

RAINBOW CHILDREN'S NURSERY LIMITED

England & Wales · Charity number 1078643

Details

Status Registered

Legal form Charitable company

Company number [03835684](#)

Registered 1999-12-16

Register [View on the Charity Commission register](#)

Contact

Address Rainbow Childrens Nursery Ltd
Station Road
Worstead
North Walsham
NR28 9SA

Phone 01692400995

Email rainbow-nursery@outlook.com

Website www.rainbow4kids.com

Activities

Objects: TO ADVANCE THE EDUCATION OF CHILDREN PRIMARILY UNDER THE COMPULSORY SCHOOL AGE, IN PARTICULAR THROUGH THE PROVISION OF A NURSERY BUT ALSO OF CHILDREN OF SCHOOL AGE BY PROVIDING FACILITIES OUTSIDE OF SCHOOL HOURS

Activities: Provides full and sessional day care for children aged 4 months to preschoolers. Provides holiday club child care for children 4 to 6 years old.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- Norfolk

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£431,924	£379,701	-	-
2024-08-31	£350,485	£375,149	-	-
2023-08-31	£347,290	£347,024	-	-
2022-08-31	£352,547	£352,283	-	-
2021-08-31	£313,216	£310,194	-	-
2020-08-31	£289,303	£294,774	-	-

Trustees

Name	Role	Appointed
Claire Gregson-Rix		2024-07-01
Frances Claire Lloyd		2018-02-20
Leon Alderton		2025-08-22
Tina Louise Allard		2018-04-26

RAINBOW CHILDREN'S NURSERY LIMITED

England & Wales - Charity number 1078643

Accounts

REGISTERED COMPANY NUMBER: 03835684 (England and Wales)
REGISTERED CHARITY NUMBER: 1078643

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 August 2025
for
Rainbow Children's Nursery Limited

H&M Accountancy Solutions Ltd
Nelson House
13 Mundesley Road
North Walsham
Norfolk
NR28 0DA

Rainbow Children's Nursery Limited

Contents of the Financial Statements
for the Year Ended 31 August 2025

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Rainbow Children's Nursery Limited

Report of the Trustees
for the Year Ended 31 August 2025

The Trustees present their annual report together with the financial statements of the charitable Company for the year 1 September 2024 to 31 August 2025. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

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

OBJECTIVES AND ACTIVITIES

Objectives and aims

a. Policies and objectives

In setting objectives and planning activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The principle aims and objectives of the charitable Company are to enhance the education of children through the provision of a nursery setting; providing high quality childcare, teaching and learning by adhering to and practicing the standards laid down by the Early Years Foundation Stage on a non-profit basis. Session times will be flexible with the offering of funded places to eligible parents and families.

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

b. Strategies for achieving objectives

The charitable Company will always be aiming to maintain the standard at which it currently runs. To enable this we will maintain staff qualifications and training to ensure best practice is used, new training and qualifications will be accessed where necessary to continuously improve the charitable Company going forward. Communication is key to the charitable Companys success, with all employees striving for the same goals and outcomes. Ongoing communication with parents / carers supports a positive home and nursery working relationship for the best interests of the child. To obtain sufficient quality resources the charitable Company uses a range of fundraising techniques.

c. Activities undertaken to achieve objectives

Staff undertake a variety of training courses, accessing both face to face and online taught training to promote high quality care, teaching and learning. Regular staff meetings take place giving all a voice and encouraging discussion about the setting and continuous development. Tapestry, an online learning portal, is now completed fortnightly for each child, giving parents access to the most recent learning their child has been participating in. Parents are encouraged to add to this from home to make it a shared learning document. Alongside Tapestry, parents view their child's development on the nursery's learning walls.

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

The charitable Company provides very flexible childcare sessions which allow parents to arrange nursery times around work more easily. We aim to provide inclusive childcare for the whole community; working parents, funded places, low income families and SEND children and families. Children have the opportunity to access engaging, inspiring and age appropriate activities alongside social interactions with peers that cannot always be accessed within the home environment; covering all areas of learning and ultimately working towards school readiness.

ACHIEVEMENTS AND PERFORMANCE

Charitable activities

The Trustees and management have worked to maintain the nursery that is financially viable and operating well. The Trustees are developing both their own roles and those of the nursery management to maintain and improve this level of operation.

The nursery was inspected by Ofsted on 7 September 2023 and was graded overall "good". This is recognition for the hardworking management and staff team who have worked tirelessly to maintain standards within the nursery. The nursery has set a target to attain an "outstanding" judgement in the next assessment.

In consultation with the nursery management, the nursery has been operating a highly flexible approach to both session times and session uptake. This has allowed the nursery to cater for shift workers with changing shift patterns in addition to parents wanting casual hours childcare.

The Trustees would like to recognise the performance and dedication of the management team in maintaining and improving the standards within the nursery and the service received by our families.

Fundraising activities

Our biggest fundraiser, our annual fete, was held in August, and it was a very good turnout.

Fundraisers we achieved included children's photographs, various raffles, handmade christmas crafts and easter activity fundraisers. We secured a grant from a local community shop to update and fix a climbing frame in the main garden for the whole nursery to enjoy.

The main garden also benefitted from a new wooden teepee, using funds donated by The Worstead Village Festival Charity.

Funds donated by Roys make a difference to enhance our Tots garden.

FINANCIAL REVIEW

Principal funding sources

The charitable Company's principal funding source is from government funding.

Investment policy and objectives

The charitable Company does not have funds available for long term investment and therefore funds not immediately required are on bank deposit.

Reserves policy

It is the intention of the Trustees to build up a level of reserves to enable the charitable Company to meet operating expenditure for 2 months, amounting to approximately £63,000. As at 31 August 2025, the charitable Company had free reserves (unrestricted funds excluding fixed assets and bank loans) of £73,750.

FINANCIAL REVIEW

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable Company has adequate resources to continue in operational existence for the foreseeable future. The charitable Company is projected to have sufficient income to meet its financial liabilities as they fall due and for this reason the Trustees continue to adopt the going concern basis in preparing the financial statements.

Financial Summary

Income resources amounted to £431,924. After incurring costs of £379,701 the net expenditure for the period amounted to £52,223 as shown on page 7.

The usual fee review alongside wage review was undertaken, and rates were increased accordingly.

This financial year sees the nursery back to full capacity. It is also clear to see the financial impact (gain) the nursery has had in regards to the recent changes in government funding - since April 2024, 2-year-olds with eligible working parents and since September 2024, children aged 9 to 23 months with eligible working parents have been entitled to receive 570 hours of government-funded early years provision a year. Some of the government rates are more favourable than the nursery fees, but also this funding provision has also encouraged parents to invest more hours in the nursery as well as encouraging more parents to use a childcare provider.

The nursery was pleased to reintroduce the in-house chef, as well as catering for other staffing needs.

The nursery was lucky enough to be granted some larger amounts of monies this year, so were able to invest in some maintenance desirables such as new outside lighting and improvements to larger play equipment.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The organisation is a charitable Company limited by guarantee, incorporated on 3 September 1999 and registered as a charity on 16 December 1999. The charitable Company was established under a Memorandum of Association which established the objects and powers of the charitable Company and is governed under its Articles of Association.

Recruitment and appointment of new trustees

The charitable Company aims to recruit Trustees with a wide range of business and sector experience from which the charitable Company will benefit. Under the Articles of Association, Trustees co-opted during the year must stand down at the AGM and stand for re-election. One third of the Trustees must retire at each AGM.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Trustees, who virtually meet monthly, administer the charitable Company. The day to day operations of the charitable Company are managed by the Nursery Manager, Deputy Manager and an Office Manager.

The Trustees have plans to re-establish a fundraising sub-committee to organise and plan fundraising activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Trustees have reviewed the major risks to the charitable Company in accordance with the Statement of Recommended Practice and do not consider there are any significant matters of concern.

The Nursery continues to monitor cashflow on a monthly basis ensuring any changes in income or expenditure are responded to appropriately and promptly.

Plans for future periods

To continue to increase the profile of the nursery through local advertising and via social media (namely a public Facebook page).

Maintain a constant uptake of new Trustees as we recognise the issue that some Trustees wish to leave post when their child leaves nursery for school.

To continue to review the fee structure including meal charges to keep up with the national minimum / living wage increases.

To work towards obtaining an 'outstanding' Ofsted rating.

To act on the essential maintenance requirements accumulating across the site.

Members' liability

The Members of the charitable Company guarantee to contribute an amount not exceeding £1 to the assets of the charitable Company in the event of winding up.

Policies adopted for the induction and training of Trustees

New Trustees are provided with copies of:

- The charitable Company's Memorandum and Articles of Association
- The latest accounts of the charitable Company
- Charity Commission guidance notes CC3 - The Essential Trustee

In addition Trustees are encouraged to read Charity Commission and other newsletters and to attend courses designed to keep them abreast of their duties and responsibilities.

Methods of appointment or election of Trustees

The charitable Company aims to recruit Trustees with a wide range of business and sector experience from which the charitable Company will benefit. Under the Articles of Association, Trustees co-opted during the year must stand down at the AGM and stand for re-election. One third of the Trustees must retire at each AGM.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03835684 (England and Wales)

Rainbow Children's Nursery Limited

Report of the Trustees
for the Year Ended 31 August 2025

Registered Charity number
1078643

Registered office
Station Road
Worstead
Norfolk
NR28 9SA

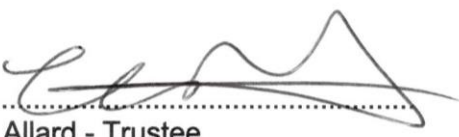
Trustees
F C Lloyd
T L Allard
A J Marsh (resigned 31.8.25)
C G Gregson-Rix
V George (resigned 5.2.25)
L D Alderton (appointed 22.8.25)

Company Secretary
C G Gregson-Rix

Independent Examiner
Andrew Hart
H&M Accountancy Solutions Ltd
Nelson House
13 Mundesley Road
North Walsham
Norfolk
NR28 0DA

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on25.05.26..... and signed on its behalf by:


.....
T L Allard - Trustee

Independent Examiner's Report to the Trustees of
Rainbow Children's Nursery Limited

Independent examiner's report to the trustees of Rainbow Children's Nursery Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2025.

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 member of the Association of Chartered Certified Accountants, 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.



Andrew Hart

H&M Accountancy Solutions Ltd
Nelson House
13 Mundesley Road
North Walsham
Norfolk
NR28 0DA

Date: 25.05.2026

Rainbow Children's Nursery Limited

Statement of Financial Activities
for the Year Ended 31 August 2025

	Notes	31.8.25 Unrestricted fund £	31.8.24 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		6,744	100
Charitable activities			
Charitable activities		423,010	346,286
Other trading activities	2	1,621	3,510
Investment income	3	549	589
Total		<u>431,924</u>	<u>350,485</u>
EXPENDITURE ON			
Raising funds		926	41
Charitable activities			
Charitable activities		<u>378,775</u>	<u>375,108</u>
Total		<u>379,701</u>	<u>375,149</u>
NET INCOME/(EXPENDITURE)		52,223	(24,664)
RECONCILIATION OF FUNDS			
Total funds brought forward		98,817	123,481
TOTAL FUNDS CARRIED FORWARD		<u><u>151,040</u></u>	<u><u>98,817</u></u>

The notes form part of these financial statements

Rainbow Children's Nursery Limited

Balance Sheet
31 August 2025

	Notes	31.8.25 Unrestricted fund £	31.8.24 Total funds £
FIXED ASSETS			
Tangible assets	8	131,728	133,666
CURRENT ASSETS			
Debtors	9	2,284	214
Cash at bank		81,678	34,413
		<u>83,962</u>	<u>34,627</u>
CREDITORS			
Amounts falling due within one year	10	(15,812)	(14,494)
		<u>68,150</u>	<u>20,133</u>
NET CURRENT ASSETS			
TOTAL ASSETS LESS CURRENT LIABILITIES		199,878	153,799
CREDITORS			
Amounts falling due after more than one year	11	(48,838)	(54,982)
		<u>151,040</u>	<u>98,817</u>
NET ASSETS			
FUNDS	13		
Unrestricted funds		151,040	98,817
TOTAL FUNDS		<u>151,040</u>	<u>98,817</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2025.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2025 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.

The notes form part of these financial statements

Rainbow Children's Nursery Limited

Balance Sheet - continued

31 August 2025

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 on25.05.26..... and were signed on its behalf by:



.....
T L Allard - Trustee

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.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

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 a 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 cost 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 resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property - 2% straight line
Property improvements - 10% straight line
Office equipment - 25% reducing balance / straight line
Computer equipment - 25% straight line

Taxation

The charity is exempt from corporation tax on its charitable activities.

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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. OTHER TRADING ACTIVITIES

	31.8.25	31.8.24
	£	£
Fundraising income	1,621	3,510
	<u> </u>	<u> </u>

3. INVESTMENT INCOME

	31.8.25	31.8.24
	£	£
Interest receivable	549	589
	<u> </u>	<u> </u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.8.25	31.8.24
	£	£
Depreciation - owned assets	7,470	7,084
Equipment hire	3,711	3,416
Consumables & equipment	3,869	3,930
	<u> </u>	<u> </u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2025 nor for the year ended 31 August 2024.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2025 nor for the year ended 31 August 2024.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.8.25	31.8.24
Managers and supervisors	7	7
Nursery nurses, assistants, and cooks	14	14
	<u>21</u>	<u>21</u>

No employees received emoluments in excess of £60,000.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	100
Charitable activities	
Charitable activities	346,286
Other trading activities	3,510
Investment income	589
Total	<u>350,485</u>
EXPENDITURE ON	
Raising funds	41
Charitable activities	
Charitable activities	375,108
Total	<u>375,149</u>
NET INCOME/(EXPENDITURE)	(24,664)
RECONCILIATION OF FUNDS	
Total funds brought forward	123,481
TOTAL FUNDS CARRIED FORWARD	<u>98,817</u>

8. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2024	250,363	40,885	7,391	298,639
Additions	4,479	409	644	5,532
At 31 August 2025	254,842	41,294	8,035	304,171
DEPRECIATION				
At 1 September 2024	119,836	38,978	6,159	164,973
Charge for year	6,427	491	552	7,470
At 31 August 2025	126,263	39,469	6,711	172,443
NET BOOK VALUE				
At 31 August 2025	128,579	1,825	1,324	131,728
At 31 August 2024	130,527	1,907	1,232	133,666

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.25 £	31.8.24 £
Trade debtors	1,162	(889)
Prepayments	1,122	1,103
	2,284	214

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.25 £	31.8.24 £
Bank loans and overdrafts (see note 12)	5,600	5,621
Trade creditors	2,721	2,611
Social security and other taxes	4,461	3,490
Pensions payable	1,039	1,084
Other creditors	(9)	(112)
Accrued expenses	2,000	1,800
	15,812	14,494

Notes to the Financial Statements - continued
for the Year Ended 31 August 2025

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.25	31.8.24
	£	£
Bank loans (see note 12)	48,838	54,982
	<u>48,838</u>	<u>54,982</u>

12. LOANS

An analysis of the maturity of loans is given below:

	31.8.25	31.8.24
	£	£
Amounts falling due within one year on demand:		
Bank loans	5,600	5,621
	<u>5,600</u>	<u>5,621</u>
Amounts falling between one and two years:		
Bank loans - Over 1 year	48,838	54,982
	<u>48,838</u>	<u>54,982</u>

13. MOVEMENT IN FUNDS

	At 1.9.24	Net movement in funds 31.8.25	At
	£	£	£
Unrestricted funds			
General fund	98,817	52,223	151,040
	<u>98,817</u>	<u>52,223</u>	<u>151,040</u>
TOTAL FUNDS	<u>98,817</u>	<u>52,223</u>	<u>151,040</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	431,924	(379,701)	52,223
	<u>431,924</u>	<u>(379,701)</u>	<u>52,223</u>
TOTAL FUNDS	<u>431,924</u>	<u>(379,701)</u>	<u>52,223</u>

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.23 £	Net movement in funds £	At 31.8.24 £
Unrestricted funds			
General fund	123,481	(24,664)	98,817
TOTAL FUNDS	<u>123,481</u>	<u>(24,664)</u>	<u>98,817</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	350,485	(375,149)	(24,664)
TOTAL FUNDS	<u>350,485</u>	<u>(375,149)</u>	<u>(24,664)</u>

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

	At 1.9.23 £	Net movement in funds £	At 31.8.25 £
Unrestricted funds			
General fund	123,481	27,559	151,040
TOTAL FUNDS	<u>123,481</u>	<u>27,559</u>	<u>151,040</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 £	Movement in funds £
Unrestricted funds			
General fund	782,409	(754,850)	27,559
TOTAL FUNDS	<u>782,409</u>	<u>(754,850)</u>	<u>27,559</u>

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2025.

Rainbow Children's Nursery Limited

Detailed Statement of Financial Activities
for the Year Ended 31 August 2025

	31.8.25 £	31.8.24 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	6,744	100
Other trading activities		
Fundraising income	1,621	3,510
Investment income		
Interest receivable	549	589
Charitable activities		
Nursery fees	138,841	205,847
Government funding	284,169	140,439
	<hr/>	<hr/>
	423,010	346,286
	<hr/>	<hr/>
Total incoming resources	431,924	350,485
 EXPENDITURE		
Raising donations and legacies		
Raising funds	126	34
Other trading activities		
Bad debts	800	7
Charitable activities		
Wages	294,506	286,647
Social security	11,769	12,638
Pensions	5,031	5,125
Equipment hire	3,711	3,416
Consumables & equipment	3,869	3,930
Rates and water	3,030	2,721
Insurance	4,035	3,808
Light and heat	7,756	8,117
Telephone & internet	1,583	1,425
Postage and stationery	1,675	2,306
Advertising	-	238
Sundry expenses	-	1,045
Meals & refreshments	6,100	10,756
Hygiene & cleaning	9,984	10,944
Subscriptions	2,931	2,504
Carried forward	355,980	355,620

This page does not form part of the statutory financial statements

Rainbow Children's Nursery Limited

Detailed Statement of Financial Activities
for the Year Ended 31 August 2025

	31.8.25	31.8.24
	£	£
Charitable activities		
Brought forward	355,980	355,620
Governance costs	2,581	1,484
Training	1,143	1,219
Legal & professional fees	2,546	1,540
Computer costs	170	66
Property repairs & maintenance	5,467	3,709
Depreciation of tangible fixed assets	7,471	7,084
Interest payable	3,128	4,458
	<hr/>	<hr/>
	378,486	375,180
Support costs		
Finance		
Bank charges	289	(72)
	<hr/>	<hr/>
Total resources expended	379,701	375,149
	<hr/>	<hr/>
Net income/(expenditure)	<u>52,223</u>	<u>(24,664)</u>

This page does not form part of the statutory financial statements

RAINBOW CHILDREN'S NURSERY LIMITED

England & Wales - Charity number 1078643

Accounts

REGISTERED COMPANY NUMBER: 03835684 (England and Wales)
REGISTERED CHARITY NUMBER: 1078643

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 August 2024
for
Rainbow Children's Nursery Limited

H&M Accountancy Solutions
Nelson House
13 Mundesley Road
North Walsham
Norfolk
NR28 0DA

Rainbow Children's Nursery Limited

Contents of the Financial Statements
for the Year Ended 31 August 2024

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Rainbow Children's Nursery Limited

Report of the Trustees
for the Year Ended 31 August 2024

The Trustees present their annual report together with the financial statements of the charitable Company for the year 1 September 2023 to 31 August 2024. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

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

OBJECTIVES AND ACTIVITIES

Objectives and aims

a. Policies and objectives

In setting objectives and planning activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The principle aims and objectives of the charitable Company are to enhance the education of children through the provision of a nursery setting; providing high quality childcare, teaching and learning by adhering to and practicing the standards laid down by the Early Years Foundation Stage on a non-profit basis. Session times will be flexible with the offering of funded places to eligible parents and families.

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

b. Strategies for achieving objectives

The charitable Company will always be aiming to maintain the standard at which it currently runs. To enable this we will maintain staff qualifications and training to ensure best practice is used, new training and qualifications will be accessed where necessary to continuously improve the charitable Company going forward. Communication is key to the charitable Company's success, with all employees striving for the same goals and outcomes. Ongoing communication with parents / carers supports a positive home and nursery working relationship for the best interests of the child. To obtain sufficient quality resources the charitable Company uses a range of fundraising techniques.

c. Activities undertaken to achieve objectives

Staff undertake a variety of training courses, accessing both face to face and online taught training to promote high quality care, teaching and learning. Regular staff meetings take place giving all a voice and encouraging discussion about the setting and continuous development. Tapestry, an online learning portal, is now completed fortnightly for each child, giving parents access to the most recent learning their child has been participating in. Parents are encouraged to add to this from home to make it a shared learning document. Alongside Tapestry, parents view their child's development on the nursery's learning walls.

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

The charitable Company provides very flexible childcare sessions which allow parents to arrange nursery times around work more easily. We aim to provide inclusive childcare for the whole community; working parents, funded places, low income families and SEND children and families. Children have the opportunity to access engaging, inspiring and age appropriate activities alongside social interactions with peers that cannot always be accessed within the home environment; covering all areas of learning and ultimately working towards school readiness.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The Trustees and management have worked to maintain the nursery that is financially viable and operating well. The Trustees are developing both their own roles and those of the nursery management to maintain and improve this level of operation.

The nursery was inspected by Ofsted on 7 September 2023 and was graded overall "good". This is recognition for the hardworking management and staff team who have worked tirelessly to maintain standards within the nursery. The nursery has set a target to attain an "outstanding" judgement in the next assessment.

In consultation with the nursery management, the nursery has been operating a highly flexible approach to both session times and session uptake. This has allowed the nursery to cater for shift workers with changing shift patterns in addition to parents wanting casual hours childcare.

The Trustees would like to recognise the performance and dedication of the management team in maintaining and improving the standards within the nursery and the service received by our families.

Fundraising activities

Our biggest fundraiser, our annual fete, was held in August, and it was a very good turnout.

Fundraisers we achieved included childrens photographs, various raffles, handmade christmas cards, smartie tubes and easter activity fundraisers. The Jelly Bean room undertook further fundraising, including raffles and a sports event, to fund a revamp of their garden. The kitchen periodically opened, and freshly prepared treats, tuck shop style, to raise funds for kitchen role play for the rooms and also a compost bin to reduce waste.

FINANCIAL REVIEW

Principal funding sources

The charitable Company's principal funding source is from nursery fees.

Investment policy and objectives

The charitable Company does not have funds available for long term investment and therefore funds not immediately required are on bank deposit.

Reserves policy

It is the intention of the Trustees to build up a level of reserves to enable the charitable Company to meet operating expenditure for 2 months, amounting to approximately £58,000. As at 31 August 2024, the charitable Company had free reserves (unrestricted funds excluding fixed assets and bank loans) of £25,754.

FINANCIAL REVIEW

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable Company has adequate resources to continue in operational existence for the foreseeable future. The charitable Company is projected to have sufficient income to meet its financial liabilities as they fall due and for this reason the Trustees continue to adopt the going concern basis in preparing the financial statements.

Financial Summary

Income resources amounted to £350,485. After incurring costs of £375,149 the net expenditure for the period amounted to £24,664 as shown on page 7.

The usual fee review alongside wage review was undertaken, and rates were increased accordingly.

Staff vacancies from 22/23 were filled by the end of 2023, resulting in the nursery being able to maximise the children numbers again. The numbers were building up within 6 months with reservations for future dates. This had a clear negative impact on cashflow and was irreversible for the periods concerned. This is no longer the case, and we are back to having a full team and waiting lists for children.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The organisation is a charitable Company limited by guarantee, incorporated on 3 September 1999 and registered as a charity on 16 December 1999. The charitable Company was established under a Memorandum of Association which established the objects and powers of the charitable Company and is governed under its Articles of Association.

Recruitment and appointment of new trustees

The charitable Company aims to recruit Trustees with a wide range of business and sector experience from which the charitable Company will benefit. Under the Articles of Association, Trustees co-opted during the year must stand down at the AGM and stand for re-election. One third of the Trustees must retire at each AGM.

Organisational structure

The Trustees, who virtually meet monthly, administer the charitable Company. The day to day operations of the charitable Company are managed by the Nursery Manager, Deputy Manager and an Office Manager.

The Trustees have plans to re-establish a fundraising sub-committee to organise and plan fundraising activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Trustees have reviewed the major risks to the charitable Company in accordance with the Statement of Recommended Practice and do not consider there are any significant matters of concern.

The Nursery experienced a temporary reduced team and limited head count in the early part of the year, leading to a negative cashflow. To manage these risks, staff and some other costs have been reduced in the short term. Stringent rules and limitations on expenditure have also been imposed, as well as meticulous monitoring on spend.

Plans for future periods

To continue to increase the profile of the nursery through local advertising and via social media (namely a public Facebook page).

Maintain a constant uptake of new Trustees as we recognise the issue that some Trustees wish to leave post when their child leaves nursery for school.

To continue to review the fee structure including meal charges to keep up with the national minimum / living wage increases.

To work towards obtaining an 'outstanding' Ofsted rating.

To act on the essential maintenance requirements accumulating across the site.

Members' liability

The Members of the charitable Company guarantee to contribute an amount not exceeding £1 to the assets of the charitable Company in the event of winding up.

Policies adopted for the induction and training of Trustees

New Trustees are provided with copies of:

- The charitable Company's Memorandum and Articles of Association
- The latest accounts of the charitable Company
- Charity Commission guidance notes CC3 - The Essential Trustee

In addition Trustees are encouraged to read Charity Commission and other newsletters and to attend courses designed to keep them abreast of their duties and responsibilities.

Methods of appointment or election of Trustees

The charitable Company aims to recruit Trustees with a wide range of business and sector experience from which the charitable Company will benefit. Under the Articles of Association, Trustees co-opted during the year must stand down at the AGM and stand for re-election. One third of the Trustees must retire at each AGM.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03835684 (England and Wales)

Rainbow Children's Nursery Limited

Report of the Trustees
for the Year Ended 31 August 2024

Registered Charity number
1078643

Registered office
Station Road
Worstead
Norfolk
NR28 9SA

Trustees
F C Lloyd
T L Allard
A J Marsh
C G Gregson-Rix
V George (resigned 5.2.25)

Company Secretary
C G Gregson-Rix

Independent Examiner
Andrew Hart
H&M Accountancy Solutions
Nelson House
13 Mundesley Road
North Walsham
Norfolk
NR28 0DA

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 27 May 2025 and signed on its behalf by:



T L Allard - Trustee

Rainbow Children's Nursery Limited

Statement of Trustees' Responsibilities for the Year Ended 31 August 2024

The trustees (who are also the directors of Rainbow Children's Nursery Limited 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).

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.

Independent Examiner's Report to the Trustees of
Rainbow Children's Nursery Limited

Independent examiner's report to the trustees of Rainbow Children's Nursery Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2024.

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 member of the Association of Chartered Certified Accountants, 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.



Andrew Hart

H&M Accountancy Solutions
Nelson House
13 Mundesley Road
North Walsham
Norfolk
NR28 0DA

27 MAY 2025

Rainbow Children's Nursery Limited

Statement of Financial Activities
for the Year Ended 31 August 2024

	Notes	31.8.24 Unrestricted fund £	31.8.23 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		100	850
Charitable activities			
Charitable activities		346,286	344,401
Other trading activities	2	3,510	1,818
Investment income	3	589	221
Total		<u>350,485</u>	<u>347,290</u>
EXPENDITURE ON			
Raising funds		41	3,571
Charitable activities			
Charitable activities		<u>375,108</u>	<u>343,453</u>
Total		<u>375,149</u>	<u>347,024</u>
NET INCOME/(EXPENDITURE)		(24,664)	266
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>123,481</u>	<u>123,215</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>98,817</u></u>	<u><u>123,481</u></u>

The notes form part of these financial statements

Rainbow Children's Nursery Limited

Balance Sheet
31 August 2024

	Notes	31.8.24 Unrestricted fund £	31.8.23 Total funds £
FIXED ASSETS			
Tangible assets	8	133,666	138,029
CURRENT ASSETS			
Debtors	9	214	6,474
Cash at bank		34,413	55,322
		<u>34,627</u>	<u>61,796</u>
CREDITORS			
Amounts falling due within one year	10	(14,494)	(15,736)
NET CURRENT ASSETS		<u>20,133</u>	<u>46,060</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		153,799	184,089
CREDITORS			
Amounts falling due after more than one year	11	(54,982)	(60,608)
NET ASSETS		<u>98,817</u>	<u>123,481</u>
FUNDS			
Unrestricted funds	13	98,817	123,481
TOTAL FUNDS		<u>98,817</u>	<u>123,481</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2024 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.

The notes form part of these financial statements

Rainbow Children's Nursery Limited

Balance Sheet - continued

31 August 2024

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 27 May 2025 and were signed on its behalf by:

A handwritten signature in dark ink, appearing to be 'T L Allard', written in a cursive style.

T L Allard - Trustee

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.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

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 a 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 cost 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 resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property - 2% straight line
Property improvements - 10% straight line
Office equipment - 25% reducing balance / straight line
Computer equipment - 25% straight line

Taxation

The charity is exempt from corporation tax on its charitable activities.

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.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

2. OTHER TRADING ACTIVITIES

	31.8.24	31.8.23
	£	£
Fundraising income	3,510	1,818
	<u> </u>	<u> </u>

3. INVESTMENT INCOME

	31.8.24	31.8.23
	£	£
Interest receivable	589	221
	<u> </u>	<u> </u>

4. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.8.24	31.8.23
	£	£
Depreciation - owned assets	7,084	6,949
Equipment hire	3,416	4,749
Consumables & equipment	3,930	4,207
	<u> </u>	<u> </u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2024 nor for the year ended 31 August 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2024 nor for the year ended 31 August 2023.

6. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.8.24	31.8.23
Managers and supervisors	5	5
Nursery nurses, assistants, and cooks	13	13
Managers and supervisors	1	1
	<u>19</u>	<u>19</u>

No employees received emoluments in excess of £60,000.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	850
Charitable activities	
Charitable activities	344,401
Other trading activities	1,818
Investment income	221
Total	<u>347,290</u>
EXPENDITURE ON	
Raising funds	3,571
Charitable activities	
Charitable activities	343,453
Total	<u>347,024</u>
NET INCOME	266
RECONCILIATION OF FUNDS	
Total funds brought forward	123,215
TOTAL FUNDS CARRIED FORWARD	<u><u>123,481</u></u>

8. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 September 2023	249,164	40,250	6,504	295,918
Additions	1,199	635	887	2,721
At 31 August 2024	<u>250,363</u>	<u>40,885</u>	<u>7,391</u>	<u>298,639</u>
DEPRECIATION				
At 1 September 2023	113,650	38,457	5,782	157,889
Charge for year	6,186	521	377	7,084
At 31 August 2024	<u>119,836</u>	<u>38,978</u>	<u>6,159</u>	<u>164,973</u>
NET BOOK VALUE				
At 31 August 2024	<u>130,527</u>	<u>1,907</u>	<u>1,232</u>	<u>133,666</u>
At 31 August 2023	<u>135,514</u>	<u>1,793</u>	<u>722</u>	<u>138,029</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.24	31.8.23
	£	£
Trade debtors	(889)	4,964
Other debtors	-	1,187
Prepayments	1,103	323
	<u>214</u>	<u>6,474</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.24	31.8.23
	£	£
Bank loans and overdrafts (see note 12)	5,621	5,616
Trade creditors	2,611	2,090
Social security and other taxes	3,490	2,035
Pensions payable	1,084	825
Other creditors	(112)	2,812
Accrued expenses	1,800	2,358
	<u>14,494</u>	<u>15,736</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
	31.8.24	31.8.23
	£	£
Bank loans (see note 12)	<u>54,982</u>	<u>60,608</u>

12. LOANS

An analysis of the maturity of loans is given below:

	31.8.24	31.8.23
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>5,621</u>	<u>5,616</u>
Amounts falling between one and two years:		
Bank loans - Over 1 year	<u>54,982</u>	<u>60,608</u>

13. MOVEMENT IN FUNDS

	At 1.9.23 £	Net movement in funds £	At 31.8.24 £
Unrestricted funds			
General fund	123,481	(24,664)	98,817
TOTAL FUNDS	<u>123,481</u>	<u>(24,664)</u>	<u>98,817</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	350,485	(375,149)	(24,664)
TOTAL FUNDS	<u>350,485</u>	<u>(375,149)</u>	<u>(24,664)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 August 2024

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.22 £	Net movement in funds £	At 31.8.23 £
Unrestricted funds			
General fund	123,215	266	123,481
TOTAL FUNDS	<u>123,215</u>	<u>266</u>	<u>123,481</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	347,290	(347,024)	266
TOTAL FUNDS	<u>347,290</u>	<u>(347,024)</u>	<u>266</u>

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

	At 1.9.22 £	Net movement in funds £	At 31.8.24 £
Unrestricted funds			
General fund	123,215	(24,398)	98,817
TOTAL FUNDS	<u>123,215</u>	<u>(24,398)</u>	<u>98,817</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 £	Movement in funds £
Unrestricted funds			
General fund	697,775	(722,173)	(24,398)
TOTAL FUNDS	<u>697,775</u>	<u>(722,173)</u>	<u>(24,398)</u>

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2024.

Rainbow Children's Nursery Limited

Detailed Statement of Financial Activities
for the Year Ended 31 August 2024

	31.8.24 £	31.8.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	100	850
Other trading activities		
Fundraising income	3,510	1,818
Investment income		
Interest receivable	589	221
Charitable activities		
Nursery fees	205,847	239,804
Government grants	140,439	104,597
	<u>346,286</u>	<u>344,401</u>
Total incoming resources	350,485	347,290
EXPENDITURE		
Raising donations and legacies		
Raising funds	34	-
Other trading activities		
Bad debts	7	3,571
Charitable activities		
Wages	286,647	261,669
Social security	12,638	9,889
Pensions	5,125	4,355
Equipment hire	3,416	4,749
Consumables & equipment	3,930	4,207
Rates and water	2,721	2,442
Insurance	3,808	3,310
Light and heat	8,117	3,865
Telephone & internet	1,425	1,052
Postage and stationery	2,306	2,298
Advertising	238	678
Sundry expenses	1,045	1,199
Meals & refreshments	10,756	10,303
Hygiene & cleaning	10,944	11,136
Subscriptions	2,504	3,038
Carried forward	355,620	324,190

This page does not form part of the statutory financial statements

Rainbow Children's Nursery Limited

Detailed Statement of Financial Activities
for the Year Ended 31 August 2024

	31.8.24	31.8.23
	£	£
Charitable activities		
Brought forward	355,620	324,190
Governance costs	1,484	2,669
Training	1,219	1,623
Legal & professional fees	1,540	534
Computer costs	66	71
Property repairs & maintenance	3,709	3,647
Depreciation of tangible fixed assets	7,084	6,949
Interest payable	4,458	3,722
	<u>375,180</u>	<u>343,405</u>
Support costs		
Finance		
Bank charges	(72)	48
	<u>375,149</u>	<u>347,024</u>
Total resources expended		
	<u>(24,664)</u>	<u>266</u>
Net (expenditure)/income		

This page does not form part of the statutory financial statements

RAINBOW CHILDREN'S NURSERY LIMITED

England & Wales - Charity number 1078643

Accounts

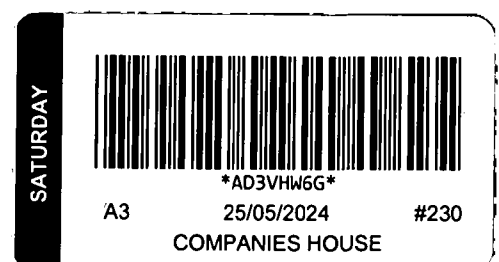
Registered number: 03835684
Charity number: 1078643

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023



RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

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RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2023**

Trustees	F C Lloyd, Chair T L Allard V L George A J Marsh C G Gregson-Rix (appointed 1 January 2024)
Company registered number	03835684
Charity registered number	1078643
Registered office	Station Road Worstead Norfolk NR28 9SA
Company secretary	F C Lloyd
Accountants	MA Partners LLP Chartered Accountants 7 The Close Norwich Norfolk NR1 4DJ

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements of the charitable Company for the year 1 September 2022 to 31 August 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

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

Objectives and activities

a. Policies and objectives

In setting objectives and planning activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The principle aims and objectives of the charitable Company are to enhance the education of children through the provision of a nursery setting; providing high quality childcare, teaching and learning by adhering to and practicing the standards laid down by the Early Years Foundation Stage on a non-profit basis. Session times will be flexible with the offering of funded places to parents and families including those in financial need.

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

b. Strategies for achieving objectives

The charitable Company will always be aiming to maintain the standard at which it currently runs. To enable this we will maintain staff qualifications and training to ensure best practice is used, new training and qualifications will be accessed where necessary to continuously improve the charitable Company going forward. Communication is key to the charitable Company's success, with all employees striving for the same goals and outcomes. Ongoing communication with parents / carers supports a positive home and nursery working relationship for the best interests of the child. To obtain sufficient quality resources the charitable Company uses a range of fundraising techniques.

c. Activities undertaken to achieve objectives

Staff undertake a variety of training courses, accessing both face to face and online taught training to promote high quality care, teaching and learning. Regular staff meetings take place giving all a voice and encouraging discussion about the setting and continuous development. Tapestry, an online learning portal, is now completed fortnightly for each child, giving parents access to the most recent learning their child has been participating in. Parents are encouraged to add to this from home to make it a shared learning document. Alongside Tapestry, parents view their child's development on the nursery's learning walls.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

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

The charitable Company provides very flexible childcare sessions which allow parents to arrange nursery times around work more easily. We aim to provide inclusive childcare for the whole community; working parents, funded places, low income families and SEND children and families. Children have the opportunity to access engaging, inspiring and age appropriate activities alongside social interactions with peers that cannot always be accessed within the home environment; covering all areas of learning and ultimately working towards school readiness.

Achievements and performance

a. Main achievements of the charitable Company

The Trustees and management have worked to maintain the nursery that is financially viable and operating well. The Trustees are developing both their own roles and those of the nursery management to maintain and improve this level of operation.

The nursery was inspected by Ofsted on 7 September 2023 and was graded overall "good". This is recognition for the hardworking management and staff team who have worked tirelessly to maintain standards within the nursery. The nursery has set a target to attain an "outstanding" judgement in the next assessment.

In consultation with the nursery management, the nursery has been operating a highly flexible approach to both session times and session uptake. This has allowed the nursery to cater for shift workers with changing shift patterns in addition to parents wanting casual hours childcare.

The Trustees would like to recognise the performance and dedication of the management team in maintaining and improving the standards within the nursery and the service received by our parents.

b. Fundraising activities and income generation

Our annual event was held early September 2022, it was a very good turnout.

Fundraisers we achieved included childrens photographs, various raffles, handmade Christmas cards, Halloween competition and a clothes recycling collection. We managed to receive small donations from some parents and Amazon smile.

We still intend to re-establish our fundraising committee.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable Company has adequate resources to continue in operational existence for the foreseeable future. The charitable Company is projected to have sufficient income to meet its financial liabilities as they fall due and for this reason the Trustees continue to adopt the going concern basis in preparing the financial statements.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

b. Reserves policy

It is the intention of the Trustees to build up a level of reserves to enable the charitable Company to meet operating expenditure for 2 months, amounting to approximately £58,000. As at 31 August 2023, the charitable Company had free reserves (unrestricted funds excluding fixed assets and bank loans) of £51,676.

c. Principal funding

The charitable Company's principal funding source is from nursery fees.

d. Financial Summary

Income resources amounted to £347,290. After incurring costs of £347,024 the net income for the period amounted to £266 as shown on page 9.

The usual fee review alongside wage review was undertaken, and rates were increased accordingly.

Children numbers were limited in the second half of the year due to staff vacancies, but still strong this year. Planning is always undertaken to ensure all children can progress throughout the aged group rooms until leaving for school, and therefore any spare spaces are highlighted accordingly.

We haven't been affected by the cost-of-living increases to any major degree. Costs are being covered. We are however monitoring utilities and food costs in anticipation that these are likely to increase further in accordance with the current climate.

e. Investments policy

The charitable Company does not have funds available for long term investment and therefore funds not immediately required are on bank deposit.

Structure, governance and management

a. Constitution

The organisation is a charitable Company limited by guarantee, incorporated on 3 September 1999 and registered as a charity on 16 December 1999. The charitable Company was established under a Memorandum of Association which established the objects and powers of the charitable Company and is governed under its Articles of Association.

b. Methods of appointment or election of Trustees

The charitable Company aims to recruit Trustees with a wide range of business and sector experience from which the charitable Company will benefit. Under the Articles of Association, Trustees co-opted during the year must stand down at the AGM and stand for re-election. One third of the Trustees must retire at each AGM.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The Trustees, who virtually meet monthly, administer the charitable Company. The day to day operations of the charitable Company are managed by the Nursery Manager, Deputy Manager and an Office Manager.

The Trustees have plans to re-establish a fundraising sub-committee to organise and plan fundraising activities.

d. Policies adopted for the induction and training of Trustees

New Trustees are provided with copies of:

- The charitable Company's Memorandum and Articles of Association
- The latest accounts of the charitable Company
- Charity Commission guidance notes CC3 – "The Essential Trustee"

In addition Trustees are encouraged to read Charity Commission and other newsletters and to attend courses designed to keep them abreast of their duties and responsibilities.

e. Risk management

The Trustees have reviewed the major risks to the charitable Company in accordance with the Statement of Recommended Practice and do not consider there are any significant matters of concern.

The Nursery experienced a temporary reduced team and limited head count in the year however, we cannot ignore the current pressures the industry is facing - higher cost of living and wage increases, government funding is not in line with current times and recruitment and retention of childcare workers is slow. To manage these risks, the Trustees closely monitor costs and staffing and have a recruitment platform should it be required.

Plans for future periods

To continue to increase the profile of the nursery through local advertising and via social media (namely a public Facebook page).

Maintain a constant uptake of new Trustees as we recognise the issue that some Trustees wish to leave post when their child leaves nursery for school.

To continue to review the fee structure including meal charges to keep up with the national minimum / living wage increases.

To work towards obtaining an 'outstanding' Ofsted rating.

To act on the essential maintenance requirements accumulating across the site.

Members' liability

The Members of the charitable Company guarantee to contribute an amount not exceeding £1 to the assets of the charitable Company in the event of winding up.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Statement of Trustees' responsibilities

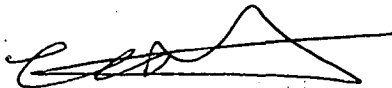
The Trustees (who are also the directors of the charitable Company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

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



.....
T L Allard

Date: 23 May 2024

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

Independent Examiner's Report to the Trustees of Rainbow Children's Nursery Limited ('the charitable Company')

I report to the charity Trustees on my examination of the accounts of the charitable Company for the year ended 31 August 2023.

Responsibilities and Basis of Report

As the Trustees of the charitable Company (and 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 charitable 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 the charitable Company's accounts 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 the charitable Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the 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:

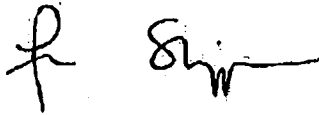
1. accounting records were not kept in respect of the charitable Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the 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.

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.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

This report is made solely to the charitable Company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charitable Company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable Company and the charitable Company's Trustees as a body, for my work or for this report.



Signed:

Dated: 24 May 2024

Mr F M E Shippam BSc FCA DChA

MA Partners LLP
Chartered Accountants
7 The Close
Norwich
Norfolk
NR1 4DJ

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations and legacies	3	850	850	-
Charitable activities	4	344,401	344,401	350,223
Other trading activities	5	1,818	1,818	2,315
Investments	6	221	221	9
Total income		347,290	347,290	352,547
Expenditure on:				
Raising funds	7	-	-	170
Charitable activities	8	347,024	347,024	352,113
Total expenditure		347,024	347,024	352,283
Net movement in funds		266	266	264
Reconciliation of funds:				
Total funds brought forward		123,215	123,215	122,951
Net movement in funds		266	266	264
Total funds carried forward		123,481	123,481	123,215

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

The notes on pages 12 to 22 form part of these financial statements.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 03835684

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	138,029	143,425
		<u>138,029</u>	<u>143,425</u>
Current assets			
Debtors	13	6,474	13,135
Investments	14	-	255
Cash at bank and in hand		55,322	52,857
		<u>61,796</u>	<u>66,247</u>
Creditors: amounts falling due within one year	15	(15,736)	(20,781)
Net current assets		<u>46,060</u>	<u>45,466</u>
Total assets less current liabilities		<u>184,089</u>	<u>188,891</u>
Creditors: amounts falling due after more than one year	16	(60,608)	(65,676)
Total net assets		<u>123,481</u>	<u>123,215</u>
Charity funds			
Restricted funds	17	-	-
Unrestricted funds	17	123,481	123,215
Total funds		<u>123,481</u>	<u>123,215</u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 03835684

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

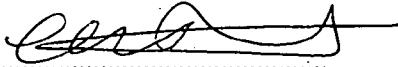
The charitable Company was entitled to exemption from audit under section 477 of the Companies Act 2006.

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

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

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

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



.....
T L Allard

Date: 23 May 2024

The notes on pages 12 to 22 form part of these financial statements.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. General information

Rainbow Children's Nursery Limited ("the charitable Company") is a private company limited by guarantee. The charitable Company is both incorporated and domiciled in England and Wales.

The members of the charitable Company are the Trustees named on page 1. In the event of the charitable Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable Company.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Rainbow Children's Nursery Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

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

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

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

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

All expenditure is inclusive of irrecoverable VAT.

2.4 Tangible fixed assets and depreciation

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

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.4 Tangible fixed assets and depreciation (continued)

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Property improvements	-	10% straight line
Office equipment	-	25% reducing balance / straight line
Computer equipment	-	25% straight line

2.5 Debtors

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

2.6 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.7 Liabilities and provisions

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

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

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

2.8 Financial instruments

The charitable Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.9 Pensions

The charitable Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charitable Company to the fund in respect of the year.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Accounting policies (continued)

2.10 Fund accounting

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

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

3. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Donations	850	850	-

4. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Nursery fees	239,804	239,804	222,120
Government grants	104,597	104,597	128,103
	<u>344,401</u>	<u>344,401</u>	<u>350,223</u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Fundraising income	1,818	1,818	1,839
Furlough income	-	-	476
	<u>1,818</u>	<u>1,818</u>	<u>2,315</u>

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Interest receivable	221	221	9
	<u>221</u>	<u>221</u>	<u>9</u>

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Fundraising costs	-	-	170
	<u>-</u>	<u>-</u>	<u>170</u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Nursery activities	321,183	25,841	347,024	352,113
<i>Total 2022</i>	<u>328,556</u>	<u>23,557</u>	<u>352,113</u>	

Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	275,913	264,426
Hygiene and cleaning	11,136	15,157
Meals and refreshments	10,303	9,299
Equipment hire	4,749	6,489
Consumables and equipment	4,207	7,319
Light and heat	3,865	8,412
Property repairs and maintenance	3,647	7,622
Bad debts	3,571	4,062
Insurance	3,310	2,955
Water	482	817
Temporary staff costs	-	1,998
	<u>321,183</u>	<u>328,556</u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Depreciation	6,949	6,546
Loan interest payable	3,722	1,725
Subscriptions	3,038	4,183
Governance costs	2,669	3,510
Postage and stationary	2,298	2,160
Rates	1,960	1,941
Training	1,623	579
Sundry expenses	1,199	363
Telephone	1,052	887
Advertising	678	827
Legal and professional fees	534	390
Computer costs	71	120
Bank charges and interest	48	219
Loss on disposal of fixed assets	-	107
	<hr/> 25,841 <hr/>	<hr/> <i>23,557</i> <hr/>

9. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £2,358 (2022 - £2,244).

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Staff costs

	2023	2022
	£	£
Wages and salaries	261,669	249,668
Social security costs	9,889	10,180
Contribution to defined contribution pension schemes	4,355	4,578
	<u>275,913</u>	<u>264,426</u>

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

	2023	2022
Managers and supervisors	5	5
Nursery nurses, assistants, and cooks	13	13
Administration	1	1
	<u>19</u>	<u>19</u>

No employee received remuneration amounting to more than £60,000 in either year.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

12. Tangible fixed assets

	Freehold property £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2022	248,257	39,720	6,388	294,365
Additions	907	530	116	1,553
At 31 August 2023	<u>249,164</u>	<u>40,250</u>	<u>6,504</u>	<u>295,918</u>
Depreciation				
At 1 September 2022	107,551	37,890	5,499	150,940
Charge for the year	6,099	567	283	6,949
At 31 August 2023	<u>113,650</u>	<u>38,457</u>	<u>5,782</u>	<u>157,889</u>
Net book value				
At 31 August 2023	<u>135,514</u>	<u>1,793</u>	<u>722</u>	<u>138,029</u>
At 31 August 2022	<u>140,706</u>	<u>1,830</u>	<u>889</u>	<u>143,425</u>

13. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	4,964	11,680
Other debtors	1,187	455
Prepayments and accrued income	323	1,000
	<u>6,474</u>	<u>13,135</u>

14. Current asset investments

	2023 £	2022 £
Unlisted investments	-	255
	<u>-</u>	<u>255</u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

15. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Bank loans	5,616	6,237
Trade creditors	2,090	8,087
Other taxation and social security	2,035	3,157
Pension fund loan payable	825	1,056
Other creditors	2,812	-
Accruals and deferred income	2,358	2,244
	<u>15,736</u>	<u>20,781</u>

16. Creditors: Amounts falling due after more than one year

	2023	2022
	£	£
Bank loans	<u>60,608</u>	<u>65,676</u>

The bank loan is secured by a legal charge over the freehold property.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
Unrestricted funds				
General Funds	<u>123,215</u>	<u>347,290</u>	<u>(347,024)</u>	<u>123,481</u>

Statement of funds - prior year

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds				
General Funds	<u>122,951</u>	<u>352,547</u>	<u>(352,283)</u>	<u>123,215</u>

18. Summary of funds

Summary of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Balance at 31 August 2023 £
General funds	<u>123,215</u>	<u>347,290</u>	<u>(347,024)</u>	<u>123,481</u>

Summary of funds - prior year

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2022 £</i>
General funds	<u>122,951</u>	<u>352,547</u>	<u>(352,283)</u>	<u>123,215</u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	138,029	138,029
Current assets	61,796	61,796
Creditors due within one year	(15,736)	(15,736)
Creditors due in more than one year	(60,608)	(60,608)
Total	<u>123,481</u>	<u>123,481</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	143,425	143,425
Current assets	66,247	66,247
Creditors due within one year	(20,781)	(20,781)
Creditors due in more than one year	(65,676)	(65,676)
Total	<u>123,215</u>	<u>123,215</u>

20. Pension commitments

The charitable Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable Company in an independently administered fund. The pension cost charge represents contributions payable by the charitable Company to the fund. No amounts were payable to the fund at the balance sheet date.

21. Related party transactions

The charitable Company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the charitable Company at 31 August 2023.

RAINBOW CHILDREN'S NURSERY LIMITED

England & Wales - Charity number 1078643

Accounts

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

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RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2022**

Trustees	F Lloyd, Chair T Allard J M Botwright (resigned 31 July 2022) V L George (appointed 25 November 2021) A J Marsh (appointed 14 February 2022) J Dolman (resigned 14 February 2022)
Company registered number	03835684
Charity registered number	1078643
Registered office	Station Road Worstead North Walsham Norfolk NR28 9SA
Company secretary	F Lloyd
Accountants	MA Partners LLP Chartered Accountants 7 The Close Norwich Norfolk NR1 4DJ

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements of the company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

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

Objectives and activities

a. Policies and objectives

In setting objectives and planning activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The principle aims and objectives of the company are to enhance the education of children through the provision of a nursery setting; providing high quality childcare, teaching and learning by adhering to and practicing the standards laid down by the Early Years Foundation Stage on a non-profit basis. Session times will be flexible with the offering of funded places to parents and families including those in financial need.

b. Strategies for achieving objectives

The company will always be aiming to maintain the standard at which it currently runs. To enable this we will maintain staff qualifications and training to ensure best practice is used, new training and qualifications will be accessed where necessary to continuously improve the company going forward. Communication is key to the company's success, with all employees striving for the same goals and outcomes. Ongoing communication with parents / carers supports a positive home and nursery working relationship for the best interests of the child. To obtain sufficient quality resources the company uses a range of fundraising techniques.

c. Activities undertaken to achieve objectives

Staff undertake a variety of training courses, accessing both face to face and online taught training to promote high quality care, teaching and learning. Regular staff meetings take place giving all a voice and encouraging discussion about the setting and continuous development. Fewer fundraising activities have occurred this financial year. The children have been involved in fundraising which engages them in activities such as art that can be sold at a small fee. Tapestry, an online learning portal, is now completed fortnightly for each child, giving parents access to the most recent learning their child has been participating in. Parents are encouraged to add to this from home to make it a shared learning document. Alongside Tapestry, parents view their child's development on the nursery's learning walls.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

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

The company provides very flexible childcare sessions which allow parents to arrange nursery times around work more easily. We aim to provide inclusive childcare for the whole community; working parents, funded places, low income families and SEND children and families. Children have the opportunity to access engaging, inspiring and age appropriate activities alongside social interactions with peers that cannot always be accessed within the home environment; covering all areas of learning and ultimately working towards school readiness.

Achievements and performance

a. Main achievements of the company

The Trustees and management have worked to maintain the nursery that is financially viable and operating well. The Trustees are developing both their own roles and those of the nursery management to maintain and improve this level of operation.

The nursery was inspected by Ofsted on 29 August 2018 and was graded overall "good". This is recognition for the hardworking management and staff team who have worked tirelessly to raise the standards within the nursery. The nursery has set a target to attain an "outstanding" judgement in the next assessment.

In consultation with the nursery management, the nursery has been operating a highly flexible approach to both session times and session uptake. This has allowed the nursery to cater for shift workers with changing shift patterns in addition to parents wanting casual hours childcare.

The Trustees would like to recognise the performance and dedication of the management team in maintaining and improving the standards within the nursery and the service received by our parents.

b. Fundraising activities and income generation

Our annual event was held early September 2022, therefore fell just outside of our financial year.

Fundraisers we achieved included children's photographs, Christmas raffle, handmade Christmas cards, jubilee picnic, cake sale, coin flower picture and the Easter raffle. We managed to receive small donations from some parents, Amazon smile and easyfundraising.org.uk.

We still intend to re-establish our fundraising committee.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company is projected to have sufficient income to meet its financial liabilities as they fall due and for this reason the Trustees continue to adopt the going concern basis in preparing the financial statements.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

b. Reserves policy

It is the intention of the Trustees to build up a level of reserves to enable the company to meet operating expenditure for 2 months, amounting to approximately £50,000. As at 31 August 2022, the company had free reserves (unrestricted funds excluding fixed assets and bank loans) of £51,703.

c. Principal funding

The company's principal funding source is from nursery fees.

d. Financial summary

Income resources amounted to £352,547. After incurring costs of £352,283 the net income for the period amounted to £264 as shown on page 8.

The usual fee review alongside wage review was undertaken, and rates were increased accordingly.

Children numbers have been really strong this year, and we have found ourselves at near on maximum capacity. Planning is always undertaken to ensure all children can progress throughout the aged group rooms until leaving for school, and therefore any spare spaces are highlighted accordingly.

We haven't been affected by the cost-of-living increases to any major degree. Costs are being covered. We are however monitoring utilities and food costs in anticipation that these are likely to increase further in accordance with the current climate.

e. Investments policy

The company does not have funds available for long term investment and therefore funds not immediately required are on bank deposit.

Structure, governance and management

a. Constitution

The organisation is a charitable company limited by guarantee, incorporated on 3 September 1999 and registered as a charity on 16 December 1999. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

b. Methods of appointment or election of Trustees

The company aims to recruit Trustees with a wide range of business and sector experience from which the company will benefit. Under the Articles of Association, Trustees co-opted during the year must stand down at the AGM and stand for re-election. One third of the Trustees must retire at each AGM.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

c. Policies adopted for the induction and training of Trustees

New Trustees are provided with copies of:

- The company's Memorandum and Articles of Association
- The latest accounts of the company
- Charity Commission guidance notes CC3 – "The Essential Trustee"

In addition Trustees are encouraged to read Charity Commission and other newsletters and to attend courses designed to keep them abreast of their duties and responsibilities.

d. Organisational structure and decision making

The Trustees, who virtually meet monthly, administer the company. The day to day operations of the company are managed by the Nursery Manager, Deputy Manager and an Office Manager.

The Trustees have plans to re-establish a fundraising sub-committee to organise and plan fundraising activities.

e. Risk management

The Trustees have reviewed the major risks to the company in accordance with the Statement of Recommended Practice and do not consider there are any significant matters of concern.

The Nursery had a full team and full head count in the year however, we cannot ignore the current pressures the industry is facing - higher cost of living and wage increases, government funding is not in line with current times and recruitment and retention of childcare workers is on the decline nationally. To manage these risks, the Trustees closely monitor costs and staffing and have a recruitment platform should it be required.

Plans for future periods

To continue to increase the profile of the nursery through local advertising and via social media (namely a public Facebook page).

Maintain a constant uptake of new Trustees as we recognise the issue that some Trustees wish to leave post when their child leaves nursery for school.

To continue to review the fee structure including meal charges to keep up with the national minimum / living wage increases.

To work towards obtaining an 'outstanding' Ofsted rating.

To act on the essential requirements needed for the ongoing failing septic tank situation, which is currently under investigation.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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



T Allard

Date: 30 May 2023

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

Independent Examiner's Report to the Trustees of Rainbow Children's Nursery Limited ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 August 2022.

Responsibilities and Basis of Report

As the Trustees of the company (and 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 the company's accounts 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 the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a 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.

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.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Signed:



Dated: 30 May 2023

Mr F M E Shippam BSc FCA DChA

MA Partners LLP

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	3	-	-	550
Charitable activities	4	350,223	350,223	296,690
Other trading activities	5	2,315	2,315	15,976
Investments	6	9	9	-
Total income		352,547	352,547	313,216
Expenditure on:				
Raising funds	7	170	170	-
Charitable activities	8	352,113	352,113	310,194
Total expenditure		352,283	352,283	310,194
Net movement in funds		264	264	3,022
Reconciliation of funds:				
Total funds brought forward		122,951	122,951	119,929
Net movement in funds		264	264	3,022
Total funds carried forward		123,215	123,215	122,951

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

The notes on pages 12 to 23 form part of these financial statements.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 03835684

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	143,425	147,831
		<u>143,425</u>	<u>147,831</u>
Current assets			
Debtors	13	13,135	22,760
Investments	14	255	255
Cash at bank and in hand		52,857	55,152
		<u>66,247</u>	<u>78,167</u>
Creditors: amounts falling due within one year	15	(20,781)	(31,298)
		<u>45,466</u>	<u>46,869</u>
Total assets less current liabilities		188,891	194,700
Creditors: amounts falling due after more than one year	16	(65,676)	(71,749)
Total net assets		123,215	122,951
Charity funds			
Restricted funds	17	-	-
Unrestricted funds	17	123,215	122,951
Total funds		123,215	122,951

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

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

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

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

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 03835684

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

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



T Allard

Date: 30 May 2023

The notes on pages 12 to 23 form part of these financial statements.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Company status

The company is a company limited by guarantee and a company incorporated in England and Wales. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Rainbow Children's Nursery Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

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

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

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

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

2.4 Tangible fixed assets and depreciation

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

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.4 Tangible fixed assets and depreciation (continued)

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2% straight line
Property improvements	- 10% straight line
Office equipment	- 25% reducing balance / straight line
Computer equipment	- 25% straight line

2.5 Debtors

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

2.6 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.7 Liabilities and provisions

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

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

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

2.8 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.10 Fund accounting

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

3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donations	-	-	550
	<u> </u>	<u> </u>	<u> </u>

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Fees rendered	222,120	222,120	187,989
Grants received	128,103	128,103	108,701
	<u> </u>	<u> </u>	<u> </u>
	<u>350,223</u>	<u>350,223</u>	<u>296,690</u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Fundraising income	1,839	1,839	1,181
Furlough income	476	476	14,795
	<u>2,315</u>	<u>2,315</u>	<u>15,976</u>

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Investment income	9	9	-
	<u>9</u>	<u>9</u>	<u>-</u>

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Costs of generating voluntary income	170	170	-
	<u>170</u>	<u>170</u>	<u>-</u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Nursery activities	330,497	21,616	352,113	310,194
<i>Total 2021</i>	<u>291,846</u>	<u>18,348</u>	<u>310,194</u>	

Analysis of direct costs

	Total funds 2022 £	<i>Total funds 2021 £</i>
Staff costs	264,426	253,336
Water	817	449
Equipment hire	6,489	3,591
Insurance	2,955	2,795
Bad debts	4,062	182
Light and heat	8,412	5,938
Property repairs and maintenance	7,622	4,078
Meals and refreshments	9,299	8,303
Temporary staff costs	1,998	-
Consumables and equipment	7,319	5,037
Hygiene and cleaning	17,098	8,137
	<u>330,497</u>	<u>291,846</u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	<i>Total funds 2021 £</i>
Depreciation	6,546	6,962
Telephone	887	602
Postage and stationery	2,160	2,777
Sundry expenses	363	223
Bank charges and interest	219	308
Advertising	827	-
Subscriptions	952	770
Legal and professional fees	390	343
Computer costs	3,351	1,884
Loan interest payable	1,725	1,491
Training	579	772
Loss on disposal of fixed assets	107	-
Governance costs	3,510	2,216
	21,616	18,348

9. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £900 (2021 - £850), and other accountancy fees of £1,470 (2021 - £1,067).

10. Staff costs

	2022 £	<i>2021 £</i>
Wages and salaries	249,668	238,801
Social security costs	10,180	10,618
Contribution to defined contribution pension schemes	4,578	3,917
	264,426	253,336

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Staff costs (continued)

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

	2022	<i>2021</i>
	No.	<i>No.</i>
Managers and supervisors	5	<i>5</i>
Nursery nurses, assistants and cooks	13	<i>11</i>
Administration	1	<i>1</i>
	19	<i>17</i>

No employee received remuneration amounting to more than £60,000 in either year.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2021 - £NIL*).

During the year ended 31 August 2022, no Trustee expenses have been incurred (*2021 - £NIL*).

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

12. Tangible fixed assets

	Freehold property £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2021	248,257	44,378	5,566	298,201
Additions	-	1,425	822	2,247
Disposals	-	(6,083)	-	(6,083)
At 31 August 2022	<u>248,257</u>	<u>39,720</u>	<u>6,388</u>	<u>294,365</u>
Depreciation				
At 1 September 2021	101,516	43,582	5,272	150,370
Charge for the year	6,035	284	227	6,546
On disposals	-	(5,976)	-	(5,976)
At 31 August 2022	<u>107,551</u>	<u>37,890</u>	<u>5,499</u>	<u>150,940</u>
Net book value				
At 31 August 2022	<u><u>140,706</u></u>	<u><u>1,830</u></u>	<u><u>889</u></u>	<u><u>143,425</u></u>
At 31 August 2021	<u><u>146,741</u></u>	<u><u>796</u></u>	<u><u>294</u></u>	<u><u>147,831</u></u>

13. Debtors

	2022 £	2021 £
Due within one year		
Trade debtors	11,680	21,349
Other debtors	455	-
Prepayments and accrued income	1,000	1,411
	<u><u>13,135</u></u>	<u><u>22,760</u></u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

14. Current asset investments

	2022 £	2021 £
Unlisted investments	255	255

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loan	6,237	6,592
Trade creditors	8,087	16,464
Other taxation and social security	3,157	1,116
Other creditors	1,056	865
Accruals and deferred income	2,244	6,261
	20,781	31,298
	2022 £	2021 £
Deferred income at 1 September 2021	4,171	3,455
Resources deferred during the year	-	4,171
Amounts released from previous periods	(4,171)	(3,455)
	-	4,171

The bank loan is secured by a legal charge over the freehold property.

16. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loan	65,676	71,749

The bank loan is being repaid monthly, there was a mortgage holiday up to the end of March 2021 where the mortgage was interest only.

The bank loan is secured by a legal charge over the freehold property.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds

Statement of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
Unrestricted funds				
General Funds	<u>122,951</u>	<u>352,547</u>	<u>(352,283)</u>	<u>123,215</u>

Statement of funds - prior year

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2021 £</i>
Unrestricted funds				
General Funds	<u>119,929</u>	<u>313,216</u>	<u>(310,194)</u>	<u>122,951</u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. Summary of funds

Summary of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
General funds	122,951	352,547	(352,283)	123,215

Summary of funds - prior year

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2021 £</i>
General funds	119,929	313,216	(310,194)	122,951

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	143,425	143,425
Current assets	66,247	66,247
Creditors due within one year	(20,781)	(20,781)
Creditors due in more than one year	(65,676)	(65,676)
Total	123,215	123,215

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	147,831	147,831
Current assets	78,167	78,167
Creditors due within one year	(31,298)	(31,298)
Creditors due in more than one year	(71,749)	(71,749)
Total	<u>122,951</u>	<u>122,951</u>

20. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. No amounts were payable to the fund at the balance sheet date.

21. Related party transactions

The company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the company at 31 August 2022.

RAINBOW CHILDREN'S NURSERY LIMITED

England & Wales - Charity number 1078643

Accounts

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

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RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees	F Lloyd, Chair T Allard J M Botwright V L George (appointed 25 November 2021) A J Marsh (appointed 14 February 2022) N L Edwards (resigned 30 December 2020) J Dolman (resigned 14 February 2022)
Company registered number	03835684
Charity registered number	1078643
Registered office	Station Road Worstead North Walsham Norfolk NR28 9SA
Company secretary	F Lloyd
Accountants	MA Partners LLP Chartered Accountants 7 The Close Norwich Norfolk NR1 4DJ

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements of the Rainbow Children's Nursery Ltd for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

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

Objectives and activities

a. Policies and objectives

In setting objectives and planning activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The principle aims and objectives of the company are to enhance the education of children through the provision of a nursery setting; providing high quality childcare, teaching and learning by adhering to and practicing the standards laid down by the Early Years Foundation Stage on a non-profit basis. Session times will be flexible with the offering of funded places to parents and families including those in financial need.

b. Strategies for achieving objectives

The company will always be aiming to maintain the standard at which it currently runs. To enable this we will maintain staff qualifications and training to ensure best practice is used, new training and qualifications will be accessed where necessary to continuously improve the company going forward. Communication is key to the company's success, with all employees striving for the same goals and outcomes. Ongoing communication with parents / carers supports a positive home and nursery working relationship for the best interests of the child. To obtain sufficient quality resources the company uses a range of fundraising techniques.

c. Activities undertaken to achieve objectives

Staff undertake a variety of training courses, accessing both face to face and online taught training to promote high quality care, teaching and learning. Regular staff meetings take place giving all a voice and encouraging discussion about the setting and continuous development. Fewer fundraising activities have occurred this financial year. The children have been involved in fundraising which engages them in activities such as art that can be sold at a small fee. Tapestry, an online learning portal, is now completed fortnightly for each child, giving parents access to the most recent learning their child has been participating in. Parents are encouraged to add to this from home to make it a shared learning document. Alongside Tapestry, parents view their child's development on the nursery's learning walls.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

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

The company provides very flexible childcare sessions which allow parents to arrange nursery times around work more easily. We aim to provide inclusive childcare for the whole community; working parents, funded places, low income families and SEND children and families. Children have the opportunity to access engaging, inspiring and age appropriate activities alongside social interactions with peers that cannot always be accessed within the home environment; covering all areas of learning and ultimately working towards school readiness.

Achievements and performance

a. Main achievements of the company

The Trustees and management have worked to maintain the nursery that is financially viable and operating well. The Trustees are developing both their own roles and those of the nursery management to maintain and improve this level of operation.

The nursery was inspected by Ofsted on 29 August 2018 and was graded overall "good". This is recognition for the hardworking management and staff team who have worked tirelessly to raise the standards within the nursery. The nursery has set a target to attain an "outstanding" judgement in the next assessment.

In consultation with the nursery management, the nursery has been operating a highly flexible approach to both session times and session uptake. This has allowed the nursery to cater for shift workers with changing shift patterns in addition to parents wanting casual hours childcare.

The Trustees would like to recognise the performance and dedication of the management team in maintaining and improving the standards within the nursery and the service received by our parents.

b. Fundraising activities and income generation

Our usual main open day annual event was put on hold for another year due to the practicalities within the COVID-19 restrictions/guidance, and considering the safety of our children's health.

Fundraisers we achieved with limited opportunities included children's photographs, Christmas raffle, handmade Christmas cards and filling smartie tubes with 20ps. We managed to receive small donations from some parents, Amazon Smile and [easyfundraising.org.uk](https://www.easyfundraising.org.uk).

We intend to re-establish our fundraising committee later in 2022.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company is projected to have sufficient income to meet its financial liabilities as they fall due and for this reason the Trustees continue to adopt the going concern basis in preparing the financial statements.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

b. Reserves policy

It is the intention of the Trustees to build up a level of reserves to enable the company to meet operating expenditure for 2 months, amounting to approximately £50,000. As at 31 August 2021, the company had free reserves (unrestricted funds excluding fixed assets and bank loans) of £53,461.

c. Principal funding

The company's principal funding source is from nursery fees.

d. Financial summary

Income resources amounted to £313,216. After incurring costs of £310,194 the net income for the period amounted to £3,022 as shown on page 8.

In March, our mortgage holiday ceased. Reinstating the fixed element did not have an adverse impact on the cashflow.

The usual fee review alongside wage review was undertaken, and rates were increased accordingly.

We continued to take advantage of the furlough scheme this year, which became less and less utilised as the children returned and as the scheme was being phased out.

Children numbers have been really strong this year, as our usual slow start wasn't prominent due to very low numbers at the end of the last financial year. Parents tended to deem it a safer time to start back at nursery from the new contract year, so numbers were unusually higher. The latter 6 months reflected a 20% increase in fees, which tends to be usual as children settle into the academic year.

e. Investments policy

The company does not have funds available for long term investment and therefore funds not immediately required are on bank deposit.

Structure, governance and management

a. Constitution

The organisation is a charitable company limited by guarantee, incorporated on 3 September 1999 and registered as a charity on 16 December 1999. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

b. Methods of appointment or election of Trustees

The company aims to recruit Trustees with a wide range of business and sector experience from which the company will benefit. Under the Articles of Association, Trustees co-opted during the year must stand down at the AGM and stand for re-election. One third of the Trustees must retire at each AGM.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

c. Policies adopted for the induction and training of Trustees

New Trustees are provided with copies of:

- The company's Memorandum and Articles of Association
- The latest accounts of the company
- Charity Commission guidance notes CC3 – "The Essential Trustee"

In addition Trustees are encouraged to read Charity Commission and other newsletters and to attend courses designed to keep them abreast of their duties and responsibilities.

d. Organisational structure and decision making

The Trustees, who virtually meet monthly, administer the company. The day to day operations of the company are managed by the Nursery and Business Manager, Deputy Manager and an Office Manager.

The Trustees have plans to re-establish a fundraising sub-committee to organise and plan fundraising activities.

e. Risk management

The Trustees have reviewed the major risks to the company in accordance with the Statement of Recommended Practice and do not consider there are any significant matters of concern.

Plans for future periods

To continue to increase the profile of the nursery through local advertising and via social media (namely a public Facebook page).

Maintain a constant uptake of new Trustees as we recognise the issue that some Trustees wish to leave post when their child leaves nursery for school.

To continue to review the fee structure including meal charges to keep up with the national minimum / living wage increases.

To work towards obtaining an 'outstanding' Ofsted rating.

To act on the essential requirements needed for the ongoing failing septic tank situation, which is currently under investigation.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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



T Allard

Date: 10.05.22

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Independent Examiner's Report to the Trustees of Rainbow Children's Nursery Limited ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 August 2021.

Responsibilities and Basis of Report

As the Trustees of the company (and 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 the company's accounts 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 the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a 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.

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.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Signed:



Dated: 11 May 2022

Mr F M E Shippam BSc FCA DChA

MA Partners LLP

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Donations and legacies	3	550	550	17
Charitable activities	4	296,690	296,690	254,294
Other trading activities	5	15,976	15,976	34,919
Investments	6	-	-	73
Total income		313,216	313,216	289,303
Expenditure on:				
Charitable activities		310,194	310,194	294,774
Total expenditure		310,194	310,194	294,774
Net movement in funds		3,022	3,022	(5,471)
Reconciliation of funds:				
Total funds brought forward		119,929	119,929	125,400
Net movement in funds		3,022	3,022	(5,471)
Total funds carried forward		122,951	122,951	119,929

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

The notes on pages 11 to 22 form part of these financial statements.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 03835684

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	147,831	154,605
		<u>147,831</u>	<u>154,605</u>
Current assets			
Debtors	12	22,760	4,917
Investments	13	255	255
Cash at bank and in hand		55,152	53,792
		<u>78,167</u>	<u>58,964</u>
Creditors: amounts falling due within one year	14	(31,298)	(15,184)
Net current assets		<u>46,869</u>	<u>43,780</u>
Total assets less current liabilities		<u>194,700</u>	<u>198,385</u>
Creditors: amounts falling due after more than one year	15	(71,749)	(78,456)
Total net assets		<u>122,951</u>	<u>119,929</u>
Charity funds			
Restricted funds	16	-	-
Unrestricted funds	16	122,951	119,929
Total funds		<u>122,951</u>	<u>119,929</u>

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

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

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

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

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 03835684

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

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



T Allard

Date: 10.05.22

The notes on pages 11 to 22 form part of these financial statements.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Company status

The company is a company limited by guarantee and a company incorporated in England and Wales. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Rainbow Children's Nursery Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

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

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

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

2.4 Tangible fixed assets and depreciation

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

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.4 Tangible fixed assets and depreciation (continued)

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2% straight line
Property improvements	- 10% straight line
Office equipment	- 25% reducing balance / straight line
Computer equipment	- 25% straight line

2.5 Debtors

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

2.6 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.7 Liabilities and provisions

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

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

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

2.8 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Accounting policies (continued)

2.10 Fund accounting

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

3. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations	550	550	17
	<u>550</u>	<u>550</u>	<u>17</u>

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Fees rendered	187,989	187,989	137,259
Grants received	108,701	108,701	117,035
	<u>296,690</u>	<u>296,690</u>	<u>254,294</u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Fundraising income	1,181	1,181	1,226
Furlough income	14,795	14,795	33,693
	<u>15,976</u>	<u>15,976</u>	<u>34,919</u>

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Investment income	-	-	73

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Nursery activities	291,846	18,348	310,194	294,774
<i>Total 2020</i>	275,446	19,328	294,774	

Analysis of direct costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	253,336	233,899
Meals and refreshments	8,303	5,282
Hygiene and cleaning	8,137	6,833
Light and heat	5,938	8,081
Consumables and equipment	5,037	5,735
Property repairs and maintenance	4,078	7,855
Equipment hire	3,591	3,384
Insurance	2,795	2,627
Water	449	584
Bad debts	182	1,100
Sundry expenses	-	66
	291,846	275,446

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Depreciation	6,962	7,019
Postage and stationery	2,777	1,314
Governance costs	2,216	2,435
Computer costs	1,884	972
Loan interest payable	1,491	1,832
Training	772	894
Subscriptions	770	1,068
Telephone	602	1,892
Legal and professional fees	343	513
Bank charges and interest	308	334
Sundry expenses	223	145
Advertising	-	910
	18,348	19,328

8. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £850 (2020 - £850), and other accountancy fees of £1,067 (2020 - £1,070).

9. Staff costs

	2021 £	<i>2020 £</i>
Wages and salaries	238,801	218,794
Social security costs	10,618	11,442
Contribution to defined contribution pension schemes	3,917	3,663
	253,336	233,899

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

9. Staff costs (continued)

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

	2021	<i>2020</i>
	No.	<i>No.</i>
Managers and supervisors	5	<i>4</i>
Nursery nurses, assistants and cooks	11	<i>10</i>
Administration	1	<i>1</i>
	17	<i>15</i>

No employee received remuneration amounting to more than £60,000 in either year.

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2020 - £NIL*).

During the year ended 31 August 2021, no Trustee expenses have been incurred (*2020 - £NIL*).

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. Tangible fixed assets

	Freehold property £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2020	248,257	44,378	5,378	298,013
Additions	-	-	188	188
At 31 August 2021	<u>248,257</u>	<u>44,378</u>	<u>5,566</u>	<u>298,201</u>
Depreciation				
At 1 September 2020	94,983	43,317	5,108	143,408
Charge for the year	6,533	265	164	6,962
At 31 August 2021	<u>101,516</u>	<u>43,582</u>	<u>5,272</u>	<u>150,370</u>
Net book value				
At 31 August 2021	<u>146,741</u>	<u>796</u>	<u>294</u>	<u>147,831</u>
At 31 August 2020	<u>153,274</u>	<u>1,061</u>	<u>270</u>	<u>154,605</u>

12. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	21,349	4,359
Prepayments and accrued income	1,411	558
	<u>22,760</u>	<u>4,917</u>

13. Current asset investments

	2021 £	2020 £
Unlisted investments	<u>255</u>	<u>255</u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank loan	6,592	2,597
Trade creditors	16,464	4,386
Other taxation and social security	1,116	2,751
Other creditors	865	-
Accruals and deferred income	6,261	5,450
	31,298	15,184
	31,298	15,184
	2021 £	2020 £
Deferred income at 1 September 2020	3,455	3,921
Resources deferred during the year	4,171	3,455
Amounts released from previous periods	(3,455)	(3,921)
	4,171	3,455
	4,171	3,455

The bank loan is secured by a legal charge over the freehold property.

15. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loan	71,749	78,456
	71,749	78,456

The bank loan is being repaid monthly, there was a mortgage holiday during the year up to the end of March 2021 where the mortgage was interest only.

The bank loan is secured by a legal charge over the freehold property.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. Statement of funds

Statement of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
Unrestricted funds				
General Funds	119,929	313,216	(310,194)	122,951

Statement of funds - prior year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds				
General Funds	<i>125,394</i>	<i>289,303</i>	<i>(294,768)</i>	<i>119,929</i>
Restricted funds				
Out of School Club	<i>6</i>	<i>-</i>	<i>(6)</i>	<i>-</i>
Total of funds	125,400	289,303	(294,774)	119,929

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Summary of funds

Summary of funds - current year

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
General funds	119,929	313,216	(310,194)	122,951

Summary of funds - prior year

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2020 £</i>
General funds	125,394	289,303	(294,768)	119,929
Restricted funds	6	-	(6)	-
	<u>125,400</u>	<u>289,303</u>	<u>(294,774)</u>	<u>119,929</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	147,831	147,831
Current assets	78,167	78,167
Creditors due within one year	(31,298)	(31,298)
Creditors due in more than one year	(71,749)	(71,749)
Total	<u>122,951</u>	<u>122,951</u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	154,605	154,605
Current assets	58,964	58,964
Creditors due within one year	(15,184)	(15,184)
Creditors due in more than one year	(78,456)	(78,456)
Total	<u>119,929</u>	<u>119,929</u>

19. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. No amounts were payable to the fund at the balance sheet date.

20. Related party transactions

The Rainbow Children's Nursery Ltd has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Rainbow Children's Nursery Ltd at 31 August 2021.

RAINBOW CHILDREN'S NURSERY LIMITED

England & Wales - Charity number 1078643

Accounts

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

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RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2020**

Trustees	S Radford, Chair (resigned 12 November 2019) N L Edwards (appointed 20 November 2019, resigned 30 December 2020) J Dolman T Allard F Lloyd, Chair J M Botwright
Company registered number	03835684
Charity registered number	1078643
Registered office	Station Road Worstead North Walsham Norfolk NR28 9SA
Company secretary	F Lloyd
Accountants	MA Partners LLP Chartered Accountants 7 The Close Norwich Norfolk NR1 4DJ

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements of the company for the year 1 September 2019 to 31 August 2020. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1.

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

Objectives and activities

a. Policies and objectives

In setting objectives and planning activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The principle aims and objectives of the company are to enhance the education of children through the provision of a nursery setting; providing high quality childcare, teaching and learning by adhering to and practicing the standards laid down by the Early Years Foundation Stage on a non-profit basis. Session times will be flexible with the offering of funded places to parents and families including those in financial need.

b. Strategies for achieving objectives

The company will always be aiming to maintain the standard at which it currently runs. To enable this we will maintain staff qualifications and training to ensure best practice is used, new training and qualifications will be accessed where necessary to continuously improve the company going forward. Communication is key to the company's success, with all employees striving for the same goals and outcomes. Ongoing communication with parents / carers supports a positive home and nursery working relationship for the best interests of the child. To obtain sufficient quality resources the company uses a range of fundraising techniques.

c. Activities undertaken to achieve objectives

Staff undertake a variety of training courses, accessing both face to face and online taught training to promote high quality care, teaching and learning. Regular staff meetings take place giving all a voice and encouraging discussion about the setting and continuous development. Many fundraising activities are undertaken such as quiz nights and raffles, the children also become involved in fundraising by engaging in activities such as arts and crafts which can be sold at a small fee. Tapestry, an online learning journal, is completed weekly for each child, giving parents access to the most recent learning their child has been participating in. Parents are encouraged to add to this from home to make it a shared learning document.

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

The company provides very flexible childcare sessions which allow parents to arrange nursery times around work more easily. We aim to provide inclusive childcare for the whole community; working parents, funded places, low income families and SEND children and families. Children have the opportunity to access engaging, inspiring and age appropriate activities alongside social interactions with peers that cannot always be accessed within the home environment; covering all areas of learning and ultimately working towards school readiness.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Achievements and performance

a. Main achievements of the company

The Trustees and management have worked to maintain the nursery that is financially viable and operating well. The Trustees are developing both their own roles and those of the nursery management to maintain and improve this level of operation.

The nursery was inspected by Ofsted on 29 August 2018 and was graded overall "good". This is recognition for the hardworking management and staff team who have worked tirelessly to raise the standards within the nursery. The nursery has set a target to attain an "outstanding" judgement in the next assessment.

In consultation with the nursery management, the nursery has been operating a highly flexible approach to both session times and session uptake. This has allowed the nursery to cater for shift workers with changing shift patterns in addition to parents wanting casual hours childcare.

The Trustees would like to recognise the performance and dedication of the management team in maintaining and improving the standards within the nursery and the service received by our parents.

b. Fundraising activities and income generation

Our usual main open day annual event was unavoidably cancelled. We were fortunate enough to have a donation from Waitrose early in the year.

Fundraisers we achieved in limited circumstances included a quiz night, halloween party, raffles, easyfundraising.org, christmas cards, a colouring competition and a fun 'guess how many sweets were in the jar.'

Our fundraising committee was put on hold this year.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company is projected to have sufficient income to meet its financial liabilities as they fall due and for this reason the Trustees continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

It is the intention of the Trustees to build up a level of reserves to enable the company to meet operating expenditure for 2 months, amounting to approximately £50,000. As at 31 August 2020, the company had free reserves (unrestricted funds excluding fixed assets and bank loans) of £46,377.

c. Principal funding

The company's principal funding source is from nursery fees.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

d. Financial summary

Income resources amounted to £289,303. After incurring costs of £294,774 the net expense for the period amounted to £5,471 as shown on page 8.

During the year, at the point the nursery closed, we took advantage of the offered 12 month payment holiday on our mortgage. The interest element of £125 was still due and proving manageable.

When COVID-19 started, we furloughed as many of our staff as possible. As and when it was allowable, we reintroduced children and staff gradually, keeping within expected limits and guidance. The staffing ratios were maintained within the Ofsted regulations.

Children numbers declined sharply in September 2019 in line with the normal trend. As a result of the pandemic, we had no children in April and May and numbers were not at our usual high capacity in June, July and August. Please note that this position changed significantly in the next financial year, starting from an approximate 30% increase from September 2020.

e. Investments policy

The company does not have funds available for long term investment and therefore funds not immediately required are on bank deposit.

Structure, governance and management

a. Constitution

The organisation is a charitable company limited by guarantee, incorporated on 3 September 1999 and registered as a charity on 16 December 1999. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

b. Methods of appointment or election of Trustees

The company aims to recruit Trustees with a wide range of business and sector experience from which the company will benefit. Under the Articles of Association, Trustees co-opted during the year must stand down at the AGM and stand for re-election. One third of the Trustees must retire at each AGM.

c. Policies adopted for the induction and training of Trustees

New Trustees are provided with copies of:

- The company's Memorandum and Articles of Association
- The latest accounts of the company
- Charity Commission guidance notes CC3 – "The Essential Trustee"

In addition Trustees are encouraged to read Charity Commission and other newsletters and to attend courses designed to keep them abreast of their duties and responsibilities.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

d. Organisational structure and decision making

The Trustees, who meet monthly, administer the company. The day to day operations of the company are managed by the Nursery and Business Manager, Deputy Manager and an Office Manager.

The Trustees have plans to re-establish a fundraising sub-committee to organise and plan fundraising activities.

e. Risk management

The Trustees have reviewed the major risks to the company in accordance with the Statement of Recommended Practice and do not consider there are any significant matters of concern.

Plans for future periods

To continue to increase the profile of the nursery through local advertising and via social media (namely a public Facebook page).

Maintain a constant uptake of new Trustees as we recognise the issue that some Trustees wish to leave post when their child leaves nursery for school.

To continue to review the fee structure including meal charges to keep up with the national minimum / living wage increases.

To work towards obtaining an 'outstanding' Ofsted rating.

To review the feasibility of extending our baby room capacity.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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



T Allard

Date: 19/05/21

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

Independent Examiner's Report to the Trustees of Rainbow Children's Nursery Limited ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 August 2020.

Responsibilities and Basis of Report

As the Trustees of the company (and 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 the company's accounts 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 the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a 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.

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.

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

Signed:



Dated: 21st May 2021

Mr F M E Shippam BSc FCA DChA

MA Partners LLP

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and legacies	3	-	17	17	-
Charitable activities	4	-	254,294	254,294	284,321
Other trading activities	5	-	34,919	34,919	1,930
Investments	6	-	73	73	52
Total income		-	289,303	289,303	286,303
Expenditure on:					
Raising funds	7	-	-	-	574
Charitable activities		6	294,768	294,774	275,824
Total expenditure		6	294,768	294,774	276,398
Net movement in funds		(6)	(5,465)	(5,471)	9,905
Reconciliation of funds:					
Total funds brought forward		6	125,394	125,400	115,495
Net movement in funds		(6)	(5,465)	(5,471)	9,905
Total funds carried forward		-	119,929	119,929	125,400

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

The notes on pages 11 to 22 form part of these financial statements.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 03835684

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	154,605	161,405
		<u>154,605</u>	<u>161,405</u>
Current assets			
Debtors	13	4,917	6,432
Investments	14	255	255
Cash at bank and in hand		53,792	56,680
		<u>58,964</u>	<u>63,367</u>
Creditors: amounts falling due within one year	15	(15,184)	(20,831)
		<u>43,780</u>	<u>42,536</u>
Net current assets		43,780	42,536
Total assets less current liabilities		198,385	203,941
Creditors: amounts falling due after more than one year	16	(78,456)	(78,541)
Total net assets		119,929	125,400
Charity funds			
Restricted funds	17	-	6
Unrestricted funds	17	119,929	125,394
Total funds		119,929	125,400

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: 03835684

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

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

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

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

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

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



T Allard

19.05.21

Date:

The notes on pages 11 to 22 form part of these financial statements.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Company status

The company is a company limited by guarantee and a company incorporated in England and Wales. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Rainbow Children's Nursery Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Income

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

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

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

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

2.4 Tangible fixed assets and depreciation

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

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.4 Tangible fixed assets and depreciation (continued)

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2% straight line
Property improvements	- 10% straight line
Office equipment	- 25% reducing balance / straight line
Computer equipment	- 25% straight line

2.5 Debtors

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

2.6 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.7 Liabilities and provisions

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

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

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

2.8 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.9 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

2. Accounting policies (continued)

2.10 Fund accounting

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

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

3. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Donations	17	17	-

4. Income from charitable activities

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Fees rendered	137,259	137,259	177,402
Grants received	117,035	117,035	106,919
	<u>254,294</u>	<u>254,294</u>	<u>284,321</u>

RAINBOW CHILDREN'S NURSERY LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Fundraising income	1,226	1,226	1,930
Furlough income	33,693	33,693	-
	<u>34,919</u>	<u>34,919</u>	<u>1,930</u>

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Investment income	73	73	52
	<u>73</u>	<u>73</u>	<u>52</u>

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Costs of generating voluntary income	-	-	574
	<u>-</u>	<u>-</u>	<u>574</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Nursery activities	275,446	19,328	294,774	275,824
<i>Total 2019</i>	254,500	21,324	275,824	

Analysis of direct costs

	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	233,899	213,267
Light and heat	8,081	6,419
Property repairs and maintenance	7,855	6,201
Hygiene and cleaning	6,833	7,785
Consumables and equipment	5,735	4,439
Meals and refreshments	5,282	7,443
Equipment hire	3,384	5,558
Insurance	2,627	2,607
Bad debts	1,100	220
Water	584	561
Sundry expenses	64	-
	275,446	254,500

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £	<i>Total funds 2019 £</i>
Depreciation	7,019	7,243
Governance costs	2,435	1,917
Telephone	1,892	2,657
Loan interest payable	1,832	2,206
Subscriptions	1,068	1,220
Postage and stationery	1,314	1,471
Computer costs	972	2,965
Advertising	910	437
Training	894	534
Legal and professional fees	513	73
Bank charges and interest	334	368
Sundry expenses	145	232
	<u>19,328</u>	<u>21,324</u>

9. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £850 (2019 - £850), and other accountancy fees of £1,067 (2019 - £1,070).

10. Staff costs

	2020 £	<i>2019 £</i>
Wages and salaries	218,794	201,099
Social security costs	11,442	8,412
Contribution to defined contribution pension schemes	3,663	3,756
	<u>233,899</u>	<u>213,267</u>

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10. Staff costs (continued)

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

	2020	<i>2019</i>
	No.	<i>No.</i>
Managers and supervisors	5	<i>4</i>
Nursery nurses, assistants and cooks	11	<i>10</i>
Administration	1	<i>1</i>
	17	<i>15</i>

No employee received remuneration amounting to more than £60,000 in either year.

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2019 - £NIL*).

During the year ended 31 August 2020, no Trustee expenses have been incurred (*2019 - £NIL*).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

12. Tangible fixed assets

	Freehold property £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2019	248,257	44,218	5,319	297,794
Additions	-	160	59	219
At 31 August 2020	<u>248,257</u>	<u>44,378</u>	<u>5,378</u>	<u>298,013</u>
Depreciation				
At 1 September 2019	88,450	42,959	4,980	136,389
Charge for the year	6,533	358	128	7,019
At 31 August 2020	<u>94,983</u>	<u>43,317</u>	<u>5,108</u>	<u>143,408</u>
Net book value				
At 31 August 2020	<u>153,274</u>	<u>1,061</u>	<u>270</u>	<u>154,605</u>
At 31 August 2019	<u>159,806</u>	<u>1,260</u>	<u>339</u>	<u>161,405</u>

13. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	4,359	6,090
Prepayments and accrued income	558	342
	<u>4,917</u>	<u>6,432</u>

14. Current asset investments

	2020 £	2019 £
Unlisted investments	<u>255</u>	<u>255</u>

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FOR THE YEAR ENDED 31 AUGUST 2020

15. Creditors: Amounts falling due within one year

	2020	<i>2019</i>
	£	£
Bank loan	2,597	6,125
Trade creditors	4,386	6,219
Other taxation and social security	2,751	2,631
Accruals and deferred income	5,450	5,856
	15,184	<i>20,831</i>
	2020	<i>2019</i>
	£	£
Deferred income at 1 September 2019	3,921	3,529
Resources deferred during the year	3,455	3,921
Amounts released from previous periods	(3,921)	<i>(3,529)</i>
	3,455	<i>3,921</i>

The bank loan is secured by a legal charge over the freehold property.

16. Creditors: Amounts falling due after more than one year

	2020	<i>2019</i>
	£	£
Bank loan	78,456	<i>78,541</i>

The bank loan is being repaid monthly, there was a mortgage holiday during the year up to the end of March 2021 where the mortgage was interest only.

The bank loan is secured by a legal charge over the freehold property.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17. Statement of funds

Statement of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
Unrestricted funds				
General Funds	<u>125,394</u>	<u>289,303</u>	<u>(294,768)</u>	<u>119,929</u>
Restricted funds				
Out of School Club	<u>6</u>	<u>-</u>	<u>(6)</u>	<u>-</u>
Total of funds	<u><u>125,400</u></u>	<u><u>289,303</u></u>	<u><u>(294,774)</u></u>	<u><u>119,929</u></u>

Statement of funds - prior year

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2019 £</i>
Unrestricted funds				
General Funds	<u>115,487</u>	<u>286,303</u>	<u>(276,396)</u>	<u>125,394</u>
Restricted funds				
Out of School Club	<u>8</u>	<u>-</u>	<u>(2)</u>	<u>6</u>
Total of funds	<u><u>115,495</u></u>	<u><u>286,303</u></u>	<u><u>(276,398)</u></u>	<u><u>125,400</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Summary of funds

Summary of funds - current year

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
General funds	125,394	289,303	(294,768)	119,929
Restricted funds	6	-	(6)	-
	<u>125,400</u>	<u>289,303</u>	<u>(294,774)</u>	<u>119,929</u>

Summary of funds - prior year

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 August 2019 £</i>
General funds	115,487	286,303	(276,396)	125,394
Restricted funds	8	-	(2)	6
	<u>115,495</u>	<u>286,303</u>	<u>(276,398)</u>	<u>125,400</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	154,605	154,605
Current assets	58,964	58,964
Creditors due within one year	(12,587)	(12,587)
Creditors due in more than one year	(81,053)	(81,053)
Total	<u>119,929</u>	<u>119,929</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Restricted funds 2019 £</i>	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	6	161,399	161,405
Current assets	-	63,368	63,368
Creditors due within one year	-	(20,832)	(20,832)
Creditors due in more than one year	-	(78,541)	(78,541)
Total	<u>6</u>	<u>125,394</u>	<u>125,400</u>

20. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. No amounts were payable to the fund at the balance sheet date.

21. Related party transactions

The company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the company at 31 August 2020.