH AND CASH EQUIVALENTS

	2025 £	2024 £
Cash at bank and in hand	640,005	335,618
Cash deposits	200,000	1,205,055
Net cash and cash equivalents	840,005	1,540,673

**RAINBOW TRUST CHILDREN'S CHARITY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025**

C: MOVEMENTS IN CASH AND CASH EQUIVALENTS

	At 30 June 2024 £	Cashflows £	At 30 June 2025 £
Cash at bank and in hand	335,618	304,387	640,005
Cash deposits	1,205,055	(1,005,055)	200,000
Net cash and cash equivalents	<u>1,540,673</u>	<u>(700,668)</u>	<u>840,005</u>
 Comparative Information			
	At 30 June 2023 £	Cashflows £	At 30 June 2024 £
Cash at bank and in hand	1,738,805	(1,403,187)	335,618
Cash deposits	-	1,205,055	1,205,055
Net cash and cash equivalents	<u>1,738,805</u>	<u>(198,132)</u>	<u>1,540,673</u>

RAINBOW TRUST CHILDREN'S CHARITY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

LEGAL STATUS

Rainbow Trust Children's Charity is a charity registered with the Charity Commission for England and Wales, Registration number: 1070532. The charity is also a Company limited by Guarantee: 3585123. The charity's registered office is: Cassini Court, Randalls Way, Leatherhead, Surrey, KT22 7TW.

The charity is limited by guarantee and therefore has no share capital. Members of the charitable company agree to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The members during the year were those who under the terms of the Articles of Association are granted voting rights, pursuant to articles 24, 25 and 50.

1. ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) (Second Edition, effective 1 January 2019) applicable to charities preparing their accounts, in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Companies Act 2006 and Charities Act 2011.

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).

BASIS OF CONSOLIDATION

The group financial statements consolidate the financial statements of Rainbow Trust Children's Charity and its subsidiary, Rainbow Trust Trading Limited.

PREPARATION OF ACCOUNTS ON A GOING CONCERN BASIS

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

FUND ACCOUNTING

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

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

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

INCOME RECOGNITION

Income is recognised in the period in which entitlement is established, when economic benefit is probable, and the value can be measured reliably.

Donations of cash, which include regular giving, public donations and appeals are recognised as income once Rainbow Trust has the right to receive the donation, it is probable that the economic benefits will be received, and the amount of the donation can be measured.

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 and included within income and expenditure.

RAINBOW TRUST CHILDREN'S CHARITY NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2025

Trading income comprises income from commercial participation agreements and is recognised at the point that Rainbow Trust has the right to receive the contractual amounts, it is probable that the economic benefits will be received, and the amount due under the contract can be measured.

Grants from statutory sources have been included within 'Income and endowments from charitable activities' where these are specifically for the provision of goods and services to be provided as part of charitable activities or services to the families we support. Grants which provide core funding or are of a general nature are included within 'Income and endowments from donations and legacies.'

Income from grants that contain conditions relating to performance or payments by results is recognised as performance occurs, with all funding received in advance or in arrears of performance deferred or accrued accordingly. Otherwise, income is recognised in full as soon as any other relevant conditions are satisfied.

Fundraising events income is recognised in the year the particular event takes place. Income is deferred for events taking place after the year end.

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. Where cash has not been received before year-end, the accrued amount for residual legacies is based on 80% of the estimate to allow for changes in the value of the estate due to the timing between notification and realisation of the estate assets and for solicitor's and other costs which may also fluctuate.

Income from Gift Aid tax reclaims is recognised for any Gift Aid certificates received up to a month after the year-end, in relation to donations made prior to the year-end.

Interest on funds held on deposit and other investment income is included when receivable and the amount can be measured reliably. This is usually upon notification of payment.

EXPENDITURE

All expenditure is accounted for on an accrual's basis.

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.

Governance costs are any costs associated with the strategic as opposed to day to-day management of the charity's activities. Costs comprise the external audit fee and any other direct costs associated with the governance of the charity such as legal advice for trustees and costs related to the constitutional and statutory requirements, for example the cost of trustee meetings should they arise. The charity does not consider the cost of employees attending Trustee meetings to be material and it is therefore not included.

All expenditure is stated inclusive of irrecoverable VAT.

VOLUNTEER SERVICES

In accordance with the Charities SORP FRS 102, volunteer time is not recognised in the accounts.

RAINBOW TRUST CHILDREN'S CHARITY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2025

FIXED ASSETS AND DEPRECIATION

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

Computer hardware & software (incl website)	between 3 and 5 years
Furniture and equipment	between 5 and 10 years

In addition, computer hardware and software, and office furniture and equipment purchased for projects funded by specific restricted funding may be depreciated over the life of the project contracted term.

FIXED AND CURRENT ASSET INVESTMENTS

Listed investments are initially valued at their transaction value and subsequently measured at their fair value as at the balance sheet date.

Rainbow Trust's investment in its trading subsidiary is valued at the lower of cost and net asset value and is treated as a fixed asset investment.

Cash deposits and liquid investments with a maturity date greater than 3 months are included in Current Assets.

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.

Provisions for dilapidations are based on our estimate of the cost associated with ensuring that the condition of leased properties meets the contracted criteria at the end of those leases. The estimates are reviewed on an annual basis.

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 2025**

RESTATEMENT OF COMPARATIVE FIGURES

In the statement of financial activity (SOFA) we now recognise all dividends, distributions and interest accrued on fixed asset and current asset investments in Investment income, even where this income is re-invested in the investment funds. Previously this income was included within Gains or Losses on investments. In addition, we now recognise investment management fees within expenditure. This does not impact the overall net movement in funds and the split in funds between categories carried forward.

2023/24 comparatives in the SOFA have also been adjusted for consistency. The impact of these presentational adjustments on the results reported for the year end 30 June 2024 is to increase investment income by £126k, increase expenditure by £40k and reduce the reported unrealised gain on investments by £86k.

**RAINBOW TRUST CHILDREN'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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

The key sources of estimation of uncertainty are:

Legacy debtors – there is uncertainty in the value of residuary legacy debtors recognised due to the time lapse between when probate has been granted and when the final distribution is made. Where appropriate, an allowance of 20 per cent is applied to reflect this.

Dilapidations – the obligation to ensure that the condition of leased properties meets contracted criteria at the end of those leases. This is included within Provisions for liabilities and charges on the Balance Sheet.

2. INCOME FROM INVESTMENTS	2025	Restated 2024
	£	£
Bank account interest	40,309	21,663
Dividends and interest from investments	145,285	125,611
	<u>185,594</u>	<u>147,274</u>
3. DONATIONS AND LEGACIES	2025	2024
	£	£
Donations	3,297,359	2,922,708
Legacies	492,739	678,309
	<u>3,790,098</u>	<u>3,601,017</u>
4. STATUTORY FUNDING AND GRANTS	2025	2024
	£	£
Statutory Income	22,441	64,145
	<u>22,441</u>	<u>64,145</u>

**RAINBOW TRUST CHILDREN'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

5. RESULTS FROM TRADING ACTIVITIES OF SUBSIDIARY

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

Summary profit and loss account	2025	2024
	£	£
Turnover	28,554	36,584
Cost of sales and administrative expenses	(2,309)	(1,895)
Gift Aid distributions to Parent company	(26,245)	(34,689)
Retained in Subsidiary	-	-
Opening reserves	100	100
Closing reserves	100	100
Summary balance sheet	2025	2024
	£	£
Current assets	32,560	37,182
Creditors: amounts falling due within one year	(32,460)	(37,082)
Total Net Assets	100	100

During the year Gift Aid of £34,689 was paid from the Trading Subsidiary to the parent charity for profit relating to the year ending 30th June 2024. Gift aid relating to the year ending 30th June 2025 will be paid to the parent charity before 31st March 2026.

6. ANALYSIS OF DIRECT AND ALLOCATED COSTS

	Direct costs	Allocated costs	Support costs	2025 Total	Restated 2024 Total
	£	£	£	£	£
Costs of raising funds					
Grants and donations	404,016	233,389	95,277	732,682	719,421
Commercial operations	2,310	-	-	2,310	1,895
Fundraising activities	276,712	-	-	276,712	205,844
Donor acquisition	57,290	-	-	57,290	40,137
Investment management fees	35,951	-	-	35,951	40,188
Charitable expenditure					
Carer and family support services	3,047,609	817,766	302,539	4,167,914	3,923,044
	<u>3,823,888</u>	<u>1,051,155</u>	<u>397,816</u>	<u>5,272,859</u>	<u>4,930,529</u>

**RAINBOW TRUST CHILDREN'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

ANALYSIS OF SUPPORT COSTS

	Management £	Finance & Admin £	IT £	2025 Total £	2024 Total £
Costs of raising funds					
Fundraising and publicity	51,607	22,698	20,972	95,277	89,042
Charitable expenditure					
Carer and family support services	190,357	106,939	5,243	302,539	257,110
	<u>241,964</u>	<u>129,637</u>	<u>26,215</u>	<u>397,816</u>	<u>346,152</u>

Governance costs of £23,768 (2024: £19,226) are included in the Finance and Admin costs above.

7. NET INCOME

	2025 £	2024 £
This is stated before charging:		
Depreciation - owned assets	75,310	67,873
Expenditure on operating leases	510,130	481,476
Auditor's remuneration – parent entity audit services	18,000	18,000
Auditor's remuneration – accountancy & tax compliance services	4,185	4,050

8. STAFF COSTS AND NUMBERS

	2025 £	2024 £
Wages and salaries	2,926,480	2,745,141
Social security costs	344,503	304,940
Pension contributions	148,362	137,683
	<u>3,419,345</u>	<u>3,187,764</u>

The average number of total employees during the year was: 98 95

	2025 No	2024 No
Employee remuneration over £60,000 fell into the following bands:		
£60,001 - £70,000	1	1
£70,001 - £80,000	2	2
£80,001 - £90,000	2	1
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-

The bands above represent total remuneration received by employees including benefits in kind but excluding employer pension and national insurance contributions

**RAINBOW TRUST CHILDREN'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

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 £644,468 (2024: £639,054).

9. TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES

No Trustees received remuneration during the year (2024: no Trustee remuneration). No Trustees received reimbursement for expenses during the year (2024: none).

**RAINBOW TRUST CHILDREN'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

**10. FIXED ASSETS
GROUP AND CHARITY**

	Furniture & equipment	Computer hardware & software	Total
	£	£	£
COST			
At 1 July 2024	306,539	258,083	564,622
Additions	9,098	17,813	26,911
Disposals	-	(12,866)	(12,866)
At current	315,637	263,030	578,667
DEPRECIATION			
At 1 July 2024	177,921	170,790	348,711
Charge for Period	36,064	39,246	75,310
Disposals	-	(12,800)	(12,800)
At current	213,985	197,236	411,221
NET BOOK VALUE			
At 30 June 2024	128,618	87,293	215,911
At 30 June 2025	101,652	65,794	167,446

11. INVESTMENTS

**FIXED ASSET INVESTMENTS
GROUP AND CHARITY**

	Group UK Listed £	Investment in subsidiary £	Charity Total £
Market value			
At 1 July 2024	2,601,742	100	2,601,842
Disposals	(400,000)	-	(400,000)
Dividends and Interest	88,780	-	88,780
Management Fees	(24,602)	-	(24,602)
Transfer (to) / from Current Asset Investments	799,926	-	799,926
Investments	-	-	-
Unrealised Gain	44,226	-	44,226
At 30 June 2025	3,110,072	100	3,110,172

**RAINBOW TRUST CHILDREN'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

CURRENT ASSET INVESTMENTS

GROUP AND CHARITY	Group		Charity
	UK Listed £	Investment in subsidiary £	Total £
Market value			
At 1 July 2024	1,024,379	-	1,024,379
Additions at cost	1,000,000	-	1,000,000
Dividends and Interest	56,504	-	56,504
Management Fees	(11,349)	-	(11,349)
Transfer (to) / from Fixed Asset Investments	(799,926)	-	(799,926)
Investments	-	-	-
Unrealised Gain	19,392	-	19,392
At 30 June 2025	1,289,000	-	1,289,000

At the year-end £800k of assets were reclassified on the Balance Sheet from current asset investments to fixed asset investments, leaving £1,289k in current asset investments (2024: £1,024k). The remaining current asset investments cover the planned deficit for 2025-26 and any risks in income generation over this period.

12. DEBTORS

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Prepayments and accrued income	671,114	624,621	671,114	624,621
Trade and other debtors	34,302	27,017	7,562	8,597
Amount owed by trading subsidiary	-	-	25,419	33,863
	705,416	651,638	704,095	667,081

13. CREDITORS: Amounts falling due within one year

	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Trade creditors	231,411	167,377	231,412	167,377
Accruals and deferred income	341,786	473,117	339,483	470,818
Other taxation and social security	80,849	62,784	80,849	62,784
Other creditors	26,556	21,088	21,817	20,169
	680,602	724,366	673,561	721,148
Deferred income brought forward	154,696	224,124	154,696	224,124
Received in the year	203,500	279,500	203,500	279,500
Released to income in the year	(340,956)	(348,928)	(340,956)	(348,928)
Deferred income carried forward	17,240	154,696	17,240	154,696

Deferred income relates to income received in advance for activities taking place in future years.

**RAINBOW TRUST CHILDREN'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

14. PROVISIONS FOR LIABILITIES AND CHARGES	Group		Charity	
	2025 £	2024 £	2025 £	2024 £
Brought forward	84,000	82,000	84,000	82,000
Change in year	2,000	2,000	2,000	2,000
Carried forward	86,000	84,000	86,000	84,000

The provision reflects management's best estimate of the likely cost of work to reinstate leased office premises when the leases come to an end. Details of the charity's operating lease commitments are provided in note 19.

15. RESTRICTED FUNDS

	At 1 July 2024 £	Income £	Expenditure £	At 30 June 2025 £
Care team offices:				
Essex	3,210	53,197	53,664	2,743
Hampshire	23,979	38,825	51,986	10,818
London & South East	90,012	163,240	188,821	64,431
North East	10,319	17,439	25,821	1,937
North West	30,000	70,000	61,500	38,500
South West	501	51,578	26,994	25,085
Thames Valley	1,778	8,379	10,157	-
Merseyside & Cheshire	1,500	256,656	258,156	-
Tees Valley CCG	25,167	-	25,167	-
All Care Teams	5,127	-	5,127	-
Anne Harris Skills Development Programme	20,193	50,000	14,293	55,900
Kentown Wizard Programme	98,759	283,059	285,048	96,770
Online Support	-	15,000	15,000	-
	310,545	1,007,373	1,021,734	296,184

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 Anne Harris Skills Development Programme (AHSDP) provides funding for the training and development of our Family Support Workers.

Kentown Wizard is funding a Children's Palliative Care Programme in Lancaster and South Cumbria. This is a collaborative programme between Together for Short Lives, NHS Lancashire and South Cumbria Care Board and Rainbow Trust Children's Charity.

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

Full comparatives for the year to June 2024 are shown in note 23.

**RAINBOW TRUST CHILDREN'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

16. STATEMENT OF FUNDS

	1 July 2024 £	Income £	Expenditure £	Transfers & Gains £	30 June 2025 £
Unrestricted Funds:					
General Fund	1,653,711	4,149,427	(4,079,325)	651,714	2,375,527
Designated Funds:					
Thames Valley Care Team	-	171,800	(171,800)	-	-
Fixed Asset Fund	215,911	-	-	(48,465)	167,446
Legacy Equalisation Fund	1,489,810	-	-	(1,489,810)	-
Strategic Development Reserve	1,556,000	-	-	950,180	2,506,180
Restricted Funds:					
Donations	310,545	1,007,373	(1,021,734)	-	296,184
	<u>5,225,977</u>	<u>5,328,600</u>	<u>(5,272,859)</u>	<u>63,619</u>	<u>5,345,337</u>

The Thames Valley Care Team Fund reflects funding which is ringfenced but not restricted. Income is deferred and then recognised in line with expenditure and performance.

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

The Legacy Equalisation Fund was established following the exceptional legacy income in 2020/21 of £1,008k. In previous years the fund aimed to moderate the fluctuating and unpredictable nature of legacy income by allocating any future excess of legacy income received over a five-year average legacy income to the fund. This was released back to the General Fund in years where the legacy income fell below the five-year average. In 2024/25 trustees undertook a full review of reserves to ensure that they align with the five year strategy and General Funds remain within the policy range of three to five months. Following this review trustees agreed to release the remaining balance of £1,490k on the Legacy Equalisation Fund to both the General Fund and the Strategic Development Fund.

The Strategic Development Reserve was established from General Funds in 2020/21, to earmark funding for future planned strategic developments. The Strategic Development Fund of £2,506k at year end (2024: £1,556k) will contribute funding in future years to:

- support the strategic increase and sustainability in care services within new regions (for example in our two newest teams in Liverpool and the Thames Valley);
- ensure the sustainability of the staff pay awards given in recent years to align staff pay with benchmarked salaries in our sector, and considering continuing cost of living pressures;
- invest in technology, including investment in a new website and new systems to support the growth and operational efficiency of the charity; and
- pay for exceptional items such as the move of the charity's head office functions, following expiration of the current lease.

Rainbow Trust does not receive any central government funding and is therefore more susceptible to fluctuations and potential downturns in fundraising. With the current economic outlook, market volatility due to geopolitical issues and the cost-of-living pressures continuing, the general public and Trusts & Foundations are expected to be impacted by the amount that they have available to give. Furthermore, cuts to Government grants for charitable organisations continue to increase competition within our sector.

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With this in mind, we believe that total reserves of £5,345k gives us reassurance but also allows the charity to increase its frontline capacity over the coming years and achieve our objective of reaching more families with a sick child. Over the course of the next two years, we will expect to utilise our Strategic Development Fund for continued growth as was envisaged when the fund was designated.

Restricted Funds represent donations where the donor has declared where the gift should be spent, with more detail provided in note 15. Full comparatives for the year to June 2024 are shown in notes 23 - 24.

17. ANALYSIS OF GROUP NET ASSETS

BETWEEN FUNDS	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
Fund balances at 30 June 2025	£	£	£	£
are represented by:				
Tangible fixed assets	-	167,446	-	167,446
Fixed asset investments	1,854,842	1,255,230	-	3,110,072
Current assets	1,287,287	1,250,950	296,184	2,834,421
Current liabilities	(680,602)	-	-	(680,602)
Provisions for Liabilities and Charges	(86,000)	-	-	(86,000)
	2,375,527	2,673,626	296,184	5,345,337

Full comparatives for the year to June 2024 are shown in note 25.

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.

**RAINBOW TRUST CHILDREN'S CHARITY
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19. OPERATING LEASE COMMITMENTS

At 31 March there were the following future minimum lease payments under non-cancellable operating leases:

	2025 Land and buildings	2025 Other	2025 Total	2024 Land and buildings	2024 Other	2024 Total
	£	£	£	£	£	£
Amount payable:						
Within one year	187,812	278,145	465,957	204,837	295,090	499,927
Between one and five years	54,392	143,073	197,465	193,711	334,386	528,097
After five years	-	-	-	-	-	-
	242,204	421,218	663,422	398,548	629,476	1,028,024

In accordance with FRS 102, the above reflects the minimum amount payable in respect of our head office and regional care office operating lease commitments to the contractual break clause (where applicable).

20. RELATED PARTY TRANSACTIONS

The aggregate donations received from the Trustees in the year was £27,880 (2024: £163,104).

There were no other transactions with related parties in the year to 30 June 2025 (2024: none) other than those disclosed in notes 5, 8 and 9.

RAINBOW TRUST CHILDREN'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES
FOR THE YEAR ENDED 30 JUNE 2025

21. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITY

	Note	General Fund £	Designated Fund £	Restricted Fund £	Restated Total Funds 2024 £
Income from:					
Donations and legacies	3	2,394,264	160,145	1,046,608	3,601,017
Charitable activities:					
Statutory funding and grants	4	-	-	64,145	64,145
Other trading activities:					
Fundraising activities		1,169,561	-	13,304	1,182,865
Commercial operations		36,583	-	-	36,583
Investment income	2	147,274	-	-	147,274
Total income		3,747,682	160,145	1,124,057	5,031,884
Expenditure on:					
Raising funds:					
Grants and donations		719,421	-	-	719,421
Commercial operations	6	1,895	-	-	1,895
Fundraising activities		205,844	-	-	205,844
Donor acquisition		40,137	-	-	40,137
Investment management fees		40,188	-	-	40,188
Total cost of raising funds		1,007,485	-	-	1,007,485
Net income available for charitable activities		2,740,197	160,145	1,124,057	4,024,399
Charitable activities:					
Carer and family support services		2,745,762	160,145	1,017,137	3,923,044
Total expenditure	6	3,753,247	160,145	1,107,137	4,930,529
Net income before gains/(losses) on investments		(5,565)	-	106,920	101,355
Gains/(losses) on investments		79,531	-	-	79,531
Net income before transfers		73,966	-	106,920	180,886
Transfers between funds	16	(108,276)	108,276	-	-
Net movement in funds		(34,310)	108,276	106,920	180,886
Fund balance brought forward		1,688,021	3,153,445	203,625	5,045,091
Fund balance carried forward		1,653,711	3,261,721	310,545	5,225,977

**RAINBOW TRUST CHILDREN'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES
FOR THE YEAR ENDED 30 JUNE 2025**

22. COMPARATIVE OF TOTAL EXPENDITURE

ANALYSIS OF DIRECT AND ALLOCATED COSTS

	Restated Direct Costs £	Allocated Costs £	Support Costs £	Restated 2024 Total £
Costs of raising funds				
Commercial operations	1,895	-	-	1,895
Fundraising activities	205,844	-	-	205,844
Donor acquisition	40,137	-	-	40,137
Fundraising and publicity	400,533	229,846	89,042	719,421
Investment management fees	40,188	-	-	40,188
Charitable expenditure				
Carer and family support services	2,890,290	775,643	257,110	3,923,044
	3,578,887	1,005,489	346,152	4,930,529

ANALYSIS OF SUPPORT COSTS

	Management £	Finance and Admin £	IT £	2024 Total £
Cost of raising funds				
Fundraising and publicity	53,710	18,009	17,323	89,042
Charitable expenditure				
Carer and family support services	176,072	76,707	4,331	257,110
	229,782	94,716	21,654	346,152

Governance costs of £19,226 are included in the Finance and Admin Support costs above.

**RAINBOW TRUST CHILDREN'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES
FOR THE YEAR ENDED 30 JUNE 2025**

23. COMPARATIVE ANALYSIS OF RESTRICTED FUNDS

	At 1 July 2023	Income	Expenditure	At 30 June 2024
	£	£	£	£
Care team offices:				
Essex	620	60,477	57,887	3,210
Hampshire	1,054	83,954	61,029	23,979
London & South East	61,335	218,549	189,872	90,012
North East	9,234	34,156	33,071	10,319
North West	41,564	93,897	105,461	30,000
South West	657	16,388	16,544	501
Thames Valley	-	14,611	12,833	1,778
Merseyside & Cheshire	-	190,283	188,783	1,500
All Care Teams	-	17,840	12,713	5,127
BBC Children in Need	4,928	22,885	27,813	-
Anne Harris Skills Development Programme	-	50,000	29,807	20,193
Kentown Wizard Programme	73,427	281,149	255,817	98,759
Tees Valley CCG	10,806	39,868	25,507	25,167
	203,625	1,124,057	1,017,137	310,545

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. We were also grateful to receive two grants this year, funding car transport and child car seats for all care teams.

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

The *Anne Harris Skills Development Programme* provides funding for the training and development of our Family Support Workers.

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

Tees Valley CCG is part-funding a Family Support Worker in the Northeast.

RAINBOW TRUST CHILDREN'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES
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24. COMPARATIVE STATEMENT OF FUNDS

	1 July 2023 £	Income £	Expenditure £	Transfers & Gains £	30 June 2024 £
Unrestricted Funds:					
General Fund	1,688,021	3,622,071	(3,713,059)	56,679	1,653,711
Designated Funds:					
Thames Valley Care Team	-	160,145	(160,145)	-	-
Fixed Asset Fund	236,636	-	-	(20,725)	215,911
Legacy Equalisation Fund	1,489,810	-	-	-	1,489,810
Strategic Development Reserve	1,427,000	-	-	129,000	1,556,000
Restricted Funds:					
Donations	203,625	1,124,057	(1,017,137)	-	310,545
	5,045,091	4,906,273	(4,890,341)	164,954	5,225,977

The Thames Valley Care Team Fund reflects funding which is ringfenced but not restricted. Income is deferred and then recognised in line with performance.

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

The Legacy Equalisation Fund was established following the exceptional legacy income in 2020/21 of £1,008,013. The fund aims to moderate the fluctuating and unpredictable nature of legacy income by allocating any future excess of legacy income received over a five-year average legacy income to the fund. This would be released back to the General Fund in years where the legacy income falls below the five-year average. This year, legacy income of £678k exceeded the five-year average by £335k (ignoring the exceptional £1008k). Trustees have agreed to undertake a full review of reserves in 2024/25 to ensure that they align with the five-year strategy and general funds remain within the policy range of 3-4.5 months. Pending this review, the Trustees agreed not to top-up this fund this year.

The Strategic Development reserve was established from General Funds in 2020/21, to earmark funding for future planned strategic development of care services and investment in technology. In subsequent years, funds had also been transferred from general funds to provide a safety net for the sustainability of staff pay rises which had been larger than the charity had previously been able to give.

At the end of 2022/23 the total Strategic Development Fund balance of £1,427k comprised: £112k for technology and £1,315k for staff costs made up of £600k for new frontline Care roles to underwrite the costs of expanding our two newest teams (Liverpool and Thames Valley), and £715k for the sustainability of pay over five years.

In 2023/24, £38k has been spent on the continued investment in our new Care database, enhancements to the website, and purchases of computer hardware. Plans for 2024/25 include a further refresh of aging laptops, development of our website and investment in our finance system. The technology fund has been topped up by £26k to leave a closing balance of £100k for these purposes.

In line with our strategic objectives, our plans for 2024/25 include headcount growth of our frontline care teams as well as recruitment of a new fundraising post to support our ambitious plans for income. Trustees approved a deficit budget in support of those plans which will be funded by the strategic development fund. £141k has been transferred from the general fund to the strategic development fund for this purpose. This leaves a total of £1,456k ringfenced for the expansion of our frontline care staff and the sustainability of pay.

**RAINBOW TRUST CHILDREN'S CHARITY
NOTES TO THE FINANCIAL STATEMENTS – COMPARATIVE FIGURES
FOR THE YEAR ENDED 30 JUNE 2025**

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

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Fund balances at 30 June 2024				
are represented by:				
Tangible fixed assets	-	215,911	-	215,911
Fixed asset investments	806,882	1,794,860	-	2,601,742
Current assets	1,655,195	1,250,950	310,545	3,216,690
Current liabilities	(724,366)	-	-	(724,366)
Provisions for Liabilities and Charges	(84,000)	-	-	(84,000)
	<u>1,653,711</u>	<u>3,261,721</u>	<u>310,545</u>	<u>5,225,977</u>