

**Rainbow Family Trust**  
**Financial Statements**  
**For the Year Ended**  
**31 March 2011**

**Company Registration Number 2519173**  
**Charity Number 328659**

**CHAMPION ACCOUNTANTS LLP**  
Chartered Accountants & Statutory Auditors  
1 Worsley Court  
High Street  
Worsley  
Manchester  
M28 3NJ

**Rainbow Family Trust**  
**Financial Statements**  
**Year Ended 31 March 2011**

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# Rainbow Family Trust

## Members of the Board and Professional Advisers

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<b>Registered Charity Name</b>	Rainbow Family Trust
<b>Charity Number</b>	328659
<b>Company Registration Number</b>	2519173
<b>Registered Office</b>	390 Parrswood Road Didsbury Manchester M20 5NA
<b>Trustees</b>	Right Reverend Terence Brain Sister Margaret Fairclough Monsignor Thomas Mulheran Robin Wood Christopher Roberts Reverend Bernard Wilson Martin Lochery Sheena Nolan Rachel Goodwin Dr Susan Kirk
<b>Secretary</b>	David Ireland
<b>Auditor</b>	Champion Accountants LLP Chartered Accountants & Statutory Auditors 1 Worsley Court High Street Worsley Manchester M28 3NJ
<b>Bankers</b>	Co- operative Bank

# **Rainbow Family Trust**

## **Trustees Annual Report**

**Year Ended 31 March 2011**

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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 2011.

### **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 Goodwin  
Dr Susan Kirk

### **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

# Rainbow Family Trust

## Trustees Annual Report *(continued)*

### Year Ended 31 March 2011

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be referred to the Trustees Council of Management.

#### **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.

#### **PUBLIC BENEFIT**

The Trustees have complied with the duty in S4 of the Charities Act 2006 to have regard to the public benefit guidance published by the Charity Commission.

# Rainbow Family Trust

## Trustees Annual Report *(continued)*

### Year Ended 31 March 2011

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#### **OBJECTIVES AND ACTIVITIES**

Francis House exists for the provision of appropriate respite and terminal care for children with life limiting illness 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 where people are involved in fundraising.

#### **Staff**

There are 58 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 complementary therapies such as aromatherapy. Additionally, there are 2+ members of staff engaged in administration, 6 fund raisers, 5 full time equivalent secretarial post, 2 in maintenance, 1 gardener and 2 full time equivalent domestic members 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.

#### **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.

# Rainbow Family Trust

## Trustees Annual Report *(continued)*

### Year Ended 31 March 2011

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#### ACHIEVEMENTS AND PERFORMANCE

##### **Developments during the Year**

Following independent research implemented by Manchester University the one criticism of the service is that there is not enough of it. The teenagers and young adults also expressed a desire for support in a more age appropriate environment.

In order to address these concerns the Trustees have leased a building in close proximity to Francis House and have adapted it to provide four bedroom accommodation of teenagers and young adults. This building opened for use in October 2010 and has been fully used. The opening of the facility, known as Francis Lodge, has meant that we have been able to offer more respite care to families with younger children at Francis House.

In order to staff Francis Lodge and the associated services the Care Team has been increased in size and the Head of Care is now assisted by a Lead Nurse at Francis House and a Lead Nurse at Francis Lodge.

Whilst development and expansion of the service has taken place we have also continued with the upgrading of Francis House. The lounge has been redecorated with new curtains and furniture. The children's bedrooms and first floor circulation space have also been refurbished. A comprehensive NICEIC electrical test has been carried out and the electrical system upgraded and Care Team office accommodation has been re-ordered.

Following the opening of Francis Lodge it has become apparent that the young adults need a different type of emotional support and a Senior member of staff has been commissioned to develop this further.

In addition to the above, the lease on the Fundraising Office came to break point which coincided with the opportunity to bring the Fundraising into offices adjoining the site. The move took place in December 2010.

#### FINANCIAL REVIEW

##### **Investment Portfolio**

The trust has two funds, the Main Fund and the Millennium Fund. The Main Fund shows a total return of 16.76%. The Millennium Fund shows a total return of 19.40%.

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 £26,359,175.

At present the unrestricted reserves which amount to £18,689,391 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 further extension of the facility.

# Rainbow Family Trust

## Trustees Annual Report *(continued)*

### Year Ended 31 March 2011

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#### **PLANS FOR FUTURE PERIODS**

Francis House has over 230 sick children and their families on its role. The number of referrals which meet our criteria for admission continues to grow. Francis Lodge provides an economical short term solution to the problem but for some time the Trustees have seen the need to expand the current facilities. The trust now has an opportunity to lease an adjoining property and a planning application will be submitted during 2011 for a six bed hospice. We are therefore continuing with our capital appeal for this expansion of our work.

#### **Thank You**

Francis House is only able to operate through the self giving dedication and commitment of many people.

Our thanks go to all of the staff and volunteers who work at and around the Hospice, to associates who bring their specialist skills, and to all our loyal supporters. Most of all thank you to the children , young people and their families for their courage, their example and their exuberance – they are the reason that Francis House and Francis Lodge exist.

Finally, thank you to our Auditors, Champion for their 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 2006. 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.

# Rainbow Family Trust

## Trustees Annual Report *(continued)*

### Year Ended 31 March 2011

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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.

#### **AUDITOR**

Champion Accountants LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Registered office:  
390 Parrswood Road  
Didsbury  
Manchester  
M20 5NA

Signed on behalf of the Trustees

Reverend Thomas Mulheran

7 July 2011

# **Rainbow Family Trust**

## **Independent Auditor's Report to the Members of Rainbow Family Trust**

**Year Ended 31 March 2011**

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We have audited the financial statements of Rainbow Family Trust for the year ended 31 March 2011 on pages 11 to 22, which have been prepared on the basis of the accounting policies set out on pages 15 to 16.

This report is made solely to the company's members, as a body, in accordance with chapter 3 of section 16 of the Companies Act 2006. 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 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) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Responsibilities of the Trustees on page 7.

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, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Trustees' remuneration specified by law are not made.

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 charity'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.

# Rainbow Family Trust

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

Year Ended 31 March 2011

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### OPINION

In our opinion:

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 2011 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 United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees Annual Report is consistent with the financial statements.

M TURNER (Senior Statutory Auditor)

For and on behalf of  
CHAMPION ACCOUNTANTS LLP

Chartered Accountants & Statutory Auditors

1 Worsley Court  
High Street  
Worsley  
Manchester  
M28 3NJ

7 July 2011

# Rainbow Family Trust

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

Year Ended 31 March 2011

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
<b>Incoming Resources</b>					
Incoming resources from generating funds:					
Voluntary income	2	2,431,693	367,900	2,799,593	2,152,806
Activities for generating funds	3	1,149,240	–	1,149,240	1,070,862
Investment income	4	451,019	–	451,019	281,578
<b>Total Incoming Resources</b>		<u>4,031,952</u>	<u>367,900</u>	<u>4,399,852</u>	<u>3,505,246</u>
<b>Resources Expended</b>					
Costs of generating funds:					
Costs of generating voluntary income	5	(427,264)	–	(427,264)	(415,494)
Fundraising trading: cost of goods sold and other costs	6	(49,114)	–	(49,114)	(63,432)
Charitable activities	7/8	(2,108,734)	(367,900)	(2,476,634)	(2,053,813)
Governance costs	9	(81,924)	–	(81,924)	(67,169)
Other resources expended	10	8,831	–	8,831	5,391
<b>Total Resources Expended</b>		<u>(2,658,205)</u>	<u>(367,900)</u>	<u>(3,026,105)</u>	<u>(2,594,517)</u>
<b>Net Incoming Resources for the Year</b>	11	1,373,747	–	1,373,747	910,729
Realised gains on disposal of investment assets		91,445	–	91,445	916,359
<b>Net Income for the Year</b>		<u>1,465,192</u>	<u>–</u>	<u>1,465,192</u>	<u>1,827,088</u>
<b>Other Recognised Gains and Losses</b>					
Gains on revaluation of investment assets		1,376,525	–	1,376,525	3,076,998
<b>Net Movement in Funds</b>		<u>2,841,717</u>	<u>–</u>	<u>2,841,717</u>	<u>4,904,086</u>
<b>Reconciliation of Funds</b>					
Total funds brought forward		15,847,674	–	15,847,674	10,943,588
<b>Total Funds Carried Forward</b>		<u>18,689,391</u>	<u>–</u>	<u>18,689,391</u>	<u>15,847,674</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 pages 15 to 22 form part of these financial statements.

# Rainbow Family Trust

## Balance Sheet

31 March 2011

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	Note	2011		2010	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible assets	13		2,164,443		1,699,602
Investments	14		14,957,041		12,881,123
			<u>17,121,484</u>		<u>14,580,725</u>
<b>Current Assets</b>					
Debtors	15	43,585		53,123	
Cash at bank and in hand		1,573,732		1,259,951	
		<u>1,617,317</u>		<u>1,313,074</u>	
<b>Creditors: Amounts Falling due Within One Year</b>	16	<u>(49,410)</u>		<u>(46,125)</u>	
<b>Net Current Assets</b>			1,567,907		1,266,949
<b>Total Assets Less Current Liabilities</b>			<u>18,689,391</u>		<u>15,847,674</u>
<b>Net Assets</b>			<u>18,689,391</u>		<u>15,847,674</u>
<b>Funds</b>					
Unrestricted income funds	17		18,689,391		15,847,674
<b>Total Funds</b>			<u>18,689,391</u>		<u>15,847,674</u>

These financial statements were approved by the members of the committee on the 7 July 2011 and are signed on their behalf by:

Monsignor Thomas Mulheran

Christopher Roberts

Company Registration Number: 2519173