

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2022
for
Rainbow Services (Harlow)
(A Company Limited by Guarantee)

Barnes Wedge Limited
Chartered Accountants
Handel House
Roselawn Fields
Chelmsford
Essex
CM1 7GB

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for the Year Ended 31 March 2022

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. 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 1 January 2019).

The Directors and Trustees submit their report together with the independently inspected financial statements for the year ended 31st March 2022.

OBJECTIVES AND ACTIVITIES

Mission

Rainbow Services works to alleviate the effects of disadvantage, deprivation, and social exclusion through imaginative projects that support, enable and develop people and organisations, and which stimulate beneficial change in the local community.

Statement of Values

Rainbow Services aims to alleviate poverty, disadvantage and social exclusion by providing quality services and by targeting those services into areas where there is no existing provision or where disadvantaged people are poorly served. Where appropriate research will be undertaken to identify unmet need within the local community and wherever possible we will encourage community development through the provision of accessible and affordable services and activities.

Services will be categorised into three priority areas to ensure effective allocation of resources and consolidation of maximum effort. These categories are: supporting, enabling and developing.

All of our work is underpinned by our values of equality of opportunity, participation and cooperation and this supports our stated objects, which are to combat poverty and disadvantage and to improve the quality of life for local groups and individuals.

Public benefit

In the preparation of this annual statement the Trustees have given due regard to the public benefit guidance given by the Charity Commission and can confirm that all of the organisation's work and efforts are aligned with the aims and objectives (benefits).

The following paragraphs cover the range and type of work undertaken and describe the benefits offered to our various client groups and individuals.

Rainbow Services remains committed to equality of access and equity of provision in all of its service delivery.

Impact

Rainbow Services measures its impact using qualitative as well as quantitative information. Using feedback from service users, benchmarking and value for money indicators we continuously measure the social impact of our activities. In addition, and for some services to individuals, we measure distance travelled along an agreed trajectory in order to achieve the project/organisational objectives and stated outcomes.

Theories of Change for projects are used as a focus on the Operational Objectives of each project and a web based secure database is used to log progressions and interactions.

Volunteers

During the year the charity paid expenses to volunteers totalling £1,176 (2021: (£1,352)).

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Given our commitment to the three previously stated priority areas of work, we acknowledge that some services will fall into more than one category.

These categories are; Supporting (S) Enabling (E) Developing (D)

2021-22 continued to be an exceptional time due to the Covid-19 pandemic. This changed both the way we delivered our services and what services we delivered, although as the year progressed delivery was able to not only return to normal but be enhanced by the experience.

The Rainbow Centre and Infrastructure Support Services

The Rainbow Centre is a voluntary sector campus and hub, where a range of community-based organisations share office space, facilities and internal support services. Casual desk space, a library resource and access to IT facilities are all offered to local groups and organisations.

Rainbow Services offers support and development services to other voluntary and community-based organisations in Harlow. Infrastructure/support and development services are classified by NAVCA (National Association for Voluntary and Community Action) as providing information, advice, networking and learning opportunities, offering support and development services and taking on a representational and an influencing role in working with statutory and government agencies. During this year we had 203 local not for profit groups affiliated with us.

The representation and liaison role is undertaken with local and county wide strategic partnerships and in situations where voluntary sector input is imperative to the planning, development and delivery process. Funding advice as well as a wide range of local and national information is distributed via an electronic briefing on a weekly basis - the ebulletin. Rainbow Services also hosts the Harlow Voluntary Sector Forum each quarter, which is open to all groups free of charge as well as an annual voluntary sector event in the town centre. Rainbow Services sees direct work within communities as part of this role also and this has been a critical part of our work during 2021-22 as we stepped up to support the residents of Harlow during the Covid-19 pandemic.

Covid-19 Pandemic Support

In 2021-22 we continued to build on the work we had carried out during the height of the Covid-19 pandemic, when Rainbow created a partnership, to create a Community Hub which would consist of one phone number, an online referral system and a town-wide volunteer force providing food, prescription collection telephone check-ins etc - this was a combination of the existing Mutual Aid online presence and local networks and Rainbow and Harlow Volunteer Centre's who recruited a team of over 100 community members, trained and matched to tasks.

The Community Hub evolved as the year progressed from its beginnings as an emergency response providing access to food, essentials and prescriptions it went onto offer help to anyone in crisis, not just due to Covid-19, and so formed a formal partnership with Michael Robertson Charitable Trust (Harlow Foodbank), Citizens Advice Harlow, Mind in West Essex, Integration Support Services, and Harlow Volunteer Centre to set up a more permanent, fast, holistic response to people in crisis in Harlow. During the six months in operation during this year we helped nearly 1300 individuals and families in crisis.

Rainbow Services continues to play a key role in the Harlow Poverty Alliance after initially setting up the group with MRCT (Foodbank in Harlow) In the autumn of 2020, as a response to this emerging need. The group is now well established, has around 20 members, and has a clear action plan. In 2022-23 this partnership with Rainbow Services has successfully run a Poverty Alliance Conference and a Harlow School Uniform Exchange.

In the winter we were able to access and distribute to many groups and individuals various winter hardship funds. We used these to ensure vulnerable residents had access to food, essentials, and energy during the winter months and into the spring. We built partnerships with VCSE groups, schools, and caterers to enable this. We were also able to reach more BAME communities to provide support during the winter months through extended networks with partners. This included providing hot meals and supermarket vouchers whilst also encouraging the use of other support services set up to help.

Workshop

This facility undertakes repair and renovation work to wooden furniture and builds garden and household items using re-used materials. The adult workshop offers non-accredited training as well as informal learning opportunities. Rainbow Services held a contract with Essex Community Rehabilitation Company/Sodexo Justice, offering unpaid work placements to offenders who are subject to a court order.

Rainbow Services (Harlow)

Report of the Trustees for the Year Ended 31 March 2022

During 2021 all providers were informed that the unpaid work services would be part of a new National Probation Service. This was a major change for Rainbow Services as the workshop has been part of our delivery and offer to the town for many years. We have however maintained a good working relationship with NPS and continue to provide space within the Rainbow Centre for the NPS service to continue. This has had the added benefit of freeing up time for the workshop team and so we have been able to develop our Youth Project further.

Youth Project

The youth project at Rainbow Services continues to go from strength to strength. We now have four sessions a week - half a day each - with around 12 young people in each cohort. This service is funded by Essex Police, Fire, Crime Commissioner community funds, Essex Community Foundation, Harlow Council via Safer Harlow funding, Violence and vulnerability Unit, and Essex Youth Services. The youth workshop takes referrals of young people at risk, who may have disengaged from full time education, from schools, Essex Youth Services, the Police and Fire Services and other agencies as well as working with young offenders from the Youth Offending Team. Matched to volunteer mentors, the primary aim is to reengage the young people with education and positive role models, they are supported to develop their skills in communication, team working, initiative, and woodwork whilst also being encouraged to open up in a friendly, non-threatening environment.

In addition, the young people can gain qualifications in carpentry and construction and are supported into other activities such as work experience and apprenticeships. During the year we worked with 79 young people aged 14 to 18.

Community Builder

The Community Builder project uses an ABCD (Asset Based Community Development) approach to work across Harlow communities to help older people who are isolated or at risk of isolation and loneliness and bring them together to participate in regular activities and weekly clubs. We currently have around 800 members and run around 26 clubs and in 2022-23 are back to pre-covid capacity. The programme also holds Safe and Social special events - which combine a social opportunity with learning or safety such as health checks, fire safety etc for up to 100 older people at a time.

We have also added a dementia role to the Community Builder Team and have dedicated dementia friendly clubs, as well as dementia friendly activities such as local walks. The Community Builder Team have also trained in seated exercise instruction so that we can offer this across our clubs on a regular basis to help people gain fitness again following the pandemic and also build core strength to prevent trips and falls.

In 2022-23 we have secured a further three years of grant funding from The National Lottery to continue the service as well as grants from Garfield Weston and The Mulberry Trust.

Let's Get Connected

This is a stand-alone project for 12 months funded by COMF (Contain Outbreak Management Fund- or Covid) money. The aim is to provide local organisations with seed funding to set up activities which bring people together, with a focus on the environment, art, and physical activity. This was the first time Rainbow Services have acted as a grant provider. The project has been extended to November 2022.

West Essex Community Action Network (WECAN)

WECAN continued to deliver the United in Kind Project, led by Rainbow Services. We continued to employ 3 United in Kind Coaches, one for each District. During 2022 the contract was renewed by Essex County Council with a lead provider across Essex. WECAN was offered a contract to continue the United in Kind project, but the Directors decided to decline the project based on financial viability.

Rainbow Services is now delivering the Find Your Active project for WECAN. We have employed one member of staff to cover West Essex, providing a one-to-one service to get people who are currently inactive and possibly isolated enjoying regular exercise to benefit both mental and physical health.

Comments and Complaints

Rainbow Services has a formal complaints procedure which is monitored and reviewed on a regular basis by the internal audit committee, which reports to the Board of Trustees

During the year 2021/22 there were no formal complaints. Any minor grievances were resolved in accordance with the informal procedures outlined within the policy.

There were no serious incidents and nothing which required a notification to the Charity Commission.

FINANCIAL REVIEW

Trading Statement

Rainbow Services occupies premises at 2 Wych Elm which is owned by Harlow District Council and is leased to Rainbow Services at market rent with a community discount.

Rainbow Services depends on the services of unpaid volunteers to deliver much of its front-line activity and during the year 2021/22 the hours if translated to minimum or living wage payments would significantly enhance the turnover of the organisation.

The charity did not receive any donated goods or services during the period which require reporting through the statutory accounts. There were several donations of wood to the workshop, though this was of immaterial value (less than £1000) and was for the sole use of project beneficiaries and clients.

The Trustees are grateful for the continued core financial support provided by Harlow District Council and Essex County Council (both for Infrastructure activities) as well as the additional funds provided in 2021/22 to enable us to continue to deliver the Community Hub response.

Rainbow Services received funding from the Police, Fire, Crime Commissioner Community Fund, and Violence and Vulnerability Unit with match funding from Essex Community Foundation, Essex Youth Services and Harlow Safety Partnership to continue to deliver the youth workshop project focusing on crime prevention and skills development of young people at risk of crime, gangs, drugs or exclusion from education or who had committed offences.

Community Builder is funded by The National Lottery, Henry Smith, Essex Community Foundation and The Mulberry Trust. We are hugely grateful to all our funders, without them we would not be able to deliver the services we do and provide vital help to our beneficiaries.

Future Plans

Sharon Summerfield took over the role of CEO from Jemma Mindham in October 2021. A lot of the initial strategy was to bring about a stability to the organisation following the incredibly important emergency work the whole team had carried out during the pandemic. This work was fast paced, reactive and expertly delivered, but it threw out, as it did with so many organisations, carefully planned strategies. We are now in a much more stable position, although we still utilise the vast experience gained during the pandemic when working on other emergency work, such as supporting Ukrainian and Afghanistan refugees, and the now increasing cost of living crisis.

In the coming years we are planning to enhance our sustainability with grants that reflect full cost recovery and are medium to long term as not only will this make us a more sustainable organisation, but will greatly assist with the development of delivery as it will allow for longer term planning. We plan to explore further the development of income streams to compliment grant funding, and are looking to significantly expand our youth project now that we are no longer delivery the adult workshop provision.

FINANCIAL REVIEW

Financial Position

The financial statements include a Statement of Financial Activities (SOFA). This statement is required by the Charities SORP (FRSSE) and is a more detailed statement than the profit and loss account. The statement shows that during 2021/22 Rainbow Services (Harlow) had an operational surplus of £2,122 compared to a surplus of £27,830 in 2020/21. Without a net gain in the value of our CCLA investment of £12,403, (2021 £20,472) we would have recorded a deficit of £10,281 against a surplus of £7,358 in March 2021.

The assets of Rainbow Services are shown in the balance sheet at a net book value of £258,634 (2021; £256,512).

There were no additions to fixed assets during 2021/22. The Trustees have agreed that tangible fixed assets are capitalised if they cost more than £1,000 and can be used for more than one year.

Statement and Policy on Retaining Reserves

Rainbow Services is a flexible and reflective organisation which can respond quickly to opportunities, change and emerging issues. As such the Trustees have decided that the organisation will hold reserves appropriate to the level of activities and to reflect the importance that beneficiaries and funders may place on the ongoing viability of the organisation. To underpin this, the reserves policy was developed, giving due consideration to all the risks and opportunities that the charity currently faces or may face in the future. Action relating to the management of the reserve position takes place when appropriate to ensure compliance with the accounting and reporting regulations and to promote best practice.

Why Rainbow Services keeps reserves

a) Reserves specifically for cash flow problems

i) i.e. When funding sources come to an end and continuity is required to bridge a gap, or to plan and manage a reduction in a specific area of activity. This reserve is sometimes referred to as the operational reserve and is kept for emergency or short term use.

ii) i.e., Funds to bridge temporary cash-flow problems and where there is a mismatch between the timing of income and expenditure, e.g., where grant finance for a particular activity or project is paid in arrears. This also forms part of the operational reserve.

An example of this is the reserves used to self-fund the older peoples project whilst other income and grant support was sourced.

b) Reserves to help plan for growth, improvements, and replacements i.e., new IT hardware and/or improvements to equipment.

c) Reserves for specific future projects. These are usually held in a designated fund and are kept to cover the cost of a future project, activity, or item of expenditure associated with a project.

d) Other designated reserves.

In accordance with recommended good practice, Rainbow Services holds a designated redundancy fund. Reserves are also held to cover any contractual liabilities related to hire/lease of equipment or premises.

Definition of amounts required

a) Operational reserve (or General Fund)

The Trustees of Rainbow Services have decided that due to current economic challenges a minimum of six months running costs should be retained under this heading. This ensures a buffer of income in order to affect a planned and sensitively managed reduction in service levels if required. Working on an estimated turnover of £480,000 per annum the required amount equates to £240,000 (at current activity levels). Rainbow Services reserves under this heading at 31 March 2022 was £234,134 equivalent to 5.9 months running costs (2020/21 was £226,304, equivalent to 6.8 months running costs based on £400,000). Designated funds take the total available to in excess of 6 months

To contribute towards this reserve the Trustees have decided to invest funds with a recognised investment manager to partial offset the impact of inflation and other increases in costs. At 31 March 2022 the investment portfolio was valued at £119,507, (2020/21 £107,104) so showed a healthy increase in value over the year. Other reserve funds are held in cash.

b) Reserves held for growth, improvements and replacements:

Funds held under this heading and the balance at 31 March 2022 were £5,000 (2021/22; £5,000) being a reserve to replace IT and Equipment.

c) Reserves for specific future projects:

There are no specific funds held under this heading.

FINANCIAL REVIEW

d) Other designated reserves:

Funds held under this heading are set out in note 9, but specifically relate to a redundancy fund. This covers our employment responsibilities to the staff directly employed by Rainbow Services and reflects the length of service and age of employees. The balance at 31 March 2022 was £21,000 (2020/21: £21,000).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Rainbow Services Harlow has been an independent charity and company limited by guarantee since 1st November 1999, charity registration no.1077228, company no. 3826440. The charity is governed by its memorandum and articles of association.

Charity constitution

The Board comprises of 6 Trustee/Directors.

The Chief Executive, S Summerfield is also the Company Secretary.

The income and property of the company is applied solely towards the promotion of its objects, no portion being paid or transferred directly or indirectly by way of dividend, bonus, or by way of profit to members of the company.

According to the Articles of Association, the Board must consist of a minimum of 3 Trustees with no maximum number.

Recruitment and appointment of new trustees

During 2021/22 there were 5 Trustees, who are all elected for a period of 3 years. Open recruitment takes place as and when there are Trustee vacancies, and all applicants are selected against a Trustee job description and person specification. During 2021 there was a recruitment drive for new Trustees and in 2022 3 new trustees were appointed.

We do want to expand and strengthen the board and the periodic audits are undertaken at Board of Trustee level to ensure that skill levels remain appropriate for the delivery of the charitable objects and strategic plans help to provide a guide for recruitment. The most recent audit took place in July 2022.

No member of the Board of Trustee/ Directors receives a salary or fee from the company as remuneration for their duties.

Other

Rainbow Services keeps a register of Trustees' interests which includes other Trusteeships and Directorships. There is a policy in place to manage conflicts of interest and any additional conflicts or potential conflicts are logged and formally recorded at each meeting. In addition, all Trustees have signed a Trustee Code of Conduct and adopted an Anti-Bribery and Corruption Policy, which is regularly reviewed.

The Trustees also compiled a register of persons with significant control and reported that there are no persons with significant control within Rainbow Services to Companies House.

As stated in the Memorandum of Association, Rainbow Services may invest monies if not immediately required for its own purposes, in or upon such investments, securities or property as may be thought fit.

Rainbow Services continuously aims to keep abreast of new developments and opportunities in order that it can provide the broadest possible range of information and services to individual service users and to other local organisations.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

An important aspect of the Trustees' governance responsibilities focusses on the organisation's Risk Management Framework. This was developed to ensure a consistent approach to all areas of financial, organisational and operational risk.

An action plan is in place to mitigate all identified risk and this is reviewed quarterly, amended appropriately and any required actions implemented. The action plan and all associated risk areas are monitored by the internal Audit Committee which reports directly to the Board of Trustees.

The Trustees examine the major risks and opportunities that the charity faces each financial year when preparing, updating and monitoring the strategic plan. The charity has developed systems and processes to review and to control these risks and to mitigate any impact that they may have on the charity in the short, medium or longer term.

Rainbow Services is an "umbrella body" and an authorised signatory for the purposes of undertaking DBS checks on behalf of other organisations.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

3826440 (England and Wales)

Registered Charity number

1077228

Registered office

The Rainbow Centre
2 Wych Elm
Harlow
CM20 1QP

Trustees

C S Greenhill Chair
J Das
J S Frazer
N Garala
A Millar
F Sinnott (appointed 5.10.21)
S P Summerfield (resigned 19.5.21)

Company Secretary

S P Summerfield

Independent Examiner

Barnes Wedge Limited
Chartered Accountants
Handel House
Roselawn Fields
Chelmsford
Essex
CM1 7GB

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Rainbow Services (Harlow) for the purposes of company law) 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).

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then 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 inappropriate to presume that the charitable company 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

Company and charity law applicable to charities in England and Wales 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 surplus or deficit of the charity for that period in preparing those financial statements the Trustees have:

1. Selected suitable accounting policies and applied them consistently,
2. Observed the methods and principals in the Charities SORP 20145 (FRS102),
3. Made judgements and estimates that are reasonable and prudent,
4. Stated where applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. Prepared the financial statements on a going concern basis (unless it is inappropriate to presume that the charity will continue in operation).

The Trustees have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which are sufficient to show and explain the charity's transactions and 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 detection and prevention 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.

This report has been prepared in accordance with provisions applicable to companies entitled to the small companies exemption.

Rainbow Services is an "umbrella body" and an authorised signatory for the purposes of undertaking DBS checks on behalf of other organisations. In so doing we also advise organisations on related policy development and good practice in this area. All Rainbow Services staff and volunteers have the appropriate checks completed. To underpin this work the organisation has its own comprehensive policies regarding Safeguarding, both for adults and children. These are reviewed for legislative compliance and best practice on a regular basis.

Approved by order of the board of trustees on 21 October 2022 and signed on its behalf by:

Rainbow Services (Harlow)

Report of the Trustees
for the Year Ended 31 March 2022

C S Greenhill - Trustee

Independent examiner's report to the trustees of Rainbow Services (Harlow) ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

JT Barnes
Institute of Chartered Accountants in England and Wales
Barnes Wedge Limited
Chartered Accountants
Handel House
Roselawn Fields
Chelmsford
Essex
CM1 7GB

24 October 2022

Statement of Financial Activities
for the Year Ended 31 March 2022

	Notes	Unrestricted funds £	Restricted fund £	31.3.22 Total funds £	31.3.21 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and grants		69,696	342,770	412,466	402,585
Other trading activities	2	67,771	-	67,771	22,532
Investment income	3	361	-	361	1,254
Total		<u>137,828</u>	<u>342,770</u>	<u>480,598</u>	<u>426,371</u>
EXPENDITURE ON					
Charitable activities					
Rainbow Centre and other projects		143,901	346,978	490,879	419,013
Net gains on investments		<u>12,403</u>	<u>-</u>	<u>12,403</u>	<u>20,472</u>
NET INCOME/(EXPENDITURE)		6,330	(4,208)	2,122	27,830
RECONCILIATION OF FUNDS					
Total funds brought forward		252,304	4,208	256,512	228,682
TOTAL FUNDS CARRIED FORWARD		<u><u>258,634</u></u>	<u><u>-</u></u>	<u><u>258,634</u></u>	<u><u>256,512</u></u>

Rainbow Services (Harlow)

Balance Sheet
31 March 2022

	Notes	Unrestricted funds £	Restricted fund £	31.3.22 Total funds £	31.3.21 Total funds £
FIXED ASSETS					
Investments	6	119,507	-	119,507	107,104
CURRENT ASSETS					
Debtors	7	9,665	-	9,665	11,407
Cash at bank		162,158	146,307	308,465	237,833
		171,823	146,307	318,130	249,240
CREDITORS					
Amounts falling due within one year	8	(32,696)	(146,307)	(179,003)	(99,832)
NET CURRENT ASSETS		139,127	-	139,127	149,408
TOTAL ASSETS LESS CURRENT LIABILITIES		258,634	-	258,634	256,512
NET ASSETS		258,634	-	258,634	256,512
FUNDS	9				
Unrestricted funds				258,634	252,304
Restricted funds				-	4,208
TOTAL FUNDS				258,634	256,512

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 21 October 2022 and were signed on its behalf by:

C S Greenhill - Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised once the charity has entitlement to the income, there is sufficient certainty or receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

Donations are recognised when they are received.

Grants are recognised as income when any conditions for their receipt have been met.

Room hire, rental and other sales income, fundraising income and investment income are taken into account on the date that the charity is entitled to receipt.

Deferred income

Expenditure is recognised as soon as there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings in the statement of financial activities.

Governance costs

Governance costs include the Independent Examiners fee of £620 (2021; £595) and accountancy support fees of £725 (2021; £330).

Taxation

The charity is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income and capital gains received within categories covered by chapter 3 Part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Legal status

The charity is a company limited by guarantee and does not have share capital. The members of the company are the Trustees named on page xx. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

Rainbow Services (Harlow) meets the definition of a public benefit entity under FRS102.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**2. OTHER TRADING ACTIVITIES**

	31.3.22	31.3.21
	£	£
Other trading activities	<u>67,771</u>	<u>22,532</u>

3. INVESTMENT INCOME

All of the charity's investment income arises from money held in interest bearing accounts.

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and grants	162,796	239,789	402,585
Other trading activities	20,539	1,993	22,532
Investment income	<u>1,254</u>	<u>-</u>	<u>1,254</u>
Total	<u>184,589</u>	<u>241,782</u>	<u>426,371</u>
EXPENDITURE ON			
Charitable activities			
Rainbow Centre and other projects	176,994	242,019	419,013
Net gains on investments	<u>20,472</u>	<u>-</u>	<u>20,472</u>
NET INCOME/(EXPENDITURE)	28,067	(237)	27,830
RECONCILIATION OF FUNDS			
Total funds brought forward	224,237	4,445	228,682
TOTAL FUNDS CARRIED FORWARD	<u>252,304</u>	<u>4,208</u>	<u>256,512</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

6. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2021	107,104
Revaluations	12,403
	<hr/>
At 31 March 2022	119,507
	<hr/>
NET BOOK VALUE	
At 31 March 2022	119,507
	<hr/>
At 31 March 2021	107,104
	<hr/>

There were no investment assets outside the UK.

The charity's investment portfolio is independently managed by professional investment managers and carried at full market value at the year end.

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22 £	31.3.21 £
Trade debtors	2,399	3,199
Other debtors	7,266	8,208
	<hr/>	<hr/>
	9,665	11,407
	<hr/>	<hr/>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.22 £	31.3.21 £
Trade creditors	8,329	4,666
Other creditors	24,367	17,210
Deferred income	146,307	77,956
	<hr/>	<hr/>
	179,003	99,832
	<hr/>	<hr/>

9. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General	226,304	6,330	1,500	234,134
Designated - Redundancy	21,000	-	-	21,000
Designated - IT & Equipment	5,000	-	(1,500)	3,500
	<hr/>	<hr/>	<hr/>	<hr/>
	252,304	6,330	-	258,634
Restricted funds				
General	4,208	(4,208)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	256,512	2,122	-	258,634
	<hr/>	<hr/>	<hr/>	<hr/>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

9. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General	137,828	(143,901)	12,403	6,330
Restricted funds				
General	342,770	(346,978)	-	(4,208)
TOTAL FUNDS	<u>480,598</u>	<u>(490,879)</u>	<u>12,403</u>	<u>2,122</u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General	198,237	28,067	226,304
Designated - Redundancy	21,000	-	21,000
Designated - IT & Equipment	5,000	-	5,000
	<u>224,237</u>	<u>28,067</u>	<u>252,304</u>
Restricted funds			
General	4,445	(237)	4,208
TOTAL FUNDS	<u>228,682</u>	<u>27,830</u>	<u>256,512</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General	184,589	(176,994)	20,472	28,067
Restricted funds				
General	241,782	(242,019)	-	(237)
TOTAL FUNDS	<u>426,371</u>	<u>(419,013)</u>	<u>20,472</u>	<u>27,830</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

9. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General	198,237	34,397	1,500	234,134
Designated - Redundancy	21,000	-	-	21,000
Designated - IT & Equipment	5,000	-	(1,500)	3,500
	<u>224,237</u>	<u>34,397</u>	<u>-</u>	<u>258,634</u>
Restricted funds				
General	4,445	(4,445)	-	-
	<u>4,445</u>	<u>(4,445)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>228,682</u>	<u>29,952</u>	<u>-</u>	<u>258,634</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General	322,417	(320,895)	32,875	34,397
Restricted funds				
General	584,552	(588,997)	-	(4,445)
	<u>906,969</u>	<u>(909,892)</u>	<u>32,875</u>	<u>29,952</u>
TOTAL FUNDS	<u>906,969</u>	<u>(909,892)</u>	<u>32,875</u>	<u>29,952</u>

10. EMPLOYEE BENEFIT OBLIGATIONS

11. RELATED PARTY DISCLOSURES

WECAN (West Essex Community Action Network) is a partnership between Rainbow Services (Harlow), CVSU (Council for Voluntary Services Uttlesford) and VAEF (Voluntary Action Epping Forest). A Company Limited by Guarantee. During the year the charity supplied management services and rental space to WECAN totally £15,574 (2021: £10,664)