

RAINY DAY TRUST
REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

RAINY DAY TRUST

CONTENTS

	Page
Report of the Trustees	1 - 13
Statement of responsibilities	14
Report of the Independent Auditors	15 - 16
Statement of Financial Activities	17
Statement of Financial Position	18
Notes to the Financial Statements	19 - 24

RAINY DAY TRUST

REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020.

The trustees have adopted the provisions of 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 January 2015).

Reference and Administration Information

The Rainy Day Trust was founded in 1843, and is registered with the Charity Commission as a Charitable Incorporated Organisation under charity number 1170878. The Charity's trustees and particulars professional advisers are included within this trustees report. The Charity became a CIO on 21 December 2016.

The financial statements for the CIO represent the combined assets, liabilities and funds of the two legal entities as though they have always been part of the same organisation.

The trustees consider this approach to be consistent with the requirements of the SORP and it provides a clear comparative of the financial statements and financial position with previous reporting periods.

The treatment is appropriate because the CIO was formed expressly to take over the work of the charity. The two entities have the same name and address and are party to the same organisation. There is no significant change to the beneficiaries, purposes or control of the organisation.

RAINY DAY TRUST

REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

OBJECTIVES AND ACTIVITIES

Charitable Objectives

The object of the CIO is, for the public benefit, to relieve and assist persons in need who are, or have been engaged in, hardware / DIY, housewares, brushware, pottery, glass, builders merchants, ironmongery, garden supply, and all allied trades, and their dependants, in particular, but not exclusively, by providing advice, support and financial assistance.

Vision and Mission Statements

Our work has always been driven by a desire to provide support and information to people from our industry. To achieve this, the Trust has adopted the Vision and Mission statements as set out below:

Vision Statement

"The RDT is working towards a time when all those who have worked in the home improvement and enhancement industry have the funds they need to live."

Mission Statement

"The Rainy Day Trust will work both alone and in partnership with other organizations, either commercial or charitable, to provide financial and other assistance that will improve the quality of life of those individuals and families from the industries that it supports, who have fallen on hard times."

To support these statements, we also developed a series of charity values that help underpin the work:

Transparency and openness

We will build open and transparent relationships to help us deliver better services to those that need our help.

Fairness and Equality

We will treat everyone with respect and understanding.

Energy in pursuing our goals

We will not rest until we have done all we can to provide the help that an applicant needs.

Inclusivity

We listen to everyone's view, giving equal weight to their opinion. We collaborate with partners to ensure that we include as many views as possible on our services.

Compassion and empathy

We will never be judgemental of others, we will listen, learn and understand the needs of those we are seeking to help.

RAINY DAY TRUST

REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Public benefit

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit, and on the prevention and relief of poverty when reviewing the Trust's performance against its set objectives, and planning future activity. In all of the Trust's activities, both current and planned, the Board of Trustees is confident that the "public benefit requirement" is met.

For all applications to the Trust, the assessment of the application takes into account the household income and expenditure. A savings limit has been set, and in the main all applicants are on a very low income or pension. The Trust does not give preferential treatment to any demographic group, and accepts applications purely on an objective set of eligibility criteria.

The Trustees have taken the view that where we are able to make a material difference, particularly with priority debt, where eviction or imprisonment may be prevented, we will consider clearing an applicants debt.

ACHIEVEMENTS AND PERFORMANCE

Chairman's Report

Like all chairmen coming to the end of their 3 year tenure, I want to leave the charity strong and sustainable in the longer term. Covid-19 came out of the blue and undid an enormous amount of hard work that had taken place in the previous 5 years. However, as we approached year end in December, we started to reap the rewards of the work that we put in during the summer with several generous donations from Stax, NBG and an anonymous builders' merchant, backed by generous donations from Calor and AkzoNobel. Alongside strong performance in other fundraising areas, including trusts and foundations, we are in a position to hit the ground running in 2021.

I will hand over chairmanship to James Norton on 31 May 2021 and am satisfied that we have done everything that we can to strengthen the Charity's financial foundations in what has been the most difficult year I have witnessed at the Rainy Day Trust. I am delighted that while we have had to reduce some areas of activity, we haven't turned away anyone of working or retirement age that needed us. Moreover, we have helped people in other non-core areas to offer extensive support across all of the sectors that we help. While builders' merchants and DIY outlets have had good results this year, the housewares sector has been far more difficult with lack of supplies in the spring as China closed down, then the two lockdowns that affected retail sales enormously.

I have been heartened to see that so many businesses have been willing to step in and help us out and continue their generous donations of both cash and stock that we have been able to sell on to raise money. We now need to consolidate those relationships and develop new ones moving forward.

I would like to thank my trustees for their ever strong support during this very difficult year and wish the incoming chairman the very best of luck in these uncertain times.

Peter Stone
Chairman

RAINY DAY TRUST

REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Chief Executive Officer's Report

Not surprisingly 2020 was an incredibly tough year for the charity. With Covid-19 hitting us so early in our financial year the impact was felt straight away as every event in our calendar was cancelled and the first lockdown meant that people and businesses alike were nervous about donating cash, not sure what their futures held.

By the spring we were forecasting an end of year position with a fall in income of 53%. That, combined with growth in demand for our help as furloughed staff members tried to survive on 80% of their usual salary, placed our cash flow and reserves under immense strain.

The stock market fell to 5,500 at one point, down from a high of 7,500, which meant that if we sold assets from reserves to keep things moving, we would crystallise considerable losses. We were forced to take a very close look at our operations. We pushed every penny that we could into the bank account as it became available to strengthen cash flow. We searched for new, even small, fundraising ideas to keep income flowing, however little. It worked. We were able to reduce our quarterly call on reserves from £40,000 to £30,000 and also didn't need to make any additional withdrawals, minimising losses over the year. Moreover, we completely cancelled planned Christmas drawdown. Our reserves have reduced considerably but not as badly as could have been the case.

We also chose to suspend some programmes such as the apprentice support and release on temporary licence projects, and reduce expenditure on others, to control outgoings. We stripped out every piece of non-essential administration although there was little to remove as we were already lean. Even so, the year end position was looking like a loss of £230,000 at the lowest point in the summer, an unsustainable amount.

We then drove forward new income generation ideas and pushed people towards more sustainable ways of supporting us, recognising the changes in their own circumstances. We had to focus on areas where we had strength and were likely to yield good results, but nothing was ignored.

Government support for the sector was minimal, and late being delivered. After some strong funding success, and a £9,700 grant from the lottery, we finished the year with a loss of £112,796, still considerable but nowhere near as bad as we had first feared. Compared to many charities we finished the year in a very strong position.

2021 is going to be tough, very tough, but following an extraordinary board meeting on 29 September 2020 the trustees have agreed to keep pushing forward and aim to adapt what we do across the board to ensure survival. 2021 will require some difficult decisions without doubt, and some of our programmes may not survive.

We are already working up new fundraising ideas and trying to encourage those in need to take greater control of their lives, thereby reducing their reliance on us. We are giving them additional non-financial support. We will still be there to help, but we hope to reduce the financial cost to us in the process.

In spring of 2021 James Norton takes over as Chair and we will be recruiting a number of new trustees. The impact of Covid-19 into 2021 is almost impossible to predict, but I am confident that we will be doing everything we can to make sure that Rainy Day Trust is fit for purpose and will survive the turmoil that has engulfed the charity sector. Thousands of charities have already gone to the wall, with 10,000 more forecast to close by the end of March, we will not be one of them.

Thank you for your support during 2020 and I hope you can continue to support us into 2021.

Bryan Clover
Chief Executive Officer

RAINY DAY TRUST

REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Grant Making Report

Activity for the Year

Once again grant making remained at the core of our work in 2020. The first lockdown in March 2020 changed the face of our activities immediately. We developed a Covid-19 support programme offering an immediate £250 grant, followed by a second grant 4 weeks later. In addition we wrapped around our free telephone counselling and legal services as furlough struck many low paid staff. We made contact with businesses as they announced their intentions to offer our support in helping staff survive. The biggest challenge for the year was reaching those in need as large swathes of our contacts within companies were themselves furloughed and unable to receive contact from us.

Awards focused strongly on living expenses as you would expect.

The emergency cold weather payment programme initiated in February 2019 was suspended in 2020 as the board chose to focus its resources elsewhere.

Enhancing the Service

As has been the case for many years, we aim to tackle the underlying causes of poverty as well as meet immediate needs. The provision of a wrap-around support service is far more beneficial to applicants than just a sticking plaster approach. We want to help people take control of their lives and be able to go forward on their own two feet without the need to come back to us for further assistance. By offering a comprehensive set of programmes we hope to give individuals and families the capability to take back control of their lives. We will remain available to help when requested, dealing with both immediate needs and ongoing issues.

The Charity remains the first port of call for everyone involved in the industry, either currently or previously, when they become aware of someone who may need our charitable help and also for when they are looking for a beneficiary of any fundraising activities they may be involved with. The new HR Support Manager Programme that started its roll out was effectively put on hold due to the virus. Our aim for 2021 is to restart this aspect of our work and enhance our partnership working ensuring that HR managers are aware of how we can help.

RAINY DAY TRUST

REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Grant Assessment

All applications for grants or financial assistance are considered and fully assessed by the sub contracted case-working team and are either passed to the CEO for a decision if within his delegated powers of authority or sent to the Grants Committee in accordance with a detailed and objective set of guidelines. The Trust's aim is to be flexible in the way that it follows the eligibility criteria and it understands that applicants do not always work to a 'one size fits all' standard. Overlaying our procedures is the view that as a benevolence charity, our primary aim is to help people from our industry and we will always aim to help wherever we can. Where we are not able to help directly, it is our policy to identify alternative sources of assistance and refer the applicant on.

The Trust's Constitution defines our industry as individuals and their dependants, who have worked in the Hardware/DIY, Housewares, Pottery & Glass, Brushware, Builders Merchants, Garden Supply and allied trades. This is a very broad and evolving group and to guide our assessments, we use the product category listing from the British Home Enhancement Trade Association (BHETA) – if the company the applicant worked for manufactured, distributed or sold the products in that listing, it is highly likely that the individual would meet our occupational criterion. This gives us a fairly exhaustive, but not complete, list and we would aim to deal with other businesses or products sympathetically.

There are no age restrictions for those who the Trust helps; however, it is worth noting that for those in receipt of annual awards, about 3/4 are over 65 years old. All beneficiaries have worked for a qualifying company for at least 1 year. This length of service requirement was reduced from 3 years in March 2017. An example of those who could be helped would be those who are unable to work due to an illness or disability, have been made redundant, or who are retired on a small pension. People who are still working could also qualify for assistance if they are living on a low income. The Trust has a savings limit linked to the upper DWP capital limit. Rather than having to keep recording a change each time the DWP rules changes, we do not refer to the limit itself. Personal possessions, belongings and the person's home are normally ignored when assessing capital.

In income terms, the Trust would aim to provide financial assistance to those applicants who are in receipt of means-tested benefits, such as Income Support, Job Seekers Allowance, Pension Credit, Employment Support Allowance and Housing Benefit. The roll-out of Universal Credit continues to be a major cause of concern not only for the recipients, but also for the charity sector as a whole. The delays in receiving funds, leave people struggling to pay even the most basic of bills.

We feel that when we consider expenditure, it is important to consider each applicant's circumstances fully and not make generalisations. For example, the provision of public transport in London is much better than that in a more rural location, and so a car might be considered essential in the countryside. Moreover, an early intervention in a case that is just outside our financial criteria could prevent a problem becoming worse.

Volunteer Home Visits

Every 12-18 months the majority of beneficiaries are visited by a volunteer who provides a direct link to the Trust and also allows us an insight into the beneficiary's on-going needs and how they have changed over time. Covid-19 curtailed this work as we were unable to operate the system safely and within Covid safe rules. Instead the Connect Assist caseworkers made contact by telephone to check on the beneficiaries. For some, the visit is their only contact with the world beyond their family. The annual visit is invaluable in that it is the only face to face contact with the applicant that we have, and is a rare opportunity to see how else we might be able to help them.

Many applicants find the process of applying for charitable assistance difficult and don't like to ask for more than they need. By using a volunteer, we can encourage them to identify other forms of assistance that they may need and achieve a better quality of life. Toolbank, one of our industry partners, has continued to offer members of staff to provide this service to the Charity free of charge, and we are immensely grateful to them for this help. During 2020 no home visits were carried out due to Covid-19: (2019: 18).

The Trustees wish to express their sincere gratitude for the work carried out by our volunteers.

RAINY DAY TRUST

REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Supporting Programmes

The Charity believes that by enhancing our grants programme with other areas of help, we can help applicants tackle the underlying causes of poverty, not just the immediate impact of need. Our range of services are designed to help achieve this. These include:

Fuel Poverty – the introduction of a corrosion inhibitor into any water-based heating system that aims to reduce heating bills by 10-15%. We also pay for the services of a suitably qualified plumber to install the inhibitor and service the boiler and heating system annually. This is backed by a heating debt programme, aimed at clearing arrears in gas and electricity to reduce fuel poverty. We will also pay for deliveries of heating oil or logs where relevant.

Legal Express – a free one-hour telephone based legal advice service giving beneficiaries the opportunity to see legal advice at no cost.

Telephone Counselling – five x 30-minute telephone based counselling sessions for those with minor mental health issues that struggle with face-to-face support services. Our aim is to tackle stress and anxiety allowing individuals to lead a better life.

Apprenticeship Support – financial support for apprentices across the country, delivered through established suppliers whereby the Charity provides either direct financial support or the provision of safety equipment, toolkits and other related items.

Housing Advice – a wide-ranging support programme on housing rights and advice provided by our charity partner Shelter.

E-Learning – a range of e-Learning packages designed to help individuals re-train, or improve their employability.

Debt Advice – a free debt advice and solutions programme delivered on our behalf by the Debt Advice Foundation. This service is free to both the end user and the Trust.

Welfare Benefits Checker – the provision of an on-line welfare benefits calculator, free at point of use, to identify the welfare benefits to which an individual may be entitled. The calculator is provided by Entitledto, the leading welfare benefits provider in the UK.

Tenovus Cancer Care Partnership – the provision of a wide range of help and advice to those affected by cancer.

RAINY DAY TRUST

REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Supporters and Partners

We have been privileged to receive support from a wide variety of sources, including businesses in the industries that we are allied to. The Trustees would like to offer their thanks to the following Trusts, who have made donations or provided help to the Trust during 2020

Trusts and Foundations

The following trusts and foundations supported our work during 2020, and we wish to express our sincere gratitude to them for their support.

29 May 1961 Charitable Trust - £5,000
Archer Trust - £1,000
Awards For All England - £9,800
Baron Davenport Charitable Trust - £250
Community Foundation of Staffordshire - £1,000
Fifty Fund - £500
Francis Winham Foundation - £4,000
GJW Turner Trust - £3,000
Haramead Trust- £4,000
Heart of England Community Foundation - £2,000
Ironmongers Livery Company - £2,000
Keith and Joan Mindleson Trust - £750
Leicester and Rutland Masons - £2,000
Sobell Foundation - £10,000
Sylvia and Colin Shepherd Charitable Trust - £500
Worshipful Company of Tilers - £500
Worshipful Company of Plumbers - £500
Worshipful Company of Builders Merchants - £5,000

RAINY DAY TRUST

REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL REVIEW

Financial Position

The trust finished the 2020 financial year with a significant operating deficit of £115,796. The Covid-19 virus forced the cancellation of our entire events programme as well as stripping out much of the income from individuals and corporate bodies.

In July 2020 we faced a potential fall in income of 53% across the year, relating to a loss of over £250,000. We stripped out all of our non-essential spend, reduced some grant programmes and cancelled other altogether so that we could target those most in need.

We applied for government support through the Big Lottery programme and were awarded £9,800 but many other applications to trusts and foundations failed as resources across the entire sector became stretched. The final 6 weeks of the year saw a significant improvement in income, with major donations from Stax Trade Centres, NBG, Centurion Europe and Calor.

In conjunction with a number of other programmes, such as the Christmas Appeal, we pulled the loss back to £115,796 representing a fall in income of 31%. This is still a large fall, but nowhere near as bad as first feared and we were able to draw on reserves to make up the shortfall.

Annual Award and sundry grants for 2020 fell by 50% to £152,043 (2019: £306,493) in part due to our decision to reduce some grants and cancel other programmes. During the year the trustees continued the policy of making annual and one-off grants, assisted beneficiaries towards the cost of television licences as well as making awards for holiday grants, telephone costs and the new fuel poverty grant.

During the year we made a total of 59 annual awards and 125 one-off gifts, the latter representing a shift in emphasis from 2019 towards furloughed staff or those made redundant. Our youngest beneficiary was a 17 year old apprentice, and the oldest was 97. The virus meant that the majority of our applications were received from people of working age, continuing the trend that had started in 2016.

Fundraising performance

As has been mentioned above the fundraising environment was very tough during the year across all of our income generating activities.

The partner and subscription income remained relatively static at £42,599 in 2020 (2019 £47,277) while income from donations decreased to £90,060 (2019 £126,760), NBG's generosity at their virtual event in November helped us enormously at year end.

The general trading uncertainty forced a number of companies to cease their partnership support altogether or focus on charities local to them. Usually a strong source of income, awards dinners through the year disappeared altogether as the events themselves were cancelled. However once again the Christmas Appeal was strong with us surpassing our target of £4,000 to support the Christmas hamper programme, raising £7,490, bolstered by a generous gift from Centurion Europe. All of the Christmas markets were cancelled which made selling donated goods incredibly difficult. In 2021 we will refocus on areas that were successful, building on them to ensure that we use our energy and resources effectively.

All of our own events such as shoots and golf day were cancelled as were the karting event and all awards dinners. However, there were a few smaller virtual events that helped to keep income flowing albeit at a low level.

RAINY DAY TRUST

REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Reserves Policy

The Trust operates a reserves policy with a total return approach and a medium attitude to risk.

The decision in 2019 to consolidate our reserves, merging Rainy001 and Rainy002, the latter being the funds brought across during the merger with the Potteries and Glass Benevolent Trust Fund (c£250,000) proved to be a wise one as the investment vehicle in which Rainy 002 had been invested fell badly during 2020.

The trustees still take the view that a certain level of free reserves must be retained to ensure that we are able to maintain our payments to those beneficiaries that receive ongoing regular payments.

This view proved to be prudent as it allowed us to survive what was undoubtedly a torrid year for income generation. Without stable reserves the charity may not have survived the year.

Investments Policy

As at 31 December 2020 the Trust held investments and cash at bank with a market value of £820,000; a decrease of over £120,000 on the same position at the end of 2019, reflecting the fall in the stock market as well as the significant fall in income. Even so, the investments continue to generate a significant proportion of our annual income.

We now have a major asset in our office space which has also helped with the diversification of our asset base should the stock market suffer a major fall. By renting out the spare office space, we hope to generate a new income stream.

The Trustees monitor the performance of these investments on a quarterly basis both absolutely and by means of comparison to the Retail Price Index, peer benchmarks and to relevant stock market indices.

The Trustees have given the investment managers discretion to manage the portfolio.

Future Plans

Phase one of our growth plan was to triple the number of people helped and we achieved that on target by the end of 2018. In 2019, we doubled that figure again, leading to an enormous 6-fold increase in assistance over a period of 4 years. In 2019 we initiated two pieces of work around an improved marketing programme; apprenticeship support and an HR Managers package.

The Covid-19 virus changed our plans considerably with survival being the primary aim while we aimed to help as many people as possible. The board made some tough decisions around projects and this will continue in 2021. Next year is going to be incredibly difficult regardless of how the virus and economy react as both individuals and businesses are likely to be reluctant to spend money on donations. We will be developing new fundraising activities so that we can rebuild our income generation base, with more effort going into sustainable income sources.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Charity, operating under its status as a CIO, has a constitution as its governing document (registration number 1170878).

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr P Stone
Mr J Norton

RAINY DAY TRUST

REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Ms C Holland
Mr P Boyce
Mr R Campbell-Drew
Mr S Clemson
Mr S Donaldson
Mr A Frogley
Ms F Garcia
Mr D Hibbert
Ms A Hicks
Mr J Moody
Mr J Poore
Mr A Williamson

Recruitment and appointment of new trustees

The Constitution permits up to 15 trustees, although for the duration of the year the charity operated with 14. Routinely, trustees serve for a three-year term, but can be re-elected for a further three years.

All trustees sign a declaration of acceptance and agree to act within the Constitution of the Trust. On election, Trustees receive a detailed briefing of procedures and management and are also given an induction pack with full details about the Charity. They are given access to Trustee Training Courses organised by third parties.

Organisational Structure

The Honorary Officers together constitute a Finance and Executive Committee operating to a separate set of Terms of Reference to which the Board may, from time to time, delegate such of its functions as it thinks fit. The Finance and Executive Committee has continued to provide responsive advice and guidance to the CEO on taking the Charity's activities and programmes forward during what became a year of consolidation.

The Board of Trustees is supported in its work by a number of sub-committees:

- Finance & Executive Committee – to review and report to the Board on the management accounts and investments, and deal with all governance related issues as directed by the Board.
- Income Generation and Marketing Committee – to oversee the fundraising and events projects and to provide specialist advice on all marketing and communications activity.
- Grants Committee – to recommend ongoing policy relating to grant-making and review and make decisions on grant applications within the criteria set by the Constitution and the Board.

The Board holds four meetings a year under a comprehensive agenda covering finance, fundraising and welfare issues as well as discussions and decisions relating to future strategy. At the Board meetings, the trustees agree the on-going strategy for the Trust and review the activities since the previous meeting. The Marketing and Communications and Income Generation Committee and the Grants Committee each meet twice a year.

All trustees give their time freely. Trustees may claim travel and subsistence expenses should they choose to.

Management

For 2020, the Management of the Charity was vested in a Board of Trustees which was comprised of the Chairman, Vice-Chairman, the Honorary Secretary, the Honorary Treasurer and Members. The day-to-day running of the Charity is carried out by the Chief Executive Officer.

RAINY DAY TRUST

REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Fundraising

Our approach to fundraising has always followed best practice and ensured that we never apply undue pressure on donors. Our main focus has always been on raising funds from the commercial sector rather than individuals. We can state clearly and categorically that:

- a. Our fundraising activity will always operate within the law as defined by the Charities (Protection and Social Investment) Act 2016 and the guidance as laid down in the Charity Commission's documents CC15b and CC20.
- b. That our independent fundraisers will only make applications to trusts and foundations and never to individuals. They will be monitored closely and all fundraising approaches must be signed off by the Chief Executive Officer before submission.
- c. All fundraising activity will conform to the standards as laid down by the Fundraising Regulator.
- d. Any complaints regarding fundraising will be dealt with fairly and openly and lessons learned will be applied immediately.
- e. Our fundraising activity will always protect the public, including vulnerable individuals, from intrusive or persistent fundraising approaches.

Financial Statements

Law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008.

The Board have appointed a Chief Executive Officer for carrying out the strategic planning, operational delivery of services and administration and general work of the Trust, together with duties of a routine nature delegated by the Honorary Secretary. The Charity is based at its Head Office at 8 The Courtyard, Harris Business Park, Hanbury Road, Stoke Prior, B60 4DJ.

The Trust has developed systems of internal control which are designed to provide reasonable, but not absolute, assurance against material mis-statement or loss. They include:

- Regular consideration by the Trustees of financial results, variance from budgets, non-financial performance of indicators and benchmarking reviews;
- Delegation of authority and segregation of duties where practically possible;
- Identification and management of risks.

Related parties

The Trust has a 100% shareholding in RMTBS Limited, a company incorporated in the UK. RMTBS Limited undertakes the organisation of some of the Trust's fundraising activities.

RAINY DAY TRUST

REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

Risk management

The Trustees have established a robust risk management policy and believe that they have identified the major risks to the Charity. The major risks are: financial sustainability; meeting the evolving needs of our beneficiary group, and growing the Trust's charitable activities in a planned and managed way.

The Trustees apply a risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence and identifying means of mitigating those risks. Safeguards are established at all points in the control of our financial activities, and reputational risk is managed by ensuring that strict sign-off protocols are adhered to.

The Charity is committed to:

- Actively managing risk in a way that does not hinder our charitable work.
- Encouraging an open and honest dialogue with all stakeholder groups to foster learning and shared experience.
- Embedding the control system in the Charity's operations so that it becomes part of the culture of the Charity.
- Developing systems to respond quickly to evolving risks from factors within the Charity and to changes in the external environment.
- Including the procedures for reporting failings immediately to appropriate levels of management and the Trustees together with details of corrective action being undertaken.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number
1170878

Registered Company number
CE009464

Principal address
8 The Courtyard
Harris Business Park
Hanbury Road
Stoke Prior
Worcestershire
B60 4DJ

Auditors
Cognitor Accountancy Limited
Forbes House
Harris Business Park
Hanbury Road
Stoke Prior
Bromsgrove
Worcestershire
B60 4BD

RAINY DAY TRUST

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applies to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity for that period. In preparing those financial statements, the trustees are required to

Select suitable accounting policies and apply them consistently

Observe the methods and principles in the Charity SORP

Make judgements and estimates that are reasonable and prudent

Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by order of the board of trustees on and are signed on their behalf by:

.....
P Stone - Trustee

RAINY DAY TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RAINY DAY TRUST

We have audited the financial statements of Rainy Day Trust for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our responsibilities 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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

RAINY DAY TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RAINY DAY TRUST

Opinion on accounts.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report is inconsistent in any material respect with the accounts; or
- the accounts 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.

Other matter

Conclusions relating to going concern

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

The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not applicable or

The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Mr Mark Warman (Senior Statutory Auditor)

Cognitor Accountancy Limited

Chartered Certified Accountants

Statutory Auditor

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Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

RAINY DAY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds £	Total 2019 £
<u>Income from:</u>			
Donations and legacies	3	193,484	142,570
Charitable activities	5	10,064	84,287
Investments	4	23,414	45,201
Total income		<u>226,962</u>	<u>272,058</u>
<u>Expenditure on:</u>			
Raising funds	6	21,962	61,563
		<u>21,962</u>	<u>61,563</u>
Charitable activities	7	320,798	534,824
Total resources expended		<u>342,760</u>	<u>596,387</u>
Net gains on investments	11	11,221	(159,274)
Net movement in funds		(127,019)	(165,055)
Fund balances at 1 January 2020		<u>1,453,767</u>	<u>1,618,822</u>
Fund balances at 31 December 2020		<u><u>1,326,748</u></u>	<u><u>1,453,767</u></u>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

RAINY DAY TRUST

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Property, plant and equipment	12	62,830		62,830	
Investment properties	13	352,313		352,313	
Investments	14	821,200		940,467	
			<u>1,236,343</u>		<u>1,355,610</u>
Current assets					
Trade and other receivables	15	15,528		21,152	
Cash at bank and in hand		85,393		98,415	
			<u>100,921</u>		<u>119,567</u>
Current liabilities	16	10,515		21,410	
			<u>90,406</u>		<u>98,157</u>
Total assets less current liabilities			<u>1,326,749</u>		<u>1,453,767</u>
Income funds					
Unrestricted funds			<u>1,326,749</u>		<u>1,453,767</u>
			<u>1,326,749</u>		<u>1,453,767</u>

The financial statements were approved by the board of directors and authorised for issue on and are signed on its behalf by:

.....
Mr P Stone
Trustee

.....
Ms C Holland
Trustee

Company Registration No. CE009464

RAINY DAY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Rainy Day Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is 8 The Courtyard, Harris Business Park, Stoke Prior, Bromsgrove, B60 4DJ.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the has adequate resources to continue in operational existence for the foreseeable future. Thus the continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure. It is probable that the transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Grants offered subject to conditions which have not been met at the year end date are noted as commitment but not accrued as expenditure.

1.6 Tangible fixed assets

Tangible fixed assets are included at replacement cost. There are no uncapitalised fixed assets. The Board of Trustees consider their value to be stated at replacement cost with no impairment.

RAINY DAY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Investment properties

Investment property is stated at fair value. The fair value isn't considered to be materially different to its cost at 31 December 2020.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Consolidated financial statements

Consolidated financial statements have not been prepared as the exemption for small groups under the Charities Act 2011 and the Charities SORP (FRS 102) has been taken.

2 Critical accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed within the individual accounting policies.

3 Donations and legacies

	2020 £	2019 £
Donations	150,885	95,293
Subscriptions	42,599	47,277

RAINY DAY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Investments

	Total 2020 £	Total 2019 £
Rental income	1,614	-
Investment income	21,800	45,201
	<u>23,414</u>	<u>45,201</u>

5 Charitable activities

	2020 £	2019 £
Charitable events	<u>10,064</u>	<u>84,287</u>

6 Raising donations and legacies

	Total 2020 £	Total 2019 £
<u>Fundraising and publicity</u>		
Staff wages	9,516	27,435
Social security costs	440	2,208
Pension	312	2,255
Fundraising event costs	6,585	24,048
Public relations	2,420	2,499
	<u>19,273</u>	<u>58,445</u>
<u>Investment management</u>	<u>2,689</u>	<u>3,118</u>
	<u>21,962</u>	<u>61,563</u>

RAINY DAY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Charitable activities

	2020 £	2019 £
Staff costs	67,796	66,289
Connect Assist	24,116	32,465
Marketing	8,479	34,396
Volunteer expenses and tablets	629	1,913
Welfare benefits checker	1,200	1,200
Grants payable	152,043	306,493
	<u>254,263</u>	<u>442,756</u>
Share of support costs (see note 8)	63,535	85,809
Share of governance costs (see note 8)	3,000	6,259
	<u>320,798</u>	<u>534,824</u>

8 Support costs

	Support costs £	Governance costs £	2020 £	2019 £
Trustees fees and expenses	190	-	190	1,325
Wages	27,427	-	27,427	33,317
Social security costs	1,245	-	1,245	2,690
Pensions	355	-	355	2,738
Insurance	1,549	-	1,549	1,384
CEO expenses	1,813	-	1,813	2,706
Secretarial expenses	19,581	-	19,581	21,273
Postage and stationery	1,320	-	1,320	3,937
Web / internet	4,643	-	4,643	3,849
Bank charges	90	-	90	107
Move costs	-	-	-	12,483
Rent, rates and utilities	5,322	-	5,322	-
Audit fees	-	3,000	3,000	3,000
Legal and professional	-	-	-	3,259
	<u>63,535</u>	<u>3,000</u>	<u>66,535</u>	<u>92,068</u>
Analysed between Charitable activities	<u>63,535</u>	<u>3,000</u>	<u>66,535</u>	<u>92,068</u>

RAINY DAY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

2020 Number	2019 Number
3	3

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	94,793	117,646
Social security costs	6,165	9,654
Pension costs	6,132	9,633
	<u>107,090</u>	<u>136,933</u>

10 Trustees remuneration and benefits

There was no trustees remuneration for the year ended 31 December 2020.

Trustees Expenses

Expenses of £190 (2019 £1,325) were reimbursed to one trustee during the year.

11 Net gains/(losses) on investments

	Total 2020 £	Total 2019 £
Realised gains on investments	(28,790)	151,654
Unrealised gains on investments	17,569	7,620
	<u>(11,221)</u>	<u>159,274</u>

RAINY DAY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Tangible fixed assets

Golf trophies
£

Cost

At 1 January 2020

62,830

At 31 December 2020

62,830

Carrying amount

At 31 December 2020

62,830

At 31 December 2019

62,830

13 Investment property

2020
£

Fair value

At 1 January 2020 and 31 December 2020

352,313

In the opinion of the trustees the fair value of the property at 31 December 2020 is not considered to be materially different to its cost price so the investment property will continue to be carried forward at cost.

15 Debtors

2020
£

2019
£

Amounts falling due within one year:

Prepayments and accrued income

15,528

21,152

16 Creditors: amounts falling due within one year

2020
£

2019
£

Other taxation and social security

2,479

6,470

Trade payables

-

9,753

Accruals and deferred income

8,036

5,187

10,515

21,410