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Charity Registration No. 1102529

Company Registration No. 4860607 (England and Wales)



CREATIVITY ENTHUSIASM ENERGY VISION

RAYS OF SUNSHINE

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2014

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RAYS OF SUNSHINE
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Stephen Allan (Chairman)
David Joseph
Justin Randall
Timothy Shaw
Nicholas Davis

Charity number

1102529

Company number

4860607

Principal address

1 Olympic Way
Wembley
Middlesex
HA9 0NP

Auditors

H W Fisher & Company
Acre House
11-15 William Road
London
NW1 3ER

Bankers

Barclays Bank Plc
27 Soho Square
London
W1D 3QR

Solicitors

Mishcon de Reya
Summit House
12 Red Lion Square
London
WC1R 4QD

RAYS OF SUNSHINE
(A COMPANY LIMITED BY GUARANTEE)
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RAYS OF SUNSHINE

(A COMPANY LIMITED BY GUARANTEE)

CHIEF EXECUTIVE'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

Wishes

In 2014, Rays of Sunshine received a record 823 wish requests (732 in 2013), of which 651 were completed (621 in 2013). This is our highest number to date and we expect this significant growth to continue into 2015.

We are fortunate that our structure is capable of handling this increase in wishes. Without continued support from our donors we would face the heart-breaking decision of having to keep seriously and terminally ill children waiting for their wishes, but fortunately this is not the case and we do not operate a waiting list.

Every day at Rays of Sunshine something magical happens.

A personal highlight of the year was the afternoon we arranged for 53 children to meet their idols, and our ambassadors, One Direction at Wembley Arena. Although this was a record number of wishes granted by Rays of Sunshine in one go, the children and their families were blissfully unaware of the military precision that went into making the occasion feel unique to them.

It was an afternoon neither they nor I will forget and one that meant so much to the wish children like Harriet who was transported there in an ambulance from Bristol Hospital, her father said at the time "You cannot imagine what today has meant to us or to Harriet, to see her smiling, laughing and carefree is not something that we're used to anymore, I feel like you've given us our daughter back, if only for an afternoon. Thank you for today, we will never forget it".

Of the wishes we received in 2014, 68% were either rush wishes or for children in category 1 or 2, confirming that the most seriously and critically ill children receive most of our wishes. Rush wishes accounted for 11% of our wishes, which remained consistent with 2013.

Throughout the year, we completed many rush wishes and whilst every rush wish is special, one of these was extremely special, as we did our first wish for a child whilst she was still on a Berlin Heart, making her the first child to leave hospital on a portable mechanical heart. She was transported by ambulance from hospital to meet One Direction at a secret location, together with her Cardiologist and members of her nursing team. It was a wish that required much planning and co-operation from both the hospital and her Consultants, but all decided that it was worth it to make her wish come true. The outcome was spectacular and not only did our wish girl receive a kiss from her favourite band member, she shortly afterwards received her new heart.

It is with huge sadness that we saw the loss of 54 of our wish children in 2014. Heartbreakingly, that is twice as many as last year. We remember each child and hope that memories of our wishes help their families when they need it the most. Our thoughts are with their families as they mourn their loss.

Christmas is an important time of the year for Rays of Sunshine and no-one knows the true value of a family Christmas more than our wish families.

In 2014, we hosted a variety of events for our wish children to enjoy, including our first ever festive party in Manchester, hosted by our incredible army of northern volunteers.

In Windsor, Lapland UK hosted a VIP Gala event for our wish families, giving them the opportunity to visit Santa in the most beautiful and traditional setting in the UK.

In London we held a wonderful festive party, hosted by our volunteers for over 500 of our wish families. It was another special day for many of them and the start to their festive celebrations.

We were one of only five charities invited to the Christmas party at 10 Downing Street. Ten wish families met Santa and played games before being introduced to Prime Minister David Cameron and his wife Samantha Cameron.

Ward wishes

Our ward wish scheme continues to thrive and in 2014 we granted 33 ward wishes (27 in 2013).

Ward wishes enable us to reach hundreds more children and help to make their stay in hospital just that bit more bearable.

Wishes in the year included decorating treatment rooms to make them less intimidating and group outings to watch musicals. We also held 14 hospital and hospice pamper and activity days.

One of our favourite ward wishes, and certainly the noisiest, was a drumming workshop for 50 children from the Children with Disabilities Team in Milton Keynes. Staff nurse Jackie Sheridan wrote to us afterwards to say: "The drumming workshop was truly a wonderful experience. The children were so happy and it was wonderful for the parents to see their children enjoy doing something different. No words can say how appreciative we are."

RAYS OF SUNSHINE

(A COMPANY LIMITED BY GUARANTEE)

CHIEF EXECUTIVE'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

It is hugely rewarding knowing what a difference the ward wish scheme is making.

Financial

The charity's income performance was impressive and has increased to £3,865,704, a rise of 24.6% compared to 2013. This was due in large part to a substantial uplift in corporate income to £1,133,188 from £706,402 in 2013.

We have seen a significant increase in funds raised over the last five years and tripled our income in this time. This year represents the 6th consecutive year during which our income has increased. This is particularly pleasing in the context of continuing uncertainty in the economic climate.

Our income was also enhanced by our Gifts in Kind, particularly those that we receive around the time of our concert at The Royal Albert Hall. Thanks to our friends in the media, we were fortunate enough to receive a staggering £604,616 in advertising in press, print and screen space gifts in kind.

To enable our income to continue to grow, we have broadened our fundraising structure, as we have recognised the importance of diversification to generate new sources of revenue.

We have worked hard to grow our number of corporate sponsors and this is proving a successful strategy. Whilst some of our large partnerships are due to end in 2015, we have forged new, highly successful partnerships with Frankie & Benny's, Nomura and GHL Hotels, that will take us through to 2017.

The average cost of a wish rose slightly in 2014 to £1,228 compared to £1,104 in 2013. This excludes the value of goods and services gifted to us directly to fulfil wishes. This increase is partly down to the number of wish days we now do in London that involve overnight stays.

How we kept in touch with our wish children in 2014

Keeping in touch with our wish children is important to us. Once a child has had a wish granted they are not forgotten but become part of the Rays of Sunshine family. We try to include them in the activities we run every year across all age groups.

One example was an outing for 500 families to Alton Towers. Hospital services manager Jane from Birmingham Children's Hospital summed up the difference outings like this make: "It is so nice for our children to be given the chance to experience such fantastic days out. These days give them memories that will remain with them for a very long time and gives them something nice to look forward to and talk about."

We also put on our annual concert at The Royal Albert Hall in May headlined by our ambassador Olly Murs. The sell-out audience enjoyed our most diverse range of performers yet. The success, as ever, was measured by the looks on parents' faces as they watched their children enjoy the show. The most memorable performance by far was by our children's wish choir who performed live, with the help of our loyal ambassador Aston Merrygold.

Thanks to our partnership with Ferrari Northern Europe, we were able to invite families to Silverstone Circuit, the home of British Motorsport, to experience the thrill of being driven by a professional driver in a Ferrari 458 Spider. Whilst each child enjoyed an exhilarating passenger ride, their families enjoyed a range of entertainment and to top the day off, Rays of Sunshine Ambassador and Ferrari fanatic, Gordon Ramsay came along to join in the fun.

Volunteers, supporters and celebrity ambassadors

We could not fulfil the number of wishes we complete every year without our dedicated army of active volunteers, who show such passion for our cause. We rely on them to assist with Hospital pamper days, run our festive parties and of course to help with wishes.

This year we have been very fortunate with support from companies such as Dominos, The Fragrance Shop and HR Owen. We are extremely lucky to be so well supported by our celebrity ambassadors who help us in so many ways, whether it's by granting a child their wish to greet them, to sing at our concert or to help out with our fundraising activities.

To them and to all those who gave us financial and gifts in kind assistance during the year, we are extremely grateful and we thank all of you for your passion for Rays of Sunshine.

Social Media

We continue to use social media to generate interest in the charity and we encourage our older wish children to contact us using social media such as Facebook, Twitter and Instagram. This has helped us grow our social media engagement over the past year.

**RAYS OF SUNSHINE
(A COMPANY LIMITED BY GUARANTEE)
CHIEF EXECUTIVE'S REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2014

YouTube

We have 10,300 subscribers on YouTube, (an increase from 8,705 in 2013) with our videos featuring One Direction proving especially popular.

Facebook & Twitter

We now have 9,525 likes on our Facebook page (7,000 in 2013) and are followed by 32,200 people on Twitter (27,600 in 2013).

Website

In November 2014 we revamped our website and we now have the option for parents to fill in a wish pack online. This has proved exceptionally popular and on average we receive 12 wish packs online each week.

Our aims for 2015

Our goals in 2015 are to grant 900 individual wishes, 36 hospital ward wishes and to reach as many children as possible through our events, outings and activity days. With the continued support of our corporate partners, volunteers, staff, ambassadors and patrons, we are confident we can do so.

On the financial side, our income target is £3.4 million. This is less than 2014 as we are taking into account the fact that we will be receiving considerably less gifts in kind in 2015 due to a more targeted advertising campaign around the concert.

We aim to meet this income target by continuing to expand our supporter base, in particular through corporate partnerships, increasing the number of people taking part in our fundraising events and improving our service in every department.

Our aim is to invest significant funds into a legacy capital project, which fully supports the objectives of the charity.

This project will very much enhance our stated objectives without affecting our priorities or targeted amount of wishes for 2015.

Every single wish makes a difference as this thank you from the parents of one of our wish children testifies: "We just wanted to say a huge thank you for organising such an amazing day. Our whole family had the most fantastic time, something we could never have been able to do without you. We rarely get time to enjoy an event like this as a family. These memories we will treasure forever. To see Aiden smiling and excited makes my heart melt, allowing us to forget the stresses and strains of a normal family life for a while. We truly appreciate all your hard work."

RAYS OF SUNSHINE

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charities Memorandum and Articles of Association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005.

1. Structure, Governance and Management

Rays of Sunshine is incorporated as a charitable company limited by guarantee (charity number 1102529, company number 4860607). It is governed by its memorandum and Articles of Association as amended by a special and a written resolution dated 16th May, 2011. The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Stephen Allan
Nicholas Davis
David Joseph
Timothy Shaw

Stephen Allan is the Chairman of the Trustees.

Justin Randall who has been the Treasurer at Rays of Sunshine for over eleven years, as of 24th June 2015, became a Trustee.

The Trustees have overall responsibility for Rays of Sunshine's strategy and governance. Jane Sharpe, the Chief Executive is responsible for managing the organisation's activities and executing the strategic plan with the support of the staff team (who currently number 20 fulltime staff and two part time staff). The Chief Executive attends all Trustee and Executive meetings and senior staff are invited in rotation to present to the Executive.

The Executive is chaired by Daniel Coleman. The Executive Board meets every other month and is supported by the Administration and Finance sub-committee, Chaired by Treasurer and Trustee Justin Randall, the Wish Appeals Committee, The Hospital and Ward Wish Committee, the Events and Fundraising Committee and the recently formed Generation Sunshine Committee.

2. Risk Management

The Trustees are responsible for the management of the risks faced by the charity. The risk management policy and all material risks are regularly reviewed.

3. 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.

4. Objectives

In support of this mission, the charities main objectives are:

- To fulfil wishes for terminally and seriously ill children between the ages of 3 and 18 in the United Kingdom.
- To fulfil ward wishes for hospitals and hospices within the United Kingdom.
- To purchase equipment of gifts for the hospitals, hospices and specialist schools that provide care for these children.
- To plan towards making a grant towards a capital project to a hospital, hospice or specialist school which provides care for terminally and seriously ill children if funding is available.

5. Strategy

The strategies of the charity in support of these objectives are to:

- Increase the number of wishes approved.
- Increase the number of active volunteers.
- Expand our volunteer base outside of London, Manchester and Leeds.
- Continue to increase our corporate income, to provide us with a more consistent and secure income stream as well as helping to raise the charity's profile.
- Increase our database to encourage more active involvement within the charity.

RAYS OF SUNSHINE

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

- Seek more opportunities for national and broadcast coverage.

6. Achievements and Performance

2014 was another outstanding year for us with exceptional growth in terms of both wish numbers and income.

We held our third Rays of Sunshine Concert at The Royal Albert Hall, headlined by our Ambassador Olly Murs. It was a huge success and received excellent nationwide coverage both on TV and in press.

This positive PR has reflected in the number of additional wishes we received and indeed in the number of new fundraisers we attracted.

It has undoubtedly helped in the recruitment of corporate sponsors and we are fortunate enough to have won the Frankie & Benny's partnership which will help to raise the charity's profile.

We introduced our first Art Auction, which was run by a committee of volunteers and this brought in income of £144,117.

We continue to hold our many successful annual fundraising events during the year, such as our main fundraising ball in London, which is our biggest single fundraising event and is also run by a dedicated committee of volunteers, our golf day at Coombe Hill and our concert.

The energy and the commitment shown by all our committee members is exemplary.

Our social networks continue to grow and we are active on Instagram, Twitter, Facebook and have our own YouTube channel.

7. Fundraising Effectiveness

We have increased the members of staff dedicated to fundraising to five, one who supports all our events, one who supports our Community and Challenge Fundraising, two who support Corporate Partnerships and one who is dedicated to finding new corporate partnerships. They are supported by our Chief Executive and Head of Communications who are integral in all of the corporate partnerships that we now have.

8. Financial Review

The total income in 2014 was £3,865,704 which was a 24.6% rise over 2013. We continue to keep a very tight rein on all our costs and overheads. Thanks to the continued support of BE Offices, who have supported us since we started, we have never paid for rent for our office space. We also pay reduced legal and accountancy fees. This is very fortunate as we receive no Government funding.

This year we have been especially fortunate to have received a large amount of gifts in kind for advertising around our Royal Albert Hall concert. This has increased our income by £604,616.

At the year-end we had a bank deposits of £2.7m which our forecasts show should be sufficient to maintain our current policy of ensuring that we are able to maintain our current level of wishes for a 9 to 12 month period even if there was a significant economic crisis which materially affected our fundraising. As explained further in Point 9, our bank deposits are at their highest during the month of December.

Our aim is to invest significant funds into a legacy capital project, which fully supports the objectives of the charity.

The Trustees have been considering an appropriate project for some time and they are currently conducting a feasibility study into a particular project. We have set aside funds of £500,000 to seed this legacy.

This project will very much enhance our stated objectives without affecting our priorities or targeted amount of wishes for 2015.

9. Reserves Policy

It is the current policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a minimum level to ensure that we are always able to satisfy wishes for a 9 to 12 month period. The trustees believe that reserves at this level will minimize the impact on the Charity's activities from any interim adverse change in funding. This means we should be able to grant any wish promised, irrespective of income at any particular moment in time. In light of the current economic climate the Trustees are pleased to report that the Charity has a healthy balance sheet which will be used to allow services for seriously and terminally ill children to be delivered at the same rate during the year, whatever the rate of income during 2015. Due to our annual fundraising event always being held in the later part of the year, our reserves are managed so that

**RAYS OF SUNSHINE
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (CONTINUED)**

FOR THE YEAR ENDED 31 DECEMBER 2014

the above policy will be maintained at all times of the year. Therefore at the year end the reserves are at or near their maximum. The Trustees review the reserves policy annually.

10. 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 represents amounts set aside for a capital project, small capital projects, or for specific wishes that donors have identified they wish to support.

11. Plans for Future Periods

Our plans for 2015 are:

- To grant over 900 wishes
- To grant 36 Hospital and Hospice Ward Wish Scheme
- To extend our Hospital Pamper Days throughout the UK
- To consider an appropriate legacy capital project and conduct a feasibility study into a particular project
- To continue to develop our PR and Social Networking Programmes
- To hold our large scale events for the children such as Alton Towers or LegoLand and our Rays of Sunshine Concert
- To increase our Corporate Partnerships Programme
- To continue to engage our wish and fundraising volunteers
- To expand our volunteers outside of Manchester, Leeds and London
- To continue to learn from our inspirational wish children

12. Public Benefit

Rays of Sunshine's services provide relief for children who are seriously or terminally ill and their families and as such deliver public benefit.

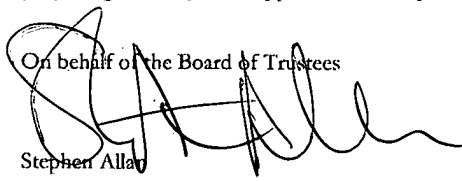
13. Disclosure of information to auditors

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.

14. Auditors

H.W.Fisher & Company were appointed auditors to the company and in accordance with the Companies Act 2006, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

On behalf of the Board of Trustees


Stephen Allan

Chairman of the Trustees

RAY'S OF SUNSHINE
(A COMPANY LIMITED BY GUARANTEE)
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 accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts 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 accounts, 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.

**RAYS OF SUNSHINE
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF RAYS OF SUNSHINE**

We have audited the accounts of Rays of Sunshine for the year ended 31 December 2014 set out on pages 7 to 17. 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).

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 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.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement on page 4, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for 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 Trustees' 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.

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 2014, 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 Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

the information given in the Trustees' Report is consistent with the accounts.

**RAYS OF SUNSHINE
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT (CONTINUED)
TO THE MEMBERS OF RAYS OF SUNSHINE**

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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.

Andrew Rich (Senior Statutory Auditor)
for and on behalf of H W Fisher & Company

Chartered Accountants

Statutory Auditor

Acre House
11-15 William Road
London
NW1 3ER

Dated:

17/7/15

RAY'S OF SUNSHINE
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

		Unrestricted funds	Designated funds	Restricted funds	Total 2014	Total 2013 as restated
	Notes	£	£	£	£	£
Incoming resources from generated funds						
Donations and gifts	2	2,066,986	-	16,207	2,083,193	1,545,353
Activities for generating funds		735,479	-	-	735,479	1,040,972
Investment income	3	26,057	-	-	26,057	12,745
Gifts in kind	4	1,020,975	-	-	1,020,975	502,156
Total incoming resources		3,849,497	-	16,207	3,865,704	3,101,226
Resources expended						
5						
Costs of generating funds						
Events and fundraising costs		694,589	-	-	694,589	684,528
Net incoming resources available		3,154,908	-	16,207	3,171,115	2,416,698
Charitable activities						
Wish granting expenditure		2,220,439	307,391	16,207	2,544,037	1,726,259
Governance costs	8	66,734	-	-	66,734	57,428
Total resources expended		2,981,762	307,391	16,207	3,305,360	2,468,215
Net incoming/(outgoing) resources before transfers		867,735	(307,391)	-	560,344	633,011
Gross transfers between funds	16	(1,015,000)	1,015,000	-	-	-
Net (expenditure)/income for the year/ Net movement in funds		(147,265)	707,609	-	560,344	633,011
Fund balances at 1 January 2014		1,962,253	307,391	-	2,269,644	1,636,633
Fund balances at 31 December 2014		1,814,988	1,015,000	-	2,829,988	2,269,644

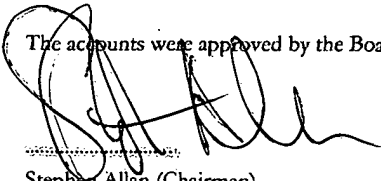
The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

RAYS OF SUNSHINE
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 31 DECEMBER 2014

	Notes	2014 £	£	2013 £	£
Fixed assets					
Tangible assets	11		11,604		6,995
Investments	12		1		1
			<u>11,605</u>		<u>6,996</u>
Current assets					
Debtors	13	261,808		374,247	
Cash at bank and in hand		2,699,701		2,026,980	
		<u>2,961,509</u>		<u>2,401,227</u>	
Creditors: amounts falling due within one year	14	(143,126)		(138,579)	
Net current assets			<u>2,818,383</u>		<u>2,262,648</u>
Total assets less current liabilities			<u>2,829,988</u>		<u>2,269,644</u>
Income funds					
Unrestricted funds:					
Designated funds	16	1,015,000		307,391	
Other charitable funds		1,814,988		1,962,253	
		<u>2,829,988</u>		<u>2,269,644</u>	

The accounts were approved by the Board on 9/7/15


 Stephen Allan (Chairman)

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RAYS OF SUNSHINE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

3 Investment income

	2014	2013
	£	£
Interest receivable	26,057	12,745

4 Gifts in kind

	2014	2013
	£	£
Accountancy	15,000	10,000
Rent and related costs	101,181	104,863
Wishes	240,447	179,505
Advertising	604,616	207,788
Printing	4,090	-
Legal	1,000	-
Events	51,701	-
Computer services	2,940	-
	1,020,975	502,156

The charity received donations in kind valued at £1,020,975 (2013: £502,156) 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 the children and attend charity events. It has not been possible to attribute a value to such gifts within these accounts.

RAYS OF SUNSHINE
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

5 Total resources expended

	Staff costs	Depreciation	Other costs	Other costs in kind	Total 2014	Total 2013 as restated
	£	£	£	£	£	£
Costs of generating funds						
Events and fundraising costs	108,786	491	533,611	51,701	694,589	684,528
Charitable activities						
Wish granting expenditure						
Activities undertaken directly	429,704	4,969	1,156,090	953,274	2,544,037	1,726,259
Total	429,704	4,969	1,156,090	953,274	2,544,037	1,726,259
Governance costs	5,439		45,295	16,000	66,734	57,428
	543,929	5,460	1,734,996	1,020,975	3,305,360	2,468,215

The restated comparative is in relation to an advertising gift in kind promoting the annual concert at a value of £207,788. This has been classified as a charitable activity.

Staff costs allocated to events and fundraising also include staff costs incurred in respect of communication and public relations.

Governance costs include payments to the auditors of £10,190 (2013: £3,060) for audit fees.

6 Events and fundraising costs

	2014 £	2013 £
Other costs and other costs in kind comprise:		
Events and fundraising	414,939	439,804
Advertising and promotion	166,314	120,881
Other office costs	4,059	20,636
	585,312	581,321

To date, Rays of Sunshine has raised a large proportion of funds from events and the costs of these events are reflected above. It is anticipated that the income to expenditure ratio will increase as a more balanced fundraising portfolio is developed in the future.

RAYS OF SUNSHINE
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

7 Activities undertaken directly

	2014 £	2013 £
Other costs and other costs in kind relating to wish granting expenditure comprise:		
Wishes	1,623,029	934,520
Increase /reduction in bad debts	(14,200)	8,750
Other office costs	176,937	144,380
Wishes - restricted	16,207	24,453
Wishes - designated	307,391	202,750
	2,109,364	1,314,853

8 Governance costs

	2014 £	2013 £
Other costs and other costs in kind relating to governance comprise:		
Pension fund	15,701	11,906
Legal fees	3,046	2,963
Accountancy	32,358	34,369
Auditor's remuneration	10,190	3,060
	61,295	52,298

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

WAYS OF SUNSHINE
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2014	2013
	Number	Number
Provision of wishes and fundraising	15	14

Employment costs

	2014	2013
	£	£
Wages and salaries	495,251	464,598
Social security costs	48,678	48,400
	543,929	512,998

The number of employees whose annual emoluments were £60,000 or more were:

	2014	2013
	Number	Number
£100,001 - £110,000	1	-
£110,001 - £120,000	-	1

RAYS OF SUNSHINE
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

11 Tangible fixed assets

	Fixtures, fittings & equipment
	£
Cost	
At 1 January 2014	68,059
Additions	10,069
	<u>78,128</u>
At 31 December 2014	78,128
Depreciation	
At 1 January 2014	61,064
Charge for the year	5,460
	<u>66,524</u>
At 31 December 2014	66,524
Net book value	
At 31 December 2014	11,604
At 31 December 2013	<u>6,995</u>

12 Fixed asset investments

	£
Market value at 1 January 2014 and at 31 December 2014	1
	<u>1</u>
Historical cost:	
At 31 December 2014	1
	<u>1</u>
At 31 December 2013	<u>1</u>

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Rays of Sunshine Promotions Limited	United Kingdom	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

RAYS OF SUNSHINE
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

12 Fixed asset investments

(Continued)

	Principal Activities	Capital and reserves	Profit/(loss) for the year
		£	£
Rays of Sunshine Promotions Limited	Dormant	<u>1</u>	<u>2</u>

13 Debtors

	2014	2013
	£	£
Trade debtors	107,751	304,312
Gift Aid	32,078	49,981
Prepayments and accrued income	121,979	19,954
	<u>261,808</u>	<u>374,247</u>

14 Creditors: amounts falling due within one year

	2014	2013
	£	£
Trade creditors	71,716	35,157
Other creditors	33,632	27,557
Accruals	37,778	75,865
	<u>143,126</u>	<u>138,579</u>

RAYS OF SUNSHINE
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

15 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 2014	Movement in funds		Balance at 31 December 2014
	£	Incoming resources	Resources expended	£
Specific wishes		16,207	(16,207)	
		16,207	(16,207)	

Restricted funds comprised sums received for specific wishes and equipment.

16 Designated funds

The income funds of the charity include the following designated fund which has been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 January 2014	Movement in funds		Transfers	Balance at 31 December 2014
	£	Incoming resources	Resources expended	£	£
Wishes	307,391		(307,391)	515,000	515,000
Capital project				500,000	500,000
	307,391		(307,391)	1,015,000	1,015,000

During the year, the trustees decided they will designate funds to cover all the wishes approved but not fulfilled, as well as designating funds to seed a capital project in the future.

RAYS OF SUNSHINE
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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

17 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fund balances at 31 December 2014 are represented by:				
Tangible fixed assets	11,604	—	—	11,604
Investments	1	—	—	1
Current assets	1,946,509	1,015,000	—	2,961,509
Creditors: amounts falling due within one year	(143,126)	—	—	(143,126)
	<u>1,814,988</u>	<u>1,015,000</u>	<u>—</u>	<u>2,829,988</u>

18 Related parties

During the year, the charity received a gift in kind valued at £15,000 (2013: £10,000) from Jefferys Henry LLP in relation to accountancy services. Justin Randall, a trustee and treasurer of the charity, is a partner at this firm.