

RAYS OF SUNSHINE

England & Wales · Charity number 1102529

Details

Status	Registered
Legal form	Charitable company
Company number	04860607
Registered	2004-03-08
Register	View on the Charity Commission register

Contact

Address	4th Floor Berkeley House 304 Regents Park Road London N3 2JY
Phone	02087821171
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Website	www.raysofsunshine.org.uk

Activities

Objects: TO RELIEVE THE SUFFERING AND NEEDS OF CHILDREN AND YOUNG ADULTS WHO HAVE ILLNESSES OR DISABILITIES CAUSING LIMITED LIFE EXPECTANCY OR WHO SUFFER FROM LONG TERM PHYSICAL OR MENTAL DISABILITIES (INCLUDING LEARNING DIFFICULTIES).

Activities: Granting wishes for seriously and terminally ill children between the ages of 3-18 throughout the United Kingdom

Classification

- **How:** Other Charitable Activities
- **What:** General Charitable Purposes, The Advancement Of Health Or Saving Of Lives
- **Who:** Children/young People, Other Charities Or Voluntary Bodies

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£2,552,955	£2,063,754	£3,465,408	16
2024-06-30	£2,069,146	£3,460,965	£2,824,754	26
2023-06-30	£2,290,330	£3,365,014	£4,018,133	24
2022-06-30	£4,317,909	£2,730,636	£5,136,730	19
2020-12-31	£1,490,471	£1,659,155	£3,549,457	24

Trustees

Name	Role	Appointed
Jane Sharpe	Chair	2020-05-21
DANIEL COLEMAN		2016-10-13
Divyesh Vrajlal Popat		2020-11-30
Dr Ronelle Naidoo		2022-06-16
Hayley Allan		2025-01-22
JUSTIN RANDALL		2014-01-01
Mark Shipman		2025-01-22
Nicolas Breteau		2025-11-05

Accounts

RAYS OF SUNSHINE
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2025**

Trustees	Mr Stephen Allan OBE Mr Justin Randall FCA Mr Daniel Coleman Dr Ronelle Naidoo Mr Divyesh Popat Mrs Jane Sharpe Nicolas Breteau (appointed 5 November 2025) Hayley Allan (appointed 22 January 2025) Mark Shipman (appointed 22 January 2025)
Company registered number	04860607
Charity registered number	1102529
Registered office	4th Floor Berkeley House London N3 2JY
Company secretary	Daniel Jagger
Chief executive officer	Amy Chambers
Independent auditors	BKL Audit LLP Chartered Accountants 35 Ballards Lane London N3 1XW
Bankers	Barclays Bank plc 27 Soho Square London W1D 3QR
Solicitors	Ingram Winter Green LLP Bedford House 21A John Street London WC1N 2BF

RAYS OF SUNSHINE
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CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

The chairman presents his statement for the year.

The year ending June 2025 was one of purpose, progress, and careful stewardship for Rays of Sunshine. Against a backdrop of continued pressure on families, healthcare services and the voluntary sector, the charity remained focused on what matters most: bringing happiness, hope, and moments of light to seriously ill children and their families across the United Kingdom.

Every year, I am reminded of the extraordinary resilience shown by the children and families we support. For many, serious or life limiting illness brings prolonged periods of treatment, uncertainty, and isolation. Rays of Sunshine exists to ease that burden, whether through a once in a lifetime wish, joy filled moments in hospital, or opportunities for families to reconnect through shared experiences. During the year, demand for our services continued to grow, underlining both the scale of need and the importance of our work.

I am immensely proud of how the charity has responded. In 2024 to 2025, Rays of Sunshine granted 286 individual wishes, expanded its Sunshine in Hospitals programme, and delivered a wide range of community events that helped families feel connected long after a wish had taken place. These activities are more than moments of happiness. They offer reassurance, emotional strength, and memories that families carry with them through the most difficult of times.

Alongside strong programme delivery, the Trustees have remained focused on ensuring the charity is resilient and sustainable for the long term. The year included important decisions to align our cost base with income and to strengthen our financial position in an uncertain environment. These were not easy decisions, but they were taken to protect the charity's ability to continue supporting children both now and in the years ahead. Prudent financial management in previous years, combined with careful oversight during the year, has allowed Rays of Sunshine to maintain stability while continuing to deliver meaningful impact.

None of this would be possible without the dedication and compassion of our staff and volunteers. Their commitment, creativity, and care underpin every wish, hospital visit, and family event. I would like to thank each of them for the professionalism and kindness they bring to their roles, often in emotionally demanding circumstances. I am also grateful to our supporters, corporate partners, trusts and foundations whose generosity enables our work and whose confidence in the charity we value deeply.

On behalf of the Board, I would like to thank the Executive Team for their leadership during the year and for their continued focus on quality, safeguarding and accountability. The Trustees remain fully committed to ensuring that Rays of Sunshine is well governed, transparent and firmly focused on delivering public benefit.

During the year, Amy Chambers formally took up the role of Chief Executive Officer. Her appointment reflects the strength of internal succession and the depth of leadership within the charity. It is always encouraging when an organisation can develop and promote from within, providing continuity, stability and a clear understanding of our mission and values. The Trustees look forward to continuing to work closely with Amy as she leads the charity through its next phase of growth and impact.

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CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Looking ahead, the need for Rays of Sunshine's work shows no sign of diminishing. The Trustees are confident that the charity is well positioned to meet that need, with a clear strategy, strong partnerships, and a stable financial foundation. We remain committed to reaching more children, delivering experiences that truly make a difference, and doing so in a way that is responsible, sustainable, and worthy of the trust placed in us.

To the children and families who allow us to be part of their journeys, it is a privilege to do this work. Everything we do is for you.



.....
Mr Stephen Allan OBE
Chairman

Date: **04/03/2026**

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TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2025

The Trustees present their annual report together with the audited financial statements of the Company for the ended 30 June 2025. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The objects are:

The Charity's Objects are restricted specifically to relieve the charitable needs of children and young adults who have illnesses or disabilities causing limited life expectancy or who suffer from long term physical or mental disabilities (including learning difficulties).

Rays of Sunshine seeks to brighten the lives of seriously and terminally ill children and young people aged three to eighteen across the United Kingdom. The charity aims to reduce isolation, anxiety, and emotional strain associated with serious illness by providing moments of joy through the delivery of wishes, hospital-based activities, and community events that support children and their families during and beyond treatment.

The activities undertaken by the charity directly further its charitable purposes by improving emotional wellbeing, strengthening family relationships, and promoting social connection. All services are provided free of charge and are designed to deliver clear public benefit by supporting children and families facing significant health challenges.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Objectives and activities (continued)

b. Strategies for achieving objectives

The charity pursues its objectives through a national delivery model that supports seriously ill children, young people and their families through a continued journey of joy. This model is designed to provide meaningful moments of happiness, connection and support at different stages of a child's experience of serious illness, from time spent in hospital through to life beyond treatment.

The charity's work is delivered through three core programmes: life-changing wishes, Sunshine in Hospitals, and ongoing support through our Wish Community programme offering in person and online wish community events for wish families. Life-changing wishes provide children and their families with moments of joy, hope, and lasting positive memories. Sunshine in Hospitals brings happiness, play, and creative engagement into clinical settings, helping to reduce anxiety and improve emotional wellbeing during treatment. Our wish community ensures families remain connected to the charity and to others with shared experiences, extending support beyond the delivery of a wish, creating peer networks and boosting confidence, whilst reinforcing a sense of belonging.

These programmes are delivered in close partnership with medical professionals, hospitals, hospices, and families to ensure activities are safe, appropriate, and responsive to individual needs. The charity is supported by strong relationships with corporate partners, charitable trusts, foundations, and individual supporters, enabling it to sustain delivery and continue bringing joy to children and families across the United Kingdom.

Impact and delivery quality are monitored through feedback from beneficiaries, families, and medical professionals, which informs ongoing programme development. Investment in staff, volunteers, and digital systems supports operational efficiency, governance, and accountability. Prudent financial management and regular review of reserves ensure that the charity remains financially resilient and able to deliver its services over the long term.

Through this approach, the charity ensures that its activities consistently support its objectives and deliver public benefit to seriously ill children and their families.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

The charity fulfils its objectives through the delivery of wishes, hospital based activities, and wish community events, supported by volunteers and partner organisations. These activities are designed to improve the wellbeing of seriously ill children and provide meaningful support to their families.

Sunshine in Hospitals

The charity works in partnership with hospitals, hospices, and specialist units to deliver regular play based and creative activities and projects that support a child or young person's health outcomes. These activities and projects provide positive distraction during treatment, support emotional wellbeing, enhance the hospital experience and help aid a child or young person's response to treatment. Our hospital programme also plays an important role in connecting children and young people to a wish and to our wider Wish Community programme. In addition, it provides complementary value to clinical teams, supporting the holistic care of seriously ill children and young people.

Wish Granting

The charity grants personalised, often life-changing, wishes for children and young people living with serious or life limiting illnesses. Wishes are referred to us in collaboration with medical professionals who help us reach the children and young people most in need. Each wish is designed in consultation with the child or young person and their families, to ensure it is tailored and enhanced accordingly and delivered in a manner that is safe and appropriate to each child's circumstances. Wish granting remains a central activity through which the charity delivers direct benefit to children and their families.

Wish Community Events

Wish Community events provide opportunities for families who have previously received a wish to remain connected to the charity and to one another. These events support social connection, reduce isolation and help families build informal peer networks, while strengthening confidence and resilience. Delivered both in person and online across the UK throughout the year, Wish Community events give children and young people living with serious illness access to enriching experiences, such as horse riding, skiing and other specialist activities, that may otherwise be inaccessible due to financial, health or practical barriers. Above all, they are designed to create safe, inclusive spaces where families can enjoy meaningful moments of joy and continued support for as long as they need.

The Choir, Youth Panel and Bright Board

In addition to our core programmes, Rays of Sunshine provides structured opportunities for children and young people to express themselves, influence our work and develop skills for the future. Through the Choir, Youth Panel and Bright Board, we create meaningful pathways for participation and personal development.

The Rays of Sunshine Choir brings together children and young people with a love of music, offering regular opportunities to sing, perform and connect through shared creative expression. In addition to performing at charity and external events, Choir members have enjoyed writing and releasing their own original song, providing a powerful platform for creativity and self-expression. The Choir fosters confidence, emotional wellbeing and friendship, while building self-belief and creating a strong sense of belonging.

The Youth Panel ensures that the voices of children and young people are at the heart of the charity's work. Acting on behalf of our beneficiaries, Panel members use their lived experience to inform programme design, communications and strategic decision-making. Their insight and advocacy help ensure our services remain relevant, inclusive and responsive to the needs of the children and families we support.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Objectives and activities (continued)

The Bright Board is a dedicated development programme for young people aged 18 to 25 who have lived experience of serious illness. It provides mentoring, skills development and practical experience to support participants as they transition into adulthood. By building confidence, employability skills and professional networks, the Bright Board helps reduce the longer-term disadvantage that can arise from disrupted education or extended periods of treatment.

Together, these programmes demonstrate the charity's commitment to listening to, investing in and empowering young people at every stage of their journey, enabling them not only to experience joy, but also to shape their futures and contribute to the wider community.

The Trustees confirm that all activities undertaken during the year were consistent with the charity's objects and provided public benefit in accordance with section 17 of the Charities Act 2011.

Programme development and innovation

The charity continues to develop and pilot programmes in response to identified gaps for seriously ill children, young people and their families, informed by direct engagement with families, clinicians and hospital partners. These initiatives are designed to enhance a child or young person's lived experience of treatment, support better health outcomes, and ensure compassionate, appropriate care at every stage of a family's journey, including during times of profound loss.

Liquid to Tablets

Following the successful pilot of the Liquid to Tablets programme in the previous year, the charity focused during 2024/25 on evaluation, learning, and preparation for future expansion. The programme, developed in partnership with Leeds Children's Hospital, supports children to transition from liquid medication to tablet medication - a change that can reduce the distress and trauma often associated with long-term liquid medicines, promote greater independence, and improve health and wellbeing outcomes during treatment.

To date, more than 250 children across ten hospitals have participated in the programme. Feedback gathered from children, families and clinicians during the year highlighted the lasting benefits of the intervention. For many children, liquid medication is associated with distress, disruption to daily life, challenges with adherence, and negative impacts on oral health. Tablets, by contrast, offer greater independence, flexibility and control, reducing anxiety around treatment, supporting improved adherence where clinically appropriate, and enabling more normal routines at school and at home.

During the year, the charity concentrated on understanding outcomes and refining the approach, ensuring the programme is clinically appropriate, scalable and responsive to individual needs. The Trustees view Liquid to Tablets as a strong example of how Rays of Sunshine can deliver practical innovation that reduces treatment-related trauma, supports independence and contributes to improved health experiences for children, and will consider opportunities to expand the programme further in future periods.

Bereavement pathway and family support

Due to the nature of our work and the families we support, there are occasions where, sadly, the children and young people we support pass away. This may occur at any stage of their journey with Rays of Sunshine — from the point of referral for a wish through to participation in our Wish Community.

The charity is committed to ensuring that appropriate procedures and compassionate support are in place for bereaved families, as well as for members of staff who may be impacted. We are developing a structured bereavement pathway designed to provide sensitive, timely and holistic support during an exceptionally difficult period.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Objectives and activities (continued)

Where appropriate, and guided by the wishes of the family, we will explore how a child's wish can be honoured in a way that reflects their memory. This may include adapting or continuing elements of the wish for parents and siblings or offering an alternative opportunity to create a meaningful moment in remembrance of their loved one.

We will continue to offer holistic support and signpost families to specialist services available to them, while developing partnerships with dedicated bereavement organisations to ensure families feel supported, less isolated and able to navigate a path forward.

d. Volunteers

Volunteers play an important and integral role in supporting the charity's activities and extending its capacity to deliver services effectively and efficiently. They contribute across programme delivery, fundraising and operational functions, enabling the charity to reach more children and families while directing a greater proportion of resources towards direct charitable activities.

During the year, volunteers supported the charity by hosting wish experiences for children and their families; assisting with Sunshine in Hospitals activity days and the distribution of sensory resources; supporting Wish Community Events to ensure accessibility and family engagement, contributing to operational areas including database management, finance and administrative support; and representing the charity at fundraising events, cheer points and community initiatives.

In total, 185 volunteers contributed approximately 2,600 hours during the year, equivalent to around 1.5 full-time staff. This contribution represents significant additional capacity and social value, helping to reduce delivery costs, strengthen operational resilience and increase the reach of charitable activities.

Through their involvement, volunteers directly support the charity in achieving its objectives and providing public benefit by improving emotional wellbeing, supporting families and creating positive experiences for children affected by serious illness.

e. Main activities undertaken to further the Charity's purposes for the public benefit

Rays of Sunshine Children's Charity delivers public benefit by improving the quality of life and emotional wellbeing of seriously and terminally ill children and young people across the United Kingdom. All activities are provided free of charge and are directed towards relieving the needs of children affected by serious illness and supporting their families.

Achievements and performance

a. Main achievements and performance of the Charity

During the year ended 30 June 2025, Rays of Sunshine continued to create moments of joy, connection and hope for seriously and terminally ill children and their families across the United Kingdom. Through the delivery of life-changing wishes, hospital-based activities and inclusive community events, the charity supported families during the most difficult time in their lives and helped create positive memories that extend beyond a single moment.

Demand for the charity's support remained high throughout the year. In response, Rays of Sunshine increased delivery across its core programmes, reaching more children in hospitals, granting more wishes and bringing families together through an expanded programme of community events. These achievements reflect both the ongoing need for the charity's services and the continued strengthening of partnerships with hospitals, clinicians, volunteers and supporters.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Achievements and performance (continued)

Sunshine in Hospitals

Hospital-based work remains an important part of the charity's service delivery, providing a gateway to building relationships with medical professionals and enabling access to children and young people who may meet the criteria for a wish. The programme is fully inclusive and includes educational initiatives such as World Book Day activities, creative workshops, sensory engagement sessions and themed activity days. These activities provide positive distraction during treatment, reduce anxiety, support emotional wellbeing, help build resilience and enhance the hospital experience for children and their families.

During the year, the charity expanded its Sensory Bag initiative, providing resources to facilitate play-based interventions that stimulate and support children's development -including vision, hearing and touch - during hospital visits. The charity also delivered regular themed activities and national celebrations, and attended outreach events including Great Ormond Street Hospital's annual Get Active Day and the British Transplant Games.

The charity remains committed to listening to hospital partners and medical professionals across the country to ensure services continue to respond to the needs of children and young people in their care.

Feedback from medical professionals indicated that these activities had a positive effect on children's mood, engagement and resilience during treatment.

Delivering magical wishes

During the year, the charity granted 286 individual wishes to children aged between three and eighteen. Wishes were tailored to each child's interests and circumstances and included experiences, family activities, and the provision of equipment or resources that provided transformational support, improving emotional wellbeing, confidence and quality of life at critical points in a child's illness.

Wish delivery continued to play a central role in supporting children and families facing serious or life-limiting illness. Wishes provided positive experiences that offered relief from the pressures of treatment, supported emotional wellbeing and enabled families to create lasting memories together.

Feedback from families and healthcare professionals indicated that wish experiences contributed to improved confidence, emotional resilience and a sense of normality for children. This positive emotional impact can also support a child's engagement with, and response to, treatment during periods of significant challenge.

Wish Community Events

During the year, the charity delivered 35 Wish Community Events, reaching 1,554 children, young people and family members. These events form a central part of the charity's ongoing support, ensuring that families remain connected to Rays of Sunshine and to others with shared experiences of serious or life-limiting illness.

Wish Community Events extend support beyond the delivery of a wish, recognising that a child's experience of illness does not end with a single moment. By bringing families together in inclusive, safe and accessible settings, the charity helps reduce isolation, build informal peer networks and reinforce a sense of belonging for both children and carers.

Events were delivered both in person and online across the United Kingdom and included family activity days, creative and recreational experiences, and partner-supported events. All activities were designed to empower the child to do things they otherwise wouldn't normally do, and are fully accessible, enabling participation by children with a wide range of medical, sensory and mobility needs, as well as siblings and parents.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Achievements and performance (continued)

Feedback from families consistently highlighted the value of these events in supporting social connection, confidence and emotional wellbeing during and after periods of intensive treatment. Through Wish Community Events, the charity continues to provide meaningful support to families for as long as they need it.

Innovation

During the year, the charity invested in innovation to strengthen how its services are delivered and to ensure it remains responsive, efficient, and resilient as demand continues to grow. A key element of this work was the implementation and ongoing development of a new customer relationship management system, Salesforce, representing a significant step change in the charity's digital infrastructure.

The introduction of Salesforce has improved the management of wish applications, volunteer coordination, supporter engagement, and reporting processes. By reducing reliance on manual systems and fragmented data sources, the charity has strengthened oversight, improved data accuracy, and enhanced its ability to monitor impact and delivery in real time.

These improvements have reduced administrative burden and enabled staff and volunteers to allocate more time towards frontline delivery. The Trustees view the implementation of Salesforce as a strategic investment that underpins future growth, supports stronger governance and accountability, and enhances the charity's ability to deliver consistent, high quality support to children and families across the United Kingdom.

Partnerships

Collaboration remains fundamental to the delivery and sustainability of Rays of Sunshine's work. The charity operates within a broad network of corporate partners, charitable trusts and foundations, medical professionals, hospitals, community organisations, volunteers, and individual supporters. These relationships enable the charity to deliver a continued journey of joy for seriously ill children and their families.

Corporate partners provided financial support, employee fundraising, volunteering, pro bono expertise, and Gifts in Kind. These contributions supported wish delivery, hospital activities, and community events, while also strengthening operational capacity and national visibility.

Close working relationships with hospitals and clinical teams remained central to safe and effective programme delivery. Ongoing engagement with medical professionals ensured that referrals were appropriate and that activities delivered in hospital settings were aligned with clinical environments and patient needs.

Through this collective support, the charity strengthened both its financial sustainability and its capacity to reach more children across the United Kingdom.

Wider social impact

The charity's activities generate benefits beyond the children and families directly supported. Feedback from families indicates reduced anxiety, improved communication and stronger coping mechanisms following a wish or participation in hospital and community programmes. These outcomes contribute to greater family stability and wellbeing during and after periods of intensive medical treatment.

Hospital partners note that the charity's activities enhance patient experience and complement clinical care by improving children's mood, engagement and cooperation during treatment. In doing so, the programmes support a more positive care environment within hospital settings.

Volunteers and corporate partners also experience wider social benefits through their involvement, including

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Achievements and performance (continued)

increased awareness of serious childhood illness, strengthened community connection and a deeper understanding of the challenges faced by affected families.

Through its programmes and partnerships, the charity contributes to improved emotional wellbeing, reduced isolation and increased positive social engagement for children and families, with wider benefits extending to healthcare environments and the communities that support them.

The Trustees are confident that the charity is well positioned to continue delivering its charitable objectives in the year ahead. Demand for Rays of Sunshine's services remains high, reflecting the ongoing needs of seriously and terminally ill children and young people and their families across the United Kingdom. Learning from the year under review has reinforced the importance of providing timely, meaningful support that improves wellbeing and offers moments of joy and respite during and beyond treatment.

In the coming year, the charity will focus on increasing the number of life-changing wishes granted, ensuring that more seriously and terminally ill children and young people who can benefit from a wish are identified and supported. This ambition not only enables more children to experience the positive impact of a wish, but also strengthens the charity's ability to provide continued connection and support through its Wish Community programme. Increased reach will be supported through strengthened referral pathways with medical professionals, continued collaboration with hospitals and hospices, and investment in safe, responsive wish delivery.

Alongside wish granting, and as funding allows, the charity intends to expand its Wish Community programme and Sunshine in Hospitals activities to ensure sustained and inclusive support for children and families. These programmes provide imaginative, accessible experiences that reduce isolation, promote wellbeing and offer meaningful connection beyond the initial wish.

To support these ambitions, Trustees recognise the need for continued investment in people, operational capacity and robust systems that enable effective and efficient delivery. Prudent financial management, income diversification, a focus on sustainable income, and the maintenance of appropriate reserves will remain central to ensuring that resources are available to meet growing demand in a challenging external environment.

Through this approach, Rays of Sunshine will continue to reach seriously and terminally ill children and young people across the United Kingdom who can benefit from its work, ensuring that the charity's objectives are delivered in practice and that support, joy and wellbeing remain accessible to those who need them most. The Trustees remain committed to high standards of governance and oversight to secure the charity's long-term sustainability and impact.

b. Key performance indicators

The Trustees monitor a range of indicators to assess progress against the charity's objectives and to ensure that activities deliver public benefit. These measures focus on programme delivery, beneficiary outcomes, and financial performance and are reviewed regularly by the Board.

During the financial year 2024/25, the charity continued to deliver its core programmes of wish granting, hospital engagement, and community events. All activities undertaken directly contributed to the charity's objectives of relieving the needs of seriously and terminally ill children and supporting their emotional wellbeing and that of their families.

Programme delivery and reach

- Wishes granted: 286 wishes were delivered during the year, exceeding the internal target of 250.
- Sunshine in Hospitals: the programme operated across 60 hospitals, hospices, and specialist units,

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Achievements and performance (continued)

reaching 8,435 children.

- Wish Community Events: 35 Wish Community Events were delivered, attended by 1,554 children, young people, and adults.
- Volunteer support: 185 volunteers contributed approximately 2,600 hours in support of the charity's activities.

c. Review of activities

Beneficiary outcomes

Feedback from families and clinicians indicated that the charity's activities supported improved emotional wellbeing, reduced anxiety during treatment, and strengthened social connections for children and families. Families attending community events reported reduced isolation, while hospital partners confirmed that activities provided positive distraction and supported engagement in care.

Performance against objectives

Measured against the indicators set at the beginning of the year, the charity met or exceeded its key delivery targets. Demand for wish granting and hospital activities remained strong, and community events continued to provide inclusive opportunities for families to remain connected following a wish.

Progress was also made against strategic priorities identified in the previous year. The Liquid to Tablets initiative continued to demonstrate positive outcomes for participating families, and improvements to digital systems supported more efficient management of wish applications and volunteer coordination.

Financial performance

Total income for the year was £2.553m, generated from a diversified range of voluntary income sources including corporate partnerships, trusts and foundations, special events, and individual giving. Expenditure remained proportionate to income, with the majority of resources directed towards charitable activities.

Overall assessment

The Trustees consider that the charity has delivered its objectives effectively during the reporting period. The combination of strong programme delivery, positive beneficiary outcomes, and prudent financial management provides assurance that resources have been applied to maximise public benefit. The Trustees are satisfied that the experience and progress achieved during the year provide a sound foundation for continued delivery in 2025/26.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Achievements and performance (continued)

d. Factors relevant to achieve objectives

The Trustees recognise that the charity's ability to achieve its objectives is influenced by both internal factors and the wider external environment. During the year, a combination of positive developments and ongoing challenges affected delivery and informed planning for future periods.

Positive factors

The charity continued to benefit from strong relationships with children's hospitals, hospices, and medical professionals. These partnerships supported effective referral pathways and ensured that wishes and hospital activities were delivered safely and appropriately. Support from corporate partners, trusts, and foundations also remained strong, providing a diversified income base and contributing to financial resilience.

The commitment of staff and volunteers remained a significant strength. Staff experience and continuity supported consistent delivery, while volunteers continued to contribute substantial time and expertise across programmes and fundraising activity. Operational improvements, including enhancements to digital systems, improved efficiency, data quality, and oversight of activity.

The charity's reputation and public profile continued to support engagement with funders, volunteers, and partners, contributing to sustained demand for services and ongoing support.

Constraining factors

The wider economic environment continued to present challenges. Cost of living pressures and inflation affected some areas of fundraising and increased delivery costs, requiring careful financial management. Demand for wishes and hospital activities remained high, placing pressure on capacity and requiring ongoing prioritisation and planning to maintain the quality of delivery.

Pressures within the National Health Service continued to affect access to hospital sites and scheduling of activities, occasionally leading to delays in delivery. In addition, increases in costs associated with transport, venues, and insurance required closer monitoring and cost control.

The Trustees have taken these factors into account when reviewing performance and setting priorities for the coming year, ensuring that resources are allocated effectively and that the charity remains resilient while continuing to meet demand for its services.

Impact on future plans

The factors affecting performance during the year have directly informed planning for 2025/26. The Trustees have reviewed experience gained from current delivery and the external environment when setting priorities for the coming period.

Key areas of focus include strengthening and diversifying income streams to support long term financial stability, expanding and supporting the volunteer base to meet continuing demand for services, and deepening relationships with medical professionals to improve referral pathways and access for children and young people with complex needs.

The charity will continue to invest in data systems and process improvements to enhance efficiency, reduce administrative burden, and improve oversight of delivery. Prudent financial management and maintenance of appropriate reserves will remain central to protecting programme delivery in the context of economic uncertainty.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Achievements and performance (continued)

By responding to these factors, the Trustees remain confident in the charity's ability to continue meeting its objectives and delivering public benefit in future periods.

e. Fundraising activities and income generation

Rays of Sunshine delivered a broad and active programme of fundraising activities during the year to support the delivery of wishes, hospital activities, and community events for seriously ill children and their families. Activity focused on strengthening long-term relationships, maintaining strong supporter engagement, and ensuring a diverse and resilient income base.

Corporate partnerships

Corporate partnerships remained a key area of fundraising activity during the year. Corporate partners supported the charity through financial contributions, staff fundraising, volunteering, sponsored challenges and event sponsorship. These partnerships also provided valuable expertise and additional capacity to support operational delivery and the delivery of services.

Support from corporate partners, including long-standing flagship relationships such as Bacta and more recent strategic partnerships such as ICAP, played an important role in both income generation and raising awareness of the charity's work. Participation in ICAP Charity Day provided vital financial support alongside a high-profile platform for engaging new supporters and stakeholders. The charity's partnership with Bacta continued to deliver sustained financial contribution, reflecting the strength and longevity of that relationship.

Special Events

Special events continued to play a significant role in generating income and engaging supporters. The Twenty-First Anniversary Gala Dinner was a major highlight of the year, celebrating the charity's impact while generating significant funds and strengthening relationships with supporters and partners.

Philanthropy and Patrons

The charity continued to benefit from the valued support of its Patrons, whose engagement and commitment strengthened the organisation's network and relationships. Through their involvement, Patrons provided meaningful philanthropic support and helped facilitate connections that contributed to income generation. Their support played an important role in enabling the charity to deliver vital services to children and families and to pursue its ambition to reach more beneficiaries in need.

Individual Giving, Community and Challenge Events

Individual donors, community fundraisers and challenge participants remained central to the charity's income generation. Families, schools and local groups across the United Kingdom organised fundraising activities, supported by regular giving, appeals and legacy income, helping to sustain the charity's work at a grassroots level.

Challenge events, including our flagship mass participation event of the year, the TCS London Marathon, performed strongly during the year. These events combined personal commitment with fundraising achievement and helped raise the profile of the charity among wider audiences.

Trusts and Foundations

Support from trusts and foundations continued to provide important and reliable income during the year. Grant funding contributed directly to programme delivery and helped underpin the charity's financial sustainability.

RAYS OF SUNSHINE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Achievements and performance (continued)

Gifts in Kind

Gifts in Kind remained an important feature of fundraising activity during the year, totalling £267k. Donated goods and services supported wish delivery and hospital programmes, reducing direct costs and enhancing the quality of experiences delivered to children and families..

f. Material investment policy and performance

The charity holds material financial investments to preserve capital, maintain liquidity, and support future charitable commitments. The Trustees' objective is to safeguard the value of funds while ensuring investments remain readily realisable to meet obligations as they fall due and to support ongoing programme delivery.

The investment portfolio is held exclusively in United Kingdom Government Gilts. This reflects a low risk strategy focused on capital preservation and liquidity.

The portfolio is held with Dowgate Wealth, which provides advisory and custodial services. Dowgate Wealth does not operate under a discretionary mandate. Investment decisions are made by the Trustees in accordance with the approved investment policy, and performance and portfolio positioning are reviewed regularly through established governance arrangements.

During the year ended 30 June 2025, the portfolio generated investment income of £46k. Net unrealised gains of £151k were recognised as a result of movements in gilt valuations during the period. At 30 June 2025, the total value of listed investments was £3.138m.

This approach ensures that reserves are managed prudently with minimal exposure to higher risk asset classes, while maintaining sufficient liquidity to support the charity's operational requirements and future commitments.

RAYS OF SUNSHINE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Achievements and performance (continued)

g. Financial review

The charity ended the year in a strong financial position, supported by healthy reserves and sufficient liquidity to meet current and future programme commitments.

Total income for the year amounted to £2.552m, generated through donations and legacies, corporate partnerships, special events, gifts in kind, investment income, and other charitable income. Net gains on the Gilt investments were £151k. Total expenditure for the period was £2.064m, resulting in a net surplus of £641k.

Fundraising performance remained robust across diversified income streams. Flagship activities, including the Twenty-First Anniversary Gala Dinner, participation in ICAP Charity Day, and challenge events such as the TCS London Marathon, made an important contribution to income generation.

Further detail on the charity's investment strategy, income and valuation movements is set out in the Material Investment Policy and Performance section.

At 30 June 2025, the charity held total funds of £3.465m, comprising £3.378m unrestricted funds and £87k restricted funds. Cash at bank and in hand totalled £404k, providing short term liquidity, with the balance of reserves invested in UK Government Gilts providing further liquidity.

The Trustees are satisfied that the charity's financial position is appropriate to support ongoing activities, manage financial risk, and provide stability in the delivery of its programmes.

The charity does not operate a defined benefit pension scheme and therefore has no material pension liabilities.

The Trustees consider that financial performance during the year was strong and aligned with strategic priorities. Prudent financial management and diversified income streams provide a sound basis for continued delivery in the year ahead.

a. Going concern

The Trustees have assessed the charity's ability to continue as a going concern for a period of at least twelve months from the date of approval of the financial statements.

In making this assessment, they have reviewed the charity's financial position at the reporting date, including reserves, cash balances, low risk readily realisable investments, forecast income, planned expenditure, and the wider economic environment.

At 30 June 2025, total funds amounted to £3.47m, including £3.38m of unrestricted funds. Cash balances totalled £404k. The charity also held £3.138m in UK Government Gilts, which support liquidity and financial resilience.

Income is generated from a diversified range of sources, including corporate partnerships, trusts and foundations, special events and individual giving. Expenditure forecasts and programme commitments have been reviewed alongside known financial risks. The charity has no material debt obligations.

Having considered financial projections and risk assessments, the Trustees have not identified any material uncertainties that would cast significant doubt on the charity's ability to continue in operational existence. The financial statements have therefore been prepared on a going concern basis.

RAYS OF SUNSHINE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

b. Reserves policy

At 30 June 2025, total funds were £3.47 million, comprising £3.38 million unrestricted funds and £87k restricted funds. Restricted funds relate to income received for specific purposes and are not available for general activities.

The charity operates a full accrual policy in respect of approved wishes. All approved and committed wishes are recognised as liabilities within the financial statements. Unrestricted reserves therefore represent funds available to support ongoing activities and future commitments.

A significant proportion of unrestricted reserves is held in cash and readily realisable low risk investments, forming part of the charity's liquid resources and supporting financial resilience.

The Trustees' policy is to maintain reserves equivalent to between six and twelve months of budgeted expenditure. This range is considered appropriate to ensure continuity of programme delivery in the event of an unforeseen reduction in income.

The Trustees are currently comfortable holding reserves towards the upper end of this range, reflecting economic uncertainty and the importance of maintaining stability in service delivery. The reserves policy is reviewed regularly to ensure alignment with financial strategy and risk profile.

RAY'S OF SUNSHINE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

c. Principal risks and uncertainties

The Trustees maintain a comprehensive risk management framework to identify, assess, and manage the principal risks and uncertainties facing the charity. A detailed risk register is reviewed regularly by the Senior Management Team and the Risk Committee, with oversight and updates reported to the Board of Trustees. The Trustees consider that appropriate systems, controls, and mitigations are in place to support effective delivery and long-term sustainability.

Income generation and financial sustainability

The charity is reliant on voluntary income from corporate partnerships, trusts and foundations, special events, and individual supporters. Changes in economic conditions, donor behaviour, or the loss of key fundraising activities could impact future income levels. This risk is mitigated through diversification of income streams, strong funder relationships, regular budgeting and reforecasting, and maintaining adequate unrestricted reserves.

Demand for services

Demand for wishes and hospital based activities continues to be strong. Increased referral volumes may place pressure on delivery capacity. This risk is managed through monitoring demand trends, reviewing operational plans, and ensuring that staffing and volunteer resources are aligned to maintain the quality and timeliness of delivery.

Operational delivery risks

Wish delivery, hospital activities, and events can involve complex logistics and third-party suppliers. Risks relating to safety, scheduling, and cost are mitigated through safeguarding procedures, health and safety assessments, supplier due diligence, and clear internal approval and escalation processes.

Safeguarding and volunteer management

The charity works directly with seriously ill children and their families and engages volunteers across several activities. Safeguarding and volunteer management, therefore, remain critical risk areas. Mitigation includes robust safeguarding policies, Disclosure and Barring Service checks where appropriate, mandatory training, clear reporting procedures, and ongoing oversight.

Information technology, data protection, and cyber security

The charity processes personal and sensitive data relating to beneficiaries, volunteers, staff, and supporters. Risks include cybersecurity incidents, data breaches, and system failures. These risks are mitigated through secure systems, access controls, staff training, regular updates, and compliance with data protection legislation. Ongoing investment in digital systems supports improved data accuracy and security.

Reputational risk

Public trust and confidence are essential to the charity's work. Any significant operational failure, safeguarding incident, or data breach could result in reputational damage. The charity mitigates this risk through strong governance, policy compliance, transparent communication, and prompt escalation and response procedures.

Investment and market volatility

Investment and market risk is mitigated through a low risk strategy under which the charity holds investments exclusively in United Kingdom Government Gilts and reviews performance regularly through Trustee oversight.

RAYS OF SUNSHINE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

External factors affecting programme delivery

Pressures within the National Health Service, including staffing constraints and access limitations, may affect the timing or scale of hospital based activities. The charity manages this risk through close working relationships with healthcare partners and flexibility in delivery models.

Forward outlook

The Trustees recognise that economic uncertainty, cost pressures, and rising demand for services will continue to influence the charity's operating environment. Mitigation strategies for the coming year include continued income diversification, prudent financial management, investment in systems and processes, and maintaining sufficient reserves to ensure resilience.

d. Risk management objectives and policies

Investment risk is managed in accordance with the approach set out in the Material Investment Policy and Performance section, with a focus on capital preservation, liquidity, and regular Trustee review.

e. Principal funding

The charity's activities are funded primarily through voluntary income. During the reporting period, the principal sources of funding were corporate partnerships, charitable trusts and foundations, individual giving, community fundraising, special events, and Gifts in Kind.

The Trustees consider that this broad mix of funding sources provides resilience and reduces reliance on any single stream. This diversity enables the charity to continue delivering its objectives and responding to demand for its services.

Structure, governance and management

a. Constitution

Rays of Sunshine Children's Charity is a company limited by guarantee and a registered charity. It is governed by its Memorandum and Articles of Association dated 8 August 2003, as amended by special resolutions dated 4 March 2004, 15 July 2004, 16 May 2011 and 11 February 2025.

The charity is registered with the Charity Commission for England and Wales under charity number 1102529.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

Trustees are appointed or elected in accordance with the charity's Articles of Association. Trustees may be appointed by ordinary resolution of the members, following a structured process designed to ensure that the Board comprises individuals with the skills, experience, and commitment required to further the charity's purposes.

Trustees are appointed for a term of three years, after which they may be eligible for reappointment, subject to confirmation by ordinary resolution of the members. Where an appointment is not confirmed at the end of a term, the trustee ceases to hold office in line with the Articles.

The Board ensures that the number of trustees does not exceed any maximum set out in the governing document. All trustees are required to be natural persons aged sixteen years or over and must not be disqualified from acting as trustees under the Companies Acts or the Charities Act 2011.

This approach supports effective governance, appropriate succession planning, and the continued oversight of the charity's strategic direction and activities.

c. Organisational structure and decision-making policies

Rays of Sunshine operates within a clear organisational framework designed to support effective governance, accountability, and operational delivery. The charity is governed by a Board of Trustees, which is responsible for setting strategic direction, overseeing performance, and ensuring compliance with legal and regulatory requirements.

The Board meets regularly to review strategy, financial performance, risk, and organisational priorities. Key decisions include approval of budgets, oversight of reserves and investment policy, and monitoring delivery against objectives. To support effective governance, the Board has established sub-committees, including the Admin and Finance Committee, Investment Committee, Risk Committee and Safeguarding Committee, each operating under agreed terms of reference and reporting to the Board.

Day-to-day management and operational decision-making are delegated to the Chief Executive Officer, supported by the senior management team. The executive team is responsible for implementing the strategy approved by the Trustees, managing programmes and services, overseeing staff and volunteers, and ensuring effective use of resources. Clear levels of delegated authority are in place to support timely decision-making and operational efficiency.

Volunteers support delivery across wish granting, hospital activities, community events, and fundraising. Volunteer roles are clearly defined and supported through training, supervision, and safeguarding processes to ensure effective and safe engagement.

This structure ensures a clear separation between governance and management responsibilities, supporting strong oversight by the Trustees while enabling the executive team to deliver the charity's activities efficiently and effectively.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

The charity has policies and procedures in place to support the effective induction and ongoing development of Trustees. These are designed to ensure that Trustees understand their legal responsibilities, the charity's activities, and the governance framework within which they operate.

New Trustees receive an induction pack containing key governance and operational documents and are supported through an initial induction process led by the Chair and the Chief Executive Officer. This includes an overview of the charity's strategy, finances, risk framework, and core activities, as well as opportunities to engage with staff and observe programme delivery where appropriate.

Ongoing training and development are encouraged to ensure that Trustees maintain the skills and knowledge required to discharge their duties effectively. This includes access to external training, briefings on regulatory and governance developments, and periodic Board development sessions. The induction and training approach is reviewed regularly to ensure it remains appropriate and supports effective governance.

e. Pay policy for key management personnel

The remuneration of key management personnel is set through a structured and transparent process overseen by the Board of Trustees. Pay levels are determined with reference to the responsibilities of each role, the skills, experience, and qualifications required, and the performance of the individual.

Salaries are benchmarked against comparable roles within the charity sector and, where appropriate, the wider not-for-profit market, to ensure they remain reasonable and competitive. The aim is to attract and retain individuals with the capability to manage the charity effectively, while ensuring that remuneration remains proportionate and consistent with the charity's financial position.

The Board reviews senior remuneration as part of its oversight of staffing and financial management, taking into account affordability, performance, and the charity's commitment to prudent use of resources. Details of key management personnel remuneration are disclosed in the financial statements in accordance with accounting and regulatory requirements.

f. Related party relationships

The Trustees consider related parties to include Trustees, key management personnel, and organisations in which Trustees or senior staff may have an interest.

The charity has policies and procedures in place to manage conflicts of interest and related party relationships. Trustees are required to declare any interests annually and to update these declarations as necessary. Where a potential conflict arises, the individual concerned is excluded from any decision-making process relating to the matter.

Any transactions with related parties during the year were conducted on an arm's length basis and in the best interests of the charity. Details of related party transactions, where applicable, are disclosed in the notes to the financial statements in accordance with accounting and regulatory requirements.

The Trustees confirm that no other material related party relationships exist that would have a significant influence on the financial or operational position of the charity.

RAYS OF SUNSHINE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Structure, governance and management (continued)

g. Risk management

The Trustees are responsible for overseeing the charity's approach to risk management and ensuring that appropriate systems and controls are in place to identify, assess, and manage risks that could affect the achievement of the charity's objectives.

The charity operates a structured risk management framework supported by a comprehensive risk register. The register is reviewed regularly by the Senior Management Team and relevant Trustee committees, with oversight provided by the Board of Trustees. Risks are assessed using a consistent methodology that considers both likelihood and potential impact on operations, finances, beneficiaries, and reputation.

Each identified risk is assigned a clear owner and is supported by agreed controls and mitigation actions. These are monitored throughout the year and strengthened where necessary in response to changes in the internal or external operating environment.

The risk framework covers key areas including financial sustainability, safeguarding, information governance, operational delivery, legal and regulatory compliance, and investment oversight. Regular reporting ensures that emerging risks are identified promptly and that mitigating actions are reviewed and adjusted as required.

The Trustees consider that the charity's risk management arrangements are robust, proportionate, and appropriate to the size, complexity, and activities of the organisation.

Plans for future periods

The Trustees remain committed to developing and expanding the charity's activities so that more seriously ill children and their families can benefit from wishes, hospital activities, and community events. Plans for the forthcoming period build on progress made during the year and reflect learning from delivery experience, stakeholder feedback, and changes in the external environment.

Key priorities for the next financial year include increasing the number of wishes granted, strengthening the Sunshine in Hospitals programme, and expanding opportunities for families to engage through community events. Demand for the charity's services continues to grow, and resources will be allocated to support timely delivery while maintaining quality, safety, and consistency.

The charity will continue to develop partnerships with children's hospitals and hospices across the United Kingdom. This includes extending engagement across additional hospital sites and introducing new sensory and play based resources informed by feedback from clinical staff, families, and volunteers. These developments are intended to enhance support for children undergoing treatment and strengthen relationships within healthcare settings.

Investment in digital systems will continue, with further development of Salesforce and associated tools to improve efficiency, data accuracy, and management of wish applications and volunteer information. These improvements will support better oversight, reduce administrative burden, and strengthen reporting on delivery and outcomes.

Volunteer recruitment and development will remain a focus to ensure sufficient capacity to meet rising demand. The charity will continue to invest in training, guidance, and support to enable volunteers to contribute effectively across a range of activities.

Fundraising plans include strengthening corporate partnerships, developing new relationships with charitable trusts and foundations, and growing income from events and challenge-based activities. Opportunities for Gifts in Kind will continue to be explored as a means of reducing delivery costs. Lessons learned in recent years,

RAYS OF SUNSHINE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Plans for future periods (continued)

including the importance of diversified income streams and appropriate reserves, will continue to inform financial planning and budgeting.

The Trustees consider that the charity is well-positioned for the year ahead. Strong governance, a committed staff team, engaged volunteers, established partnerships, and a stable financial position provide a sound basis for continued delivery. The Trustees will continue to ensure that resources are used efficiently and directed towards activities that deliver the greatest benefit for children and families.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

RAYS OF SUNSHINE
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2025

Auditors

The auditors, BKL Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Mr Stephen Allan OBE
(Trustee)

Date: **04/03/2026**

RAYs OF SUNSHINE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYs OF SUNSHINE

Opinion

We have audited the financial statements of Rays of Sunshine (the 'charitable company') for the year ended 30 June 2025 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2025 and of its 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 Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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.

RAYS OF SUNSHINE
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYS OF SUNSHINE (CONTINUED)

Other information

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

RAYS OF SUNSHINE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYS OF SUNSHINE (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- Enquiring of management and those charged with governance around actual and potential litigation and claim;
- Reviewing board meeting minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

RAYS OF SUNSHINE
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYS OF SUNSHINE (CONTINUED)

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

BKL Audit LLP

BKL Audit LLP
Chartered Accountants
Statutory Auditor
35 Ballards Lane
London
N3 1XW

Date: **04/03/2026**

BKL Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

RAY'S OF SUNSHINE
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	3	2,164,185	75,850	2,240,035	1,231,506
Gifts in Kind	4	266,850	-	266,850	821,962
Investments	5	46,070	-	46,070	15,678
Total income		2,477,105	75,850	2,552,955	2,069,146
Expenditure on:					
Raising funds	6	528,650	-	528,650	688,498
Charitable activities	7	1,450,418	84,686	1,535,104	2,772,467
Total expenditure		1,979,068	84,686	2,063,754	3,460,965
Net income/(expenditure) before net gains on investments		498,037	(8,836)	489,201	(1,391,819)
Net gains on investments		151,453	-	151,453	198,440
Net movement in funds		649,490	(8,836)	640,654	(1,193,379)
Reconciliation of funds:					
Total funds brought forward		2,729,269	95,485	2,824,754	4,018,133
Net movement in funds		649,490	(8,836)	640,654	(1,193,379)
Total funds carried forward		3,378,759	86,649	3,465,408	2,824,754

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 33 to 52 form part of these financial statements.

RAYS OF SUNSHINE
(A company limited by guarantee)
REGISTERED NUMBER: 04860607

BALANCE SHEET
AS AT 30 JUNE 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	12	9,260	14,930
Investments	13	3,138,015	3,065,675
		<u>3,147,275</u>	<u>3,080,605</u>
Current assets			
Debtors	14	295,901	165,148
Cash at bank and in hand		403,721	132,003
		<u>699,622</u>	<u>297,151</u>
Current liabilities			
Creditors: amounts falling due within one year	15	(381,489)	(553,002)
Net current (liabilities) / assets		<u>318,133</u>	<u>(255,851)</u>
Total net assets		<u><u>3,465,408</u></u>	<u><u>2,824,754</u></u>
Charity funds			
Restricted funds	16	86,649	95,485
Unrestricted funds	16	3,378,759	2,729,269
Total funds		<u><u>3,465,408</u></u>	<u><u>2,824,754</u></u>

RAYS OF SUNSHINE
(A company limited by guarantee)
REGISTERED NUMBER: 04860607

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2025

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Mr Stephen Allan OBE
(Trustee)

Date: **04/03/2026**

The notes on pages 33 to 52 form part of these financial statements.

RAYS OF SUNSHINE
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash generated/(used) in operating activities	81,938	(1,406,967)
Cash flows from investing activities		
Investment income	46,070	15,678
Purchase of tangible fixed assets	(3,654)	(10,078)
Purchase of investments	(5,917,155)	-
Sale of investments	6,064,519	1,084,742
Net cash provided by investing activities	189,780	1,090,342
Change in cash and cash equivalents in the year	271,718	(316,625)
Cash and cash equivalents at the beginning of the year	132,003	448,628
Cash and cash equivalents at the end of the year	403,721	132,003

The notes on pages 33 to 52 form part of these financial statements

RAYs OF SUNSHINE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

1. General information

Rays of Sunshine is incorporated as a charitable company limited by guarantee (charity number 1102529, company number 04860607). It is governed by its Memorandum and Articles of Association, as amended by a special and a written resolution dated 16 May 2011.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Rays of Sunshine 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.

2.2 Going concern

The Trustees have considered a period of one year from the date of approval of the accounts. The charity generated a surplus of £640,654 in unrestricted funds during the year and at the year end the charity had net current assets of £318,133. At 30 June 2025 total unrestricted funds amounted to £3,378,759. The trustees have considered expected future cashflows, and at the time of approving the financial statements the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donations, including gift aid, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and

RAYS OF SUNSHINE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

2. Accounting policies (continued)

2.3 Income (continued)

not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Donations in kind, including services and facilities donated (for free or discounted) to the charity for its own use are included as income at their value to the charity as at the time of the gift with an equivalent amount included in expenditure.

Where goods or services are provided to the charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements as both income and expenditure at its estimated fair value based on the value of the contribution to the charity.

Many items donated to the charity include a 'money-can't-buy element' such as the time provided by celebrities to meet the children and attend charity events, and therefore no commercial value has been placed on these gifts in kind in the financial statements.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

RAYS OF SUNSHINE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	-	33% Straight line
Office equipment	-	33% Straight line

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets are shown at cost less provision for impairment.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and 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.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

RAYS OF SUNSHINE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

2. Accounting policies (continued)

2.10 Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity, it is necessary to provide support in the form of support staff. Within support costs are also governance costs, which include the costs of statutory compliance and other costs related to the governance of the charity.

Support and governance costs are allocated to activities based on staff time spent on those activities. In the process of calculating support costs, office expenses and depreciation costs are allocated as follows:

23% to raising funds, 58% to charitable activities and 19% to support costs.

Communications costs are allocated as follows:

20% to raising funds, 60% to charitable activities and 20% to support costs.

Finally, all support and governance costs were allocated in the following proportions: 70% to charitable activities and 30% to raising funds.

The same ratios have been used to restate the 2023/2024 figures.

2.11 Financial instruments

The 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

RAYS OF SUNSHINE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

3. Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Donations	1,376,723	75,850	1,452,573
Legacies	98,810	-	98,810
Philanthropy & Special Events	688,652	-	688,652
	<u>2,164,185</u>	<u>75,850</u>	<u>2,240,035</u>
	<u>2,164,185</u>	<u>75,850</u>	<u>2,240,035</u>
	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Donations	1,000,284	67,735	1,068,019
Legacies	2,000	-	2,000
Philanthropy & Special Events	161,487	-	161,487
	<u>1,163,771</u>	<u>67,735</u>	<u>1,231,506</u>
	<u>1,163,771</u>	<u>67,735</u>	<u>1,231,506</u>

Philanthropy & Special Events income has been reclassified to income from donations and legacies from other income to better reflect the substance of the transactions.

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

4. Gifts in kind

	Unrestricted funds 2025 £	Total funds 2025 £
Wishes	131,953	131,953
Other services	108,239	108,239
Fundraising costs	13,910	13,910
IT Services	5,223	5,223
Other support costs	7,525	7,525
	<u>266,850</u>	<u>266,850</u>
	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Wishes	545,895	545,895
Other services	52,138	52,138
Fundraising costs	208,294	208,294
IT services	3,424	3,424
Office costs	6,000	6,000
Other support costs	6,211	6,211
	<u>821,962</u>	<u>821,962</u>

The charity received gifts in kind valued at £266,850 (2024: £821,962) during the period. In addition, a significant number of gifts were received for which it is difficult to attribute a value. For example, the time provided by celebrities to meet children and attend charity events. It has not been possible to attribute a value to such gifts in these financial statements.

WAYS OF SUNSHINE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

5. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £
Investment income	46,070	46,070

	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Investment income	15,678	15,678

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

6. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £
Depreciation	2,145	2,145
Philanthropy and special events	160,725	160,725
Communications	19,902	19,902
Other fundraising costs	57,900	57,900
Office expenses	78,504	78,504
Staff costs	200,519	200,519
Governance cost allocation	8,955	8,955
	<u>528,650</u>	<u>528,650</u>

	<i>Unrestricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Depreciation	3,333	3,333
Philanthropy and special events	235,143	235,143
Communications	12,140	12,140
Other fundraising costs	100,593	100,593
Office expenses	70,449	70,449
Staff costs	254,647	254,647
Governance cost allocation	12,193	12,193
	<u>688,498</u>	<u>688,498</u>

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
Granting wishes	1,450,418	84,686	1,535,104

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total 2024 £</i>
Granting wishes	2,723,234	49,233	2,772,467

8. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £
Granting wishes	1,219,721	315,383	1,535,104

	<i>Activities undertaken directly 2024 £</i>	<i>Support costs 2024 £</i>	<i>Total funds 2024 £</i>
Granting wishes	2,308,242	464,225	2,772,467

RAY'S OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Granting wishes 2025 £	Total funds 2025 £
Staff costs	473,541	473,541
Depreciation	5,407	5,407
Wishes	321,990	321,990
Office expenses	197,967	197,967
Communications	9,460	9,460
Other services	211,356	211,356
	<u>1,219,721</u>	<u>1,219,721</u>

	<i>Granting wishes 2024 £</i>	<i>Total funds 2024 £</i>
Staff costs	610,173	610,173
Depreciation	8,405	8,405
Wishes	1,290,695	1,290,695
Office expenses	177,653	177,653
Communications	7,130	7,130
Other Services	214,186	214,186
	<u>2,308,242</u>	<u>2,308,242</u>

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Granting wishes 2025 £	Total funds 2025 £
Staff costs	204,711	204,711
Depreciation	1,772	1,772
Office expenses	64,851	64,851
Communications	3,153	3,153
Write off	20,000	20,000
Governance costs	20,896	20,896
	<u>315,383</u>	<u>315,383</u>

	<i>Granting wishes 2024 £</i>	<i>Total funds 2024 £</i>
Staff costs	372,444	372,444
Depreciation	2,755	2,755
Office expenses	58,197	58,197
Communications	2,378	2,378
Governance costs	28,451	28,451
	<u>464,225</u>	<u>464,225</u>

9. Auditors' remuneration

	2025 £	2024 £
Fees payable to the Charity's auditor for the preparation and audit of the Charity's annual accounts	<u>16,000</u>	<u>13,000</u>

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

10. Staff costs

	2025 £	2024 £
Wages and salaries	760,954	1,083,152
Social security costs	90,290	116,026
Contribution to defined contribution pension schemes	27,527	38,087
	<u>878,771</u>	<u>1,237,265</u>

The average number of persons employed by the Company during the year was as follows:

	2025 No.	2024 No.
All employees	<u>16</u>	<u>26</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2025 No.	2024 No.
In the band £60,001 - £70,000	2	1
In the band £80,001 - £90,000	1	-
In the band £100,001 - £110,000	-	1

The key management personnel of the charity comprised the Trustees, the Chief Executive Officer, the Fundraising and Communications Director, the Head of Operations, and the Head of Wishes.

The total employee benefits, including social security costs and employer pension contributions of the key management personnel of the charity were £293,454 (2024: £303,000).

11. Trustees' remuneration and expenses

During the year ended 30 June 2025, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 30 June 2025, no Trustee expenses have been incurred (2024 - £NIL).

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

12. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 July 2024	53,062	95,452	148,514
Additions	-	3,654	3,654
At 30 June 2025	<u>53,062</u>	<u>99,106</u>	<u>152,168</u>
Depreciation			
At 1 July 2024	53,062	80,522	133,584
Charge for the year	-	9,324	9,324
At 30 June 2025	<u>53,062</u>	<u>89,846</u>	<u>142,908</u>
Net book value			
At 30 June 2025	<u>-</u>	<u>9,260</u>	<u>9,260</u>
At 30 June 2024	<u>-</u>	<u>14,930</u>	<u>14,930</u>

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

13. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 July 2024	1	3,065,674	3,065,675
Additions	-	5,917,155	5,917,155
Disposals	-	(6,064,519)	(6,064,519)
Revaluations	-	219,704	219,704
At 30 June 2025	1	3,138,014	3,138,015
Net book value			
At 30 June 2025	1	3,138,014	3,138,015
At 30 June 2024	1	3,065,674	3,065,675

Principal subsidiaries

The following was a subsidiary undertaking of the Company. It is a dormant entity:

Name	Company number	Registered office or principal place of business
Rays of Sunshine Promotions Limited	07975115	304 Regents Park Road, London, England, N3 2JY

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

14. Debtors

	2025 £	2024 £
Due within one year		
Trade debtors	32,404	41,194
Other debtors	22,328	22,328
Prepayments and accrued income	241,169	101,626
	<u>295,901</u>	<u>165,148</u>

15. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	49,952	50,089
Other taxation and social security	27,674	21,464
Other creditors	21,607	36,136
Accruals and deferred income	282,256	445,313
	<u>381,489</u>	<u>553,002</u>

At 30 June 2025, included within accruals and deferred income are committed wishes totalling £257,900 (2024: £423,750).

RAY'S OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

16. Statement of funds

Statement of funds - current year

	Balance at 1 July 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 June 2025 £
Unrestricted funds						
Designated funds						
General funds	-	-	-	257,900	-	257,900
General funds						
General Funds	2,729,269	2,477,105	(1,979,068)	(257,900)	151,453	3,120,859
Total Unrestricted funds	2,729,269	2,477,105	(1,979,068)	-	151,453	3,378,759
Restricted funds						
Specific wishes	23,012	57,500	(20,855)	-	-	59,657
Other services	72,473	18,350	(63,831)	-	-	26,992
	95,485	75,850	(84,686)	-	-	86,649
Total of funds	2,824,754	2,552,955	(2,063,754)	-	151,453	3,465,408

Designated funds comprise:

Wish costs

Monies designated for the costs approved and committed to be spent on wishes.

Restricted funds comprise:

Specific wishes

Funds restricted to the delivery of individual approved wishes for children

Other services

Funds restricted to wider service delivery activity, including hospital and support services.

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

16. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 July 2023 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 30 June 2024 £</i>
Unrestricted funds					
General Funds - all funds	3,941,150	2,001,411	(3,411,732)	198,440	2,729,269
Restricted funds					
Specific wishes	23,012	-	-	-	23,012
Other services	54,023	67,735	(49,285)	-	72,473
	77,035	67,735	(49,285)	-	95,485
Total of funds	<u>4,018,185</u>	<u>2,069,146</u>	<u>(3,461,017)</u>	<u>198,440</u>	<u>2,824,754</u>

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	9,260	-	9,260
Fixed asset investments	3,138,015	-	3,138,015
Current assets	612,973	86,649	699,622
Creditors due within one year	(381,489)	-	(381,489)
Total	<u>3,378,759</u>	<u>86,649</u>	<u>3,465,408</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2024 £</i>	<i>Restricted funds 2024 £</i>	<i>Total funds 2024 £</i>
Tangible fixed assets	14,930	-	14,930
Fixed asset investments	3,065,675	-	3,065,675
Current assets	201,666	95,485	297,151
Creditors due within one year	(553,002)	-	(553,002)
Total	<u>2,729,269</u>	<u>95,485</u>	<u>2,824,754</u>

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025**

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net income/expenditure for the year (as per Statement of Financial Activities)	640,654	(1,193,379)
Adjustments for:		
Depreciation charges	9,324	14,493
(Gains)/losses on investments	(219,704)	(198,439)
Dividends, interests and rents from investments	(46,070)	(15,678)
(Increase)/decrease in debtors	(130,753)	97,956
Increase/(decrease) in creditors	(171,513)	(73,801)
Net cash provided by/(used in) operating activities	81,938	(1,368,848)

19. Analysis of cash and cash equivalents

	2025 £	2024 £
Cash in hand	403,721	132,003
Total cash and cash equivalents	403,721	132,003

20. Analysis of changes in net debt

	At 1 July 2024 £	Cash flows £	At 30 June 2025 £
Cash at bank and in hand	132,003	271,718	403,721
	132,003	271,718	403,721

RAYS OF SUNSHINE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025

21. Operating lease commitments

At 30 June 2025 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2025 £	2024 £
Not later than 1 year	108,932	107,172
Later than 1 year and not later than 5 years	218,811	330,447
	<u>327,743</u>	<u>437,619</u>

22. Related party transactions

The Charity received donations and gifts-in-kind from various organisations in which some of the charity's Trustees have an interest.

Capital Group

Annual donation of £NIL (2024: £12,000) made by the Foundation where Rays of Sunshine has been nominated by Caroline Randall - wife of Trustee Justin Randall.

Purple Surgical

Purple Surgical, whose director Robert Sharpe is husband of Trustee Jane Sharpe, donated £51,000 (2024: £Nil) towards the Annual Patronage and the Gala Auction.

Justco Management Limited

Justco Management Limited, in which Trustee Justin Randall is a director, donated £NIL towards Golf Day (2024: £1,500) and £NIL (2024: £100) towards R Walters.

Michael Elliot

Michael Elliot, in which Trustee Mark Shipman is a director, paid £1,000 (2024: NIL) towards the Gala brochure.

Other donations from trustees

Justin Randall donated £7,000 (2024: £5,000) towards the Annual Patronage and the Golf day. Stephen Allan donated a total of £37,316 (2024: £11,500) towards the Annual Patronage renewals, the Golf Day and the Gala Auction. Mark Shipman donated £7,995 (2024: £NIL) towards the Annual Patronage.

Accounts

RAYS OF SUNSHINE
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

RAYS OF SUNSHINE
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 30 JUNE 2024**

Trustees	Mr Stephen Allan OBE Mr Justin Randall FCA Mr Daniel Coleman Dr Ronelle Naidoo Mr Divyesh Popat Mrs Jane Sharpe
Company registered number	04860607
Charity registered number	1102529
Registered office	4th Floor Berkeley House London N3 2JY
Company secretary	Daniel Jagger
Chief executive officer	Dan Assor - left 17 Jan 2025
Independent auditors	BKL Audit LLP Chartered Accountants 35 Ballards Lane London N3 1XW
Bankers	Barclays Bank plc 27 Soho Square London W1D 3QR
Solicitors	Ingram Winter Green LLP Bedford House 21A John Street London WC1N 2BF

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TRUSTEES' REPORT
FOR THE YEAR ENDED 30 JUNE 2024

The Trustees present their annual report together with the audited financial statements of the Company for the year ended 30 June 2024. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The objectives of the charity as per its governing document are:

- Relieve the charitable needs of children and young adults who have illnesses or disabilities causing limited life expectancy or who suffer from long-term physical or mental disabilities (including learning difficulties)

Broader Aims of the Charity

Rays of Sunshine aims to address several key issues and make significant changes through its activities:

(a) Relieving Charitable Needs and Grant wishes: Providing unique and unforgettable experiences tailored to the dreams and desires of seriously ill children, creating lasting positive memories.

(b) Hospital Activity Days and Ward Wishes: Reducing feelings of isolation during prolonged hospital stays by providing fun and stimulating activities.

(c) Creating Joy and Positive Memories and Wish Granting: Wish Granting: Bringing joy to children and offering respite for their families, allowing them to share in happiness and create cherished moments together.

(d) Reducing Feelings of Isolation: Wish Community Events: Offering opportunities both in person and online for young people in our wish community who may be isolated or feel a sense of detachment from their peers. These events are designed to bring individuals and their families together to connect, build confidence and provide peer support through their shared journey.

(e) Hospital Activities: Offering inclusive and engaging activities that provide stimulation, fun, and social interaction, alleviating loneliness and boredom during hospitalisation.

(f) Building Self-Esteem and Confidence through Wish Community Events: Helping children feel special and valued, boosting their self-esteem and confidence, which positively impacts their overall well-being and outlook on life. These events are designed to empower and inspire individuals and encourage them to have the confidence to try new things in a safe, inclusive and supportive environment.

(g) Supporting Families: Emotional and Practical Support: Providing ongoing support to help families navigate the challenges of caring for a seriously ill child, including emotional support and opportunities for family bonding.

(h) Raising Awareness and Support through Collaborations and Partnerships: Working with celebrity ambassadors, corporate partners, and media outlets to increase visibility, garner more support, and ensure the sustainability of the charity's activities.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Objectives and activities (continued)

How the Achievement of the Charity's Aims Furthers Its Legal Purposes

The achievement of Rays of Sunshine's aims directly addresses the charitable needs of children and young adults with serious illnesses or disabilities, aligning with its legal purposes as outlined in its governing document. By providing supportive and enriching activities, the charity:

- **Improves Emotional Well-Being:** Creating joy and positive memories enhances the mental health and overall quality of life for seriously ill children.
- **Alleviates Isolation:** Hospital activities reduce loneliness and boredom, contributing to the children's emotional and mental well-being.
- **Boosts Self-Esteem:** Special events and activities help children develop a positive self-image and sense of worth.
- **Supports Families:** Providing emotional and practical support helps families cope with the pressures of caring for a seriously ill child.
- **Raises Awareness:** Increasing visibility and support ensures the charity can continue to fulfil its legal purposes effectively and sustainably.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Objectives and activities (continued)

b. Strategies for achieving objectives

Rays of Sunshine employs a comprehensive strategy to achieve its objectives and aims, ensuring that the charity effectively addresses the needs of seriously ill children and their families. The strategy encompasses several key areas, each designed to maximise the impact of the charity's work and ensure sustainable growth and development.

Wish Granting

The core of Rays of Sunshine's strategy is its wish granting programme. By fulfilling the unique wishes of seriously ill children, the charity creates unforgettable experiences that bring joy and hope to the children and their families. The wish granting process is carefully managed to ensure that each wish is tailored to the child's desires and circumstances, providing a personalised and impactful experience. The charity works closely with medical professionals, families, and volunteers to identify and fulfil these wishes, ensuring that all logistical and medical needs are met.

Hospital Activity Days and Ward Wishes

To reduce feelings of isolation and provide stimulation for children during hospital stays, Rays of Sunshine organises hospital activity days and ward wishes. These activities are designed to be inclusive and engaging, offering a range of fun and therapeutic experiences for children in hospital. The charity collaborates with hospitals and healthcare professionals to plan and deliver these activities, ensuring they are accessible to all children, including those who are bedridden or have limited mobility.

Building Self-Esteem and Confidence

Rays of Sunshine aims to boost the self-esteem and confidence of seriously ill children through its Wish Community programme of events. By providing opportunities for children to participate in special activities both in person and online, the charity helps them feel valued and allows them opportunities to share in their experiences with their peers, as well as give them a chance to try out new things – many of which they may not have had the confidence to attempt or experience in other settings. This focus on building self-esteem is integrated into all aspects of the charity's work, from wish granting to hospital activities and community events, ensuring that children receive consistent support and encouragement. Rays of Sunshine brings together children and their families, fostering a sense of belonging and community, which further enhances their confidence and self-worth.

Supporting Families

Recognising the significant emotional and financial pressures faced by families of seriously ill children, Rays of Sunshine provides ongoing support to help them navigate these challenges. The charity offers emotional support, practical assistance, and opportunities for families to create happy memories together. This holistic approach ensures that families receive the comprehensive support they need, helping to alleviate stress and strengthen family bonds.

Raising Awareness and Securing Support

To sustain and expand its activities, Rays of Sunshine actively works to raise awareness of the needs of seriously ill children and the impact of its work. The charity collaborates with celebrity ambassadors, corporate partners, and media outlets to increase its visibility and attract more support. By raising awareness and securing additional resources, the charity ensures that it can continue to fulfil its mission and reach more children and families in need.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Objectives and activities (continued)

Volunteer Engagement

Volunteers play a crucial role in the success of Rays of Sunshine's programmes. The charity actively recruits, trains, and supports volunteers to assist with wish granting, hospital activities, and fundraising events. By engaging a dedicated and passionate volunteer base, the charity enhances its capacity to deliver high-quality services and extend its reach.

Strategic Partnerships

Rays of Sunshine forms strategic partnerships with corporate sponsors, other charities, and community organisations to enhance its programmes and increase its impact. These partnerships provide valuable resources, expertise, and opportunities for collaboration, enabling the charity to deliver more comprehensive and effective support to seriously ill children and their families.

Continuous Improvement and Evaluation

To ensure the effectiveness and efficiency of its programmes, Rays of Sunshine regularly evaluates its activities and seeks feedback from beneficiaries, volunteers, and partners. This commitment to continuous improvement allows the charity to refine its strategies, address any challenges, and adapt to the evolving needs of the children and families it serves.

c. Volunteers

Volunteers play a crucial role in the success of Rays of Sunshine's programmes. The charity actively recruits, trains, and supports volunteers to assist with wish granting, hospital activities, and fundraising events and activities. By engaging a dedicated and passionate volunteer base, the charity enhances its capacity to deliver high-quality services, extend its reach and grow income

d. Main activities undertaken to further the Charity's purposes for the public benefit

The trustees confirm they have complied with the requirement in section 17 of the Charities Act 2011, to have due regard to public benefit in determining the activities undertaken by the charity. As a charity, we are keen to emphasise the public benefit we believe our work provides. Our wishes are available to any child aged between the ages of three and 18, living in the UK, diagnosed with a life-threatening or terminal condition.

In support of our mission, the charity's main objectives are:

- To fulfil wishes for terminally and seriously ill children between the ages of three and 18 in the United Kingdom.
- To fulfil ward wishes for hospitals and hospices within the United Kingdom.
- To hold hospital and hospice activity days within the United Kingdom.
- To hold magical large and small-scale events for our wish children and their families throughout the United Kingdom
- To purchase equipment or gifts for the hospitals, hospices and specialist schools that provide care for these children within the United Kingdom.
- To plan to make a grant towards a capital project to a hospital, hospice or specialist school that provides care for terminally and seriously ill children within the United Kingdom, if funding is available.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Objectives and activities (continued)

Achievements and performance

a. Main achievements and performance of the Charity

The financial year 2023-2024 has been a remarkable period for Rays of Sunshine, marked by the successful granting of numerous wishes and the organisation of impactful community events. Despite the challenges posed by economic uncertainties and a reduced team, our commitment to bringing joy and memorable experiences to seriously ill children and their families has remained unwavering.

Wishes

Throughout the year, our wish-granting team has been exceptionally busy, managing a significant pipeline of wishes. Despite a reduced team, we have completed 358 wishes in the financial year, 29 more than the previous year. As of 30 June 2024, we had 202 wishes in progress. This is a testament to the team's dedication to reducing lead times and ensuring that wishes are granted in a timely manner.

Key Wish Highlight: Our wish granting activities have included a diverse range of experiences, tailored to meet the unique desires and needs of each child. Some of the standout wishes granted this year include:

- **Ethan's Poker Night:** In January, we granted Ethan's wish to have his own personalised poker table and host a family poker night. Poker holds a special place in Ethan's life, providing a way for his family and friends to come together and spend quality time, momentarily forgetting the everyday worries of his illness. The wish included a custom-made poker table, personalised poker chips, and accessories, creating a memorable and enjoyable experience for Ethan and his loved ones.
- **Sidemen Wish Day:** In February, we held our annual wish day with The Sidemen at Gravity Wandsworth. Seven wish children and their parents enjoyed a morning of gaming, virtual darts, and bowling, all arranged by The Sidemen's new charity, Brightside. Each child received a signed poster, a Gravity gift card, and merchandise from The Sidemen clothing range. The event provided a fun and engaging experience, creating lasting memories for the children and their families.
- **Sanna's Wish to Meet her Idol Olly Murs:** As part of our collaboration with The Fragrance Shop, we hosted our 9,000th wish for Sanna, who has kidney failure and is on dialysis. Sanna had the opportunity to meet Olly Murs and create her own fragrance in-store at The Fragrance Shop Manchester. This unique experience brought immense joy to Sanna and her family, and the content captured during the event will be used to highlight the impact of our work at future fundraising events.
- **Barnaby's Wish to Meet the England Squad:** Barnaby and his family attended the training press day at St George's Park for the England men's squad. He received an FA goody bag, along with personalised England football merchandise. They watched the team train and had the opportunity to meet the players, take photographs, and collect signatures. Barnaby and his family were also gifted tickets to watch England vs Malta at Wembley Stadium, where they were taken pitch side before kick-off. The experience was a dream come true for Barnaby and created cherished memories for his family.

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TRUSTEES' REPORT (CONTINUED)
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Achievements and performance (continued)

- **Matthew's Wish to Visit the Set of The Chase:** Matthew loves game shows, and his favourite is The Chase. For his wish, he wanted to be a contestant on the show. He was invited to the studio to play against The Vixen and put his quiz knowledge to the test. His mum and aunt joined him as teammates, and Matthew beat the chaser! The family described the day as a unique and unforgettable experience, filled with joy and excitement.

Clemmie's Afternoon with Andrea Bocelli: Our partnership with Andrea Bocelli brought a magical experience to Clemmie, a young girl who had the opportunity to spend an afternoon backstage with Andrea and his family before his live performance. Andrea even sang a personal rendition of "Happy Birthday" to Clemmie, creating a cherished memory for her and her family.

Wish Community Events

The financial year 2023/24 has been an exceptional period for Rays of Sunshine, marked by a series of impactful community events and activity days that have brought joy, connection, and support to seriously ill children and their families. These events have provided opportunities for families to bond, share experiences, and create lasting memories together. Here are some of the key community events and activity days from the past year:

- **Milly Days:** Our annual Milly Days event at Mill Waters was a resounding success, with 90 attendees, including 20 wish children. Families enjoyed boat rides, a petting zoo, garden games, crafts, swimming, and an ice cream van. The event provided a much-needed respite and a chance for families to bond in a supportive environment. The positive feedback from families highlighted the importance of such events in creating cherished memories and offering a sense of normalcy during challenging times.

World Book Day Celebrations

In March, we celebrated World Book Day with a series of engaging activities designed to inspire a love of reading and creativity among children. The celebrations included:

- **Online Workshop with Children's Illustrator Ali Pye:** Ali Pye led a workshop where children learned to draw and create their own illustrations, boosting their confidence and artistic skills.
- **Rap Workshop with MC Grammar:** World Book Day ambassador MC Grammar hosted an online rap workshop, encouraging children to create raps and rhyming poems about topics they were passionate about. The workshop was well-received, with children expressing their creativity through music.
- **Roald Dahl Performance Workshop at Playbox Theatre:** Children participated in acting and dancing workshops, culminating in a performance that celebrated the works of Roald Dahl. Parents also engaged in a terrarium-making workshop, fostering connection and communication among families.

Music Production Workshop

In May, we hosted an in-person music production workshop at Woolwich Works in London. Led by our choir leader Georgia White and music producer Silvastone, the workshop included singing, games, and a lyrics session where children created their own song. The workshop provided a platform for children to express themselves creatively and build their confidence. They wrote and collaborated with Silvastone to create "Rainbow" which has incredible lyrics which reflect the group's lived experiences with their illnesses and encourages listeners to find their own inner strength. Parents also participated in a workshop making ethical room sprays and homemade soap, offering them a chance to connect with others in similar circumstances.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Achievements and performance (continued)

Online Animal Encounter

In May, we trialled a new concept with an online animal encounter hosted by ZooLab. The session introduced children to various animals, including a hissing cockroach, tarantula, tree frog, snake, and giant snail. The children were highly engaged, learning about the rainforest and the habitats of these animals. The event was particularly impactful for children who are unable to visit zoos due to their medical conditions, providing them with an exciting and educational experience from the comfort of their homes.

Christmas Party at Glide

Despite challenging weather conditions, our Christmas Party at the Glide ice rink at Battersea Power Station was a festive and joyous occasion. Over 60 wish children and their families attended, enjoying activities such as meeting Father Christmas, crafts, computer games, and ice skating. The event reached 229 people in total and provided a magical experience that brought holiday cheer to the families.

12 Days of Wishmas

Our '12 Days of Wishmas' programme in December was our busiest month, featuring a variety of festive activities. Highlights included:

- **Festive Afternoon Tea and Movie Screening at Eastwell Manor:** Families enjoyed a delightful afternoon tea followed by a movie screening, creating a cosy and festive atmosphere.
- **Ice Skating at Brighton Pavilion:** Children and their families had the opportunity to skate at the iconic Brighton Pavilion, enjoying the winter wonderland experience.
- **Regional Screenings of Disney's 'Wish' Movie:** Families attended special screenings of Disney's 'Wish' movie in various locations, adding to the holiday excitement.
- **Pantomime Performances in Edinburgh and Liverpool:** Children and their families enjoyed live pantomime performances, bringing laughter and joy to the holiday season.
- **Online Events:** Virtual activities included a magician and family bingo session, ensuring that families who could not attend in person still had the opportunity to participate in the festive fun.

These community events and activity days have played a crucial role in fostering a sense of belonging and support among wish families. By providing opportunities for families to connect, share experiences, and create lasting memories, Rays of Sunshine has made a significant positive impact on the lives of seriously ill children and their families. The success of these events is a testament to the dedication and commitment of our team, volunteers, and supporters, who work tirelessly to bring joy and hope to those we serve.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Achievements and performance (continued)

Sunshine in Hospital and Hospices

Our engagement with hospitals and hospices across the UK has continued to strengthen, with a focus on providing resources and support to children undergoing treatment. We have continued to roll out our successful Sensory Bag programme, reaching around 1,000 children in 2024. The bags focus on 3 main sensory areas – See, Touch and Hear. In March 2024 we launched our World Book Day programme, designed to encourage creative thinking through story-telling and create positive distractions for over 3,884 children. One of the standout initiatives this year has been the Liquid to Tablets project, which aims to improve the medication experience for children.

- **Liquid to Tablets Project:** This innovative project, launched in partnership with Leeds Children's Hospital, encourages children to transition from liquid medication to tablets. The project has shown promising results, with 10 hospitals participating, including those in London, Manchester, Birmingham, Ipswich, Southampton, Sheffield, Leeds, and Chesterfield. The initiative not only helps children gain confidence in taking tablets but also offers long-term benefits such as increased independence and reduced medication costs for families. The kits include all the resources needed for the transition to successfully take place, including cups, bottles, straws, pill boxes, tablet cutters, reward charts, and even sweets for practice sessions. This programme is revolutionary and will make a significant difference to the lives of seriously ill children, and their families, by increasing their independence in managing medications, reducing trauma associated with swallowing medication and improving oral health. Out of the feedback received so far, we have reached around 95 children and found that 100% of children who have taken part in this programme have successfully transitioned, or they are on target to successfully transition from taking liquid medication to tablet medication.

Celebrity Ambassadors

Our work with celebrity ambassadors has been instrumental in raising awareness and support for Ways of Sunshine. Throughout the financial year, we have collaborated with a diverse group of celebrities who have generously given their time and influence to bring joy to seriously ill children and their families.

One of the highlights of the year was our ongoing partnership with Olly Murs. Olly has been a steadfast supporter, participating in several key events and wish experiences. Notably, he played a central role in our 9,000th wish, where he met Sanna, a young girl with kidney failure, and helped her create her own fragrance at The Fragrance Shop in Manchester. This event not only brought immense joy to Sanna but also garnered significant media attention, highlighting the impact of our work.

In addition to Olly Murs, we have been fortunate to have the support of The Sidemen, a group of popular YouTubers. Their involvement in our annual wish day at Gravity Wandsworth was a resounding success. Seven wish children and their parents enjoyed a morning of gaming, virtual darts, and bowling, all arranged by The Sidemen's new charity, Brightside. Each child received a signed poster, a Gravity gift card, and merchandise from The Sidemen clothing range, creating unforgettable memories for the families involved.

Our collaboration with MC Grammar also stood out this year. As part of our World Book Day celebrations, MC Grammar hosted an online rap workshop, engaging children in creating raps and rhyming poems about topics they were passionate about. This event was well-received, with children expressing their creativity and confidence through music.

We also welcomed the support of Jacqueline Wilson, a beloved children's author. Jacqueline participated in a special event where she read stories to children and engaged in a Q&A session. Her presence and interaction with the children were deeply appreciated, providing them with a unique and inspiring experience.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Achievements and performance (continued)

Furthermore, our partnership with Andrea Bocelli brought a magical experience to Clemmie, a young girl who had the opportunity to spend an afternoon backstage with Andrea and his family before his live performance. Andrea even sang a personal rendition of "Happy Birthday" to Clemmie, creating a cherished memory for her and her family.

Feedback and Impact

The feedback from families has been overwhelmingly positive, underscoring the profound impact of our wish activities. Parents have shared heartwarming stories of how the wishes have brought joy, confidence, and a sense of normalcy to their children's lives. For instance, one parent described how their child, Kyle, called his wish day "the best day of his life," while another noted how the wish experience helped their child move past the trauma of illness and look forward to the future with renewed energy and optimism.

b. Key performance indicators

Rays of Sunshine uses a variety of key performance indicators (KPIs) to assess its performance and measure the impact of its activities. These indicators provide evidence of the charity's achievements during the reporting period and help to ensure that its objectives and aims are being met effectively. The following summary outlines the main KPIs used by the charity, along with the outputs achieved and their contribution to the charity's overall goals.

Wish Granting

- **Number of Wishes Granted:** One of the primary KPIs is the total number of wishes granted within the financial year. For 2023-2024, the charity successfully granted 358 wishes, exceeding the previous year's total of 329. This KPI reflects the charity's ability to bring joy and create lasting memories for seriously ill children and their families.
- **Lead Time for Wish Fulfilment:** Another important KPI is the lead time from wish approval to fulfilment. As of 30 June 2024, 86% of the 202 wishes in progress were less than 12 months old. This demonstrates the charity's commitment to reducing wait times through efficient wish management, a dedicated team, continuous improvement, resource allocation, collaboration with partners, and regular monitoring and reporting. These strategies ensure the timely delivery of wishes and highlight the charity's dedication to bringing joy to seriously ill children as quickly as possible.
- **Feedback survey:** Based on responses from 128 families, 97% of families would recommend Rays of Sunshine to other families. We received a perfect rating of 10/10 for the impact of a wish on their child and another 10/10 for families' overall experience with Rays of Sunshine.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Achievements and performance (continued)

Wish Community Events

- **Number of Community Events:** The charity tracks the number of community events organised each year. In 2023-2024, Rays of Sunshine held 27 events, including the annual Milly Days and Ferrari Day, World Book Day celebrations, a host of online events, a new gaming event "Game Fest" and a music production workshop, as well as the busy '12 Days of Wishmas' events and many more. These events provide opportunities for families to connect, share experiences, and create lasting memories.
- **Attendance at Events:** The number of attendees at community events is another crucial KPI. For example, the Milly Days event at Mill Waters saw 90 attendees, including 20 wish children, the highest attendance to date. High attendance rates indicate the success and popularity of these events among the charity's beneficiaries.
 - **Summary of Reach:**
 - o 1,451 people reached – double the amount in 2022/23 (697)
 - o 577 wish children – over double the reach in 2022/23 (223)
 - o 16 regions reached plus multiple in London
 - o 11 new online events hosted

The reach was achieved on half the initially approved budget for this period. This success was largely due to the development of the online events programme, the implementation of a waitlist process to prevent wasted spaces, and a rigorous guest management process prior to the event maximised attendance rates.

Sunshine in Hospitals and Hospices

- **Number of Hospital Activity Days:** The charity measures the number of hospital activity days conducted each year. These activities are designed to reduce feelings of isolation and provide stimulation for children during hospital stays. The charity's engagement with hospitals across the UK has continued to strengthen, with numerous activity days organised throughout the year.
- **Participation in Special Projects:** The Liquid to Tablets project is a standout initiative aimed at improving the medication experience for children. The KPI for this project includes the number of participating hospitals and the number of children transitioning from liquid medication to tablets. With 10 hospitals participating, the project has shown promising results, contributing to increased independence and reduced medication costs for families.
- **World Book Day:** The primary aim of this project is to reach children in hospitals who are missing out on making significant childhood memories. Whilst their peers are celebrating World Book Day in school, thousands of hospitalised children miss out. We launched our World Book Day packs to encourage creative thinking, storytelling and a sense of community among these children in a hospital setting. The overall impact reached 3,884 children.

Volunteer Engagement

- **Volunteer Hours Contributed:** The charity tracks the total number of volunteer hours contributed each year. Volunteers play a vital role in supporting wish granting, hospital activities, and fundraising events. Thousands of volunteer hours, equivalent to several full-time staff positions, highlight the significant contribution of volunteers to the charity's success.

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TRUSTEES' REPORT (CONTINUED)
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Achievements and performance (continued)

- **Number of Active Volunteers:** The number of active volunteers is another key indicator. A dedicated and passionate volunteer base enhances the charity's capacity to deliver high-quality services and extend its reach.

Fundraising and Awareness

- **Funds Raised:** The total amount of funds raised through various fundraising activities is a critical KPI. Successful events such as the annual golf day, collaborations with corporate partners, and individual fundraising efforts have contributed to the charity's financial stability and ability to expand its services.
- **Media Coverage and Public Engagement:** The charity measures the extent of media coverage and public engagement achieved through its activities. Collaborations with celebrity ambassadors and media outlets have increased the charity's visibility and attracted more support, ensuring sustained growth and impact.

c. Factors relevant to achieve objectives

Over the past year, we have made significant strides in fulfilling our mission, despite numerous challenges. Our dedicated team, supportive community, and strategic partnerships have been crucial in helping us achieve our objectives.

During the financial year, Rays of Sunshine faced substantial financial difficulties, necessitating a tough decision to restructure the charity. This restructuring led to a reduction in staffing levels, with several members leaving the organization. The decision was made after careful consideration of where cost savings could be achieved, ensuring the charity could continue to operate effectively while managing its financial challenges. Although it was a difficult choice, it was essential for the long-term sustainability of the charity and its ability to continue bringing joy and support to seriously ill children and their families.

Ending the year with a deficit posed a major challenge, impacting our ability to manage a high volume of wishes and events with a reduced team. System and process inefficiencies, along with external economic and social factors, also influenced our operations. Despite these obstacles, we successfully developed and implemented a new fundraising strategy. This strategy has been pivotal in stabilizing our financial position and setting us on a path to sustainable growth. Successful events like the London Marathon and our Annual Golf Day have significantly contributed to our income. Partnerships with organizations such as Bacta, Alpha Talent Group, Hill Dickinson, and Smyths Toys have been instrumental in securing funds and support.

Effective communication and media coverage have further enhanced our ability to reach and engage with our supporters. The communications team has raised our profile through media coverage, social media engagement, and email marketing. Notable examples include the coverage of the London Marathon and the volunteer recruitment campaign. Community and volunteer engagement have been central to our efforts. We have successfully engaged with our community through our Wish Community Events programme and the launch of a new volunteer recruitment drive. The involvement of volunteers in various activities has been beneficial, and our collaboration with hospitals and participation in conferences have strengthened our relationships with healthcare professionals and institutions.

As we head into the new financial year, we are much stronger and more resilient. Our focus is on strategic planning and vision, with an emphasis on developing a clear strategic plan for the next three years. Building sustainable income streams and enhancing donor engagement will be central to our future plans. By addressing these factors and implementing strategic initiatives, we aim to achieve our objectives and continue making a positive impact on the lives of more seriously and terminally ill children and their families.

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TRUSTEES' REPORT (CONTINUED)
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Achievements and performance (continued)

d. Fundraising activities and income generation

Rays of Sunshine has undertaken a variety of fundraising activities and income-generation methods over the past year, demonstrating our commitment to securing the necessary funds to support our mission of brightening the lives of seriously ill children and their families. Our efforts have been multifaceted, involving events, partnerships, community engagement, and innovative campaigns, all aimed at generating income and fostering a supportive network of donors and volunteers.

A key focus for the team has been to establish a robust pipeline of identified opportunities to secure future support for the charity, and a need to diversify our income portfolio to reduce risk, thus ensuring sustainability.

Fundraising Events

One of the cornerstones of our fundraising strategy has been the organisation of high-profile events that not only raise significant funds but also increase awareness of our cause. The London Marathon 2024 was a standout success, grossing £144,209, including Gift Aid. This event saw enthusiastic participation from runners who were motivated by the stories of the children we support. The marathon not only provided a platform for raising funds but also allowed participants to engage with our mission on a personal level, fostering a deeper connection with our cause.

Another notable event was our Annual Golf Day, organised by our Chairman Steve Allan, which netted approximately £50,000. This event brought together supporters and corporate partners in a day of friendly competition and networking, all in support of Rays of Sunshine. The success of the golf day highlighted the importance of community and corporate engagement in our fundraising efforts.

Partnerships and Corporate Support

Strategic partnerships have been instrumental in our fundraising activities. We launched a new partnership with Alpha Talent Group, which has opened doors to new opportunities and resources. Additionally, we continue to work with our longstanding partners. Bacta continues to support us by providing positive experiences for our wish families and raising income via their members. Our partnership with Smyths Toys has been renewed, securing £50,000 for the upcoming financial year. These partnerships not only provide financial support but also enhance our visibility and credibility within the community and with our partners' employees.

We were also shortlisted for ICAP's Charity Day in December 2024, which provided a significant boost to our fundraising efforts, with the outcome falling into the next financial period. The support from corporate partners like Hill Dickinson, which has confirmed a new partnership, further reinforces the importance of building and maintaining strong relationships with businesses that share our commitment to making a difference in the lives of seriously ill children.

Community Engagement and Volunteer Involvement

Community engagement has been a key focus of our fundraising strategy. The launch of the "Ray for a Day" campaign is a prime example of how we have mobilised our community to support our cause. This campaign encourages individuals and groups to organise their own fundraising activities on the longest day of summer, creating a sense of collective effort and shared purpose. The campaign has garnered support from various community groups, schools, and businesses, demonstrating the power of grassroots fundraising.

Volunteer involvement has also been crucial to our success. We launched a new volunteer recruitment drive in April, resulting in 15 new volunteers signing up to support our activities. Volunteers have played a vital role in our events, from helping to organise and run the London Marathon to assisting with community events like Milly Days. Their dedication and enthusiasm have been invaluable in ensuring the smooth execution of our

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Achievements and performance (continued)

fundraising activities.

Innovative Campaigns and Digital Fundraising

Innovation has been at the heart of our fundraising efforts. We have embraced digital platforms to reach a wider audience and make it easier for supporters to contribute. The launch of our first-ever Crowdfunder campaign in July has been a significant step in this direction. The campaign raised £14,000. This platform allowed us to engage with supporters in a new way, providing them with a direct and transparent means of contributing to our cause.

Legacy Giving and Major Donor Engagement

Legacy giving has been a vital component of our income generation strategy. In early 2023, we were informed of a legacy, from which £50,000 was received in the next financial period. Engaging with major donors and encouraging legacy gifts are crucial for ensuring long-term financial stability and support for our mission.

Our efforts to engage with major donors have also included hosting events such as the Patrons' Evening, which provided an opportunity for our Senior Management Team to connect with and thank some of our key supporters. These events are not only about raising funds but also about building lasting relationships with individuals who are passionate about our cause.

Thank You to Our Former CEO

We would like to extend our heartfelt gratitude to Dan Assor, who served as Chief Executive Officer between October 2023 and January 2025. Dan's leadership during a particularly challenging period for the charity was invaluable. His guidance and support were instrumental in navigating difficult decisions, ensuring the continued success and stability of Rays of Sunshine. We thank him for his dedication and wish him every success in his new venture.

Challenges and Future Plans

While the team have worked hard to achieve fundraising success, we have also faced unprecedented challenges. The economic uncertainties and cost-of-living crisis have impacted our ability to raise funds, we remain committed to addressing these challenges through strategic planning and innovation.

Looking ahead, we have focused on developing a clear strategic plan and vision for the next three years to enable us to grow income. This will guide our goals and ensure alignment with our mission and values. Building sustainable and diversified income streams and strengthening our donor stewardship and engagement, will be central to our future plans. By continuing to innovate and engage with our community, we aim to achieve our objectives and make a lasting impact on the lives of seriously ill children and their families.

e. Investment policy and performance

Rays of Sunshine's investment policy is designed to ensure the preservation of capital while maintaining liquidity to meet the charity's obligations as they fall due. The Trustees have the power to invest in funds as they deem appropriate, with a focus on achieving minimum risk and capital preservation. The policy is reviewed every six months by a sub-committee of the Trustee/Executive Board, which reports to the Trustees.

Current Investments:

- The charity has invested in Government Gilts with a maturity date of January 2025.
- Sufficient cash is held in easily accessible bank accounts with Barclays Bank to ensure liquidity.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Achievements and performance (continued)

Performance of Investments:

- During the year ended 30 June 2024, the charity's investments in Government Gilts resulted in an unrealised gain of £198,439.
- The total value of investments at the end of the reporting period was £3,065,674.

The investment policy reflects the Trustees' decision to hold reserves in a manner that achieves minimum risk and capital preservation, ensuring the charity can meet its financial obligations while safeguarding its assets.

f. Financial review

As of 30 June 2024, Rays of Sunshine has shown resilience and dedication to its mission despite facing economic uncertainties and operational challenges. The charity's financial position reflects its commitment to bringing joy and support to seriously ill children and their families.

The total income for the year was £2.07 million, while expenditure on charitable activities amounted to £3.49 million, resulting in a deficit of £1.43 million. The total reserves at the end of the reporting period were £2.79 million, with unrestricted funds of £2.69 million and restricted funds of £95,485.

a. Going concern

The trustees of Rays of Sunshine have assessed the charity's financial position and concluded that it remains a going concern. This conclusion is based on several key factors:

- **Healthy Level of Free Reserves:** The charity maintains a robust level of free reserves, which provides a financial cushion to meet its obligations and continue its operations even in the face of economic uncertainties.
- **Careful Consideration of Future Expenditure:** Future expenditure commitments are carefully evaluated in light of the charity's free reserve levels and overall financial position. This prudent approach ensures that the charity can sustain its activities and fulfil its mission.
- **Successful Fundraising Efforts:** The charity has demonstrated successful fundraising efforts through various events, partnerships, and innovative campaigns. These efforts have contributed to the charity's income and financial stability.
- **Strategic Partnerships and Support:** Strong partnerships with corporate supporters and our committed Patron donors have provided valuable financial support and resources, enhancing the charity's ability to continue its work.
- **Commitment to Financial Prudence:** The trustees are committed to maintaining financial prudence and ensuring that the charity's resources are managed effectively to support its mission and objectives.

Based on these factors, the trustees are confident that Rays of Sunshine has the financial resilience and stability to continue operating as a going concern for at least the next 12 months.

RAYS OF SUNSHINE
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

b. Reserves policy

At the balance sheet date of 30 June 2024, the total reserves were £2.79 million (30 June 2023: £4.02 million), of which £2.69 million (30 June 2023: £3.94 million) were unrestricted funds and £95,485 (30 June 2023: £77,035) were restricted funds, designated for specific projects or purposes as dictated by the donors and are not available for the general purposes of the charity.

A portion of the unrestricted reserves, amounting to £423,750, is designated towards wishes that have been approved and are yet to be realised. These designations ensure that the charity can meet its commitments and continue its operations without disruption.

After accounting for restricted funds and designated amounts, the remaining amount of truly unrestricted reserves is £2.27 million. This equates to approximately 11 months of running costs, providing a financial buffer to support the charity's operations and ensure its long-term sustainability.

Our policy is to maintain 6 to 12 months of budgeted expenditure to ensure that we are always able to fulfil wishes, both committed and planned, in the event of a significant decline in our income due to an unexpected macroeconomic event such as those experienced in 2008 and 2020.

The trustees are comfortable with a reserve level at the upper end of expectations to provide a greater degree of protection given the current uncertain economic climate.

The trustees regularly review the reserves policy to ensure it remains aligned with the charity's financial strategy and objectives, taking steps to maintain an appropriate level of reserves to support future activities.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

c. Material investments policy

Rays of Sunshine holds material financial investments to ensure the preservation of capital while maintaining liquidity to meet the charity's obligations as they fall due. The investment policy is designed to achieve minimum risk and capital preservation, ensuring that the charity can continue its operations without disruption.

The trustees have the power to invest in funds as they deem appropriate. The primary objectives of the investment policy are:

- Ensuring that the principal amount of the investments is protected from significant losses.
- Maintaining sufficient liquidity to meet the charity's short-term and long-term financial obligations.
- Generating a reasonable level of income to support the charity's activities and operations.

The charity's investments are primarily in Government Gilts and cash held in bank accounts. These investments are chosen for their low risk and high liquidity, aligning with the charity's objectives of capital preservation and liquidity.

Rays of Sunshine is committed to responsible investing and takes social, environmental, and ethical considerations into account in its investment policy. The charity aims to invest in a manner that aligns with its values and mission. This includes:

- Avoiding investments in companies or sectors that engage in practices harmful to society, such as those involved in the production of tobacco, alcohol, or weapons.
- Prioritising investments in companies that demonstrate strong environmental stewardship and sustainability practices.
- Ensuring that investments are made in companies that adhere to high ethical standards, including fair labour practices and good governance.

The investment policy is reviewed every six months by a sub-committee of the Trustee/Executive Board, which reports to the trustees. This regular review ensures that the investments remain aligned with the charity's financial strategy and ethical considerations and that any necessary adjustments are made in response to changing market conditions or organisational needs.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

d. Principal risks and uncertainties

Rays of Sunshine faces several principal risks and uncertainties that could impact its operations and financial performance. These risks have been identified by the charity trustees and are managed through various strategies and plans.

Economic fluctuations and uncertainties, such as inflation, recession, or changes in government funding, can affect the charity's income from donations, grants, and fundraising events. To mitigate this, the charity maintains a robust level of free reserves to cushion against economic downturns and diversifies its income streams through various fundraising activities, corporate partnerships, and innovative campaigns.

Reductions in staff can lead to operational strain, affecting the charity's ability to manage a high volume of wishes and events efficiently. The charity addresses this by focusing on strategic planning and vision to streamline operations, engaging volunteers to support various activities, and ensuring regular training and support for remaining staff to maintain high service quality.

Inefficiencies in systems and processes can hinder the charity's ability to manage wishes, fundraising, and administrative tasks effectively. To improve efficiency, the charity is investing in new CRM systems and technology and has continuous evaluation and feedback mechanisms in place to identify and address process inefficiencies.

External economic and social factors, such as the cost-of-living crisis, changes in donor behaviour, and social trends, can impact the charity's fundraising efforts and overall financial health. The charity actively monitors these factors and adapts its fundraising strategies accordingly, engaging with the community through events, campaigns and communications to maintain donor interest and support.

Any negative publicity or failure to meet beneficiaries' expectations can harm the charity's reputation and affect donor confidence. The charity maintains high standards of transparency and accountability, engaging with beneficiaries, donors, and the public through effective communication and media coverage to build and maintain trust.

Several factors are likely to influence the charity's financial performance and position going forward. The success of fundraising events, campaigns, and partnerships will significantly impact the charity's income. Broader economic conditions, including inflation and government policies, will affect donor behaviour and funding availability. Improvements in systems and processes will enhance the charity's ability to manage resources effectively. The level of volunteer involvement will support the charity's operations and reduce operational strain. Building and maintaining strong partnerships with corporate sponsors and other organisations will provide valuable resources and support.

By addressing these risks and factors through strategic planning and effective management, Rays of Sunshine aims to continue fulfilling its mission and making a positive impact on the lives of seriously ill children and their families.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

e. Risk management objectives and policies

Rays of Sunshine's financial risk management policies and objectives focus on ensuring financial stability and sustainability. The charity prioritises capital preservation by investing in low-risk financial instruments like Government Gilts and maintaining sufficient liquidity in easily accessible bank accounts. To mitigate economic fluctuations, the charity diversifies its income streams through various fundraising activities, corporate partnerships, and innovative campaigns.

Regular financial reviews and audits help monitor the charity's financial position and identify potential risks. Prudent expenditure management ensures that future commitments are evaluated against free reserve levels. The charity also focuses on building sustainable income streams through strategic partnerships, legacy giving, and major donor engagement.

Rays of Sunshine is committed to ethical and responsible investing, avoiding harmful practices and prioritising companies with strong environmental and ethical standards. Continuous evaluation and adaptation of financial risk management policies ensure they remain effective and aligned with the charity's objectives. This comprehensive approach helps manage financial risks and supports the charity's mission to positively impact the lives of seriously ill children and their families.

f. Principal funding

During the reporting period, Rays of Sunshine's principal funding sources included fundraising events, corporate partnerships, Patronage donations, community engagement, and innovative campaigns. These resources were crucial in supporting the charity's key objectives of granting wishes, organising activities for children in hospitals and hospices, and providing ongoing support through our wish community events for seriously and terminally ill children and their families.

Fundraising events such as the London Marathon and Annual Golf Day were significant contributors, raising substantial funds and increasing awareness of the charity's mission. Corporate partnerships with organisations like Smyths, Bacta, Alpha Talent Group, and Hill Dickinson provided financial support and enhanced the charity's visibility and credibility.

Community engagement initiatives, including the "Ray for a Day" campaign and volunteer recruitment drives, mobilised local support and fostered a sense of collective effort. Innovative campaigns, such as the Crowdfunder campaign expanded the charity's reach and attracted new donors.

Structure, governance and management

a. Constitution

Rays of Sunshine is an charitable company limited by guarantee, constituted under a Memorandum of Association and a Trust Deed dated 08 August 2003. It was registered with the Charity Commission on 08 March 2004 with charity number 1102529.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

Trustees of Rays of Sunshine are appointed or elected through a structured process to ensure the board is composed of individuals who are committed to the charity's mission and objectives. The charity may appoint a person willing to act as a trustee by ordinary resolution of its members. Each trustee holds office for a three-year term, after which their appointment must be confirmed by an ordinary resolution of the members. If the appointment is not confirmed, the trustee ceases to hold office immediately.

The appointment process ensures that the number of trustees does not exceed any maximum number fixed by the charity. Trustees must be natural persons aged 16 years or older and must not be disqualified from acting under the provisions of the Companies Acts or the Charities Act 2011. This structured approach helps maintain a dedicated and effective board of trustees to guide the charity's activities and governance.

c. Organisational structure and decision-making policies

Rays of Sunshine operates with a structured organisational framework designed to ensure effective governance and operational efficiency. The charity is overseen by a Board of Trustees, who are responsible for the overall strategic direction and governance of the organisation. The trustees manage the business of the charity and exercise all powers unless restricted by the Companies Acts, the Articles, or any special resolution.

The Board of Trustees meet regularly to discuss and make decisions on key strategic and policy matters. These include setting the charity's strategic objectives, approving budgets, overseeing financial management, and ensuring compliance with legal and regulatory requirements. Trustees also appoint committees to handle specific areas such as finance, fundraising, and risk management, with the terms of delegation recorded in the minutes.

Operational decisions and day-to-day management are delegated to the charity's staff, led by the Chief Executive Officer (CEO). The CEO and senior management team are responsible for implementing the strategic plans approved by the trustees, managing the charity's programmes and services, and overseeing staff and volunteer activities. Staff are empowered to make decisions within their areas of responsibility, ensuring that the charity's operations run smoothly and efficiently.

The charity also engages volunteers to support various activities, including wish granting, hospital activities, and fundraising events. Volunteers are trained and supported to ensure they can effectively contribute to the charity's mission.

This clear delineation of responsibilities between the trustees and staff ensures that Rays of Sunshine can effectively pursue its mission while maintaining strong governance and accountability.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

Rays of Sunshine has established comprehensive policies for the induction and training of trustees to ensure they are well-prepared for their roles.

New trustees receive a welcome pack with key documents, attend an orientation meeting with the Chair and CEO, and are encouraged to visit the charity's offices and events. Trustees are offered ongoing training through workshops, seminars, external courses, and regular board development sessions. Trustees have access to resources, mentorship from experienced trustees, and periodic performance reviews to assess their contributions and identify additional training needs.

These measures ensure trustees are equipped to govern the charity effectively and support its mission.

e. Pay policy for key management personnel

Rays of Sunshine sets the pay and remuneration of its key management personnel through a structured and transparent process. Salaries are benchmarked against similar roles in the charity sector and other relevant industries to ensure competitiveness. Pay levels are determined based on the responsibilities of the role, the experience and qualifications of the individual, and their performance. Regular performance reviews are conducted to assess achievements and contributions.

The remuneration of key management personnel is reviewed and approved by the Board of Trustees to ensure objectivity and alignment with the charity's financial position. Salaries are set within market rates to attract and retain talented individuals while considering the charity's financial sustainability. The process is transparent, and details of key management personnel remuneration are disclosed in the charity's annual report and financial statements. This ensures that pay is fair, competitive, and aligned with the charity's goals and financial capabilities.

f. Related party relationships

Rays of Sunshine maintains relationships with various related parties to enhance its ability to fulfil its charitable objectives. These relationships include partnerships with other charities, and collaborations with organisations that share similar goals.

Rays of Sunshine also collaborates with other charities and organisations to further its mission. These partnerships involve sharing information, resources, and best practices to maximise the impact of their collective efforts. By working together, the charity can reach more beneficiaries and deliver more comprehensive support to seriously ill children and their families.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Structure, governance and management (continued)

g. Safeguarding Practices

At Rays of Sunshine, safeguarding is at the heart of everything we do. Our commitment to protecting children and young people is reflected in our comprehensive safeguarding policies and procedures, which are designed to ensure the safety and well-being of all beneficiaries.

Key Safeguarding Initiatives:

Training and Awareness: All staff, volunteers, and partners undergo rigorous safeguarding training to ensure they are equipped to identify and respond to potential risks. Regular refresher courses are conducted to keep everyone updated on best practices and emerging issues.

Safeguarding Committee: We have a dedicated safeguarding committee that reviews our policies and procedures regularly. This committee ensures that safeguarding is upheld to the highest possible standards, adapting our practices to meet evolving needs and challenges.

We are pleased to report that during the 2023/24 period, we did not receive any safeguarding concerns. Our safeguarding practices are continuously reviewed and improved to adapt to changing environments and emerging risks. We are dedicated to creating a safe and nurturing environment where every child can thrive.

Plans for future periods

Rays of Sunshine is committed to continuing its mission of bringing joy and support to seriously ill children and their families. The charity's future plans focus on several key aims and objectives, with specific activities designed to achieve them.

Aims and Objectives

- **Expand Wish Granting:** Increase the number of wishes granted annually to reach more children and provide them with unforgettable experiences.
- **Expand the Wish Community Events offering:** Increase the number of events and the regions they are hosted in, in order to provide wish children with more unforgettable experiences and opportunities to meet peers and share collectively.
- **Enhance Hospital Services:** Strengthen hospital activities to reduce feelings of isolation and provide stimulation for children during hospital stays.
- **Support Families:** Provide comprehensive support to families, including emotional and practical assistance, to help them navigate the challenges of caring for a seriously ill child.
- **Raise Awareness and Funds:** Increase awareness of the charity's work and secure additional resources through innovative fundraising campaigns and strategic partnerships.

Planned Activities

- **Wish Granting:** Continue to streamline the wish-granting process to reduce lead times and ensure timely delivery of wishes. Explore new types of wishes and experiences to cater to diverse interests and needs.
- **Wish Community Events:** Expand the offering of events, both in person and online to meet the needs of the

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Plans for future periods (continued)

community, empower our young people and provide safe, accessible opportunities for them.

- **Sunshine in Hospitals and Hospices:** Expand the range of activities offered during hospital visits, incorporating feedback from children and healthcare professionals to make these events more engaging and beneficial.
- **Fundraising Initiatives:** Strengthening our relationships with existing partnerships, Patrons, Trusts and Foundations, as well as seeking new support from these sources. Look to diversify our fundraising portfolio with the launch of new fundraising campaigns and leverage digital platforms to reach a wider audience. And mobilise the support of our community by getting involved and giving their time.

Trustees' Perspective

The trustees are optimistic about the future direction of Rays of Sunshine. They recognise the importance of strategic planning and have prioritised the development of a clear vision for the next three years. This vision includes building sustainable and diversified income streams, enhancing donor engagement, and expanding the charity's reach and impact.

Lessons Learned

Experience gained from past activities has been invaluable in shaping future plans. The charity has learned the importance of flexibility and adaptability in responding to changing circumstances, such as economic uncertainties and operational challenges. The success of recent fundraising events and partnerships has highlighted the value of community and corporate engagement. Additionally, feedback from beneficiaries has underscored the need for continuous improvement and innovation in the charity's programmes and services.

By incorporating these lessons and focusing on strategic initiatives, Rays of Sunshine aims to achieve its objectives and continue making a positive impact on the lives of seriously ill children and their families.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Plans for future periods (continued)

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, BKL Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



.....
Mr Stephen Allan OBE
(Trustee)

Date: **23/04/2025**

RAYS OF SUNSHINE
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYS OF SUNSHINE

Opinion

We have audited the financial statements of Rays of Sunshine (the 'charitable company') for the year ended 30 June 2024 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2024 and of its 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 Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYS OF SUNSHINE (CONTINUED)

Other information

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

RAYS OF SUNSHINE
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYS OF SUNSHINE (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

- Enquiring of management and those charged with governance around actual and potential litigation and claim;
- Reviewing board meeting minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RAYS OF SUNSHINE (CONTINUED)

BKL Audit LLP
Chartered Accountants
Statutory Auditor
35 Ballards Lane
London
N3 1XW

BKL Audit LLP

Date:

23/04/2025

BKL Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

RAYS OF SUNSHINE
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	1,002,284	67,735	1,070,019	1,657,413
Gifts in Kind	4	821,962	-	821,962	567,790
Investments	5	15,678	-	15,678	11,325
Other income	6	161,487	-	161,487	53,802
Total income		2,001,411	67,735	2,069,146	2,290,330
Expenditure on:					
Raising funds	7	661,144	-	661,144	786,588
Charitable activities	8	2,750,588	49,233	2,799,821	2,578,426
Total expenditure		3,411,732	49,233	3,460,965	3,365,014
Net (expenditure)/income before net gains/(losses) on investments		(1,410,321)	18,502	(1,391,819)	(1,074,684)
Net gains/(losses) on investments		198,440	-	198,440	(43,913)
Net movement in funds		(1,211,881)	18,502	(1,193,379)	(1,118,597)
Reconciliation of funds:					
Total funds brought forward		3,941,098	77,035	4,018,133	5,136,730
Net movement in funds		(1,211,881)	18,502	(1,193,379)	(1,118,597)
Total funds carried forward		2,729,217	95,537	2,824,754	4,018,133

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 33 to 51 form part of these financial statements.

RAYS OF SUNSHINE
(A company limited by guarantee)
REGISTERED NUMBER: 04860607

BALANCE SHEET
AS AT 30 JUNE 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	13	14,930	19,344
Investments	14	3,065,675	3,951,978
		<u>3,080,605</u>	<u>3,971,322</u>
Current assets			
Debtors	15	165,148	263,105
Cash at bank and in hand		132,003	448,628
		<u>297,151</u>	<u>711,733</u>
Creditors: amounts falling due within one year	16	(553,002)	(664,922)
Net current (liabilities) / assets		<u>(255,851)</u>	<u>46,811</u>
Total net assets		<u><u>2,824,754</u></u>	<u><u>4,018,133</u></u>
Charity funds			
Restricted funds	17	95,537	77,035
Unrestricted funds	17	2,729,217	3,941,098
Total funds		<u><u>2,824,754</u></u>	<u><u>4,018,133</u></u>

RAYS OF SUNSHINE
(A company limited by guarantee)
REGISTERED NUMBER: 04860607

BALANCE SHEET (CONTINUED)
AS AT 30 JUNE 2024

The entity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 144 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



.....
Mr Stephen Allan OBE
(Trustee)

Date: **23/04/2025**

The notes on pages 33 to 51 form part of these financial statements.

RAYS OF SUNSHINE
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	(1,406,967)	(1,059,680)
Cash flows from investing activities		
Dividends, interests and rents from investments	15,678	11,325
Purchase of tangible fixed assets	(10,078)	(8,514)
Sale/(Purchase) of investments	1,084,742	(3,995,890)
Net cash provided by/(used in) investing activities	1,090,342	(3,993,079)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(316,625)	(5,052,759)
Cash and cash equivalents at the beginning of the year	448,628	5,501,387
Cash and cash equivalents at the end of the year	132,003	448,628

The notes on pages 33 to 51 form part of these financial statements

RAYS OF SUNSHINE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

1. General information

Rays of Sunshine is incorporated as a charitable company limited by guarantee (charity number 1102529, company number 04860607). It is governed by its Memorandum and Articles of Association, as amended by a special and a written resolution dated 16 May 2011.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Rays of Sunshine 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.

2.2 Going concern

The Trustees have considered a period of one year from the date of approval of the accounts. The charity incurred a deficit of £1,249,948 in unrestricted funds during the year and at the year end the charity had net current liabilities of £293,970. At 30 June 2024 total unrestricted funds amounted to £2,691,150. The trustees have considered expected future cashflows, and at the time of approving the financial statements the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Charity has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Charity, can be reliably measured.

Donations, including gift aid, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

RAYS OF SUNSHINE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

2. Accounting policies (continued)

2.3 Income (continued)

Donations in kind, including services and facilities donated (for free or discounted) to the charity for its own use are included as income at their value to the charity as at the time of the gift with an equivalent amount included in expenditure.

Where goods or services are provided to the charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements as both income and expenditure at its estimated fair value based on the value of the contribution to the charity.

Many items donated to the charity include a 'money-can't-buy element' such as the time provided by celebrities to meet the children and attend charity events, and therefore no commercial value has been placed on these gifts in kind in the financial statements.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

RAYS OF SUNSHINE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

2. Accounting policies (continued)

2.5 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Fixtures and fittings	-	33% Straight line
Office equipment	-	33% Straight line

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets are shown at cost less provision for impairment.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and 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.

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

RAYS OF SUNSHINE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

2. Accounting policies (continued)

2.10 Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity, it is necessary to provide support in the form of support staff. Within support costs are also governance costs, which include the costs of statutory compliance and other costs related to the governance of the charity.

Finally, all support and governance costs were allocated in the following proportions: 70% to charitable activities and 30% to raising funds.

2.11 Financial instruments

The 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

3. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	1,000,284	-	1,000,284
Legacies	2,000	67,735	69,735
	<u>1,002,284</u>	<u>67,735</u>	<u>1,070,019</u>
		<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Donations		1,644,260	1,644,260
Legacies		13,153	13,153
		<u>1,657,413</u>	<u>1,657,413</u>

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

4. Gifts in kind

	Unrestricted funds 2024 £	Total funds 2024 £
Wishes	545,895	545,895
Other services	52,138	52,138
Fundraising costs	208,294	208,294
IT Services	3,424	3,424
Office costs	6,000	6,000
Other support costs	6,211	6,211
	<u>821,962</u>	<u>821,962</u>
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Wishes	248,228	248,228
Other services	28,638	28,638
Fundraising costs	177,300	177,300
Communications	85,152	85,152
IT services	9,318	9,318
Office costs	7,742	7,742
Other support costs	11,412	11,412
	<u>567,790</u>	<u>567,790</u>

The charity received gifts in kind valued at £821,962 (2023: £567,790) during the period. In addition, a significant number of gifts were received for which it is difficult to attribute a value. For example, the time provided by celebrities to meet children and attend charity events. It has not been possible to attribute a value to such gifts in these financial statements.

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

5. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £
Investment income	15,678	15,678

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Investment income	11,325	11,325

6. Other incoming resources

	Unrestricted funds 2024 £	Total funds 2024 £
Philanthropy & Special Events	161,487	161,487

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Philanthropy & Special Events	53,802	53,802

WAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

7. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2024 £	Total funds 2024 £
Depreciation	3,333	3,333
Philanthropy and special events	235,143	235,143
Communications	4,329	4,329
Other fundraising costs	100,593	100,593
Office expenses	92,754	92,754
Staff costs	224,992	224,992
	<u>661,144</u>	<u>661,144</u>

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Depreciation	3,158	3,158
Philanthropy and special events	311,600	311,600
Communications	25,232	25,232
Other fundraising costs	104,622	104,622
Office expenses	92,596	92,596
Staff costs	249,380	249,380
	<u>786,588</u>	<u>786,588</u>

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Granting wishes	2,750,588	49,233	2,799,821
	<u>2,750,588</u>	<u>49,233</u>	<u>2,799,821</u>
	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total 2023 £</i>
Granting wishes	2,524,484	53,942	2,578,426
	<u>2,524,484</u>	<u>53,942</u>	<u>2,578,426</u>

9. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Granting wishes	2,429,661	370,160	2,799,821
	<u>2,429,661</u>	<u>370,160</u>	<u>2,799,821</u>
	<i>Activities undertaken directly 2023 £</i>	<i>Support costs 2023 £</i>	<i>Total funds 2023 £</i>
Granting wishes	2,042,049	536,377	2,578,426
	<u>2,042,049</u>	<u>536,377</u>	<u>2,578,426</u>

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Granting wishes 2024 £	Total funds 2024 £
Staff costs	669,485	669,485
Wishes	1,290,695	1,290,695
Office expenses	233,902	233,902
Depreciation	8,405	8,405
Communications	12,988	12,988
Other services	214,186	214,186
	<u>2,429,661</u>	<u>2,429,661</u>

	<i>Granting wishes 2023 £</i>	<i>Total funds 2023 £</i>
Staff costs	536,591	536,591
Wishes	944,129	944,129
Office expenses	229,125	229,125
Depreciation	7,813	7,813
Communications	75,696	75,696
Other Services	248,695	248,695
	<u>2,042,049</u>	<u>2,042,049</u>

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Granting wishes 2024 £	Total funds 2024 £
Staff costs	342,788	342,788
Office expenses	(20,358)	(20,358)
Depreciation	2,755	2,755
Communications	4,331	4,331
Governance costs	40,644	40,644
	<u>370,160</u>	<u>370,160</u>

	<i>Granting wishes 2023 £</i>	<i>Total funds 2023 £</i>
Staff costs	346,333	346,333
Office expenses	52,887	52,887
Depreciation	2,576	2,576
Communications	17,661	17,661
Governance costs	116,920	116,920
	<u>536,377</u>	<u>536,377</u>

10. Auditors' remuneration

	2024 £	2023 £
Fees payable to the Charity's auditor for the preparation and audit of the Charity's annual accounts	<u>13,000</u>	<u>22,770</u>

RAY'S OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

11. Staff costs

	2024 £	2023 £
Wages and salaries	1,083,152	999,153
Social security costs	116,026	94,151
Contribution to defined contribution pension schemes	38,087	39,000
	<u>1,237,265</u>	<u>1,132,304</u>

The average number of persons employed by the Company during the year was as follows:

	2024 No.	2023 No.
All employees	<u>26</u>	<u>24</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024 No.	2023 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	-	1
In the band £100,001 - £110,000	1	-

The key management personnel of the charity comprised the Trustees, the Chief Executive Officer, the Fundraising and Communications Director, the Head of Operations, and the Head of Wishes.

The total employee benefits, including social security costs and employer pension contributions of the key management personnel of the charity were £303,000 (2023: £440,535)

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 30 June 2024, no Trustee expenses have been incurred (2023 - £NIL).

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

13. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 July 2023	53,063	85,373	138,436
Additions	-	10,079	10,079
At 30 June 2024	<u>53,063</u>	<u>95,452</u>	<u>148,515</u>
Depreciation			
At 1 July 2023	52,477	66,615	119,092
Charge for the year	586	13,907	14,493
At 30 June 2024	<u>53,063</u>	<u>80,522</u>	<u>133,585</u>
Net book value			
At 30 June 2024	<u>-</u>	<u>14,930</u>	<u>14,930</u>
<i>At 30 June 2023</i>	<u>586</u>	<u>18,758</u>	<u>19,344</u>

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

14. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 July 2023	1	3,951,977	3,951,978
Disposals	-	(1,084,742)	(1,084,742)
Revaluations	-	198,439	198,439
At 30 June 2024	<u>1</u>	<u>3,065,674</u>	<u>3,065,675</u>
Net book value			
At 30 June 2024	<u>1</u>	<u>3,065,674</u>	<u>3,065,675</u>
At 30 June 2023	<u>1</u>	<u>3,951,977</u>	<u>3,951,978</u>

Principal subsidiaries

The following was a subsidiary undertaking of the Company. It is a dormant entity:

Name	Company number	Registered office or principal place of business
Rays of Sunshine Promotions Limited	07975115	304 Regents Park Road, London, England, N3 2JY

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

15. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	41,194	110,134
Other debtors	22,328	22,328
Prepayments and accrued income	101,626	130,643
	<u>165,148</u>	<u>263,105</u>

16. Creditors: Amounts falling due within one year

	2024 £	2023 £
Trade creditors	50,089	19,266
Other taxation and social security	21,464	-
Other creditors	36,136	108,263
Accruals and deferred income	445,313	537,393
	<u>553,002</u>	<u>664,922</u>

At 30 June 2024, included within accruals and deferred income are committed wishes totalling £423,750 (2023: £478,265).

RAY'S OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

17. Statement of funds

Statement of funds - current year

	Balance at 1 July 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 30 June 2024 £
Unrestricted funds					
General Funds - all funds	3,941,098	2,001,411	(3,411,732)	198,440	2,729,217
Restricted funds					
Specific wishes	23,012	-	-	-	23,012
Other services	54,023	67,735	(49,285)	-	72,473
Unallocated amounts	-	-	52	-	52
	77,035	67,735	(49,233)	-	95,537
Total of funds	4,018,133	2,069,146	(3,460,965)	198,440	2,824,754

Statement of funds - prior year

	Balance at 1 July 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 30 June 2023 £
Unrestricted funds						
General Funds - all funds	5,060,526	2,254,765	(3,312,585)	(17,695)	(43,913)	3,941,098
Restricted funds						
Specific wishes	23,581	-	-	(569)	-	23,012
Other services	52,623	35,565	(52,429)	18,264	-	54,023
	76,204	35,565	(52,429)	17,695	-	77,035
Total of funds	5,136,730	2,290,330	(3,365,014)	-	(43,913)	4,018,133

RAYS OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

18. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	14,930	-	14,930
Fixed asset investments	3,065,675	-	3,065,675
Current assets	201,666	95,485	297,151
Creditors due within one year	(553,002)	-	(553,002)
Difference	(52)	52	-
Total	2,729,217	95,537	2,824,754

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Restricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Tangible fixed assets	19,344	-	19,344
Fixed asset investments	3,951,978	-	3,951,978
Current assets	634,698	77,035	711,733
Creditors due within one year	(664,922)	-	(664,922)
Total	3,941,098	77,035	4,018,133

RAY'S OF SUNSHINE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024**

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net expenditure for the period (as per Statement of Financial Activities)	(1,193,379)	(1,118,597)
Adjustments for:		
Depreciation charges	14,493	13,547
(Gains)/losses on investments	(198,439)	43,913
Dividends, interests and rents from investments	(15,678)	(11,325)
Loss on the sale of fixed assets	-	981
(Increase)/decrease in debtors	97,956	(89,759)
Increase/(decrease) in creditors	(73,801)	101,560
Net cash used in operating activities	(1,368,848)	(1,059,680)

20. Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand	132,003	448,628
Total cash and cash equivalents	132,003	448,628

21. Analysis of changes in net debt

	At 1 July 2023 £	Cash flows £	At 30 June 2024 £
Cash at bank and in hand	448,628	(316,625)	132,003
	448,628	(316,625)	132,003

RAYS OF SUNSHINE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

22. Operating lease commitments

At 30 June 2024 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 £
Not later than 1 year	107,172	107,172
Later than 1 year and not later than 5 years	330,447	428,688
Later than 5 years	-	8,931
	<u>437,619</u>	<u>544,791</u>

23. Related party transactions

The Charity received donations and gifts-in-kind from various organisations in which some of the charity's Trustees have an interest.

Gravita

Justin Randall, a Trustee of the charity, was a partner at Gravita (previously Jeffreys Henry LLP) until 02/02/2023. The firm provided the charity with pro-bono payroll service for £NIL (2023: £3,500).

i-Media

Advertising Space paid £NIL (2023: £50,000) for the Gala Sponsorship Package. Stephen Allan, the Chair of Board of Trustees is a Director of MSA Advertising which owns a majority stake in i-Media.

Capital Group

Annual donation of £12,000 (2023: £21,000) made by the Foundation where Rays of Sunshine has been nominated by Caroline Randall —wife of Trustee Justin Randall.

Purple Surgical

Purple Surgical, whose director Robert Sharpe is husband of Trustee Jane Sharpe, paid £NIL (2023: £19,865) for the Annual Patronage. £8,865 raised by Jolie Sharpe, daughter of Trustee Jane Sharpe raised £NIL (2023: £8,865) to sponsor London Marathon challenge.

Justco Management Limited

Justco Management Limited, in which Trustee Justin Randall is a director, donated £1,500 towards Golf Day 2024 (2023: £NIL) and £100 (2023: £NIL) towards the R Walters BGC.

Other donations from trustees

Justin Randall donated £5,000 (2023: £NIL) towards the Annual Patronage. Stephen Allan donated a total of £11,500 (2023: £NIL) towards the Annual Patronage renewals and the Golf Day 2024.

Accounts



Rays of Sunshine

Annual Report and Financial Statements

Year ended 30 June 2023

Charity Registration Number 1102529

Company Limited by Guarantee
Registration Number
04860607 (England and Wales)

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Board of Trustees Annual Report

The Board of Trustees presents its report and audited financial statement for the year ended 30 June 2023 with comparative information for the 18 months period to 30 June 2022.

Reference and Administrative Information:

- Charity name: Rays of Sunshine
- Charity registration number: 1102529
- Company Limited by Guarantee. Registration Number: 04860607
- Operational Address: 4th Floor, Berkeley House, 304 Regents Park Road, London, N3 2SY

Board of trustees

Mr Stephen Allan (Chair)

Mr Justin Randall FCA (Treasurer)

Mr Daniel Coleman

Dr Ronelle Naidoo

Mr Divyesh Popat

Mrs Jane Sharpe

Chief Executive Officer: Mr Daniel Assor (from October 2023)

Auditor: Buzzacott LLP, 130 Wood Street, London, EC2V 6DL

Bankers: Barclays Bank pic, 27 Soho Square, London, W1D 3QR

Solicitors: Ingram Winter Green LLP, Bedford House, 21A John Street, London WC1N 2BF

Structure Governance and Management

Governing Document

Rays of Sunshine is incorporated as a charitable company limited by guarantee (charity number 1102529, company number 04860607). It is governed by its Memorandum and Articles of Association, as amended by a special and a written resolution dated 16 May 2011.

The Trustees are also the directors for the purpose of company law.

All Trustees give their time voluntarily and receive no benefits from the charity.

Organisational Structure

Rays of Sunshine's Articles of Association provide for a minimum of four and a maximum of 15 Trustees. The Board of Trustees meet on a quarterly basis and takes overall responsibility for the strategic direction and policy of the charity.

A scheme of delegation is in place such that responsibility for the provision of the charity's day-to-day operational activities, charitable services, execution of the strategic plan and supervision of the Senior Management Team (SMT) rests with the Chief Executive Officer (CEO).

The CEO is supported in these duties by the SMT, working also with relevant support and oversight committees including (but not limited to) the Executive Board, the Administration and Finance Committee, the Risk Committee and the Safeguarding Committee. The CEO attends all Trustee and Executive Board meetings.

Trustee recruitment, appointment induction and training

Where there is a requirement for new Trustees, these are recruited and appointed by the existing Trustees, who undertake this duty with due regard for the skills, experience and knowledge necessary to support existing Trustees in discharging their obligations.

New Trustees are invited to familiarise themselves with the charity and the context within which it operates by way of visiting the operational premises and meeting key internal and external stakeholders. Induction is jointly led by the Chair of the Board of Trustees and the CEO and covers:

- Trustee obligations - drawn from various Charity Commission publications;
- The main documents which set out the charity's operational framework, including the Memorandum and Articles and key policies and plans;
- The charity's financial position as set out in the published accounts; and
- The charity's progress against goals and objectives as set out in CEO board reports and the associated minutes and future plans.

Committees and related parties

The Executive Board

The Executive Board consists of individuals who are charity founders, industry experts, and longstanding supporters. Its purpose is to provide the Board of Trustees and the CEO with valuable advice, fundraising support, and additional oversight regarding the progress and performance of the charity. The members during the stated period were:

- Mrs Hayley Allan
- Mr Stephen Allan

- Mr Tim Allan
- Mr Richard Burston
- Mr Grant Fox
- Mr David Saul
- Mr Mark Shipman
- Mr Jonathan Vandermolen

The Administration and Finance Committee

The Administration and Finance Committee consists of individuals selected from the Board of Trustees, the Executive Board, and professionals from the finance industry. Its primary responsibility entails evaluating the financial status of the charity and providing guidance to the Board of Trustees regarding the execution of financial strategies on behalf of the charity. These committee meetings, which occur on a quarterly basis, are chaired by the Treasurer and attended by the CEO, the Head of Finance and the Head of Operations. These meetings are conducted prior to the Board of Trustee meetings. The members during the stated period were:

- Mr Justin Randall (Chair and Treasurer)
- Mr Daniel Assor CEO (from October 2023)
- Mr Richard Burston
- Mrs Jane Sharpe

The Risk Committee and Risk Management

In September 2021, an independent advisory group was established under the leadership of Mr. James Martin, a volunteer industry expert. This committee assumes the responsibility for the creation and continuous oversight of the charity's risk register, providing quarterly reports to the Board of Trustees. The Board meets quarterly. The members during the stated period were:

- Mr James Martin (Committee Chair)
- Mr Daniel Coleman
- Mr Divyesh Popat
- Mr Justin Randall FCA

Medical Advisers

All the medical advisers to the charity are GMC registered practising Consultant Paediatricians, who provide their advice and support entirely voluntarily. Drawn from across a wide range of subspecialties, including neuro disability, cardiology, gastroenterology and

oncology, their combined experience enables them to advise the charity on the wide range of conditions that may fall within the charity's mission.

The medical advisers also support the wish team in determining whether applicants meet the medical eligibility criteria, where necessary attending (weekly) wish meetings to assess and advise on more complex cases. During the period, the medical advisers were:

- Dr Nick Barnes
- Dr Matthew Fenton (resigned September 2022)
- Dr Warren Hyer
- Dr Kerry Robinson (resigned September 2022)

Other Advisory Panels

Rays of Sunshine regularly consults with wish children, their parents/carers, hospital play specialists and nursing and medical experts about the services and activities we provide. The charity uses these insights to ensure the services delivered truly meet the needs of seriously and terminally ill children.

Principal Risks

Rays of Sunshine conducted a comprehensive review of the major risks facing the charity, identifying key areas that require ongoing attention and mitigation strategies. The Board of Trustees actively monitors and manages these risks to ensure the charity's continued success in fulfilling its mission of granting wishes to seriously ill children.

Key Principal Risks and Mitigation Strategies:

1. Leadership and Culture:
 - Maintaining a strong leadership team and fostering a positive organisational culture to attract and retain talented staff.
2. Strategy and Planning:
 - Adapting strategic plans to address changing beneficiary needs and evolving fundraising landscapes.
3. Staffing and Organisational Memory:
 - Addressing pandemic-related staff turnover by rebuilding organisational memory through recruitment and retention initiatives.
4. Services - Quality, Type, and Delivery:
 - Adapting and updating services to meet changing beneficiary needs, including fulfilling 'on hold' overseas travel wishes.

5. Safeguarding:

- Actively reviewing and improving safeguarding obligations through policy development, enhanced training, and designated board appointments.

6. Governance, Regulatory, and Compliance Risks:

- Strengthening organisational resilience to shocks and harms by improving internal governance and protections, including data and cybersecurity.

7. Financial Risks:

- Adopting innovative approaches to meeting income targets despite challenging fundraising landscapes, utilising online platforms and high-profile events.

8. Operational Risks:

- Ensuring compliance with health and safety regulations for staff, beneficiaries, and volunteers through periodic reviews of internal procedures.

9. Information Governance, IT Security, and Business Continuity:

- Maintaining robust data protection and cybersecurity measures to safeguard sensitive information and ensure business continuity.

Rays of Sunshine is committed to proactively managing risks to safeguard its operations, reputation, and ability to deliver on its mission. The charity's comprehensive risk management framework and ongoing vigilance ensure its continued success in bringing joy and hope to seriously ill children.

Objectives and Activities

Mission

The charity's mission is to relieve the suffering of children and young people who have illnesses or disabilities causing limited life expectancy or who suffer from long-term physical or mental disabilities (including learning disabilities). There have been no changes to the charity's mission over the years.

Core Activities

Based solely in the four nations of the United Kingdom, Rays of Sunshine works tirelessly to deliver on this core purpose by:

- Fulfilling magical wish requests from children aged between three and eighteen who are living with, or have suffered from, very serious, life-threatening, life-limiting or life-changing illnesses and conditions.
- Always seeking to fulfil these wishes in ways that enable the child's loved ones to be part of the process, thereby creating a deeply meaningful and shared experience for whole families, which they can treasure forever.
- Keeping our wish children and their families in mind by holding large and small-scale remote and in-person special events and activities throughout the year.
- Supporting seriously ill children in hospitals and hospices through:
 - Fulfilling 'ward wishes' and 'ward grants' to enable the creation of beautiful, soothing, entertaining, or distracting spaces for our children to use and enjoy.
 - The provision of specialist play equipment, tailored to specific sensory needs, to soothe and distract those children who are undergoing stressful or painful procedures.
 - Delivering wonderful remote and in-person hospital and hospice activity days throughout the UK.

Strategy

In order to uphold these fundamental goals and guarantee their achievability and effectiveness, particularly as the charity transitions from the post-pandemic phase to a comprehensive wish program, we have implemented a strategy that:

- Focuses on the quality of the wish-granting program; ensuring each child is at the very heart of the process and expectations are not just met but exceeded.
- Increases team capacity and training to ensure wish numbers continue to rise and unnecessary waiting times are eradicated.

- Prioritises and supports the development of an agile in-house team who are experts at working across remote and in-person platforms and are 'future fit' - able to deliver on all wish types, irrespective of pandemic restrictions, without compromising on quality and skilled communications with families and children under difficult circumstances.
- Delivers against our pre-pandemic international travel commitments.
- Builds engagement with key clinical staff, including hospital and hospice teams, to make sure we keep delivering what the children need in these settings, attract applications, and continue to provide a sensitive and rapid response to urgent 'rush' wishes in the critically or terminally unwell.
- Attends to organisational resilience, sustainability, effectiveness, memory and culture and the protection of staff and beneficiaries, through the active strengthening of internal processes and governance systems.
- Continues to build a sustainable and diversified income stream.
- Builds our profile and visibility across a range of platforms.

Public Benefit

The Trustees affirm their unwavering commitment to fulfilling the public benefit requirement as stipulated in Section 17 of the Charities Act 2011, ensuring that all activities undertaken by Rays of Sunshine serve the greater good.

Our compassionate services extend to all seriously ill children between the ages of three and eighteen residing in the UK.

Rays of Sunshine stands in unwavering solidarity with children facing the daunting challenges of serious, life-threatening, or terminal illnesses. We believe that our work is of paramount importance in providing these children with uplifting, exciting, and magical experiences, creating cherished memories that offer solace and hope during difficult times.

Our approach is deeply rooted in fostering joy, providing distraction, forging long-lasting connections, involving entire families in planned activities, and prioritising a child's needs during hospitalisation. We believe that this holistic approach can be truly transformative in alleviating anxiety, suffering, and isolation among this vulnerable group, thereby contributing significantly to the public good.

Achievements and Performance

During the period from 01 July 2022 to 30 June 2023, Rays of Sunshine achieved significant milestones. We recognised the unique struggles faced by individuals with serious illnesses and remained committed to our mission of alleviating their suffering and providing comfort.

By actively listening to our beneficiaries and collaborating with healthcare professionals, we gained valuable insights into where our impact could be greatest. We focused on finding

meaningful and joyful ways to support seriously ill children throughout their difficult journeys.

Our wish-granting services and additional supportive programs proved immensely valuable to the children we serve. Beyond mere gifts or outings, these services brought genuine moments of joy to our beneficiaries and their families. We aimed to remind them that they are not alone or forgotten and that normal experiences are still possible, even in the face of illness.

We expanded our work to encompass various settings, fostering a deep sense of connection and community for the children and their families. Our hope is that they find solace in knowing that they are constantly in the thoughts of our generous donors and unwavering supporters.

The Wish Programme

Rays of Sunshine's dedicated supporters played a crucial role in enabling us to fulfil 329 remarkable wishes for seriously ill children throughout the financial year 2022/23. Our plans for 2023/24 currently exceed 550 wishes.

Rays of Sunshine actively works towards granting personalised wishes as unique as the children themselves. Whether a child aspires to experience a day as a princess or a firefighter, own an iPad, meet their favourite celebrity, or encounter a genuine mermaid, our team endeavours tirelessly to transform their dreams into reality.

The pandemic posed significant obstacles for Rays of Sunshine and the families we assist. Many wishes and events had to be either cancelled, delayed, or altered. Nevertheless, with revitalised determination, the period of 2022/23 represented our successful restoration of a comprehensive wish program encompassing in-person interactions, at-home experiences, and the resumption of fulfilled travel desires.

Noteworthy achievements include:

- Organising 12 Christmas events, attended by 546 children and young individuals across the UK.
- Facilitating 11 visits to Legoland, 23 excursions to Center Parcs, four exclusive shopping experiences at Smyths Toy Superstores, and many more delightful endeavours.
- Applications to international travel wishes were re-opened in January 2023 with a limited number of trips to DisneyWorld Florida, Disneyland Paris and other European destinations.

One of the recipients of a wish in 2022 was Khaliq, whose dream was to experience being a real-life superhero for a day. Consequently, he chose to spend his time at Walton-on-Thames Fire Station, accompanied by its team of dedicated firefighters. Khaliq partook in training sessions on utilising the fire hose, rode in the fire engine, and even had the opportunity to meet the station's highly skilled fire dogs.

Expressing her gratitude, Belynda, Khaliq's mother, conveyed, "Words cannot adequately express my gratitude for making his humble wish come true. The expression on his face was priceless, filled with overwhelming excitement. Upon returning home, he declared it the best day of his life. He was truly a blissful child!"

Building a Wish Community

Our events are designed for children and young people who have received a wish from Rays of Sunshine, and their families.

From the moment the wish is granted, children become part of this community and are invited to join in any of the events which take place throughout the year across the UK.

We offer a 'relaxed', fully accessible environment during our events, so children and young people can feel free to be themselves whilst not being overwhelmed and share valuable time with others in a setting which aims to boost their confidence. The Events Team has been very successful in engaging with Wish Community families and providing them with fun and memorable experiences.

Noteworthy achievements include:

- An exclusive relaxed screening of the new Super Mario Bros. film for Wish Community families at the BFI, London Southbank which was attended by 30 families (123 people). The screening was also preceded by a morning of gaming experiences for families and a Mario-themed breakfast.
- Hosting a roadshow of private regional screenings of Disney's The Little Mermaid in Birmingham, Leeds, Colchester and Wokingham, complete with face-painting and an opportunity for local families to meet each other over coffee.
- Working with Milly Giveaway, Rays of Sunshine was pleased to hold its annual Milly Day which provides unforgettable experiences for children and young people living with serious illnesses.

Our focus this year in events has been to diversify and expand our offering. The team have spent time researching and engaging with our Wish Community to tailor events to popular interests. We are very much a national charity and attach great importance to delivering this offering across the UK, specific to the teenagers/young people in our Wish Community.

Rays of Sunshine Choir

The Rays of Sunshine Choir, a unique initiative, brought together wish children and their siblings to explore their musical talents and express themselves through song. The choir provides a platform for self-expression, confidence-building, and camaraderie.

In 2022/23, the choir underwent a transition from exclusively conducting rehearsals online to adopting a hybrid model that combined in-person workshops and monthly online sessions. This transition coincided with the introduction of a new professional choir leader, Cathrine Hopkins, who joined the team. The Sunshine Choir celebrated their inaugural in-person performance at the Christmas Party.

The move to online monthly sessions has been welcomed by a number of children and their families based all around the UK, who are now able to be a part of this inclusive, confidence-building community by joining sessions from their home.

Throughout this period, the online choir rehearsals continued to yield positive outcomes with the objective of engaging the choir in a wider range of events. The choir organised in-person workshops that centred around themes suggested by the children, encompassing singing, dancing, and acting. To further support the choir children, their parents were provided with care packages and encouraged to establish connections with others.

Supporting Seriously Ill Children in Hospitals

Rays of Sunshine extended its reach beyond wish-granting by providing ongoing support to seriously ill children in hospitals. The charity's efforts focused on creating positive experiences and alleviating the emotional and psychological impact of illness.

This year much of the team's focus was on continuing to rebuild our hospital services following the impact of the Covid-19 pandemic, which limited our activity. Working with hospital teams, we have been exploring how we can best support children during their time in hospitals going forwards.

This year the team worked to improve the Sunshine in Hospitals Grant process and enhancing hospital services. Rays of Sunshine received 12 grant applications, with Glasgow Royal Hospital for Children being selected. The hospital was awarded £18,500 for a project to introduce mobile and interactive sensory equipment into the Paediatric Intensive Care Unit to reduce anxiety, promote development and encourage recovery.

The Hospital Services team also reinstated the Play Specialist panel, developed informational materials with QR codes, and participated in events to assist families with wish applications.

Noteworthy achievements include:

- The Play Specialist panel has been reinstated, providing valuable insights into the needs of children's wards.
- Informational materials with QR codes have been developed to facilitate wish applications.
- The team has participated in events like GOSH's 'Get Active' and the British Transplant Games to assist families with wish referral forms.

The achievements of Rays of Sunshine during this period demonstrate our unwavering commitment to providing hope and happiness to seriously ill children and their families. The charity's impact extends beyond wish-granting, fostering a supportive community and enhancing the lives of children facing life-threatening illnesses.

Fundraising

At Rays of Sunshine, we are driven by a profound commitment to enriching the lives of seriously ill children across the United Kingdom. Our mission is to bring joy and hope to these children and their families, creating lasting memories that illuminate their lives during challenging times.

The fulfilment of our mission is made possible by the unwavering support of our generous donors and fundraisers. Without their contributions, the smiles we bring to the faces of these children would simply not be possible. As a non-profit organisation, we do not receive government funding, making every donation a testament to the compassion and kindness of our supporters.

During the 2022/23 financial year, we were deeply touched by the outpouring of generosity from individuals and organisations who shared our vision of bringing sunshine into the lives of seriously ill children. Our fundraising efforts encompassed a diverse range of initiatives, key activities included:

- **Special Events:** We hosted a series of engaging and impactful events, such as gala dinners, charity auctions, and sporting challenges, which brought together our community of supporters and raised £0.53m for our cause.
- **Major Donors and Patrons:** We are incredibly grateful to our major donors and patrons, whose substantial contributions have enabled us to expand the reach of our programs and provide life-changing experiences for countless children.
- **Corporate Partnerships:** We forged valuable partnerships with corporate entities that share our commitment to making a difference in the lives of seriously ill children. These partnerships with Symth's Toys, Lockton's, the Sidemen, BACTA, ICAP Brokers and the Royal Bank of Canada have helped us raise £0.52m and amplified our fundraising efforts.
- **Challenge and Community Fundraising:** We were amazed by the unwavering determination displayed by individuals and groups who took on personal challenges and community-focused endeavours to generate funds for Rays of Sunshine. Their deep enthusiasm and steadfast dedication have served as a profound source of inspiration.

Throughout the financial period, in the wake of the post-pandemic era, we observed the successful organisation of two London Marathons. Both the October 2022 and April 2023 races achieved exceptional fundraising outcomes for Rays of Sunshine, with £145k and £156k being respectively raised from these events.

- **Individual Donations:** Every single donation, regardless of size, has played a crucial role in enabling us to fulfil our mission. We are immensely grateful for the ongoing support of our individual donors, whose generosity has made a profound difference in the lives of so many children.

We extend our gratitude to all our Patrons, partners, individual supporters, Trustees, and Executive Committee members for their unwavering dedication to improving the lives of seriously ill children. Their steadfast commitment serves as a catalyst for our charitable endeavours and motivates our team.

We extend our deepest gratitude to Michael McIntyre for his exceptional performance at our Fundraising Gala Dinner in November 2022. His captivating stage presence and comedic brilliance played a pivotal role in the event's remarkable success, which resulted in a net sum of over £0.3 million.

We are immensely grateful for your unwavering support.

Financial Review

In the 12 months from 01 July 2022, our total income was £2.29m (18 months to 30 June 2022: £4.32m), including fundraising and donations-in-kind. We invested £0.95m in raising this income (18 months to 30 June 2022: £0.73m) and spent £2.42m on charitable activities (18 months to 30 June 2022 £2m), resulting in a deficit of £1.12m (18 months to 30 June 2022: £1.59m surplus) for the year.

Our total expenditure, including unrealised losses on investment, in the year ended 30 June 2023 was £3.41m, which is an increase of 25% compared to the 18 months period ended 30 June 2022 (£2.73m). This reflects a return to full income-generating activities, the resumption of a fully stewarded wish and beneficiary events program, the delivery of international travel wishes and the concomitant rise in staffing and recruitment costs.

Reserves policy

At the balance sheet date of 30 June 2023, the total reserves were £4.02m (30 June 2022: £5.14m) of which £3.94m (30 June 2022: £5.06m) were unrestricted funds and £77k (30 June 2022: £76k) were restricted funds (see note 14).

Our policy pre-Covid has been to maintain 6 to 12 months of budgeted expenditure in order to ensure that we are always able to fulfil wishes, both committed and planned, in the event of a significant decline in our income as a result of a macro-economic event such as that experienced in 2008 and again in 2020.

The trustees are comfortable with a reserves level at the upper end of expectations; this position of relative financial strength enables a final full return to pre-pandemic activity levels and although this is above our normal level of cover we believe this is appropriate for the current uncertain economic climate and would expect the cover to normalise in the medium term.

Reserves Cover

	Year ended 30 June 2023	Period ended 30 June 2022
Free reserves	3,921,754	5,035,168
Next year's budgeted expenditure	3,426,346	3,184,842
Months' cover	14	19

By 30 June 2023, our total net assets were £4,018,133. Of this, our free reserves were £3,921,754, comprising of unrestricted funds (excluding fixed assets). This figure has taken into account our commitment towards wishes approved but not yet granted where we make a full provision of all anticipated costs still to be incurred.

Investment Policy

The Trustees have the power to invest in funds as they deem appropriate. The trustees' investment decision during the period was to invest in Government Gilts (January 2025 maturity date) and hold sufficient cash in easily accessible bank accounts with Barclays Bank.

The investment policy is reviewed every 6 months by a sub-committee of the Trustee/Executive Board which reports to the trustees. The policy reflects the trustee's decision to hold reserves in such a manner as to achieve minimum risk/capital preservation and liquidity to meet the Charity's obligations as and when they fall due.

Fundraising Communication

The charity is registered with the Fundraising Regulator and is committed to our fundraising being legal, open, honest, respectful, and meeting the standards set in the Fundraising Code of Practice.

We communicate with our supporters through a variation of emails, direct mailings and telephone calls. We also ensure that nobody who appears to be vulnerable is asked to commit to giving.

Our values and heritage are strongly based on relationship-driven fundraising rather than high-volume mass funding and we continue to be committed to our relationship-focused approach to income generation and growth.

Most of our fundraising is managed by our staff with the support of our Executive Board members and volunteers. We do not employ any professional fundraising organisations.

Communication and Complaints:

Rays of Sunshine logs all feedback, whether positive or negative, actively adopting a learning approach to strengthen systems and improve performance. Incidents —including safeguarding incidents —and complaints are regularly reviewed in accordance with relevant policy documents.

Rays of Sunshine received one complaint during the period and no fundraising complaints. All were comprehensively investigated and closed with detailed responses to the complainants.

Equality, Diversity and Inclusion

Rays of Sunshine is committed to equality of access to our services for all eligible children. Plans to overcome barriers to access, including those arising from language barriers, social deprivation and differing sensory needs, are in the process of being rolled out.

Rays of Sunshine actively uses recruitment and workplace policies and procedures to uphold our commitment to equality, diversity and inclusion.

Going Concern Assessment

The charity's level of free reserves remains healthy, and the Board of Trustees are of the opinion that the charity remains a going concern for at least 12 months from the date of signing these financial statements. The trustees anticipate that there will be a challenging fundraising landscape in the next few years. Future expenditure commitments are carefully considered in light of free reserve levels and the ongoing financial position of the charity.

Declarations

Statement of Trustees' Responsibilities

The Trustees, who are also the directors of Rays of Sunshine for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

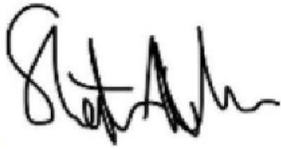
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets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

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

Disclosure of Information to Auditors

Each of the Trustees has confirmed there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Signed on behalf of the Board of Trustees:

A handwritten signature in black ink, appearing to read 'Stephen Allan', written in a cursive style.

Stephen Allan

Chair of the Trustees

Approved on: 31 January 2024

Independent auditor's report to the members of Rays of Sunshine

Opinion

We have audited the financial statements of Rays of Sunshine (the 'charitable company') for the year ended 30 June 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2023 and of its income and expenditure for the period 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 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 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law, 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006;

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- we identified laws and regulations which were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered capable of detecting there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities including fraud (continued) and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink, appearing to read 'Shachi Blakemore', with a stylized flourish at the end.

Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

31 January 2024

Statement of Financial Activities

(including income and expenditure account)
Year ended 30 June 2023

		Year ended 30 June 2023			18 months to 30 June 2022		
	Notes	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds (restated) £	Restricted funds £	Total funds £
Income from:							
Donations and legacies	1	1,621,848	35,565	1,657,413	4,062,062	10,000	4,072,062
Gifts in kind	2	567,790	—	567,790	152,519	—	152,519
Other trading activities	3	53,775	—	53,775	87,949	—	87,949
Investments		11,325	—	11,325	2,963	—	2,963
Other income		27	—	27	2,416	—	2,416
Total income		2,254,765	35,565	2,290,330	4,307,909	10,000	4,317,909
Expenditure on:							
Raising funds	4	947,501	—	947,501	730,328	—	730,328
Charitable activities	5	2,365,084	52,429	2,417,513	1,966,843	33,465	2,000,308
Total expenditure		3,312,585	52,429	3,365,014	2,697,171	33,465	2,730,636
Net income (expenditure) before net gains / (losses) on investments		(1,057,820)	(16,864)	(1,074,684)	1,610,738	(23,465)	1,587,273
Unrealised gains/(losses) on investment		(43,913)	—	(43,913)	—	—	—
Net (expenditure) income before transfers		(1,101,733)	(16,864)	(1,118,597)	1,610,738	(23,465)	1,587,273
Transfer between funds		(17,695)	17,695	—	2,422	(2,422)	—
Net movement in funds	7	(1,119,428)	831	(1,118,597)	1,613,160	(25,887)	1,587,273
Reconciliation of funds							
Fund balances brought forward		5,060,526	76,204	5,136,730	3,447,366	102,091	3,549,457
Fund balances carried forward		3,941,098	77,035	4,018,133	5,060,526	76,204	5,136,730

All income and expenditure derived from continuing activities during the above two financial periods.

All recognised gains and losses are included in the above statement of financial activities.

Balance Sheet

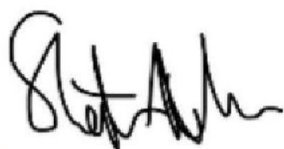
Year ended 30 June 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	9		19,344		25,358
Investments	10		3,951,978		1
			3,971,322		25,359
Current assets					
Debtors	11	263,105		173,346	
Cash at bank and in hand		448,628		5,493,687	
Short term deposits		-		7,700	
		711,733		5,674,733	
Liabilities					
Creditors: amounts falling due within one year	12	(664,922)		(563,362)	
Net current assets			46,811		5,111,371
Total net assets			4,018,133		5,136,730
Income funds					
Restricted funds	14		77,035		76,204
Unrestricted funds			3,941,098		5,060,526
Total funds	15		4,018,133		5,136,730

Approved by the Trustees and signed on their behalf by:

Trustee

Approved on: 31 January 2024



Stephen Allan

Rays of Sunshine

Registered Company Number: 04860607 (England and Wales)

Statement of Cash Flows

Year Ended 30 June 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	A	(1,059,680)	1,528,571
Cash flows from investing activities:			
Purchase of tangible fixed assets		(8,514)	(28,671)
Interest and investment income receivable		11,325	2,963
Purchase of investments		(3,995,890)	-
Net cash generated from (used by) investing activities		(3,993,079)	(25,708)
Change in cash and cash equivalents in the reporting period		(5,052,759)	1,502,863
Cash and cash equivalents at 30 June 2022		5,501,387	3,998,524
Cash and cash equivalents at 30 June 2023	B	448,628	5,501,387

A: Reconciliation of net movement in funds to net cash provided by operating activities

	2023 £	2022 £
Net income (expenditure) for the reporting period	(1,118,597)	1,587,273
Adjustments for:		
Depreciation charges	13,547	39,000
Dividends, interest and rents from investments	(11,325)	(2,963)
(Gains)/losses on investments	43,913	-
Loss/(profit) on the sale of fixed assets	981	-
(Increase)/decrease in debtors	(89,759)	23,058
Increase/(decrease) in creditors	101,560	(117,797)
Net cash provided by (used in) operating activities	(1,059,680)	1,528,571

B: Analysis of changes in net debt

	30 June 2022 £	Cash flows £	30 June 2023 £
Cash at bank and in hand	5,493,687	(5,045,059)	448,628
Short term deposits	7,700	(7,700)	-
	5,501,387	(5,052,759)	448,628

Principal Accounting Policies

Year ended 30 June 2023

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year from 1 July 2022 to 30 June 2023 with comparative information provided in respect to the period ended 30 June 2022. They are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The areas in the financial statements where these judgements and estimates have been made include:

- determining the valuation of gifts in kind;
- the accrual for wish expenditure committed but not yet completed;
- the allocation of support costs to charitable activities; and
- estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge.

In addition to the above, the full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees have taken into consideration the impact of the pandemic on the charity and have concluded that although there may be some negative consequences and greater risk in relation to the fundraising for the charity's activities, the trustees believe that the charity is a going concern on the basis detailed within the 'Future plans and post balance sheet event' and 'Going concern assessment' sections within the trustees' report. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above.

Income

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably, and it is probable that the income will be received.

Income comprises donations and legacies, gifts in kind, fundraising and bank interest.

Donations, including gift aid, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity. If the amount is not known, the legacy is treated as a contingent asset. Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Donations in kind

Services and facilities donated (for free or discounted) to the charity for its own use are included as income at their value to the charity as at the time of the gift with an equivalent amount included in expenditure.

Where goods or services are provided to the charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements as both income and expenditure at its estimated fair value based on the value of the contribution to the charity.

Many items donated to the charity include a 'money-can't-buy element' such as the time provided by celebrities to meet the children and attend charity events, and therefore no commercial value has been placed on these gifts in kind in the financial statements.

Services provided by volunteers

For the purposes of these financial statements, no value has been placed on administrative and other services provided by volunteers in accordance with the Charities SORP FRS 102.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings as described below. The classification between activities is as follows:

- Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes staff, other direct costs associated with fundraising and allocated support costs associated with fundraising.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include wish costs as well as an allocation of support costs.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity, it is necessary to provide support in the form of support staff.

Within support costs are also governance costs, which include the costs of statutory compliance and other costs related to the governance of the charity.

Support and governance costs are allocated to activities based on staff time spent on those activities. In the process of calculating support costs, we have allocated office expenses and depreciation costs as follows: 23% to raising funds, 58% to charitable activities and 19% to support costs. We have also re-stated this allocation for previous reporting period: 21% to raising funds, 54% to charitable activities and 24% to support costs. We have also allocated communications costs as follows: 20% to raising funds, 60% to charitable activities and 20% to support costs. The same ratios were used to re-state 2021/22 figures.

Finally, all support and governance costs were allocated in the following proportions: 70% to charitable activities and 30% to raising funds.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. All assets costing more than £500 and with an expected useful life exceeding one year are capitalised. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful economic life as follows:

- Fixtures, fittings & equipment 33% straight line

Investments

Investment in the subsidiary company is valued at cost, with provision being made for any permanent diminution in value.

Investments in UK Treasury Gilts are valued at fair market value at the end of reporting period.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Short term deposits

Deposits for more than three months but less than one year have been disclosed as short term deposits.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Liabilities for wishes are recognised as expenditure as soon as there is a specific commitment creating an obligation and an expectation that a wish will be fulfilled. The liabilities at the balance sheet date are included within creditors due within one year.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Taxation status

The charitable company is a registered charity and is not subject to corporation tax on its current activities.

Fund structure

Unrestricted general funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects at the discretion of the trustees, unless the funds have been designated for other purposes.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Financial instruments

The charity holds only basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – trade debtors and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank and short term deposits – clarified as basic financial instruments and measured at face value.

Financial liabilities – accruals and other creditors are financial instruments and are measured at amortised cost.

Notes to the financial statements

Year ended 30 June 2023

1 Donations and legacies

	Unrestricted funds	Restricted funds	Year ended 30 June 2023 Total funds	Unrestricted funds	Restricted funds	Period ended 30 June 2022 Total funds
	£	£	£	£	£	£
Donations	1,608,695	35,565	1,644,260	4,059,562	10,000	4,069,562
Legacies	13,153	—	13,153	2,500	—	2,500
	1,621,848	35,565	1,657,413	4,062,062	10,000	4,072,062

2 Donations in kind

	Unrestricted funds	
	Year ended 30 June 2023	Period ended 30 June 2022
	£	£
Wishes	248,228	24,302
Other Services	28,638	16,512
Fundraising costs	177,300	5,654
Communications	85,152	43,413
IT Services	9,318	29,409
Office costs	7,742	19,223
Other Support costs	11,412	14,006
	567,790	152,519

The charity received donations in kind valued at £567,790 (2022: £152,519) during the period. In addition, a significant number of gifts were received for which it is difficult to attribute a value. For example, the time provided by celebrities to meet children and attend charity events. It has not been possible to attribute a value to such gifts in these financial statements.

3 Other trading activities

	Unrestricted funds	Restricted funds	Year ended 30 June 2023 Total funds	Unrestricted funds	Restricted funds	Period ended 30 June 2022 Total funds
	£	£	£	£	£	£
Tickets and registration fees	53,775	—	53,775	69,850	—	69,850
Community fundraising	—	—	—	18,099	—	18,099
	53,775	—	53,775	87,949	—	87,949

4 Costs of raising funds

Basis of allocation		Year ended 30 June 2023			Period ended 30 June 2022		
		Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Staff Costs	Direct costs	249,380	—	249,380	259,122	—	259,122
Philanthropy and Special Events	Direct costs	311,600	—	311,600	60,869	—	60,869
Other fundraising costs	Direct costs	104,622	—	104,622	126,418	—	126,418
Office expenses	Staff time	92,596	—	92,596	116,159	—	116,159
Depreciation	Staff time	3,158	—	3,158	8,308	—	8,308
Communications	Staff time	25,232	—	25,232	22,048	—	22,048
Support costs (see note 6)	Staff time	160,913	—	160,913	137,404	—	137,404
		947,501	—	947,501	730,328	—	730,328

5 Charitable activities

Basis of allocation		Year ended 30 June 2023			Period ended 30 June 2022		
		Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Staff costs	Direct costs	536,591	—	536,591	570,295	—	570,295
Wishes	Direct costs	944,129	—	944,129	563,724	—	563,724
Other Services	Direct costs	196,266	52,429	248,695	127,859	33,465	161,324
Office Expenses	Staff time	229,125	—	229,125	296,972	—	296,972
Depreciation	Staff time	7,813	—	7,813	21,240	—	21,240
Communications	Staff time	75,696	—	75,696	66,143	—	66,143
Support costs (see note 6)	Staff time	375,464	—	375,464	320,610	—	320,610
		2,365,084	52,429	2,417,513	1,966,843	33,465	2,000,308

6 Support costs

	Year ended 30 June 2023 £	Period ended 30 June 2022 £
Staff costs	346,333	240,488
Other office costs	75,550	132,146
Communications	25,232	22,048
Depreciation	2,576	9,452
Governance costs:		
Audit fees	22,770	22,680
Accountancy	22,206	31,200
Legal and professional feed	2,400	—
Other Governance costs	39,310	—
	536,377	458,014

7 Net income and net movement in funds for the year

This is stated after charging:

	Unrestricted funds	
	Year ended 30 June 2023	Period ended 30 June 2022
	£	£
Staff costs (note 8)	1,132,305	1,069,905
Auditor's remuneration (note 6)	22,770	22,680
Depreciation (note 9)	13,547	39,000

8 Staff costs, remuneration of key management and Trustees' remuneration

The average monthly number of employees during the year was:

	Year ended 30 June 2023	Period ended 30 June 2022
All employees	24	17

Employment costs

	Year ended 30 June 2023	Period ended 30 June 2022
	£	£
Wages and salaries	999,154	934,904
Social security costs	94,151	102,225
Other pension costs	39,000	32,776
	1,132,305	1,069,905

The key management personnel of the charity comprised the Trustees, the Chief Executive Officer, the Director of Strategic Planning and Development, the Director of Fundraising and Communications, the Head of Services, the Head of Operations and the Head of Finance.

The total employee benefits, including social security costs and employer pension contributions of the key management personnel of the charity were £440,535 (period ended 30 June 2022: £338,103).

No remuneration is paid to Trustees for their services as board members. No expenses were reclaimed by Trustees in the year ended 30 June 2023 (2022: £nil).

The number of employees who earned £60,000 or more (excluding employer contributions and excluding pension costs) during the accounting periods were:

	Year ended 30 June 2023	Period ended 30 June 2022
	No.	No.
£60,001 - £70,000	—	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	—

During the period, pension costs totalling £12,099 (period ended 30 June 2022: £5,614) were paid in respect of the above employees. Details of other related party transactions are included in note 16.

9 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 July 2022	202,808
Additions	8,514
Disposals	(72,886)
At 30 June 2023	138,436
Depreciation and impairment	
At 1 July 2022	177,450
Depreciation charged in the year	13,547
Released on disposal	(71,905)
At 30 June 2023	119,092
Net book value	
At 30 June 2023	19,344
At 30 June 2022	25,358

10 Fixed asset investments

	Year ended 30 June 2023#	Period ended 30 June 2022
	£	£
Investments in subsidiaries	1	1
Other investments		
Market value at the start of the year	—	—
Additions at cost	3,995,890	—
Disposals at carrying value	—	—
Unrealised net gain/(loss) on revaluation	(43,913)	—
Market value at the end of the year	3,951,977	—
	3,951,978	1

The fixed asset investment in subsidiaries relates to 100% holding in Rays of Sunshine Promotions Limited, which was dormant in the above two periods. Rays of Sunshine Promotions Limited's registered address is 4th Floor, Berkeley House, 304 Regents Park Road, London, England, N3 2JY.

	Year ended 30 June 2023	Period ended 30 June 2022
	£	£
Other Investments at fair value comprised:		
TN25 0 ¼% TREASURY GILT 31/01/25	3,951,977	—
	3,951,977	—

11 Debtors

Amounts falling due within one year:

	Year ended 30 June 2023	Period ended 30 June 2022
	£	£
Trade debtors	110,134	3,224
Other debtors	22,328	22,328
Prepayments and accrued income	130,643	147,794
	263,105	173,346

12 Creditors: amounts falling due within one year

	Year ended 30 June 2023	Period ended 30 June 2022
	£	£
Trade creditors	19,266	43,909
Other creditors	108,263	56,189
Accruals and deferred income	537,393	463,264
	664,922	563,362

At 30 June 2023, included within accruals and deferred income are committed wishes totalling £478,265 (period to 30 June 2022: £401,150).

13 Operating leases

As at 30 June 2023, the charity was committed to total future minimum lease payments under non-cancellable operating leases as follows:

	Office premises	
	Year ended 30 June 2023	Period ended 30 June 2022
	£	£
Within one year	107,172	107,172
Within two to five years	428,688	17,862
Over five years	8,931	—
	544,791	125,034

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 July 2022	Income	Expenditure	Transfers	Balance at 30 June 2023
	£	£	£	£	£
Specific wishes	23,581	—	—	(569)	23,012
Other services	52,623	35,565	(52,429)	18,264	54,023
	76,204	35,565	(52,429)	17,695	77,035

	Balance at 1 January 2021	Income	Expenditure	Transfers	Balance at 30 June 2022
	£	£	£	£	£
Specific wishes	26,003	—	—	(2,422)	23,581
Other services	76,088	10,000	(33,465)	—	52,623
	102,091	10,000	(33,465)	(2,422)	76,204

Restricted funds comprised sums received for specific wishes and equipment.

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 30 June 2023 are represented by:			
Tangible assets	19,344	—	19,344
Investments	3,951,978	—	3,951,978
Current assets	634,698	77,035	711,733
Creditors: amounts falling due within one year	(664,922)	—	(664,922)
	3,941,098	77,035	4,018,133
	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 30 June 2022 are represented by:			
Tangible assets	25,358	—	25,358
Investments	1	—	1
Current assets	5,598,529	76,204	5,674,733
Creditors: amounts falling due within one year	(563,362)	—	(563,362)
	5,060,526	76,204	5,136,730

16 Related party transactions

The charity received cash donations and gifts in kind from various related parties during the year. These are summarised below:

Related Party	Donations and Goods/ Services in Kind	
	Year ended 30 June 2023 £	Period ended 30 June 2022 £
Trustees	28,046	48,593
Others excluding Trustees:		
. Executive board members	47,600	58,710
Total	75,646	107,303

The donations above were without specific terms and conditions and unrestricted in nature.

16 Related party transactions (continued)

Related Party	Goods/Services in Kind		Further details
	2023	2022	
	£	£	
Gravita	3,500	7,200	Justin Randall, a Trustee of the charity, was a partner at Gravita (previously Jeffreys Henry LLP) until 02/02/2023. The firm provided the charity with pro-bono payroll services.
i-media	50,000	-	Advertising Space for Gala Sponsorship Package. Stephen Allan, the Chair of Board of Trustees is a Director of MSA Advertising which owns a majority stake in i-media.
Total	53,500	7,200	

Related Party	Donations		Further details
	2023	2022	
Capital Group	21,000	47,100	Annual donation made by the Foundation where Rays of Sunshine has been nominated by Caroline Randall — wife of Trustee Justin Randall.
Purple Surgical	19,865	18,000	£11,000 Annual patronage paid by Purple Surgical who's director Robert Sharpe is a husband of Trustee Jane Sharpe. £8,865 raised by Jolie Sharpe, daughter of Trustee Jane Sharpe to sponsor London Marathon challenge.
Total	40,865	65,100	

RAYS OF SUNSHINE

England & Wales - Charity number 1102529

Accounts

Rays of Sunshine

**Annual Report and Financial
Statements**

Period from 1 January 2021 to 30
June 2022

Charity Registration Number
1102529

Company Limited by Guarantee
Registration Number
04860607 (England and Wales)

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Board of Trustees Annual Report

The Board of Trustees presents its report and audited financial statement for the period 1 January 2021 to 30 June 2022.

Reference and Administrative Information:

- Charity name: Rays of Sunshine
- Charity registration number: 1102529
- Company Limited by Guarantee. Registration Number: 04860607
- Operational address: 4th Floor, Berkeley House, 304 Regents Park Road, London, N3 2SY

Board of Trustees:

Mr Stephen Allan (Chair)
Mr Justin Randall FCA (Treasurer)
Mr Daniel Coleman
Mr Divyesh Popat
Mrs Jane Sharpe

Chief Executive Officer: Dr Michele Afif BSc MBBS FRCPCH MSc MA (Med Law) MRCPATH (ME)

Auditor: Buzzacott LLP, 130 Wood Street, London, EC2V 6DL

Bankers: Barclays Bank plc, 27 Soho Square, London, W1D 3QR

Solicitors: Ingram Winter Green LLP, Bedford House, 21A John Street, London WC1N 2BF

Structure, Governance and Management

Governing Document:

Rays of Sunshine is incorporated as a charitable company limited by guarantee (charity number 1102529, company number 04860607). It is governed by its Memorandum and Articles of Association, as amended by a special and a written resolution dated 16 May 2011.

The Trustees are also the directors for the purpose of company law.

All Trustees give their time voluntarily and receive no benefits from the charity.

Organisational structure

Rays of Sunshine's Articles of Association provide for a minimum of four and a maximum of 15 Trustees. The Board of Trustees meet on a quarterly basis and takes overall responsibility for the strategic direction and policy of the charity.

A scheme of delegation is in place such that responsibility for the provision of the charity's day to day operational activities, charitable services, execution of the strategic plan and supervision of the Senior Management Team (SMT) rests with the CEO.

The CEO is supported in these duties by the SMT, working also with relevant support and oversight committees including (but not limited to) the Executive Board, the Administration and Finance Committee and the Risk Committee. The CEO attends all Trustee and Executive Board meetings.

Trustee recruitment, appointment induction and training:

Where there is a requirement for new Trustees, these are recruited and appointed by the existing Trustees, who undertake this duty with due regard for the skills, experience and knowledge necessary to support existing Trustees in discharging their obligations.

New Trustees are invited to familiarise themselves with the charity and the context within which it operates by way of visiting the operational premises and meeting key internal and external stakeholders. Induction is jointly led by the Chair of the board of Trustees and the Chief Executive Officer (CEO) and covers:

- Trustee obligations - drawn from various Charity Commission publications
- The main documents which set out the charity's operational framework, including the Memorandum and Articles and key policies and plans
- The charity's financial position as set out in the published accounts
- The charity's progress against goals and objectives as set out in CEO board reports and the associated minutes and future plans.

Committees and related parties:

The Executive Board:

Comprising of charity founders, industry experts and long-standing supporters, the Executive Board provides an additional means by which the Board of Trustees and the CEO access valuable advice, fundraising support and additional oversight of the charity's progress and performance. Meetings are held bi-monthly. Members during the period were:

- Mr Richard Burston (Chair)
- Mr Stephen Allan
- Mrs Hayley Allan
- Mr Tim Allan
- Mrs Nina Bradburn (until November 2021)
- Mr Marc Boyan (until January 2022)
- Mr Grant Fox
- Mr David Saul
- Mr Mark Shipman
- Mr Jonathan Vandermolen

The Administration and Finance Committee:

Comprising of members drawn from the Board of Trustees, the Executive Board and finance industry professionals, the Administration and Finance Committee is responsible for reviewing the charity's financial position and advising the Board of Trustees on the implementation of financial strategies on the charity's behalf. Quarterly meetings, chaired by the Treasurer and attended by the CEO and the Head of Finance, are held in advance of Board of Trustee meetings.

Members are:

- Mr Justin Randall (Chair and Treasurer)
- Dr Michele Afif (CEO)
- Mr Richard Burston
- Mr Grant Fox
- Ms Samantha Cohen (Finance)
- Mr Simon Rusk
- Mr David Saul
- Mrs Jane Sharpe

The Risk Committee and Risk Management:

Established as a separate advisory group in September 2021, chaired by Mr Divyesh Popat (Trustee) and supported by a volunteer industry expert (Mr James Martin), the committee is responsible for the development and active monitoring of the charity's risk register, reporting quarterly to the Board of Trustees.

Medical Advisers:

All the medical advisers to the charity are GMC registered practicing Consultant Paediatricians, who provide their advice and support entirely voluntarily. Drawn from across a wide range of subspecialties, including neurodisability, cardiology, gastroenterology & oncology, their combined experience enables them to advise the charity on the wide range of conditions that may fall within the charity's mission.

The medical advisers also support the wish team in determining whether applicants meet the medical eligibility criteria, where necessary attending (weekly) wish meetings to assess and advise on more complex cases. During the period, the medical advisers were:

- Dr Michele Afif (until September 2021)
- Dr Warren Hyer
- Dr Matthew Fenton
- Dr Ruby Schwartz (retired March 2022)
- Dr Kerry Robinson (joined March 2022)
- Dr Nick Barnes (joined September 2021)

Other Advisory Panels:

Rays of Sunshine regularly consults with wish children, their parents/carers, hospital play specialists and nursing and medical experts about the services and activities we provide. The charity uses these insights to ensure the services delivered truly meet the needs of seriously and terminally ill children.

Principal Risks

The Board has conducted a review of the major risks to which the charity is exposed, where appropriate establishing or strengthening systems to mitigate the risks identified.

The risk register covers:

- Leadership and culture
- Strategy and planning
- Staffing and organisational memory
- Services – quality, type and delivery
- Safeguarding
- Governance, regulatory and compliance risks
- Financial risks
- Operational risks
- Information governance, IT security and business continuity

Key risk surveillance, review and mitigation inform the charity's strategic plan; the core driver during the period being that of navigating through the final months of the pandemic and into the new normal of the post-pandemic world such that changes to beneficiary needs are fully understood and remain at the very heart of service provision and planning, and effective fundraising continues uninterrupted.

The actions taken to address the main risks during the period have been:

- Actively attending to the losses associated with high rates of (pandemic related) staff turnover – rebuilding organisational memory through the recruitment and retention of a talented and diverse operational team with the enthusiasm, capacity and capability to deliver high quality services.
- Actively reviewing and improving our safeguarding obligations by way of policy development, enhanced staff, Trustee and volunteer training and the recruitment of a highly skilled designated board appointment.
- Identifying and responding to changes to our beneficiaries' needs following the pandemic and, from this, adapting and updating services to enable agility and flexibility across a range of platforms according to beneficiary need. This includes taking steps to honour all 'on hold' overseas travel wishes in line with changes to international travel restrictions and beneficiary vulnerability.

- Strengthening organisational resilience to shocks and harms by improving internal governance and protections, including data and cyber security.
- Adopting innovative approaches to meeting income targets despite significant and challenging changes to the fundraising landscape, including through the use of online individual giving platforms such as Charity Extra and high profile international events such as our Art Auction.

Internal procedures are in place to ensure compliance with the health and safety of staff, beneficiaries and volunteers. These are periodically reviewed to ensure they a consistent and high quality service with the child at its core as well as continuing to meet the wider needs of the charity.

Objectives and Activities:

Mission

The charity's mission is to relieve the suffering of children and young people who have illnesses or disabilities causing limited life expectancy or who suffer from long-term physical or mental disabilities (including learning disabilities). There have been no changes to the charity's mission over the years.

Core Activities:

Based solely in the four nations of the United Kingdom, Rays of Sunshine works tirelessly to deliver on this core purpose by:

- Fulfilling magical wish requests from children aged between three and eighteen who are living with, or have suffered from, very serious, life threatening, life-limiting or life-changing illnesses and conditions.
- Always seeking to fulfil these wishes in ways that enable the child's loved ones to be part of the process, thereby creating a deeply meaningful and shared experience for whole families, which they can treasure forever.
- Keeping our wish children and their families in mind by holding large and small-scale remote and in-person special events and activities throughout the year.
- Supporting seriously ill children in hospitals and hospices through:
 - Fulfilling 'ward wishes' and 'ward grants' to enable the creation of beautiful, soothing, entertaining or distracting spaces for our children to use and enjoy.
 - The provision of specialist play-equipment, tailored to specific sensory needs, to soothe and distract those children who are undergoing stressful or painful procedures.
 - Delivering wonderful remote and in-person hospital and hospice activity days throughout the UK.

Strategy

To support these core objectives and ensure they are deliverable and effective, particularly as the charity meets the challenges arising from the pandemic and its aftermath, we have pursued a strategy which:

- Focuses on the quality of the wish granting program; ensuring each child is at the very heart of the process and expectations are not just met, but exceeded.
- Increases team capacity and training to ensure wish numbers continue to rise and unnecessary waiting times eradicated
- Prioritises and supports the development of an agile in-house team who are experts at working across remote and in-person platforms and are 'future fit' - able to deliver on all wish types, irrespective of pandemic restrictions, without compromising on quality and skilled communications with families and children under difficult circumstances.
- Delivers against our pre-pandemic international travel commitments.
- Builds engagement with key clinical staff, including hospital and hospice teams, to make sure we keep delivering what the children need in these settings, attract applications and continue to provide a sensitive and rapid response to urgent 'rush' wishes in the critically or terminally unwell.
- Attends to organisational resilience, sustainability, effectiveness, memory and culture and the protection of staff and beneficiaries, through the active strengthening of internal processes and governance systems.
- Continues to build a sustainable and diversified income stream.
- Builds our profile and visibility across a range of platforms.

Public Benefit

The Trustees confirm they have complied with the requirement in Section 17 of the Charities Act 2011 to have due regard to public benefit in determining the activities undertaken by the charity.

Our services are available to any seriously ill child aged who is aged over three and resident in the UK.

Rays of Sunshine never loses sight of how hard it can be for children who have been diagnosed with a serious, life-threatening or terminal illness and believe the work we do is vital to giving these children something uplifting, exciting and magical to look forward to - and look back on - during difficult times, which is not solely about being unwell.

We believe that our approach, in being about joy, distraction, making long-term connections, including whole families into planned activities and thinking about a child's needs when in hospital, can be truly transformative in the relief of anxiety, suffering and isolation in this group and thus of great public benefit.

Achievements and Performance

As for so many charities, the 18 months between 1 January 2021 and 30 June 2022, capturing as it did fluctuating lockdown restrictions, vaccination rollouts, international travel and differing approaches across the four home nations to full freedoms, was perhaps as challenging a period as the height of the pandemic itself.

Whilst successful navigation through so much change was a prerequisite to survival and business continuity, it has from the outset been our specific recognition of the disproportionate impact of the pandemic on those with serious illness, which has acted as the fundamental motivating force for the Rays of Sunshine team - enabling us to deliver on our mission to relieve suffering in those often already experiencing a profound sense of loss, fear, separation and isolation even before 'shielding' amplified that burden.

Rays of Sunshine listens to its beneficiaries and to those who are closest to them, including healthcare professionals, so that we can better understand where we can have the most impact to the children we serve.

We exist to find joyful and meaningful ways to relieve suffering in those who are seriously ill in as many ways we can, through even the most difficult of times. And our children repeatedly tell us the true meaning of a wish granted and the way the other services we provide help and support them; so much more than merely a gift, an activity or an outing, our services combine to give children genuine moments of joy, letting them and their families know that they are not forgotten, alone or isolated, that 'normal' (non-illness related) experiences are still possible (even if sometimes this takes a bit of magic to achieve) and that hospitals can be places of comfort instead of fear or pain.

We have consciously expanded this work across a range of settings to create a deep sense of connection and community for our children and their families. In turn we always hope that they draw comfort from knowing they have been actively held in mind by our generous donors and tireless supporters.

Services:

1. The wish programme:

Granting wishes which allow a child and their family to have a magical moment in time away from all the trappings, worries and pressures associated with ill-health, remains the core service at Rays of Sunshine.

Despite a temporarily paused overseas travel programme, Rays of Sunshine never ceased in its work, granting almost 600 wishes during the period, including a landmark 8,000th wish in April 2022 and 50 'rush' wishes, for terminally ill children.

And whilst there were pandemic-related changes to the types of wishes sought, with almost 70% of the most seriously ill favouring 'to have' wishes during 2021 (iPads and computers often a lifeline to an outside world otherwise deemed too dangerous or frightening to enter in person whilst shielding) over temporarily unavailable travel or celebrity wish requests, patterns have changed hand in hand with the easing of restrictions, with almost 50% seeking experience wishes in the first 6 months of 2022. Irrespective of wish type, and mindful that often the sickest children are those who wish for an item more than an experience, our team constantly seeks ways to enhance wishes, so that they become truly magical.

As pandemic restrictions fade, even for the most vulnerable, we are proud to finally be able to make good our commitment to the 68 families whose travel plans were so cruelly interrupted in March 2020, rebooking these long promised magical trips abroad for 2022 and 2023 as well as resuming the full breadth of our 'experience', domestic travel and real life celebrity wish programme.

Throughout, wish quality has remained key; the establishment of an almost completely new, re-invigorated, fully trained but still lean wish team enabling Rays of Sunshine to fully connect with children and their families, directly steward more wishes than ever and, as a result, deliver a start to finish, tailored 'child at the centre' approach. The establishment of regular, wish quality review meetings, where the whole team can share learning, further embedding this child centred, high quality approach.

Wish granters are actively supported in their ability to communicate with families in distress through a programme of regular communication skills training (delivered by Child Bereavement UK) and access to team specific psychological support. Anonymous feedback survey results (April to September 2022), combined with spontaneous contacts from wish families confirm the deep impact a realised wish can have on a child and their family. Pre-application, words like 'scared', 'lonely', 'sad' and 'want to spend time with family' were used by parents to describe their child's state of mind; shifting to 'happy', 'excited' and 'relaxed' in response to the wish experience with families particularly valuing the direct personal involvement of a named wish granter.

2. Building a wish community – shared events, activities and choir

Keeping in touch with our wish children and their families by way of joyful activities and events and from this, creating a Rays of Sunshine community where each child might form deep and lasting friendships, has long been an important Rays of Sunshine goal.

During lockdowns, the team was agile in their move to an online format in the form of our Sunshine Hub, which not only enabled us to reach more than 500 children through the delivery of 31 virtual events, but also continued with a parallel – and now fully restarted - in-person programme including arranging another fabulous Ferrari Day, our (hybrid) celebratory '12 days of Christmas', 'Milly Days' out for more than 25 families and a thrilling, exclusive outing to Hamley's in London with the fantastic Sidemen.

Our Rays of Sunshine choir also grew despite limitations to in-person meeting, with 15 children regularly joining a programme of online rehearsals and in-person choir events and performances, including memorable moments meeting Pixie Lott at the Fragrance Shop's 'World Smile Day' celebration and recording a Christmas video version of 'If I was a Toy' to mark the start of our Smyths Toys partnership. Our children and their families tell us how important choir is as a place of joy and support, borne of a shared experience yet not about illness or hospitals, where deep and lasting friendships form.

3. Supporting seriously ill children in hospitals and hospices

Support equipment, ward wishes and ward grants:

Acutely aware of how difficult an experience it can be for a seriously ill child to leave the comfort and safety of home for a stay in hospital or a hospice, however brief, Rays of Sunshine continues to provide support in these settings by way of:

- Sending out more than 350 re-usable 'sensory bags' and – thanks to our partnership with Smyths Toys – imaginative 'fidget box' sets, to children's units across the UK. Specifically designed to meet the needs of any child in hospital, including those with additional, atypical and special needs, these 'grab bags' of equipment are used by staff to distract, reassure, calm and entertain children, helping to relieve the loneliness associated with inpatient stays and the fear which accompanies painful treatment related procedures.
- Our ward wish programme - creating magical spaces in ward settings by building dedicated sensory rooms and beautiful sensory gardens. Despite the constraints of the pandemic, Rays of Sunshine has enabled ten completed builds, with a further three due to finish in the coming year.
- Launching a landmark grant programme. Rays of Sunshine awarded its first £20,000 annual grant to Sheffield Children's Hospital Haematology and Oncology unit for the creation of an astonishing Augmented Reality room, which uses state of the art immersive technology to enable clinically vulnerable children to 'visit' longed-for spaces and places – including home – without leaving the ward.
- Creating National Teddy Bear Day, during which – with the help of volunteers from our partners at Lockton's – we made and distributed more than 3,200 cuddly bears in bags for children in more than 22 hospitals and hospices across the UK.

Hospital Activity Days:

Whilst, for the majority of the period, Rays of Sunshine remained able to deliver a remote version of our longstanding Hospitals and Hospice Activity Days (HADs) – hosting more than 30 HADs to 21 units across the UK for more than 1,000 children during 2021, a full return to pre-pandemic in-person HAD levels has not automatically followed the lifting of restrictions in 2022.

Reasons have been multifactorial, including (but not limited to) heavily reduced in-person access to those units caring for the most vulnerable children, massive inpatient unit staff turnover and change, particularly affecting our play specialist partners and high post-pandemic turnover at Rays of Sunshine with consequent effect on service capacity.

As such in-person HADs were paused in January 2022 pending a full review of the simultaneous changes known to have affected the overall landscape in this sector, although the team continues to build connections across the UK in order to maintain visibility and encourage wish applications.

Fundraising

We are only able to make a difference for hundreds of seriously ill children and their families thanks to the generous support of our donors and fundraisers. We don't receive government funding which makes every gift in aid of our work all the more precious.

The majority of our income comes from special events, major donors/Patrons, and corporate partnerships with additional income streams from challenge/community fundraising and individual donations.

Following a substantial income drop in 2020 - due to the pandemic and lockdowns – this financial period shows significant recovery thanks in large part to Trustees and the Executive Committee. Their efforts resulted in a 164% increase on the previous period, bringing financial surety to Rays of Sunshine when it was needed most.

Key activities included:

- Charity Extra March 2021: Chair of Trustees, Stephen Allan, led our first individual giving appeal of its kind; galvanising our Patrons, corporate supporters and key stakeholders to match fund a 36-hour peer-to-peer campaign. Our grateful thanks to committed supporters far and wide who stepped up in aid of the charity, breaking through an already ambitious £1.3m target.
- An art auction led by Chair of the Executive Committee, Richard Burston, and hosted at Christie's auction house. With beautiful art pieces attracting serious collectors, the event raised a record-breaking £2m. Our deepest gratitude to every artist and gallery who donated the art which made the auction – this event simply would not have been possible without you.
- We were delighted to continue our partnerships with Clintons, Bacta and The Fragrance Shop and welcome Lockton's and Smyths Toys to our corporate community. Despite the impact of the pandemic on the retail and leisure sector, we were delighted to raise over £435,000 with our generous partners.
- For many, the return of our annual Golf Day symbolised the end of the pandemic. Hosted by Stephen Allan, we welcomed business leaders to Coombe Hill Club for the first time in three years. The event was a record-breaking success raising over £70,000 thanks to prizes and support from Gary Player, John Terry, Gianfranco Zola and Eddie Rom, as well as the teams themselves.
- The Wentworth Golf Club Gala Dinner 2021; a fundraiser like no other, we were thrilled to be (former) club captain Eddie Rom's nominated charity, from which we received a hugely generous £57,000 in donations.

During this period we also took the opportunity to rebuild and reshape the fundraising & communications directorate and to develop a three-year sustainable growth strategy. This strategy focuses on bringing our communications function in-house to increase our profile, and diversifying and expanding our income streams.

We are grateful to every one of our Patrons, partners, individual supporters, Trustees and Executive Committee whose continued commitment to brightening the lives of seriously ill children fuels the charity and inspires the team. Thank you.

Organisational resilience:

As for many other organisations around the country, the full impact of the pandemic on individuals, teams, work-life balance and wellbeing was profound and necessitated time for recovery. Disruptively high churn, including at senior management level, led to a period of low overall staff numbers from which the charity had to recover. The knock-on impact on capacity, capability, retention and staff wellbeing were rapidly identified as major risks to the successful resumption of all our activities to pre-pandemic numbers and quality – the consequent loss of shared organisational knowledge across all domains (services, finance and fundraising) being the most significant challenge to overcome.

Focusing on recruitment whilst also supporting our team by actively attending to their welfare, training and development alongside in tandem with a programme to strengthen governance and infrastructure has been crucial to a successful recovery. Our 2021 staff survey results highlighted a need which was not overlooked - the 2022 results, with more than 93% of a now fully re-established team reporting high morale and deep satisfaction in post, reflecting hard and consistent work in this domain.

Rays of Sunshine is proud to showcase a committed, motivated skilled team, united by shared values and future fit; functioning within a sustainable and resilient organisational structure.

Financial Review

Our fundraising program of community, challenge and special events resumed fully from late 2021, with the Art Auction generating in excess of £2m.

This meant that in the 18 month period to 30 June 2022, our total income was £4,317,909 (year to 31 December 2020: £1,490,471), including fundraising and donations-in-kind. We invested £641,195 in raising this income (year to 31 December 2020: £526,399) and spent £2,089,441 on charitable activities (year to 31 December 2020: £1,132,756), resulting in a surplus of £1,587,273 (year to 31 December 2020: £168,684 deficit) for the period.

Our total expenditure in the period ended 30 June 2022 was £2,730,636, which is an increase of 65% compared to the year ended 31 December 2020 (£1,659,155). This reflects a return to full income generating activities, the resumption of a fully stewarded wish and beneficiary events program, the delivery of international travel wishes delayed due to the pandemic and the concomitant rise in staffing and recruitment costs.

In the period ended 30 June 2022, 77% of our total expenditure was on charitable activities, as compared to 68% in the year ended 31 December 2020.

Reserves policy:

At the balance sheet date of 30 June 2022 the total reserves were £5,136,730 (31 December 2020: £3,549,457) of which £5,060,526 (31 December 2020: £3,447,366) were unrestricted funds and £76,204 (31 December 2020: £102,091) were restricted funds (see note 14).

Our policy has been to maintain 6 to 12 months of budgeted expenditure in order to ensure that we are always able to fulfil wishes, both committed and planned, in the event of a significant decline in our income probably as a result of a macro-economic event such as that experienced in 2008 and again in 2020. As the Covid pandemic also required us to stop granting new overseas travel wishes this meant that our planned expenditure reduced significantly as well.

Combined with continued high levels of income, the outcome has been the continuation of a reserves level sufficient to cover 19 months of normal expenditure as at 30 June 2022. The Trustees are comfortable with a reserves level at the upper end of expectations; this position of relative financial strength enables a final full return to pre-pandemic activity levels and although this is above our normal level of cover we believe this is appropriate for the current uncertain economic climate and would expect the cover to normalise in the medium term.

Reserves Cover:

	Period ended 30 June 2022	Year to 31 December 2020
	£	£
Free reserves	5,035,168	3,411,679
Next year's budgeted expenditure	3,184,842	2,560,589
Months' cover	19	15

By 30 June 2022, our total net assets were £5,136,730. Of this, our free reserves were £5,035,168, comprising of unrestricted funds (excluding fixed assets). This figure has taken into account our commitment towards wishes approved but not yet granted where we make a full provision of all anticipated costs still to be incurred.

Investment Policy:

The Trustees have the power to invest in funds as they deem appropriate. The Trustees' investment decision during the period was to hold surplus cash in easily accessible bank accounts with Barclays Bank and Close Brothers.

The investment policy is reviewed every 6 months by a sub-committee of the Trustee/Executive Board who report into the Trustees. The policy reflects the Trustees decision to hold reserves in such a manner to achieve minimum risk/capital preservation and liquidity to meet the Charity's obligations as and when they fall due.

Fundraising Communication:

The charity is registered with the Fundraising Regulator and is committed to our fundraising being legal, open, honest, respectful, and meeting the standards set in the Fundraising Code of Practice. We communicate with our supporters through a variation of emails, direct mailings and telephone calls. We also ensure that nobody who appears to be vulnerable is asked to commit to giving.

Our values and heritage are strongly based on relationship-driven fundraising rather than high-volume mass funding and we continue to be committed to our relationship-focused approach for income generation and growth.

Most of our fundraising is managed by our staff with the support of our Executive Board members and volunteers. We do not employ any professional fundraising organisations.

Communication and Complaints:

Rays of Sunshine logs all feedback, whether positive or negative, actively adopting a learning approach to strengthen systems and improve performance. Incidents – including safeguarding incidents - and complaints are regularly reviewed in accordance with relevant policy documents.

Rays of Sunshine received three complaints during the period including one fundraising complaint. All were comprehensively investigated and closed with detailed responses to the complainants.

Equality, Diversity and Inclusion

Rays of Sunshine is committed to equality of access to our services for all eligible children. Plans to overcome barriers to access, including those arising from language barriers, social deprivation and differing sensory needs, are in the process of being rolled out.

Rays of Sunshine actively uses recruitment and workplace policies and procedures to uphold our commitment to equality, diversity and inclusion.

Going Concern Assessment

The charity's level of free reserves remain healthy, and the Board of Trustees are of the opinion that the charity remains a going concern for at least 12 months from the date of signing these financial statements. The Trustees anticipate that there will be a challenging fundraising landscape in the next few years. Future expenditure commitments are carefully considered in light of free reserves levels and the ongoing financial position of the charity.

Declarations

Statement of Trustees' Responsibilities

The Trustees, who are also the directors of Rays of Sunshine for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and

- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

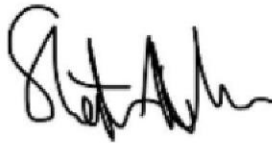
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets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

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

Disclosure of Information to Auditors

Each of the Trustees has confirmed there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Signed on behalf of the Board of Trustees:



Stephen Allan
Chair of the Trustees

Approved on: 16 March 2023

Independent auditor's report to the members of Rays of Sunshine

Opinion

We have audited the financial statements of Rays of Sunshine (the 'charitable company') for the period ended 30 June 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ♦ give a true and fair view of the state of the charitable company's affairs as at 30 June 2022 and of its income and expenditure for the period 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 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 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ♦ the information given in the trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ♦ the trustees' report, which is also the directors' report for the purposes of company law, 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- ♦ adequate accounting records have not been kept; or
- ♦ the 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.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ♦ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- ♦ we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006;
- ♦ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- ♦ we identified laws and regulations which were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

Auditor's responsibilities for the audit of the financial statements (continued)

How the audit was considered capable of detecting irregularities including fraud (continued)

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ♦ making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ♦ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ♦ performed analytical procedures to identify any unusual or unexpected relationships;
- ♦ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ♦ investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ♦ agreeing financial statement disclosures to underlying supporting documentation;
- ♦ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL
Date: 27 March 2023

Statement of Financial Activities
(including income and expenditure account)
Period ended 30 June 2022

				Period ended 30 June 2022			Year to 31 December 2020
	Notes	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Income from:							
Donations and legacies	1	4,062,062	10,000	4,072,062	882,582	120,850	1,003,432
Gifts in kind	2	152,519	—	152,519	266,274	—	266,274
Other trading activities	3	87,949	—	87,949	93,139	—	93,139
Investments		2,963	—	2,963	10,653	—	10,653
Other income	8	2,416	—	2,416	116,973	—	116,973
Total income		4,307,909	10,000	4,317,909	1,369,621	120,850	1,490,471
Expenditure on:							
Raising funds	4	641,195	—	641,195	526,399	—	526,399
Charitable activities	5	2,055,976	33,465	2,089,441	1,036,428	96,328	1,132,756
Total expenditure		2,697,171	33,465	2,730,636	1,562,827	96,328	1,659,155
Net (expenditure) income before transfers		1,610,738	(23,465)	1,587,273	(193,206)	24,522	(168,684)
Transfer between funds		2,422	(2,422)	—	—	—	—
Net movement in funds	7	1,613,160	(25,887)	1,587,273	(193,206)	24,522	(168,684)
Reconciliation of funds							
Fund balances brought forward		3,447,366	102,091	3,549,457	3,640,572	77,569	3,718,141
Fund balances carried forward		5,060,526	76,204	5,136,730	3,447,366	102,091	3,549,457

All income and expenditure derived from continuing activities during the above two financial periods.

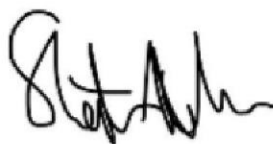
All recognised gains and losses are included in the above statement of financial activities.

Balance Sheet

Period Ended 30 June 2022

	Notes	30 June 2022 £	30 June 2022 £	31 December 2020 £	31 December 2020 £
Fixed assets					
Tangible assets	9		25,358		35,687
Investments	10		1		1
			<u>25,359</u>		<u>35,688</u>
Current assets					
Debtors	11	173,346		196,404	
Cash at bank and in hand		5,493,687		3,223,364	
Short term deposits		<u>7,700</u>		<u>775,160</u>	
		5,674,733		4,194,928	
Liabilities					
Creditors: amounts falling due within one year	12	<u>(563,362)</u>		<u>(681,159)</u>	
Net current assets			5,111,371		3,513,769
Total net assets			<u>5,136,730</u>		<u>3,549,457</u>
Income funds					
Restricted funds	14		76,204		102,091
Unrestricted funds			<u>5,060,526</u>		<u>3,447,366</u>
	15		<u>5,136,730</u>		<u>3,549,457</u>

Approved by the Trustees and signed on their behalf by:



Stephen Allan
Trustee

Approved on: 16 March 2023

Rays of Sunshine

Registered Company Number: 04860607 (England and Wales)

Statement of Cash Flows

Period Ended 30 June 2022

	Notes	Period ended 30 June 2022 £	Year to 31 December 2020 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	1,528,571	(255,983)
Cash flows from investing activities:			
Purchase of tangible fixed assets		(28,671)	(7,813)
Interest received		2,963	10,653
Net cash generated from (used by) investing activities		(25,708)	2,840
Net (decrease) increase in cash and cash equivalents		1,502,863	(253,143)
Cash and cash equivalents at 1 January 2021		3,998,524	4,251,667
Cash and cash equivalents at 30 June activities 2022	B	5,501,387	3,998,524

A: Reconciliation of net movement in funds to net cash provided by operating

	Period ended 30 June 2022 £	Year to 31 December 2020 £
Net movement in funds	1,587,273	(168,684)
Depreciation charge	39,000	26,162
Investment income	(2,963)	(10,653)
Decrease (increase) in debtors	23,058	407,167
(Decrease) increase in creditors	(117,797)	(509,975)
Net cash (used in) provided by operating activities	1,528,571	(255,983)

B: Analysis of changes in net debt

	31 December 2020 £	Cash flows £	30 June 2022 £
Cash at bank and in hand	3,223,364	2,270,323	5,493,687
Short term deposits	775,160	(767,460)	7,700
	3,998,524	1,502,863	5,501,387

Principal Accounting Policies

Period ended 30 June 2022

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the period from 1 January 2021 to 30 June 2022 with comparative information provided in respect to the year ended 31 December 2020. They are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The areas in the financial statements where these judgements and estimates have been made include:

- ♦ determining the valuation of gifts in kind;
- ♦ the accrual for wish expenditure committed but not yet completed;
- ♦ the allocation of support costs to charitable activities; and
- ♦ estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge.

In addition to the above, the full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

Assessment of going concern (continued)

The trustees have taken into consideration the impact of the pandemic on the charity and have concluded that although there may be some negative consequences and greater risk in relation to the fundraising for the charity's activities, the trustees believe that the charity is a going concern on the basis detailed within the 'Future plans and post balance sheet event' and 'Going concern assessment' sections within the trustees' report. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above.

Income

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably, and it is probable that the income will be received.

Income comprises donations and legacies, gifts in kind, fundraising and bank interest.

Donations, including gift aid, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity. If the amount is not known, the legacy is treated as a contingent asset. Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Donations in kind

Services and facilities donated (for free or discounted) to the charity for its own use are included as income at their value to the charity as at the time of the gift with an equivalent amount included in expenditure.

Where goods or services are provided to the charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements as both income and expenditure at its estimated fair value based on the value of the contribution to the charity.

Many items donated to the charity include a 'money-can't-buy element' such as the time provided by celebrities to meet the children and attend charity events, and therefore no commercial value has been placed on these gifts in kind in the financial statements.

Services provided by volunteers

For the purposes of these financial statements, no value has been placed on administrative and other services provided by volunteers in accordance with the Charities SORP FRS 102.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings as described below. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes staff, other direct costs associated with fundraising and allocated support costs associated with fundraising.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include wish costs as well as an allocation of support costs.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity, it is necessary to provide support in the form of support staff.

Within support costs are also governance costs, which include the costs of statutory compliance and other costs related to the governance of the charity.

Support and governance costs are allocated to activities on the basis of staff time spent on those activities in the following proportions: 70% to charitable activities and 30% to raising funds.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. All assets costing more than £500 and with an expected useful life exceeding one year are capitalised. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful economic life as follows:

- ♦ Fixtures, fittings & equipment 33% straight line

Investments

Investment in the subsidiary company is valued at cost, with provision being made for any permanent diminution in value.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Short term deposits

Deposits for more than three months but less than one year have been disclosed as short-term deposits.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Liabilities for wishes are recognised as expenditure as soon as there is a specific commitment creating an obligation and an expectation that a wish will be fulfilled. The liabilities at the balance sheet date are included within creditors due within one year.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Taxation status

The charitable company is a registered charity and is not subject to corporation tax on its current activities.

Fund structure

Unrestricted general funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects at the discretion of the trustees unless the funds have been designated for other purposes.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Financial instruments

The charity holds only basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – trade debtors and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank and short term deposits – clarified as basic financial instruments and measured at face value.

Financial liabilities – accruals and other creditors are financial instruments and are measured at amortised cost.

Notes to the financial statements
Period ended 30 June 2022

1 Donations and legacies

	Unrestricted funds £	Restricted funds £	Period ended 30 June 2022 Total funds £	Unrestricted funds £	Restricted funds £	Year to 31 December 2020 Total funds £
Donations	4,059,562	10,000	4,069,562	882,582	120,850	1,003,432
Legacies	2,500	—	2,500	—	—	—
	4,062,062	10,000	4,072,062	882,582	120,850	1,003,432

2 Donations in kind

	Unrestricted funds	
	Period ended 30 June 2022 £	Year to 31 December 2020 £
Rent and related costs	—	26,793
Wishes	28,834	87,714
Advertising	41,951	61,944
Computer services	29,454	28,323
Events	22,470	39,132
Office costs	22,610	18,358
Governance costs	7,200	4,010
	152,519	266,274

The charity received donations in kind valued at £152,519 (2020: £266,274) during the period. In addition, a significant number of gifts were received for which it is difficult to attribute a value. For example, the time provided by celebrities to meet children and attend charity events. It has not been possible to attribute a value to such gifts in these financial statements.

3 Other trading activities

	Unrestricted funds £	Restricted funds 2022 £	Period ended 30 June 2022 Total funds £	Unrestricted funds £	Restricted funds £	Year to 31 December 2020 Total funds £
Events	69,850	—	69,850	53,446	—	53,446
Community fundraising	18,099	—	18,099	8,940	—	8,940
Other trading activities	—	—	—	30,753	—	30,753
	87,949	—	87,949	93,139	—	93,139

4 Costs of raising funds

	Period ended 30 June 2022			Year to 31 December 2020		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Event and fundraising costs						
Staging fundraising events	187,287	—	187,287	112,093	—	112,093
Advertising	41,305	—	41,305	62,793	—	62,793
Staff costs	325,902	—	325,902	313,769	—	313,769
Other fundraising costs	10,599	—	10,599	9,918	—	9,918
	565,093	—	565,093	498,573	—	498,573
Support costs	76,102	—	76,102	27,826	—	27,826
	641,195	—	641,195	526,399	—	526,399

5 Charitable activities

	Period ended 30 June 2022			Year to 31 December 2020		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Staff costs	520,210	—	520,210	422,855	—	422,855
Depreciation	39,000	—	39,000	26,162	—	26,162
Wishes	691,583	33,465	725,048	220,627	96,328	316,955
Other office costs	627,612	—	627,612	301,855	—	301,855
	1,878,405	33,465	1,911,870	971,499	96,328	1,067,827
Support costs	177,571	—	177,571	64,929	—	64,929
	2,055,976	33,465	2,089,441	1,036,428	96,328	1,132,756

6 Support costs

	Period ended 30 June 2022 £	Year to 31 December 2020 £
Staff costs	223,793	69,425
Governance costs:		
· Audit fees	22,680	14,520
· Accountancy	7,200	4,800
· Legal and professional fees	—	4,010
	253,673	92,755

7 Net income and net movement in funds for the year

This is stated after charging:

	Unrestricted funds	
	Period ended	Year to 31 December
	30 June 2022	2020
	£	£
Staff costs (note 8)	1,069,905	806,049
Auditor's remuneration (note 6)	22,680	14,520
Depreciation (note 9)	39,000	26,162

8 Staff costs, remuneration of key management and Trustees' remuneration

The average monthly number of employees during the year was:

	Period ended	Year to 31 December
	30 June 2022	2020
	£	£
Provision of wishes and fundraising	19	24

Employment costs

	Period ended	Year to 31 December
	30 June 2022	2020
	£	£
Wages and salaries	934,904	704,855
Social security costs	102,225	70,610
Other pension costs	32,776	30,584
	1,069,905	806,049

The key management personnel of the charity comprise the Trustees, the Chief Executive Officer, the Director of Strategic Planning and Development, the Director of Fundraising and Communications, the Head of Operations, the Head of Finance and the Head of Services. The total employee benefits, including social security costs employer pension contributions of the key management personnel of the charity were £433,115 (year to 31 December 2020: £249,358).

The former CEO was appointed as a board member from May 2020 and total employee benefits received and included in the key management personnel remuneration figure were £11,866 in the year ended 31 December 2020 (Period to 30 June 2022: £nil). No remuneration is paid to Trustees for their services as board members. No expenses were reclaimed by Trustees in the period ended 30 June 2022 (2020: £nil).

8 Staff costs, remuneration of key management and Trustees' remuneration (continued)

The number of employees who earned £60,000 or more (excluding employer contributions and excluding pension costs) during the accounting periods were:

	Period ended 30 June 2022 No.	Year to 31 December 2020 No.
£70,001 - £80,000	1	1

During the period, pension costs totalling £nil (year to 31 December 2020: £4,203) were paid in respect of the above employees. Details of other related party transactions are included in note 16.

Included within other income is £2,416 (year to 31 December 2020: £116,973) Coronavirus Job Retention Scheme income in relation to one staff member (2020: 17 staff members) who was furloughed.

9 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 January 2021	174,137
Additions	28,671
At 30 June 2022	202,808
Depreciation and impairment	
At 1 January 2021	138,450
Depreciation charged in the year	39,000
At 30 June 2022	177,450
Net book value	
At 30 June 2022	25,358
At 1 January 2021	35,687

10 Fixed asset investments

	Other investments £
Cost or valuation	1
At 1 January 2021 and 30 June 2022	1

The fixed asset investment relates to 100% holding in Rays of Sunshine Promotions Limited, which was dormant in the above two periods. Rays of Sunshine Promotions Limited's registered address is 4th Floor, Berkeley House, 304 Regents Park Road, London, England, N3 2JY.

11 Debtors

Amounts falling due within one year:

	Period ended 30 June 2022	Year to 31 December 2020
	£	£
Trade debtors	3,224	32,162
Other debtors	22,328	22,328
Prepayments and accrued income	147,794	141,914
	173,346	196,404

12 Creditors: amounts falling due within one year

	Period ended 30 June 2022	Year to 31 December 2020
	£	£
Trade creditors	43,909	12,065
Other creditors	56,189	49,103
Accruals and deferred income	463,264	619,991
	563,362	681,159

At 30 June 2022, included within accruals and deferred income are committed wishes totalling £364,576 (year to 31 December 2020: £551,998).

Brought forward deferred income released in the prior year was in relation to the 2020 London marathon.

	Period ended 30 June 2022	Year to 31 December 2020
	£	£
Deferred income brought forward at 1 January 2021	—	18,447
Amount released in the year	—	(18,447)
Amount deferred in the year	—	—
Deferred income carried forward 30 June 2022	—	—

13 Operating leases

As at 30 June 2022, the charity was committed to total future minimum lease payments under non-cancellable operating leases as follows:

	Office premises	
	Period ended	Year to 31
	30 June 2022	December 2020
	£	£
Within one year	107,172	107,172
Within two to five years	17,862	169,689
	125,034	276,861

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £	Balance at 30 June 2022 £
Specific wishes	102,091	10,000	(33,465)	(2,422)	76,204

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2020 £
Specific wishes	77,569	120,850	(96,328)	—	102,091

Restricted funds comprised sums received for specific wishes and equipment.

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 30 June 2022 are represented by:			
Tangible assets	25,358	—	25,358
Investments	1	—	1
Current assets	5,598,529	76,204	5,674,733
Creditors: amounts falling due within one year	(563,362)	—	(563,362)
	5,060,526	76,204	5,136,730
	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2020 are represented by:			
Tangible assets	35,687	—	35,687
Investments	1	—	1
Current assets	4,092,838	102,091	4,194,930
Creditors: amounts falling due within one year	(681,159)	—	(681,159)
	3,447,366	102,091	3,549,457

16 Related party transactions

The charity received cash donations and gifts in kind from various related parties during the year. These are summarised below:

Related Party	Donations	
	Period ended 30 June 2022 £	Year to 31 December 2020 £
Trustees	48,593	42,443
Others excluding Trustees:		
· Executive board members	58,710	12,250
Total	107,303	54,693

16 Related party transactions (continued)

The donations above were without specific terms and conditions and unrestricted in nature.

Related Party	Goods/Services in Kind		Further details
	2022 £	2020 £	
Jeffreys Henry	7,200	4,800	Justin Randall, a Trustee of the charity, is a partner at Jeffreys Henry LLP. The firm provided the charity with payroll services.
Mediacom	—	2,400	Stephen Allan, a Trustee of the charity, is the former Worldwide Chairman & CEO at Mediacom. Mediacom provided the charity with advertising space in relation to the Christmas campaign in December 2020.
Mishcon De Reya	—	4,010	Nick Davis, a (former) Trustee of the charity, is a director/partner at Mishcon De Reya. The firm provided the charity with legal services.
Related Party	Donations		Further details
	2022 £	2020 £	
Capital Group	47,100	21,250	Annual donation made by the Foundation where Rays of Sunshine has been nominated (via employee vote) by Caroline Randall - wife of Trustee Justin Randall.
Purple Surgical	18,000	12,000	Annual patronage paid by Robert Sharpe - husband of Trustee Jane Sharpe.
Related Party	Amounts paid		Further details
	2022 £	2020 £	
Mediacom	7,800	—	Advertising costs

Accounts

Rays of Sunshine

Annual Report and Financial Statements

31 December 2020

Charity Registration Number 1102529

Company Limited by Guarantee
Registration Number
04860607 (England and Wales)

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Reference and administrative details of the charity, its trustees and advisers

Trustees	Stephen Allan (Chairman) Daniel Coleman Nicholas Davis (resigned Sept 2020) David Joseph CBE (resigned Dec 2020) Divyesh Popat (appointed Nov 2020) Justin Randall FCA (Treasurer) Jane Sharpe (appointed May 2020)
Principal office	4th Floor Berkeley House 304 Regents Park Road London N3 2JY
Charity registration number	1102529
Company registration number	04860607
Website	www.raysofsunshine.org.uk
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	Barclays Bank plc 27 Soho Square London W1D 3QR
Solicitors	Mishcon de Reya LLP Africa House 70 Kingsway London WC2B 6AH

2020 was an incredibly tough and challenging year for Rays of Sunshine and like no other in the charity's 17-year history.

At the turn of 2020, every week seriously ill children and their families were turning to the charity for support, with many applying for magical wishes to Disney World in Florida, Disneyland in Paris, and other overseas destinations. As the Coronavirus cases began to rise across the world, the Trustees took the incredibly tough decision to suspend all travel wishes to ensure the safety of our families and pause any new travel applications - a first in the charity's history. However, despite these incredibly challenging circumstances, we were determined to continue to be there for families when they needed us the most.

The work of Rays of Sunshine became ever increasingly important as the pandemic took hold, as thousands of brave and vulnerable seriously ill children and young people, and their families, faced months of isolation without their vital support networks, friends, and extended family, as they were asked to shield. Children receiving treatment in hospital were having to isolate, away from other children, and only one parent allowed by their bedside, whilst also receiving their treatment in a new, strange, and frightening environment – where once were familiar doctors, nurses and play specialists, they were now hidden by masks and personal protective equipment.

The numbers of seriously ill children in the UK are increasing and anticipated to be around 90,000 in 2020. Every day during the pandemic, families across the UK continued to be given the tragic news their child had been diagnosed and sadly, some of the families who turned to us did not have time to wait. So, I am pleased to report that, despite the initial shockwaves of the pandemic, we were able to swiftly move to new models of delivery to meet the needs of these children and families.

Continuing to grant magical and safe wishes was a priority, so in response, we launched a new wish category, our 'At-home' wishes. These types of wishes allowed us to create precious and magical moments for families whilst also being Covid secure – sometimes against all odds! Two examples of these types of wishes are Milo and Olivia's:

- ♦ Milo's greatest wish was to meet his favourite superhero, Captain America, and an iPad so he could keep entertained during the lockdown. In true Rays of Sunshine style, the team got to work to make sure he had a super day, despite the Coronavirus restrictions. On the day, Milo was surprised by the one and only Captain America at his door delivering an incredibly special gift, Milo's iPad, and his very own superhero costume. Not only did Milo get a surprise, but so did the whole family, who also got to be a part of Milo's super wish day.
- ♦ Olivia tasked the team with a very festive wish – to have a magical early Christmas Day with her family and to meet the main man himself, Father Christmas. With new Covid restrictions being announced daily, sometimes hourly, during the month of December and in the lead up to Christmas Day, the Rays of Sunshine team pulled out all the stops to ensure that Olivia got her magical wish. Working around the clock and enlisting the help of volunteers and companies local to Olivia's home, we managed to turn Olivia's garden into her very own Winter Wonderland, which included snow, the day before Christmas Eve. To make Olivia's dream a reality, Father Christmas and his reindeer made a very special appearance to her garden, delivering gifts for the whole family. To top it off, Olivia's favourite princess and her brother's favourite superhero also made sure to make the experience as special as possible, all before heading inside to for a chef cooked Christmas dinner.

Chairman's statement Year ended 31 December 2020

Where we could no longer be there in person, we went virtual, or created new ways to bring joy and hope to children at home and receiving treatment in hospital. Some other examples of how we pivoted our services, included:

- ♦ Launching our 'Virtual Sunshine Sessions' which were online sessions for children and siblings. The activities included exclusive celebrity Q&As, baking sessions and creative art workshops. These helped children and siblings create connections, spend time with their peers, provide a much-needed distraction and, most importantly, enjoy positive experiences together. One highlight was an exclusive event with our celebrity ambassador, Craig David MBE, who took time out to grant wishes and spend time speaking with a group of teens during the first UK lockdown.
- ♦ Despite no longer being able to visit in person, our army of sunshine volunteers continued to provide a distraction and entertainment to children receiving treatment in hospital by creating Virtual Hospital Activity Days. These online sessions saw our entertainers and volunteers provide fun and inspiring sessions for children whilst they were unable to access the playrooms or interact with other children whilst spending time in hospital.
- ♦ We were incredibly grateful to Facebook for donating several of their Facebook Portals, which we delivered to hospitals we work with, so children and families could keep connected during long periods of time spent in hospital.
- ♦ To help alleviate the anxiety associated with receiving treatment during such an incredibly tough time we launched our 'Sunshine Caricature Badge Ward Wish' scheme, which enabled paediatric wards to apply for caricature badges for their doctors, nurses and play team. These badges aimed to show the faces behind the PPE and bring positive interactions between staff and the children they treat.

These are just some of the ways we adapted to continue our work, and, despite the tough circumstances, we are proud to have ended the year having supported over 13,000 seriously ill children and their families in 2020.

With most in-person fundraising events, including large scale challenge events, on hold for most of 2020, we also looked at new ways to showcase our work, attract donors, keep our current supporters engaged and reduce our income deficit. Working alongside Moyosa Media, award winners in digital technology, we created the Rays of Sunshine Children's Art Gallery, an innovative virtual gallery that celebrates the magical bond between Rays of Sunshine and its beneficiaries, in addition to recognising the charity's patrons and supporters.

All artwork on display was created by a seriously ill child or young person and many of the pieces were created during one of our Virtual Sunshine Session art workshops. Each child has depicted their own interpretation of the theme 'sunshine, happiness and laughter'.

Chairman's statement Year ended 31 December 2020

Combining innovative technology and the artwork and stories of the children, the result was a gallery as unique and inspiring as the children themselves. As well as providing an opportunity for us to bring together (virtually) our wish children for art workshops, the gallery also created a vehicle for fundraising, with many generous supporters sponsoring whole rooms, stars in our Always Remembered room, or individual pieces of art throughout the gallery, and leaving us with a legacy for many years to come.

The impact we make to the families we support, is always much more eloquently explained by the families themselves, and I am always reminded of the importance of our work when I hear the feedback the team receive daily – especially during the pandemic. After finding out Rays of Sunshine would be granting her son's wish, one mum wrote to us to say:

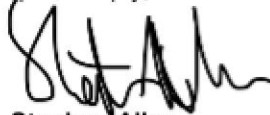
"I cannot stress enough how grateful we are for the charity. The day that [we were] told of the charity was such a tough day for him – he had been in surgery having his Hickman line fitted, he had a lumbar puncture, and he was so frightened of what was coming next. So, to have someone approach his bed with lovely news [from Rays of Sunshine] to cheer him up was priceless and I will never forget how grateful I felt towards you all. [...] It really was something we won't ever forget."

2020 has been a challenging year and a difficult fundraising environment for all charities, and Rays of Sunshine has similarly been affected by a significant reduction in income. We are fortunate that prudent financial management in the last few years has given us sufficient levels of reserves to weather the storm in the short term, and to maintain our vital support for seriously ill children and their families. However, it was with great sadness that we saw a reduction of our team, saying goodbye to five members of staff during the pandemic.

I would also like to express my sincere thanks to Laura Barnett, who stepped down in September as Chief Executive Officer, for leading the charity during the pandemic and her commitment to Rays of Sunshine over many years, firstly as a volunteer and then as a member of the office team. Laura was succeeded in November 2020 by Lindsey Bennister, who continues to inspire, lead, and guide the charity into 2021 and beyond.

To the team, both the staff and our dedicated volunteers, your continued passion, enthusiasm, and commitment to Rays of Sunshine ensures that we can continue creating magical memories for seriously ill children across the UK, for which we cannot be more grateful.

Finally, on behalf of the Trustees, Executive Board and the children and families we help, I would like to thank our loyal supporters and patrons who have remained with us during 2020 and enabled us to continue our vital work for seriously ill children and their families. We, quite simply, could not do it without you.



Stephen Allan
Chairman

10 May 2021

Structure, Governance and Management

Rays of Sunshine is incorporated as a charitable company limited by guarantee (charity number 1102529, company number 04860607). It is governed by its Memorandum and Articles of Association as amended by a special and a written resolution dated 16 May 2011. The trustees are also the directors for the purpose of company law.

Recruitment, appointment and induction of new trustees

The company's Articles of Association provide for a minimum of four and a maximum of 15 trustees. Where there is a requirement for new trustees, these would be recruited and appointed by the existing trustees. The chairman and the chief executive are responsible for the induction of any new trustees, which involves awareness of a trustee's responsibilities, the activities of the charity and meetings with all staff members.

Governance

The trustees have overall responsibility for Rays of Sunshine's strategy and governance and meet on a quarterly basis. In addition to the Board of trustees, the charity is also supported by the following committees:

The Executive Board comprises 9 members drawn from professionals from industry, the charity founders, and long-standing volunteers, who provide valuable advice and oversight to the charity. Meetings are held bi-monthly.

Members in 2020 were:

Richard Burston (Chairman)

Hayley Allan

Stephen Allan

Tim Allan

Nina Bradburn

Marc Boyan

Grant Fox

David Saul

Mark Shipman

Jonathan Vandermolen

The Administration and Finance Committee is responsible for discussing, deciding and implementing financial strategies on behalf of the charity. It comprises 5 members drawn from the Board of trustees, Executive Board and professionals in the financial field. Meetings are held four times a year, in advance of meetings of the Board of trustees.

Structure, Governance and Management (continued)

Governance (continued)

Members in 2020 were:

Justin Randall (Chairman)

Laura Barnett (CEO to Sept 2020)

Richard Burston

Grant Fox

Usha Radhakrishnan (Head of Finance)

Simon Rusk

David Saul

Jane Sharpe

The Remuneration Committee is responsible for overseeing the charity's pay and reward structures and approving annual pay increases. These are usually based on the position of the charity's finances and the cost of living in general. An annual bonus payable to the CEO based on specific objective conditions is ratified by this committee. It comprises the trustees and is chaired by Daniel Coleman.

The Wish Appeals Committee is responsible for approving wish applications based on set approval criteria. It includes medical professionals (as applicable), members of the staff Wish Team, and a member of the Executive Board (Hayley Allan). It meets weekly to consider new applications received.

Medical Advisory Committee

Members:

Dr Michele Afif Shipman

Dr Warren Hyer

Dr Matthew Fenton

Dr Ruby Schwartz

Our medical advisers are consultant paediatricians from a range of medical specialities including neurology, cardiology & oncology. They have experience and backgrounds in a range of medical areas ensuring they can advise on the wide range of conditions that fall within the charities medical criteria. Our medical advisers support Rays of Sunshine in assessing whether wish applicants meet the medical threshold to be eligible for a wish. They advise at Wish Appeals Meetings on the whether an application for a wish is eligible in accordance with the charities medical criteria.

The Children's Panel is made up of current and previous wish children and wish children ambassadors. They advise Rays of Sunshine about our services and activities.

Structure, Governance and Management (continued)

Governance (continued)

The Hospital Advisory Panel is made up of Play Specialists in hospitals. They are an important group of professionals who work with seriously ill children in hospitals and advise Rays of Sunshine about our hospital services.

Other advisory and working committees are created as required, usually for specific purposes or events including the Art Auction Committee, and the Property Committee. They are headed by the CEO, or a member of the Board of trustees, or a member of the Executive Board.

The trustees delegate responsibility to the Chief Executive Officer (CEO) for managing the organisation's activities and executing the strategic plan. The CEO attends all trustee and Executive Board meetings.

The key management personnel of the charity comprise the trustees, the Chief Executive Officer, the Head of Finance, the Head of Fundraising, the Head of Operations, and the Head of PR and Communications. In 2020, the office team comprised 16 full-time and 2 part-time staff.

All trustees give their time voluntarily and receive no benefits from the charity.

Principal Risks and Uncertainties

A risk register is maintained and formally reviewed by the trustees and the Administration and Finance Committee annually. In addition, the Senior Management Team is responsible for regular risk assessments throughout the year. The risk register covers:

- ◆ Governance risks
- ◆ External risks
- ◆ Regulatory and compliance risks
- ◆ Financial risks
- ◆ Operational risks

In 2020, as a result of the COVID-19 pandemic, the principal risk to the charity was identified as business continuity in relation to delivering services to our beneficiaries and maintaining income levels to support this.

The actions taken to address the risks associated with the pandemic included:

1. Putting the safety of children and families first, including cancellation of travel wishes from February 2020; changing the nature of wishes to Have, Be and Meet activities using virtual platforms; and pivoting our hospital work to deliver virtually.

Principal Risks and Uncertainties (continued)

2. More frequent meetings of the Board of trustees, with seven Board meetings including two Extraordinary Meetings to assess and determine the charity's strategic approach to the pandemic and immediate risks.
3. Reviewing the charity's reserves position and putting in place a new financial model for 2020 and 2021.
4. Re-defining the way we fundraise, introducing virtual fundraising challenges and other innovative projects to raise funds, for example, our virtual children's art gallery.
5. Reviewing the staffing needs, resulting in five redundancies (a quarter of the staff).
6. Making use of the Government's furlough scheme, with the majority of the team being placed on furlough until September 2020.
7. Introducing working from home measures for staff.
8. Using insurance to recoup the costs of travel wishes due to early cancellation action.
9. Negotiating reductions in rent.

Mission

The charity's mission is to relieve the suffering and needs of children and young people who have illnesses or disabilities covering limited life expectancy or who suffer from long-term physical or mental disabilities (including learning disabilities). There have been no changes to the charity's mission over the years.

Objectives and Public Benefit

The trustees confirm they have complied with the requirement in section 17 of the Charities Act 2011 to have due regard to public benefit in determining the activities undertaken by the charity. As a charity, we are keen to emphasise the public benefit we believe our work provides. Our wishes are available to any child aged between three and 18, living in the UK, diagnosed with a life-threatening or terminal condition.

In support of our mission, the charity's main objectives are:

- ♦ To fulfil wishes for children living with serious and life-limiting illness between the ages of three and 18 living in the United Kingdom.
- ♦ To fulfil ward wishes for hospitals and hospices within the United Kingdom.
- ♦ To hold hospital and hospice activity days within the United Kingdom.
- ♦ To hold magical large and small-scale events for our wish children and their families throughout the United Kingdom.
- ♦ To purchase equipment or gifts for the hospitals, hospices and specialist schools that provide care for these children within the United Kingdom.

Strategy

The strategies of the charity in support of these objectives are:

- ◆ To continue to grant wishes that exceed expectations.
- ◆ To continue to find innovative ways to bring distraction during our hospital activity days.
- ◆ To continue to be at the cutting-edge of new trends in children's entertainment.
- ◆ To work closely with hospitals and hospices across the UK to receive wishes and provide a rapid response to high priority 'rush wishes'.
- ◆ To identify the ongoing needs of our beneficiaries through direct communication with families and the medical professionals who care for them.
- ◆ To diversify our fundraising committees, income streams and supporter base.
- ◆ To continue to grow our income from corporate supporters.
- ◆ To continue to raise our profile through national and broadcast coverage and by growing our social media platforms.

Achievements and Performance

During 2020, despite the pandemic and resulting restrictions, we have supported over 13,000 seriously ill children and their families.

As the coronavirus pandemic took hold in early 2020, it became apparent that it would have a significant impact on all areas of the charity's work, requiring the charity to move to a different model of delivery to protect children and families.

From February 2020, the charity cancelled all travel wishes, working closely with the families to offer alternative wish options. We found new innovative ways to grant special wishes including at-home experiences, virtual celebrity surprises, and phones, tablets, and consoles to help children stay connected and feel less isolated. After an initial suspension of UK-based wishes in March, we started to accept new applications for wishes under our revised criteria, delivering 270 unique wishes during 2020 (2019: 686). At the end of 2020, we had 432 wishes outstanding, which will be prioritised for delivery during 2021.

Rays of Sunshine's successful hospital programme provides engagement activities in hospitals, community support, parent and sibling support, innovative sensory bags for play teams in hospitals, and grants to hospitals for activities or equipment on wards where seriously ill children are. The pandemic immediately impacted on the charity's ability to enter hospitals and deliver activities. We reacted quickly to the changing environment and moved our Sunshine in Hospitals programme online, delivering activities to over 8,000 young people who were receiving treatment on paediatric wards across the UK.

Achievements and Performance (continued)

During 2020, we delivered:

- ♦ **Our Sunshine Support Hub Facebook Group** – enabling parents and families to connect during the pandemic and provide them with inspiring content and activities to help during periods of isolation at home or in hospital.
- ♦ **Live Virtual Sunshine Sessions** – these online sessions for children and siblings included exclusive celebrity Q&As, baking sessions and creative art workshops. These helped children and siblings create connections, spend time with their peers, provide a much-needed distraction and, most importantly, enjoy positive experiences together.
- ♦ **Virtual 12 days of Christmas and Party** – these Christmas-themed online sessions, and our virtual Christmas Party entertained over 300 seriously ill children with magic shows, a pantomime, and a very special appearance by the charity's celebrity ambassador, Olly Murs.
- ♦ **Virtual Hospital Activity Days** – whilst our volunteers could no longer provide our services in person in hospital, we continued to provide distraction and entertainment to children receiving treatment in hospital. Our National Teddy Bear campaign saw over 3,000 children receive their own build my bear kit. Our downloadable activity pack and entertainment videos provided welcome distractions to children in hospital.
- ♦ **Sunshine Caricature Badges** – to help alleviate the anxiety associated with receiving treatment in hospital during the pandemic, we launched our Sunshine Caricature Badge Ward Wish, which enabled paediatric wards to apply for personal caricature badges. These badges aimed to show the faces behind the PPE.
- ♦ **Sunshine Sessions Podcast** – hosted by one of our beneficiaries and ambassadors, the podcast provided inspiring content from seriously ill children telling their own personal stories.
- ♦ **Virtual Parent Coffee Mornings** – allowing parents to spend time together, providing a peer-to-peer support network and creating a safe space to discuss openly.
- ♦ **Hospital Advisory Panel** – we brought together our hospital referrers and contacts to provide up to date information on what support they needed as the pandemic changed the shape of their wards.
- ♦ **At home wishes** – continuing to grant safe and magical wishes was a priority. We launched our at-home wish category, allowing us to create precious and magical moments for families who needed it most, whilst also being Covid secure.
- ♦ **Wellbeing Wishes** – we understood the impact having travel wishes postponed would have on the families we support and introduced wellbeing wishes for any families affected. These wishes ranged from iPads, to connect with family and friends, to games consoles to bring joy during a difficult time.

In 2020, we started to report on the geographical reach of our work, with the aim in 2021 and beyond to expand our regional services.

Achievements and Performance (continued)

Region of wishes granted		
Central England	10	4%
East Anglia	18	7%
East Midlands	18	7%
London	37	14%
North East	23	9%
North West	31	11%
South East	50	19%
South West	23	9%
West Midlands	24	9%
Northern Ireland	7	3%
Scotland	12	4%
Wales	13	5%
Unknown	4	1%

Impact

To understand the impact of our new models of delivery for our wish granting and hospital programmes, we established feedback surveys for all activities from participants.

Wish Granting & Sunshine Sessions

98% of the respondents said their child enjoyed the online services on offer.

93% agreed that wishes & online Sunshine sessions gave the opportunity for shared family experiences & created precious memories.

95% agreed that wishes & online Sunshine Sessions provided a positive distraction for their child.

88% agreed that taking part in wishes & online activities left their child feeling more positive & increased their self-esteem.

Each score is a percentage based on the responses from parents & carers who have completed feedback surveys.

Sunshine in Hospitals programme

95% of children taking part in online activity days experienced a reduced sense of anxiety when attending hospital for appointments and treatment.

97% of children experienced a reduced sense of isolation and agreed that it provided a positive distraction from medical appointments & treatment.

Each score is a percentage based on the responses from parents, carers & medical professionals who have completed feedback surveys

A new impact monitoring framework is being developed in 2021.

Wishes

Our response to the COVID pandemic included cancelling all travel wishes in 2020 and only fulfilling non-travel UK-based wishes. The average cost of a wish during this period was £1,020. This is consistent with the average cost of our non-travel wishes in previous years.

Fundraising

Rays of Sunshine fundraising strategy is strongly based on relationship fundraising. Our income comes from special events, major donors/Patrons, and corporate partnerships with additional income streams from challenge/community fundraising and individual giving appeals.

In 2020, our fundraising income dropped by 70%. We raised £1.49m compared to our anticipated income target at the beginning of the year of £3.79 million. (2019: £5.09m, of which £1.17m was from a corporate partnership with Deutsche Bank.) This reduction was a direct result of the COVID-19 pandemic and the impact of cancelling major fundraising events and activities planned for 2020 including our annual ball.

However, we moved quickly to switch our focus and resources into other areas of income generation:

- ♦ **Trusts and Foundations:** £126k was raised which is the highest level for three years, and included a successful application for COVID emergency funding.
- ♦ **Corporate income:** £306k was raised from existing corporate partners who continued to support us during the year, and many pledged their continued support into 2021. Our ongoing partnerships with Clintons, Bacta and The Fragrance Shop continue to provide valuable support.
- ♦ **Major donors/patrons:** £300k was raised from loyal patrons and supporters.
- ♦ **A Toy Appeal** during the first lockdown by fundraising committee 'Future Rays' raised £15k.
- ♦ Our first **Christmas Campaign** with an integrated fundraising ask raised £15k.
- ♦ **Virtual challenge events** including a new Rays and Shine challenge (£18k raised) and individual supporter challenges (£25k raised).
- ♦ **General donations:** £90k was raised with a marked increase in the number of donations received via the website and regular giving.

Financial Review

In 2020, our total income was £1,490,471 (2019: £5,093,911), including fundraising and donations-in-kind. We invested £526,399 in raising this income (2019: £979,385) and spent £1,132,756 on charitable activities (2019: £3,512,671), resulting in a deficit of £168,684 (2019: £601,855 surplus) for the year.

Financial Review (continued)

Pre-pandemic, the charity had anticipated a reduction in income for 2020 compared to 2019 due to the end of a successful two-year partnership with Deutsche Bank, which had contributed £1.18m to our income in 2019. The total overall reduction in income of 70% in 2020 reflects the anticipated end of this partnership, as well as the additional impact of the pandemic on our fundraising activities during this year.

Our programme of community and challenge events was cancelled, including the London Marathon. Whilst we moved events online which raised some income, we saw this income stream fall from £254,575 (2019) to £166,222 (2020). The special events programme which contributes a significant proportion of our annual income (2019: £1,355,451) was also cancelled resulting in a fall in income to £53,446. We saw a significant drop in our Donations in kind income to £266,274 (2019: £1,348,852). This was a direct result of reducing the number and scale of the wishes we were able to deliver in 2020. However, our corporate support remained strong, and we were able to source new funding from Trusts and Foundations, as well as launching our first individual giving campaign at Christmas.

Our total expenditure in 2020 was £1,659,155, which is a reduction of 63% compared to 2019 (£4,492,056). This reflects the cancellation of the majority of our travel wishes as well as the postponement of non-travel wishes until 2021. Alternative forms of support and wishes were offered to our beneficiaries that were in line with COVID restrictions. Lower staff costs and reduced operational expenditure also contributed to the overall reduction in expenditure.

In 2020, 68% of our total expenditure was on charitable activities, as compared to 78% in 2019.

Reserves policy

At the balance sheet date of 31 December 2020 the total reserves were £3,549,457 (2019: £3,718,141) of which £3,447,366 (2019: £3,640,572) were unrestricted funds and £102,091 (2019: £77,569) were restricted funds (see note 14).

Our policy has been to maintain 6 to 12 months of budgeted expenditure in order to ensure that we are always able to fulfil wishes, both committed and planned, in the event of a significant decline in our income probably as a result of a macro-economic event such as that experienced in 2008 and again in 2020. As the Covid pandemic also required us to stop granting new overseas travel wishes this meant that our planned expenditure reduced significantly as well. The unintended consequence was that our reserves cover increased at the year end to 15 months (2019: 9 months). Based on previous levels of expenditure, this would be the equivalent to 6-12 months of reserves cover. As the level of reserves is equivalent to 9 months expenditure in a normal year, the trustees are comfortable that this short-term increase in reserves is appropriate. This will hold us in good stead in 2021 and 2022 as we can make decisions from a position of relative financial strength as we gear the activity back to pre-pandemic levels.

Financial Review (continued)

Reserves Cover

	2020 £	2019 £
Free reserves	3,411,678	3,586,536
Next year's budgeted expenditure	2,560,589	4,713,156
Months' cover	15	9

At the end of 2020, our total net assets were £3,549,000. Of this, our free reserves were £3,412,000, comprising unrestricted funds excluding fixed assets. This figure has taken into account our commitment towards wishes approved but not yet granted where we make a full provision of all anticipated costs still to be incurred. For 2020, this amounted to 432 wishes totalling £555,178.

Investment Policy

The trustees have the power to invest in funds as they deem appropriate. The trustees' investment policy is to hold surplus cash in easily accessible bank accounts. Amounts transferred to designated funds represent amounts set aside for a capital project, small capital projects, or for specific wishes that donors have identified they wish to support.

Fundraising Communication

The charity is registered with the Fundraising Regulator and is committed to our fundraising being legal, open, honest, respectful, and meeting the standards set in the Fundraising Code of Practice. We communicate with our supporters through a variation of email, direct mailings and telephone calls. We also ensure that nobody who appears to be vulnerable is asked to commit to giving.

Our values and heritage are strongly based on relationship-driven fundraising rather than high-volume mass funding and we continue to be committed to our relationship-focused approach for income generation and growth.

Most of our fundraising is managed by our staff with the support of our Executive Board members and volunteers. We do not employ any professional fundraising organisations.

Communications and Complaints

We have also developed procedures for dealing with complaints. We had no complaints in 2020.

Policies

We update and refresh our safeguarding policies annually. We also regularly review our data protection policies to ensure the charity is GDPR compliant.

Equality, Diversity and Inclusion

Rays of Sunshine is committed to equality of access to our wishes and hospital services for all children and their families. The 2021 business plan includes a key focus on equality, diversity and inclusion across all of Rays of Sunshine work, including governance, employment, volunteering, and service delivery.

Future plans and post balance sheet event

A business plan has been produced which sets out business objectives for 2021 and 2022.

1. We will develop the Rays of Sunshine community, ensuring that all seriously ill children and their families have access to our services and support, wherever they are.
2. We will put in place the staff, processes, systems and ways of working that will underpin efficient and effective delivery of our objectives.
3. We will build our fundraising base across all income streams, aiming to bring in new supporters, corporates, and trusts/foundations/statutory funders. We will achieve excellence in the stewardship of our major donors and Patrons whose commitment to the charity is invaluable.
4. We will extend our reach, profile and engagement with the public, using innovative PR campaigns to raise awareness of our work, have a louder voice, and expand our supporter base.

Underpinning the Business Objectives will be a focus on:

- ◆ Equality, diversity and inclusion across all our work.
- ◆ Working proactively to reach children and families who are in greatest need.
- ◆ Working in targeted regions within the four nations of the UK.
- ◆ Using new technology to enhance the delivery of our work.

We anticipate that our services in 2021 will continue to be delivered virtually and under COVID restrictions for most of the year. However, we are planning for a scenario where some UK-travel wishes may start towards the end of the year, with international travel starting again in 2022.

Future plans and post balance sheet event (continued)

Our fundraising activities will also reflect the ongoing pandemic restrictions, with the first half of the year activities focused on virtual opportunities/campaigns such as sponsorship of the art in our virtual Children's Art Gallery. Post-June 2021 (the scheduled end of formal coronavirus restrictions), we are hoping to re-introduce in-person fundraising events under COVID secure conditions including a Chairman's Golf Day, Art Auction, and small-scale dinners and engagement events. Contingency plans are in place to pivot to an alternative format if the external environment changes.

Our Administration and Finance Committee will meet more frequently (every two months) during 2021 to monitor the financial position of the charity.

Going Concern Assessment

The coronavirus pandemic necessitated a change in the way the charity delivered its services. This led to a lower-than-anticipated level of expenditure in 2020 due to the postponement or cancellation of wishes. In addition, salary costs were reduced following a reduction in staff by a quarter. As a result, the charity ended 2020 in a stronger financial position than anticipated at the beginning of the pandemic.

The charity's level of free reserves remain healthy, and the Board of trustees are of the opinion that the charity remains a going concern for at least 12 months from the date of signing these financial statements. The trustees anticipate that there will be a challenging fundraising landscape in the next few years. Future expenditure commitments are carefully considered in light of free reserves levels and the ongoing financial position of the charity.

Statement of Trustees' Responsibilities

The trustees, who are also the directors of Rays of Sunshine for the purpose 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Statement of Trustees' Responsibilities (continued)

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

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

Disclosure of Information to Auditors

Each of the trustees has confirmed there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Signed on behalf of the Board of Trustees:

A handwritten signature in black ink, appearing to read 'Stephen Allan', written over a horizontal line.

Chair of the Trustees Stephen Allan

Approved on: 10 May 2021

Independent auditor's report to the members of Rays of Sunshine

Opinion

We have audited the financial statements of Rays of Sunshine (the 'charitable company') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of 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 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 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ♦ the information given in the trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ♦ the trustees' report, which is also the directors' report for the purposes of company law, 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- ♦ adequate accounting records have not been kept; or
- ♦ the 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.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our commercial knowledge and experience of the sector;
- ◆ we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006;
- ◆ we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- ◆ we identified laws and regulations which were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

Auditor's responsibilities for the audit of the financial statements (continued)

How the audit was considered capable of detecting irregularities including fraud
(continued)

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ♦ making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ♦ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ♦ performed analytical procedures to identify any unusual or unexpected relationships;
- ♦ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ♦ investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ♦ agreeing financial statement disclosures to underlying supporting documentation;
- ♦ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Shachi Blakemore', is written over the printed name.

Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

18 May 2021

Statement of financial activities (including income and expenditure account) Year ended 31 December 2020

	Notes	2020 Unrestricted funds £	2020 Restricted funds £	2020 Total funds £	2019 Unrestricted funds £	2019 Restricted funds £	2019 Total funds £
Income from:							
Donations and legacies	1	882,582	120,850	1,003,432	2,195,251	102,338	2,297,589
Gifts in kind	2	266,274	—	266,274	1,348,852	—	1,348,852
Other trading activities	3	93,139	—	93,139	1,424,899	7,900	1,432,799
Investments		10,653	—	10,653	14,671	—	14,671
Other income	8	116,973	—	116,973	—	—	—
Total income		1,369,621	120,850	1,490,471	4,983,673	110,238	5,093,911
Expenditure on:							
Raising funds	4	526,399	—	526,399	978,501	884	979,385
Charitable activities	5	1,036,428	96,328	1,132,756	3,391,264	121,407	3,512,671
Total expenditure		1,562,827	96,328	1,659,155	4,369,765	122,291	4,492,056
Net (expenditure) income before transfers		(193,206)	24,522	(168,684)	613,908	(12,053)	601,855
Transfer between funds		—	—	—	—	—	—
Net movement in funds	7	(193,206)	24,522	(168,684)	613,908	(12,053)	601,855
Reconciliation of funds							
Fund balances brought forward		3,640,572	77,569	3,718,141	3,026,664	89,622	3,116,286
Fund balances carried forward		3,447,366	102,091	3,549,457	3,640,572	77,569	3,718,141

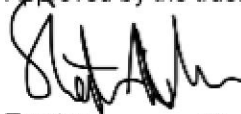
All income and expenditure derived from continuing activities during the above two financial periods.

All recognised gains and losses are included in the above statement of financial activities.

Balance sheet 31 December 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	9		35,687		54,036
Investments	10		1		1
			<u>35,688</u>		<u>54,037</u>
Current assets					
Debtors	11	196,404		603,571	
Cash at bank and in hand		3,223,364		3,481,535	
Short term deposits		<u>775,160</u>		<u>770,132</u>	
		4,194,928		4,855,238	
Liabilities					
Creditors: amounts falling due within one year	12	(681,159)		(1,191,134)	
Net current assets			<u>3,513,769</u>		<u>3,664,104</u>
Total net assets			<u><u>3,549,457</u></u>		<u><u>3,718,141</u></u>
Income funds					
Restricted funds	14		102,091		77,569
Unrestricted funds			<u>3,447,366</u>		<u>3,640,572</u>
	15		<u><u>3,549,457</u></u>		<u><u>3,718,141</u></u>

Approved by the trustees and signed on their behalf by:



Trustee Stephen Allan

Approved on: 10 May 2021

Rays of Sunshine

Registered Company Number: 04860607 (England and Wales)

Statement of cash flows Year ended 31 December 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash (used in) provided by operating activities	A	(255,983)	570,193
Cash flows from investing activities:			
Purchase of tangible fixed assets		(7,813)	(58,141)
Interest received		10,653	14,671
Net cash generated from (used by) investing activities		2,840	(43,470)
Net (decrease) increase in cash and cash equivalents		(253,143)	526,723
Cash and cash equivalents at 1 January		4,251,667	3,724,944
Cash and cash equivalents at 31 December	B	3,998,524	4,251,667

A Reconciliation of net movement in funds to net cash provided by operating activities

	2020 £	2019 £
Net movement in funds	(168,684)	601,855
Depreciation charge	26,162	19,135
Investment income	(10,653)	(14,671)
Decrease (increase) in debtors	407,167	(66,174)
(Decrease) increase in creditors	(509,975)	30,048
Net cash (used in) provided by operating activities	(255,983)	570,193

B Analysis of changes in net debt

	2019 £	Cash flows £	2020 £
Cash at bank and in hand	3,481,535	(258,171)	3,223,364
Short term deposits	770,132	5,028	775,160
	4,251,667	(253,143)	3,998,524

Principal accounting policies Year ended 31 December 2020

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 December 2020 with comparative information provided in respect to the year to 31 December 2019. They are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates. The areas in the financial statements where these judgements and estimates have been made include:

- ◆ determining the valuation of gifts in kind;
- ◆ the accrual for wish expenditure committed but not yet completed;
- ◆ the allocation of support costs to charitable activities; and
- ◆ estimating the useful economic life of tangible fixed assets for the purpose of determining the annual depreciation charge.

In addition to the above, the full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

Assessment of going concern (continued)

The trustees have taken into consideration the impact of the pandemic on the charity and have concluded that although there may be some negative consequences and greater risk in relation to the fundraising for the charity's activities, the trustees believe that the charity is a going concern on the basis detailed within the 'Future plans and post balance sheet event' and 'Going concern assessment' sections within the trustees' report. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect items in the financial statements are detailed above.

Income

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably, and it is probable that the income will be received.

Income comprises donations and legacies, gifts in kind, fundraising and bank interest.

Donations, including gift aid, are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity. If the amount is not known, the legacy is treated as a contingent asset. Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Donations in kind

Services and facilities donated (for free or discounted) to the charity for its own use are included as income at their value to the charity as at the time of the gift with an equivalent amount included in expenditure.

Where goods or services are provided to the charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements as both income and expenditure at its estimated fair value based on the value of the contribution to the charity.

Many items donated to the charity include a 'money-can't-buy element' such as the time provided by celebrities to meet the children and attend charity events, and therefore no commercial value has been placed on these gifts in kind in the financial statements.

Services provided by volunteers

For the purposes of these financial statements, no value has been placed on administrative and other services provided by volunteers in accordance with the Charities SORP FRS 102.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings as described below. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes staff, other direct costs associated with fundraising and allocated support costs associated with fundraising.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include wish costs as well as an allocation of support costs.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity, it is necessary to provide support in the form of support staff.

Within support costs are also governance costs, which include the costs of statutory compliance and other costs related to the governance of the charity.

Allocation of support and governance costs (continued)

Support and governance costs are allocated to activities on the basis of staff time spent on those activities in the following proportions: 70% to charitable activities and 30% to raising funds.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. All assets costing more than £500 and with an expected useful life exceeding one year are capitalised. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful economic life as follows:

- | | |
|----------------------------------|-------------------|
| ♦ Fixtures, fittings & equipment | 33% straight line |
|----------------------------------|-------------------|

Investments

Investment in the subsidiary company is valued at cost, with provision being made for any permanent diminution in value.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Short term deposits

Deposits for more than three months but less than one year have been disclosed as short term deposits.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Liabilities for wishes are recognised as expenditure as soon as there is a specific commitment creating an obligation and an expectation that a wish will be fulfilled. The liabilities at the balance sheet date are included within creditors due within one year.

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Taxation status

The charitable company is a registered charity and is not subject to corporation tax on its current activities.

Fund structure

Unrestricted general funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects at the discretion of the trustees, unless the funds have been designated for other purposes.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Financial instruments

The charity holds only basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – trade debtors and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank and short term deposits – clarified as basic financial instruments and measured at face value.

Financial liabilities – accruals and other creditors are financial instruments and are measured at amortised cost.

1 Donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Donations	882,582	120,850	1,003,432	2,195,251	102,338	2,297,589
	882,582	120,850	1,003,432	2,195,251	102,338	2,297,589

2 Donations in kind

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Rent and related office costs	45,151	195,227
Wishes	87,714	1,013,953
Advertising	61,944	8,252
Computer services	28,323	88,567
Events	39,132	34,858
Governance costs	4,010	7,995
	266,274	1,348,852

The charity received donations in kind valued at £266,274 (2019: £1,348,852) during the period. In addition, a significant number of gifts were received for which it is difficult to attribute a value. For example, the time provided by celebrities to meet children and attend charity events. It has not been possible to attribute a value to such gifts in these financial statements.

3 Other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Events	53,446	—	53,446	1,347,551	7,900	1,355,451
Community fundraising	8,940	—	8,940	65,650	—	65,650
Other trading activities	30,753	—	30,753	11,698	—	11,698
	93,139	—	93,139	1,424,899	7,900	1,432,799

4 Costs of raising funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Event and fundraising costs						
Staging fundraising events	112,093	—	112,093	430,356	—	430,356
Advertising	62,793	—	62,793	115,979	—	115,979
Staff costs	313,769	—	313,769	389,234	884	390,118
Other fundraising costs	9,918	—	9,918	6,871	—	6,871
	498,573	—	498,573	942,440	884	943,324
Support costs	27,826	—	27,826	36,061	—	36,061
	526,399	—	526,399	978,501	884	979,385

The staff costs of £313,769 does not include any adjustment for the related furlough claims of £49,214 for fundraising staff made under the Coronavirus Job Retention Scheme. This has been accounted for under other income (total CJRS income of £116,973). Therefore the net fundraising staff costs is £264,555.

5 Charitable activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Staff costs	422,855	—	422,855	653,828	—	653,828
Depreciation	26,162	—	26,162	19,135	—	19,135
Wishes	220,627	96,328	316,955	2,311,589	121,407	2,432,996
Other office costs	301,855	—	301,855	322,580	—	322,580
	971,499	96,328	1,067,827	3,307,132	121,407	3,428,539
Support costs	64,929	—	64,929	84,132	—	84,132
	1,036,428	96,328	1,132,756	3,391,264	121,407	3,512,671

6 Support costs

	2020 £	2019 £
Staff costs	69,425	95,701
Governance costs:		
. Audit fees	14,520	15,884
. Accountancy	4,800	6,120
. Legal and professional fees	4,010	2,488
	92,755	120,193

7 Net income and net movement in funds for the year

This stated after charging:

	Unrestricted funds	
	2020	2019
	£	£
Staff costs (note 8)	806,049	1,139,647
Auditor's remuneration (note 6)	14,520	15,884
Depreciation (note 9)	26,162	19,135

8 Staff costs, remuneration of key management and trustees' remuneration

The average monthly number of employees during the year was:

	2020	2019
Provision of wishes and fundraising	24	29

Employment costs

	2020	2019
	£	£
Wages and salaries	704,855	982,203
Social security costs	70,610	97,030
Other pension costs	30,584	60,414
	806,049	1,139,647

The key management personnel of the charity comprise the trustees, the Chief Executive Officer, the Head of Finance, the Head of Fundraising, the Head of Operations, and the Head of PR and Communications. The total employee benefits, including social security costs employer pension contributions of the key management personnel of the charity were £249,358 (2019: £431,070).

The former CEO was appointed as a board member from May 2020 and total employee benefits received and included in the key management personnel remuneration figure were £11,866. No remuneration is paid to trustees for their services as board members. No expenses were reclaimed by trustees in the year to 31 December 2020 (2019: £nil).

The number of employees who earned £60,000 or more (excluding employer contributions and excluding pension costs) during the year was:

	2020	2019
	no.	no.
£70,001 - £80,000	1	1
£140,001 - £150,000	—	1

During the year, pension costs totalling £4,203 (2019: £8,449) were paid in respect of the above employees. Details of other related party transactions are included in note 16.

Included within other income is £116,973 Coronavirus Job Retention Scheme income in relation to 17 staff members who were furloughed between April and June 2020.

9 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 January 2020	166,324
Additions	7,813
At 31 December 2020	174,137
Depreciation and impairment	
At 1 January 2020	112,288
Depreciation charged in the year	26,162
At 31 December 2020	138,450
Net book value	
At 31 December 2020	35,687
At 31 December 2019	54,036

10 Fixed asset investments

	Other investments £
Cost or valuation	
At 1 January 2020 & 31 December 2020	1

The fixed asset investment relates to 100% holding in Rays of Sunshine Promotions Limited, which was dormant in the above two periods. Rays of Sunshine Promotions Limited's registered address is 4th Floor, Berkeley House, 304 Regents Park Road, London, England, N3 2JY.

11 Debtors

Amounts falling due within one year:

	2020 £	2019 £
Trade debtors	32,162	111,352
Other debtors	22,328	22,328
Prepayments and accrued income	141,914	469,891
	196,404	603,571

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	12,065	103,764
Other creditors	49,103	90,780
Accruals and deferred income	619,991	996,590
	681,159	1,191,134

12 Creditors: amounts falling due within one year (continued)

At 31 December 2020, included within accruals and deferred income are committed wishes totalling £551,998 (2019: £914,100).

Brought forward deferred income released in the year is in relation to the 2020 London marathon.

	2020 £	2019 £
Deferred income brought forward at 1 January	18,447	26,853
Amount released in the year	(18,447)	(26,853)
Amount deferred in the year	—	18,447
Deferred income carried forward 31 December	—	18,447

13 Operating leases

As at 31 December 2020, the charity was committed to total future minimum lease payments under non-cancellable operating leases as follows:

	Office premises	
	2020 £'000	2019 £'000
Within one year	107,172	107,172
Within two to five years	169,689	276,861
	276,861	384,033

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2020 £
Specific wishes	77,569	120,850	(96,328)	—	102,091

	Balance at 1 January 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2019 £
Specific wishes	89,622	110,238	(122,291)	—	77,569

Restricted funds comprised sums received for specific wishes and equipment.

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2020 are represented by:			
Tangible assets	35,687	—	35,687
Investments	1	—	1
Current assets	4,092,838	102,091	4,194,930
Creditors: amounts falling due within one year	(681,159)	—	(681,159)
	<u>3,447,366</u>	<u>102,091</u>	<u>3,549,457</u>
	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2019 are represented by:			
Tangible assets	54,036	—	54,036
Investments	1	—	1
Current assets	4,777,669	77,569	4,855,238
Creditors: amounts falling due within one year	(1,191,134)	—	(1,191,134)
	<u>3,640,572</u>	<u>77,569</u>	<u>3,718,141</u>

16 Related party transactions

The charity received cash donations and gifts in kind from various related parties during the year. These are summarised below:

Related Party	Donations	
	2020 £	2019
Trustees	42,443	35,908
Others excluding trustees:		
. Key management personnel	—	20,790
. Executive board members	12,250	49,000
Total	<u>54,693</u>	<u>105,698</u>

The donations above were without specific terms and conditions and unrestricted in nature.

16 Related party transactions (continued)

Related Party	Goods/Services in Kind		Further details
	2020 £	2019 £	
Jeffreys Henry	4,800	6,000	Justin Randall, a trustee of the charity, is a partner at Jeffreys Henry LLP. The firm provided the charity with payroll services.
Universal Music UK Ltd	—	594	David Joseph, a trustee of the charity, is a director at Universal Music UK Limited. The company donated CDs to the charity.
Mediacom	2,400	4,397	Stephen Allan, a trustee of the charity, is the Worldwide Chairman & CEO at Mediacom. Mediacom provided the charity with advertising space in relation to the Christmas campaign in December 2020.
Mishcon De Reya	4,010	40,851	Nick David, a trustee of the charity, is a director/partner at Mishcon De Reya. The firm provided the charity with legal services.
BE Offices	—	80,898	David Saul is a member of the charity's executive board and the director of BE Offices. In 2019, BE Offices provided the charity with donated fixed assets and rent payments. In 2018, BE Offices provided the charity with office space and facilities.
Related Party	Donations		Further details
Capital Group	21,250	—	Annual donation made by the Foundation where Rays of Sunshine has been nominated (via employee vote) by Caroline Randall - wife of Trustee Justin Randall.
Purple Surgical	12,000	—	Annual patronage paid by Robert Sharpe - husband of Trustee Jane Sharpe