
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
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**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
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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.

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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.

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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.

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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.

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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
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**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
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**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
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REGISTERED NUMBER: 03835684

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	154,605	161,405
		154,605	161,405
Current assets			
Debtors	13	4,917	6,432
Investments	14	255	255
Cash at bank and in hand		53,792	56,680
		58,964	63,367
Creditors: amounts falling due within one year	15	(15,184)	(20,831)
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
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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
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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.

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**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.

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**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>

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**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

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

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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 £	Total funds 2019 £
Nursery activities	275,446	19,328	294,774	275,824
<i>Total 2019</i>	<i>254,500</i>	<i>21,324</i>	<i>275,824</i>	

Analysis of direct costs

	Total funds 2020 £	Total funds 2019 £
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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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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
	19,328	<i>21,324</i>

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
	233,899	<i>213,267</i>

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

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>
	<hr/> 17 <hr/>	<hr/> <i>15</i> <hr/>

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

15. Creditors: Amounts falling due within one year

	2020 £	2019 £
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
	<u>15,184</u>	<u>20,831</u>
	2020 £	2019 £
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)	(3,529)
	<u>3,455</u>	<u>3,921</u>

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

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

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

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	125,394	289,303	(294,768)	119,929
Restricted funds				
Out of School Club	6	-	(6)	-
Total of funds	125,400	289,303	(294,774)	119,929

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	115,487	286,303	(276,396)	125,394
Restricted funds				
Out of School Club	8	-	(2)	6
Total of funds	115,495	286,303	(276,398)	125,400

RAINBOW CHILDREN'S NURSERY LIMITED
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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

	Balance at 1 September 2018 £	Income £	Expenditure £	Balance at 31 August 2019 £
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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FOR THE YEAR ENDED 31 AUGUST 2020**

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.