

Rainbow Family Trust
Financial Statements
For the Year Ended
31 March 2009

Company Registration Number 2519173
Charity Number 328659

CHAMPION ACCOUNTANTS LLP

Registered Auditors
1 Worsley Court
High Street
Worsley
Manchester
M28 3NJ

Rainbow Family Trust
Financial Statements
Year Ended 31 March 2009

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Rainbow Family Trust

Members of the Board and Professional Advisers

Registered Charity Name Rainbow Family Trust

Charity Number 328659

Company Registration Number 2519173

Registered Office 390 Parrswood Road
Didsbury
Manchester
M20 5NA

Trustees Right Reverend Terence Brain
Sister Margaret Fairclough
Monsignor Thomas Mulheran
Robin Wood
Christopher Roberts
Reverend Bernard Wilson
Martin Lochery
Sheena Nolan
Rachel Taylor
Dr Susan Kirk

Secretary David Ireland

Auditor Champion Accountants LLP
Registered Auditors
1 Worsley Court
High Street
Worsley
Manchester
M28 3NJ

Bankers Bank of Ireland

Rainbow Family Trust

Trustees Annual Report *(continued)*

Year Ended 31 March 2009

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2009.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the board and professional advisers on page 1 of the financial statements.

THE TRUSTEES

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

Right Reverend Terence Brain
Sister Margaret Fairclough
Monsignor Thomas Mulheran
Robin Wood
Christopher Roberts
Reverend Bernard Wilson
Martin Lochery
Sheena Nolan
Rachel Taylor
Dr Susan Kirk - elected 8th January 2009

Trustees Recruitment and Appointment

Trustees are nominated by the existing Trustees. They retire by rotation every three years but may offer themselves for re-election.

Trustees are appointed with a view to providing a variety of skills, faith background, age and gender.

New Trustees are appraised by the Philosophy of the Trust and are issued with the Charity Commission publication 'The Essential Trustee, what you need to know'.

The secretary to the Trustees arranges for individual induction sessions.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Rainbow Family Trust is a Company Limited by Guarantee and does not have any share capital.

The Association is established for the purposes expressed in the Memorandum of Association dated 5 July 1990.

Organisational Structure and Management

The Trustees serve on the Council of Management who meet quarterly. A General Meeting is held annually.

General operational decisions are made by the Administrator and Head of Care with reference to the following Trustees sub-committees.

Finance

Fundraising

Terms of Reference

- i) Reserves policy decisions are a matter for the Trustees meeting.
- ii) Operational finance decisions are delegated to the Finance sub committee.
- iii) All contracts relating to fundraising operations are to be referred to the Trustees.
- iv) Revenue decisions are to be delegated to the Finance sub committee.
- v) All decisions which affect the legal, ethical or philosophical status of the Trust are to be referred to the Trustees Council of Management.

Rainbow Family Trust

Trustees Annual Report *(continued)*

Year Ended 31 March 2009

Risk Policy

All areas governing the health and safety of the children and their families (whilst in residence) and the staff and volunteers are reviewed and a monitoring system is in place.

We retain the services of Mr John Webster of Fieldings Porter Solicitors as an advisor on personnel issues.

The buildings are inspected regularly and maintained to a high standard throughout the year.

Particular attention is given to major risks which would prevent or restrict us from achieving our objectives. These include:

Personnel	
Employment	Legislation
Operational	Risks
Legal	Action e.g. Fire, Intruders, Data Protection, IT failure
Funding	
Economic	Cycle
Public Image	

Relationship with Other Parties

Every effort is made to work alongside local healthcare providers, specialist hospitals, general practitioners and consultants.

In partnership with the Manchester Primary Care Trusts the Star Project was launched. This was funded by a grant from the 'Big Lottery Fund' and provided additional Home Care services. Following the end of Lottery Funding in September 2007 the Star Project has been financed by Manchester PCT though continues to use the Francis House facilities.

OBJECTIVES AND ACTIVITIES

Francis House exists for the provision of appropriate respite and terminal care for children with life limiting illnesses and the necessary support and short term care for their families. The philosophy stems from the belief in the sanctity of life and the dignity of the person. It leads us to try to hear, respect, and value every member of the family as individuals with their own needs. In order to do this, care is open to families from all cultural and religious backgrounds. It is family and child led. Our aim is to care for the children as the family wish.

In order to meet these needs, physical, social, emotional and spiritual aspects are taken into account. By offering well-informed choices of options we hope to achieve for the child a better quality of life and death with dignity. One of our aims is to enable children to live life to the full, often helping to fulfill dreams. Many of these dreams are the kind of things most of us take for granted in our own lives, but which are difficult to accomplish when coping with disability or illness. Thus, Francis House, like other children's hospices, is at the forefront of specialist palliative care provision, caring for children with a wide variety of life limiting illnesses.

Unpaid Staff/Volunteers

Unpaid staff/volunteers continue to be essential to the smooth running of Francis House. We have committed and faithful volunteers within Francis House itself, the Fundraising Office and every part of the supporting North West.

Staff

There are 49 full time equivalent members of the care team, headed by the Administrator and Senior Nurse. Qualifications include : Registered Sick Children's Nurses; Nursery Nurses; Physiotherapist; Play Therapist; Social Worker and Chef.

Many of the care team have additional qualifications in palliative care, bereavement care and a range of complimentary therapies such as aromatherapy. Additionally, there are 2 members of staff engaged in administration, 4 fund raisers, 1 part time PR officer with 3 full time equivalent secretarial posts, 2 in maintenance, 1 gardener, 1 full time equivalent domestic member of staff in Francis House.

Francis House has a regular Chaplain and General Practitioners who visit daily. Our chef caters for all dietary needs. Facilities are available for families who wish to cook for themselves, which also respects the needs of varying cultures. All the team are well supported by volunteers who help with tasks such as housework, reception duties, fundraising and public speaking.

Rainbow Family Trust

Trustees Annual Report *(continued)*

Year Ended 31 March 2009

Additional Facilities

Special weekends continue with activities suitable for teenagers and adolescents. Activity weekends for bereaved siblings continue.

A support group for parents has been established with lunchtime and evening meetings.

The Homecare team has been expanded to provide support in the home and we continue to work closely with the Manchester PCT Star Project.

ACHIEVEMENTS AND PERFORMANCE

Developments during the Year

The Homecare team continues to develop its services providing care in the families home, 'rapid response' has been developed allowing immediate cover where need demands and also allowing children receiving end of life care to go home if that is what the family wishes.

We have continued to expand the Care team allowing for the maximum use of our facility as more and more families seek our assistance.

Following retirement of our nurse/masseur aromatherapist, two nurse members of the Care team have trained to continue this valuable service to parents.

Seeking to plan further retirements of long serving members of the Fundraising team a new Fundraising Office Manager has been appointed along with a part time public relations officer.

The children's bedrooms have been repainted and fitted with digital televisions with integral DVD's.

The parent's flat adjoining the children's bedrooms has been refurbished.

The fencing to the external play area has been renewed.

The boiler plant has been overhauled and new pumps fitted. The 'Jacuzzi' has had a new filter and Brominater fitted.

FINANCIAL REVIEW

Investment Portfolio

The trust has two funds, the Main Fund and the Millennium Fund. The Main Fund shows a total return of (5.27%). The Millennium Fund shows a total return of (5.65%).

Please note that the funds always carry a cash reserve. At times when the market is rising uninvested cash works against the trust. Gifted holdings often show disappointing performances.

Reserves Policy

The Trustees have established a policy whereby the unrestricted funds held by the charity should be at a level to cover 50% of the running costs in one year given a return on investment of 4%.

This would equate to the charity requiring reserves of £25,578,250.

At present the unrestricted reserves which amount to £10,943,586 do not reach this target level and the Trustees are considering ways in which additional unrestricted funds may be raised.

Fund Raising

Our Fundraising Office continues to develop new relationships with Educational Establishments, Faith Groups, Community Groups, Commerce and Industry and a big "Thank You" goes to all who have supported us during the year.

Work continues on the development of our existing "Friends in a Million" appeal and we have developed an encouraging amount of regular giving through standing orders.

Our Millennium Fund established to provide investment for the future continues. The high profile Kirsty Appeal reached its five million pound target in November 2006. It has been succeeded by the K Club appeal which aims to raise money for the future extension of the facility.

Rainbow Family Trust

Trustees Annual Report *(continued)*

Year Ended 31 March 2009

PLANS FOR FUTURE PERIODS

The Research programme organised by Manchester University submitted its findings in July 2008. This was an audit of the care that we offer to children and families. The report has been affirming but has also raised issues which the Head of Care and the Care team are seeking to address. The general feeling is that the service meets the needs of the families but that they would like more of it.

Francis House now has over 220 sick children and their families on its role. The number of referrals being accepted has continued to increase steadily and we are only able to offer an average of 10 nights respite care per year per child.

In spite of the economic situation the Trustees are continuing to look at ways in which additional respite care can be offered. We continue with our capital appeal to increase the number of sick children's rooms from seven to thirteen whilst also investigating interim measures to increase the help to families, in particular those with teenagers or young adults.

We have confirmed plans to extend piped oxygen to three further children's bedrooms during the coming year.

Thank You

To the members of staff and associates for their dedication and service. To the doctors for their skills and commitment. Most of all thank you to the children and their families for their courage, their example and their fun. They are the purpose for the existence of Francis House.

To our auditors, Champi:on for their generous and dedicated service.

RESPONSIBILITIES OF THE TRUSTEES

The Trustees (who are also the directors of Rainbow Family Trust for the purposes of company law) are responsible for preparing the Trustees Annual 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 1985. The Trustees are also responsible for safeguarding the assets of the charitable company 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.

Rainbow Family Trust

Trustees Annual Report *(continued)*

Year Ended 31 March 2009

AUDITOR

A resolution to re-appoint Champion Accountants LLP as auditor for the ensuing year will be proposed at the Annual General Meeting.

Registered office:
390 Parrswood Road
Didsbury
Manchester
M20 5NA

Signed on behalf of the Trustees

Monsignor Thomas Mulheran

9 July 2009

Rainbow Family Trust

Independent Auditor's Report to the Members of Rainbow Family Trust *(continued)*

Year Ended 31 March 2009

We have audited the financial statements of Rainbow Family Trust for the year ended 31 March 2009 on pages 9 to **Error! Bookmark not defined.**, which have been prepared on the basis of the accounting policies set out on page **Error! Bookmark not defined.**

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND AUDITORS

The responsibilities of the Trustees (who also act as directors of Rainbow Family Trust for the purposes of company law) for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the Trustees on page 5.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether the information given in the Trustees Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding remuneration of the Trustees and other transactions is not disclosed.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 March 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees Annual Report is consistent with the financial statements.

1 Worsley Court
High Street
Worsley
Manchester
M28 3NJ

CHAMPION ACCOUNTANTS LLP

Registered Auditors

Rainbow Family Trust

Independent Auditor's Report to the Members of Rainbow Family Trust *(continued)*

Year Ended 31 March 2009

9 July 2009

Rainbow Family Trust

Statement of Financial Activities (Incorporating the Income and Expenditure Account)

Year Ended 31 March 2009

	Note	Total Funds 2009 £	Total Funds 2008 £
Incoming Resources			
Incoming resources from generating funds:			
Voluntary income	2	2,811,587	2,227,667
Activities for generating funds	3	973,677	1,110,895
Investment income	4	445,512	469,589
Total Incoming Resources		<u>4,230,776</u>	<u>3,808,151</u>
Resources Expended			
Costs of generating funds:			
Costs of generating voluntary income	5	(452,105)	(599,434)
Fundraising trading: cost of goods sold and other costs	6	(71,273)	(59,007)
Charitable activities	7/8	(1,984,698)	(1,899,445)
Governance costs	9	(61,562)	(98,005)
Other resources expended	10	1,172	(2,563)
Total Resources Expended		<u>(2,568,466)</u>	<u>(2,658,454)</u>
Net Incoming Resources for the Year	11	1,662,310	1,149,697
Realised gains/ (losses) on disposal of investment assets		(11,252)	(190,528)
Net Income for the Year		1,651,058	959,169
Other Recognised Gains and Losses			
Gains/ (losses) on revaluation of investment assets		(4,722,798)	(2,872,253)
Net Movement in Funds		<u>(3,071,740)</u>	<u>(1,913,084)</u>
Reconciliation of Funds			
Total funds brought forward		14,015,326	15,928,410
Total Funds Carried Forward		<u>10,943,586</u>	<u>14,015,326</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on page Error! Bookmark not defined. form part of these financial statements.

Rainbow Family Trust

Notes to the Financial Statements

Year Ended 31 March 2009

Fixed Assets			
Tangible assets	13	1,772,426	1,879,097
Investments	14	8,531,216	12,217,453
		<u>10,303,642</u>	<u>14,096,550</u>
Current Assets			
Debtors	15	51,049	54,099
Cash at bank and in hand		<u>920,331</u>	<u>454,158</u>
		971,380	508,257
Creditors: Amounts Falling due Within One Year	16	<u>(56,396)</u>	<u>(114,925)</u>
Net Current Assets		914,984	393,332
Total Assets Less Current Liabilities		<u>11,218,626</u>	<u>14,489,882</u>
Creditors: Amounts Falling due after More than One Year	17	<u>(275,040)</u>	<u>(474,556)</u>
Net Assets		<u>10,943,586</u>	<u>14,015,326</u>
Funds			
Unrestricted income funds	18	10,943,586	14,015,326
Total Funds		<u>10,943,586</u>	<u>14,015,326</u>

These financial statements were approved by the members of the committee on the 9 July 2009 and are signed on their behalf by:

Monsignor Thomas Mulheran

Christopher Roberts