

**RAINBOW COMMUNITY NURSERY
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND ACCOUNTS
YEAR ENDED 31ST MARCH 2022**

**CHARITY REGISTRATION NO: 1085201
COMPANY REGISTRATION NO: 04088580**

**RAINBOW COMMUNITY NURSERY
FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2022**

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**RAINBOW COMMUNITY NURSERY
LEGAL AND ADMINISTRATIVE INFORMATION
YEAR ENDED 31ST MARCH 2022**

CHARITY REGISTRATION NUMBER: 1085201

COMPANY REGISTRATION NUMBER: 4088580

REGISTERED OFFICE: Yorkshire Grove Estate
22-26 Nevill Road
Stoke Newington
London N16 8SP

TRUSTEES: Deirdre Scantlebury
Diane Abbott
Chris Lane
Adam Hart

DIRECTORS: Deirdre Scantlebury
Marva Antoine

ACCOUNTANTS Allen Robyn & Associates Ltd
Chartered Certified Accountants
367 Caledonian Road
London
N7 9DQ

**RAINBOW COMMUNITY NURSERY
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31ST MARCH 2022**

The Trustees present their report with the financial statements of the charity for the year ended 31st March 2022 and confirm they comply with the requirements of the Charities Act 2011, the trust deed and the Charities SORP (FRS 102)

Purpose and Aims

Our Charity's purpose as set in the objects contained in the company memorandum of association are to:

1. Provide full-time and part-time day care facilities and education for children between the ages of six months to 5 years.
2. To educate the public in promoting and improvising nursery facilities within the community.
3. To advance education and training in childcare

Ensuring our work delivers our aims

The main objectives of the charity are to provide affordable childcare to low income and working parents, providing a supportive environment for the children and parents/carers. Create a range of stimulating child centred activities that will support development needs and abilities and values their cultural background whilst challenging their learning capabilities.

The provision has consistently achieved Outstanding and good status in its OFSTED inspection

Public Benefit statement

The company meets the Charity Commission public benefit criteria under both the advancement of children's education in the local area and of community development objectives. The trustees have complied with the duty on section 14 of the Charity Act 2011 with regards to public benefit guidance published by Charities Commission.

Achievements

Working in partnership with parents, carers and families is an integral part of Rainbow Nursery; it has formed the foundation of the nursery and takes pride in valuing and respecting the influential and enduring contribution they make to their children's development, well-being and learning. However, we have identified with the Covid restrictions being lifted that the early years team needed to reconnect with children's parents and their families. Some of the actions we have implemented are encouraging the parents and their families to attend a range of stay-and-play activities in their key groups. We have hosted a bilingual forum for parents to discuss how we can support their children's home language. The feedback back from all of our new initiatives has been very positive and welcoming for similar activities/events.

Covid-19

The nursery has faced some very challenging times during the pandemic. On the 23 March – 29 May the nursery partially closed and was only open to critical workers. This had a great impact on the nursery's financial stability. We had to implement a range of strategies on the sustainability of the nursery and change our operational systems to meet the government guidelines.

**RAINBOW COMMUNITY NURSERY
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31ST MARCH 2022**

Some actions we put in place were:

- Covid policy and procedure/risk assessment
- Parents are not allowed access into the nursery
- Social Distancing
- Covid-19 rapid testing

Activities for the year

Rainbow provides a safe, welcoming, purposeful, stimulating and encouraging environment where children feel confident and secure and are able to develop and learn. This is evident within the setting and reflective in our high demand for nursery places and at present we are at full capacity.

The nursery accommodates 47 children a day ranging from 3 months – 5 years of age. The nursery provides a range of stimulating, child centred activities which are both child-led and adult-initiated experiences, activities and play opportunities indoor, outdoor and in out of setting contexts, which enable the children to achieve these goals.

Some of the activities the children participate in are:

- *Yoga*
- *Forest school*
- *Tiny*
- *Symphonies*

Children's learning outcomes

To nursery strives to improve the learning outcomes for the children by focusing on 3 key areas. These were Mathematics (Numbers, space and measure), Personal, Social and Emotional development (Self-confidence and self awareness) and Communication and To support the children in these key areas the practitioners provided a range of stimulating activities that developed their mathematical understanding and the use of language. To also encourage the children to express themselves confidently with their peers.

Working in partnership with parents/carers

Working in partnership with parents, carers and families is an integral part of Rainbow Nursery; it has formed the foundation of the nursery and takes pride in valuing and respecting the influential and enduring contribution they make to their children's development, well-being and learning.

The nursery regularly runs workshops which promote the seven areas of learning. Families are invited to attend these workshops and gain ideas on how to support their child at home. Some of the many workshops at the nursery have included, Toilet training, Sing and Sign and supporting children who are bilingual.

**RAINBOW COMMUNITY NURSERY
REPORT OF THE TRUSTEES
YEAR ENDED 31ST MARCH 2022**

Safeguarding

The nursery is aware of the important role current legal requirements, national policies and guidance on health and safety, safeguarding and promoting the well-being of children and their implications for the early years setting. Through a range of effective policies and procedures the nursery outlines the fundamental role in keeping children healthy and safe and promoting their well-being. The Early Years Team are up to date with current legislation on child protection and safeguarding procedures. For example, staff and the management committee have had training on Prevent Duty.

The nursery has clear and effective policies and procedures in place that explore in-depth the necessary documentation on safeguarding

The Early Years Team

The Early Years team are very unique and individually bring an array of valued skills and contributions to stimulate the nursery environment. For example, the nursery has employed a diverse team who are skilled in speaking different languages and are a great support mechanism to families where English is their second language.

They consistently work collaboratively and cooperatively with colleagues and other adults to enhance children's welfare, development and learning. Great emphasis is placed on building and developing the individual to their full potential. It is important to develop an enthusiastic and committed early years team that have a firm foundation and mutual goals to strive towards.

To support the staff in their professional development the nursery provides a range of internal and external training to influence and shape policies and practices of the setting and share collective responsibility to their implementation.

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 17th October 2000 and registered as a charity on 23rd February 2001. The company was established under a Memorandum of Association. In event of the company being wound up, members are required to contribute an amount not exceeding £5.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Trustees induction and training

Where there is a need for new Trustees, these will be identified and appointed by the current Trustees. At present there are four Trustees. New trustees are provided with a MC Induction Pack and give appropriate training relating to their role and function.

Reserve policy

The Trustee has established that unrestricted reserves should be between 3 and 6 months expenditure. These reserves are required should there be a considerable reduction in fees. The current level of reserves has not met this target and strategies have been put in place to meet this target within three years.

The Charity's financial statement for the year ended 31st March 2022 shows a net surplus in funds of £57,980 ; 2021 £15,755 Unrestricted reserves at 31st March 2022 is £53,416 : 2021: (£4,462)

**RAINBOW COMMUNITY NURSERY
REPORT OF THE TRUSTEES
YEAR ENDED 31ST MARCH 2022**

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and 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 Charity will continue in business.


The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Accountants

The accountants, Allen Robyn & Associates Ltd will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE TRUSTEES:


.....
D Scantlebury
Director


.....
M Antoine
Director

**RAINBOW COMMUNITY NURSERY
REPORT OF THE INDEPENDENT EXAMINERS
YEAR ENDED 31ST MARCH 2022**

I report on the accounts for the year ended 31st March 2022 set out on pages seven to twelve.

Respective responsibilities of Trustees and Examiner

The Charity's Trustees (who are also the Directors for the purposes of Company Law) are responsible for the preparation of the accounts. The Charity's Trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts 'to be reached.



Rolston Allen FCCA
Allen Robyn & Associates Ltd
Chartered Certified Accountants
367 Caledonian Road
London

N7 9DQ

28th DECEMBER 2022

RAINBOW COMMUNITY NURSERY
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31ST MARCH 2022

7

		Unrestricted	
INCOMING RESOURCES	Notes	2022	2021
<i>Incoming resources from generated funds</i>			
Voluntary Income	2	<u>702,968</u>	<u>536,990</u>
RESOURCES EXPENDED			
Resources Expended to Charitable A	3	580,979	472,053
Governance cost	4	2,800	2,400
Support Costs	5	59,752	45,395
Finance Charges	6	<u>1,457</u>	<u>1,388</u>
TOTAL RESOURCES EXPENDED		<u>644,988</u>	<u>521,235</u>
NET INCOME/EXPENDITURE FOR THE YEAR		£57,980	£15,755
RECONCILIATION OF FUNDS			
Total funds brought forward		<u>420,611</u>	<u>404,856</u>
TOTAL FUND CARRIED FORWARD		<u>£478,591</u>	<u>£420,611</u>

None of the charity's activities were acquired or discontinued during the year and there were no recognised gains and losses other than those included in the statement of financial activities.

The notes on pages 9 to 12 form part of these accounts.

**RAINBOW COMMUNITY NURSERY
STATEMENT OF FINANCIAL POSITION
YEAR ENDED 31ST MARCH 2022**

	<u>Notes</u>	<u>Unrestricted</u> <u>2021</u>	<u>2021</u>
FIXED ASSETS			
Tangible assets	8	<u>351,018</u>	<u>358,486</u>
CURRENT ASSETS			
Debtors		44,296	11,752
Cash at bank and in hand		<u>57,432</u>	<u>38,587</u>
		<u>101,728</u>	<u>50,339</u>
CREDITORS: due within one year	9	<u>(£11,252)</u>	<u>(25,209)</u>
Net Current Assets		<u>£90,476</u>	<u>25,130</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£441,494</u>	<u>£383,616</u>
FUNDS:			
Restricted Funds	10	388,078	388,078
Unrestricted Funds	10	<u>53,416</u>	<u>(4,462)</u>
		<u>£441,494</u>	<u>£383,616</u>


The charitable company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31st March 2020.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2020 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 financial statements were approved by the Board of Trustees on 23.12.22 and were signed on its behalf by:


D Scantlebury (Director)


M Antoine (Director)

The notes on pages 9 to 12 form part of these accounts.

**RAINBOW COMMUNITY NURSERY
NOTES TO THE ACCOUNTS
YEAR ENDED 31ST MARCH 2022**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared under the historical cost convention and in accordance with FRS 102 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard Section 1A applicable in the UK and Republic of Ireland and the Companies Act 2016.

The Rainbow Community Nursery meets the definition of a public benefit entity under FRS 102.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the

Investment Income

Investment income consists of net interest received during the year and accounted for as unrestricted fund.

Resources expended

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.

Charitable activities

Costs of charitable activities are those costs relating to the activities carried out to meet the objectives of the nursery. These include both directly attributable costs and apportioned support costs.

Governance costs

Governance costs are the costs associated with the strategic direction of the organisation with meeting regulatory responsibilities including apportioned support cost.

Tangible fixed assets

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

Portakabin ' - 2.5% on cost

Equipment ' - 20% on cost

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.

RAINBOW COMMUNITY NURSERY
NOTES TO THE ACCOUNTS - CONTINUED
YEAR ENDED 31ST MARCH 2022

2. VOLUNTARY INCOME	2022	2021
Parent fees/ Subsidised fees	583,162	445,575
Grants - LB Hackney	119,239	73,302
Donations and fundraising	567	0
Insurance Claim	0	18,113
Total incoming resources	<u>£702,968</u>	<u>£536,990</u>
3. CHARITABLE ACTIVITIES		
Salaries and wages	480,895	408,799
Other staff cost	76,994	37,639
Food and provisions	15,045	11,016
Children activities and resources	<u>8,045</u>	<u>14,599</u>
	<u>580,979</u>	<u>472,053</u>
4. GOVERNANCE COST		
Examiners fee	<u>2,800</u>	<u>2,400</u>
5. SUPPORT COSTS		
Rent	11,066	8,920
Rates	817	0
Insurance	4,568	2,172
Light and heating	7,130	7,836
Cleaning	8,257	3,253
Print, post, stationery and telephone	0	645
Telephone	1,807	1,461
IT Software and Consumables	680	1,793
Subscriptions	3,843	2,989
Repairs , maintenance and gardening	8,741	7,110
Security expense	0	645
Charitable Donations	0	206
Legal and professional fees	906	220
Water	3,614	0
Other	855	677
Depreciation	<u>7,468</u>	<u>7,468</u>
	<u>59,752</u>	<u>45,395</u>
6. FINANCE CHARGES		
Bank Charges	<u>£1,457</u>	<u>£1,388</u>
7. STAFF COSTS		

No employee received remuneration of more than £60,000.

Trustees' expenses

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

RAINBOW COMMUNITY NURSERY
NOTES TO THE ACCOUNTS - CONTINUED
YEAR ENDED 31ST MARCH 2022

	2022	2021
Salaries and wages	<u>£480,895</u>	<u>£408,799</u>

The average number of employees:	<u>23</u>	<u>23</u>
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8. FIXED ASSETS	Portakabin	Office Equipment	Total
COST			
At 1st April 2021	<u>448,102</u>	<u>12,005</u>	<u>460,107</u>
DEPRECIATION			
Opening Balance	89,616	12,005	101,621
Charge for the year	<u>7,468</u>	-	<u>7,468</u>
	<u>£97,084</u>	<u>£12,005</u>	<u>£109,089</u>
NET BOOK VALUE			
As at 31st March 2022	<u>£351,018</u>	<u>£0</u>	<u>£351,018</u>
As at 31st March 2021	<u>£358,486</u>	<u>£0</u>	<u>£358,486</u>

9. CREDITORS : Amounts falling due after one year	2022	2021
Other Creditors	-	5,951
Accruals	2,500	2,400
Social Security and Taxes	<u>8,752</u>	<u>16,858</u>
	<u>£11,252</u>	<u>£25,209</u>

RAINBOW COMMUNITY NURSERY
NOTES TO THE ACCOUNTS - CONTINUED
YEAR ENDED 31ST MARCH 2022

10. MOVEMENTS IN FUNDS	<u>Incoming Resources</u>	<u>Resources Expended</u>	<u>Movement in Funds</u>
Restricted Funds	0	0	0
Unrestricted Funds	<u>£702,968</u>	<u>£644,988</u>	<u>£57,980</u>
	<u>£702,968</u>	<u>£644,988</u>	<u>£57,980</u>
 Funds brought forward		2022	2021
Restricted Funds		£388,078	£388,078
Unrestricted Funds		<u>£53,516</u>	<u>(£4,462)</u>
Funds carried forward		<u>£441,594</u>	<u>£383,616</u>

**RAINBOW COMMUNITY NURSERY
INCOME AND EXPENDITURE
YEAR ENDED 31ST MARCH 2022**

	<u>2022</u>	<u>2021</u>
	£	£
Incoming Resources:		
Voluntary income:		
Parent fees/ Subsidised fees	583,162	445,575
Grants - LB Hackney	119,239	73,302
Donations and fundraising	567	0
Insurance Claim	0	18,113
Total incoming resources	<u>£702,968</u>	<u>£536,990</u>
RESOURCES EXPENDED:		
Cost of generating voluntary income		
Charitable activities:		
Salaries and wages	480,895	408,461
Other staff cost	76,994	37,992
Food and provisions	15,045	11,016
Children activities and resources	<u>8,045</u>	<u>14,599</u>
	<u>580,979</u>	<u>472,068</u>
GOVERNANCE COST		
Examiners fee	<u>2,800</u>	<u>2,400</u>
SUPPORT COSTS		
Rent	11,066	8,920
Rates	817	0
Insurance	4,568	2,172
Light and heating	7,130	7,836
Cleaning	8,257	3,253
Print, post, stationery and telephone	0	645
Telephone	1,807	1,461
IT Software and Consumables	680	1,793
Subscriptions	3,843	2,989
Repairs , maintenance and gardening	8,741	7,110
Security expense	0	645
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Legal and professional fees	906	220
Water	3,614	0
Other	855	677
Depreciation	7,468	7,468
	<u>£59,752</u>	<u>45,395</u>
FINANCE CHARGES		
Bank Charges	<u>£1,457</u>	<u>£1,388</u>
Total resources expended	<u>£644,988</u>	<u>£521,250</u>
Excess net resources	<u>£57,980</u>	<u>£15,740</u>