

Company registration number: 04318070

Charity registration number: 1096570

# Folkestone Rainbow Centre

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2023

Beresfords  
Chartered Certified Accountants  
1-2 Rhodium Point  
Spindle Close  
Hawkinge  
Folkestone  
Kent  
CT18 7TQ

# **Folkestone Rainbow Centre**

## **Contents**

Reference and Administrative Details	1
Trustees' Report	2 to 6
Statement of Trustees' Responsibilities	7
Independent Examiner's Report	8
Statement of Financial Activities	9 to 10
Balance Sheet	11
Notes to the Financial Statements	12 to 26

## **Folkestone Rainbow Centre**

### **Reference and Administrative Details**

<b>Trustees</b>	Mr N J Buckley
	Mrs J A Doherty
	Miss D Douse
	Mr A G Ferguson
	Dr P Le Feuvre
	Mrs E J Pettersen
	Dr J Russell
	Reverend G I Webber
<b>Secretary</b>	Mr S C Corner
<b>Registered Office</b>	Cornerstone 69 Sandgate Road Folkestone Kent CT20 2AF
<b>Company Registration Number</b>	04318070
<b>Charity Registration Number</b>	1096570
<b>Independent Examiner</b>	Beresfords Chartered Certified Accountants 1-2 Rhodium Point Spindle Close Hawkinge Folkestone Kent CT18 7TQ

# **Folkestone Rainbow Centre**

## **Trustees' Report**

### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

### **STRUCTURE, GOVERNMENT AND MANAGEMENT**

The trustees, who are directors for the purposes of company law, present the annual strategic report together with the financial statements of the charitable company for the year ended 31 December 2023.

The Folkestone Rainbow Centre is a company limited by guarantee governed by its Memorandum and Articles of Association dated 6 November 2001. This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The Centre is also registered as a charity with the Charity Commission. The trustees have prepared the annual report and financial statements in accordance with the charity's governing document, the requirements of charity law, in particular the Commission's Statement of Recommended Practice. The trustees confirm that they have had regard to the commission's guidance on public benefit when exercising their powers and duties to which the guidance is relevant. The ways in which the charity has contributed to public benefit are set out in the statement of activities.

### **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. A detailed risk register is maintained and updated at least once a year.

### **OBJECTIVES AND ACTIVITIES**

#### **Aims and Objectives**

The Rainbow Centre is a Christian charity whose purpose is to deliver services in Folkestone and Hythe to provide support and hope to individuals and families experiencing deprivation or hardship.

The Objects of the Rainbow Centre, as recorded by the Charity Commission are 'For the benefit of the inhabitants of Folkestone and neighbourhood without distinction of sex, colour, age or political, religious or other opinions, and to promote the relief of people in need in any manner which now is and hereafter may be demised by law to be charitable, including the relief of poverty and advancement of learning'.

Underpinning the objective are five values which provide a quality framework for all work which is undertaken in the name of the Rainbow Centre.

- Respect
- Compassion
- Excellence
- Collaboration
- Commitment

# **Folkestone Rainbow Centre**

## **Trustees' Report**

### **ACHIEVEMENT AND PERFORMANCE**

#### **Overview**

In 2023, the Rainbow Centre maintained all of its long-standing services, some of which needed to expand to respond to increasing demand, especially from people experiencing homelessness. Larger numbers of people are now attending our Day Centre, benefiting from a warm and friendly space and from the range of services that are on offer.

We ran another successful Winter Shelter in a local B&B with our Church partners. With many volunteers, they provided evening meals seven nights a week.

Our Pantry in Hythe is now well-established and well-used. In October 2023, a mobile combined foodbank and Pantry went on the road, the first such venture in the country. Witnessing accounts of people moving from the foodbank to the Pantry and then no longer needing our services demonstrates the effectiveness of giving help to people at times of need but also seeking to give them the ability and confidence to move on.

Two of our other vital projects- the Family Contact Centre and the Money Matter advice service - continue to provide vital services in our local communities.

We remain in discussions with the District Methodist Church to plan together for multi-purpose buildings on the site of the old Methodist Church in the centre of Folkestone.

As well as generous support from both central and local government, we continue to be blessed with generous donations from local businesses, supporters and residents. We had a healthy financial year, and our reserves remain stable and sufficient.

Thanks to Mary Stredwick, our Chief Executive's multiple skills, we have strengthened relationships with many local partners and been successful in many funding bids.

#### **Homeless Support Service and Rainbow Club**

Sadly, homelessness is on the increase, partly because of unaffordable rent, while housing benefits have not kept pace with it. The Homeless Support Service continued to support people struggling to keep their tenancies due to increasing rents and section 21 (no fault) evictions. We support them with advice and advocacy to find move-on options. Some of those vulnerably housed end up sleeping rough and rely on our practical support of showers, breakfast club, laundry facility, registering with GPs, postal address and referrals to specialist agencies. In the last year, we have seen a steady increase in new people presenting at our service as rough sleepers, with an average of 4 new people each week for the first and last quarters of the year. We saw more clients with a local connection and a diverse range of ages, with quite a few younger clients, primarily men, presenting due to family breakdown.

We continue nurturing new relationships with local landlords and tackle the barriers faced by our clients to gain the trust of landlords and access more affordable homes. In addition to winter shelter clients, nine clients were housed, and we continue supporting them in sustaining their tenancies.

The breakfast club has become a five-day Day Centre, a safe space, and from it, several agencies offer vital services to our clients. We introduced holistic client support by introducing weekly nurse service and a quarterly health day now attended by 8-10 support services, including a dental van. Other services include a benefits maximisation clinic and a drug and alcohol recovery service offered by Reach Out And Recover (ROAR). On average, 28 people who use the space regularly benefit from these services.

We attended to a total of 2164 walk-ins and telephone enquiries requesting housing advice and other support, including access to showers (222), laundry (254), food parcels (118), dental van (22); haircuts (53), postal facilities services,



## **Folkestone Rainbow Centre**

### **Trustees' Report**

#### **Shepway Food Bank**

Part of the Trussell Trust Network of more than 1300 foodbanks throughout the UK, the Shepway Foodbank is one of the integral services operated by the Rainbow Centre for nearly ten years, providing emergency food to people in crisis across the whole of our district from Lydd through to Hawkinge. We work closely with 95 referring agents, the equivalent of 350 professionals from health, Citizens Advice, Social Services and schools, who can raise a food voucher for their client via our e-referral system.

Up until October 2023, we have been operating a predominantly delivery service since the Covid-19 pandemic days, which we have replaced with a mobile service except in New Romney, where a distribution centre still exists open on Tuesday evenings.

The generosity and kindness of people in our community - churches, schools, local organisations/businesses, the general public and supermarkets keep the Food Warehouse stocked with sufficient supplies to meet Foodbank and Pantry needs and also supply the Rainbow Centre's services, including FoodStop, Homeless Support Service and Winter Shelter. Last year, donations totalled 47425 kg, with significant contributions from our local supermarket's food drives - Asda 1038 kg; Tesco 3663kg; Waitrose 1039kg; and Sainsbury West Park Farm 1659 kg and the harvest period in which schools, churches and local business make significant donations. Our team of volunteers made supermarket food drives possible and a huge success.

Shepway Foodbank fulfilled 1290 food vouchers, with 35% being first-time referrals to the Foodbank, primarily single people. We fed 2983 people, a decrease of 15% from 2022, mainly due to the Rainbow Centre's Pantry offering and provision from other agencies. Low income was the main reason for individuals & families needing to access our Foodbank.

The Foodbank offers not just food but other essential wrap-around support. It refers clients to other Rainbow services and external agencies for assistance to empower them to get back on their feet and become less dependent on emergency food parcels. In 2023, we increased this additional support and introduced a financial inclusion project, a partnership project with Citizens Advice Shepway to help people with budgeting, managing debt, etc.

#### **Food Pantry**

The Hythe Pantry is part of the Your Local Pantry network, with 100+ pantries throughout the UK. It aims to capture people before they reach a crisis point and require access to the Foodbank. It is also the most natural transition from using the Foodbank to the Pantry, bridging the gap between commercial supermarkets and the Foodbank.

To access the service, people self-refer and apply online to become members. Upon approval, members pay a small weekly fee and receive approximately £30 of shopping, including ambient, frozen, and fresh produce.

The Hythe Pantry based at the Catholic Church in Hythe, which we opened in October 2022, has grown to be a welcoming community space where members can sit, have a cup of tea or coffee, talk with volunteers and get the help and support they need to access other services and move on. The Pantry opens twice a week, and on a typical visit, members can engage with supporting agencies such as a Money Adviser, NHS One You, Citizen Advice Shepway, or RSPCA or have their blood pressure taken, swap clothes and books. Since opening, the Hythe Pantry has seen over 250 members pass through its doors, with 134 members no longer needing the service.

In addition to the Hythe Pantry, in October 2023, we launched a UK-first-of-its-kind Mobile Food Services van. The service simultaneously operates as a travelling Foodbank and Pantry, visiting Lydd, Hawkinge, Harbour Community Church, and the Folkestone Academy Turner Free School on a weekly rota. Our processes for referring to and accessing both the food bank and pantry have not changed.

## **Folkestone Rainbow Centre**

### **Trustees' Report**

The Mobile Pantry supported 71 members, with a total household size of 227 (123 adults and 104 children). Operating in 4 locations during the last quarter of 2023 (and another in early 2024) meant more people in our community had greater access to food than ever before. Many foodbank service users are transferring to the Mobile Pantry and seeing a tremendous change in their ability to budget their money.

#### **FoodStop**

FoodStop continues as an outreach service run by a dedicated team of volunteers. Last year, the service distributed 3384 sandwich packs, alongside clothing, sleeping bags, toiletries, and pet food, kindly donated by the general public and local businesses. The number of clients attending each evening continues to vary, but on average, 24 people are served per session.

In the last year, we have seen new providers in the area, and we will review their impact on our service in due course.

#### **Folkestone Churches Winter Shelter (FCWS)**

Again, in partnership with Churches Together Folkestone, we provided a safe place to sleep for local rough sleepers during the 2023/24 winter months, offering a static shelter as we did in the last three years. We were fortunate to secure multi-year funding, which helped us extend to the end of March. The grant also allowed us to recruit a full-time, all-year-round Winter Shelter Coordinator, with the role transitioning into tenancy sustainment after the winter shelter season.

As in previous years, we block-booked thirteen self-contained rooms in a local B&B from 1 December 2023 to 31 March 2024 and served 26 clients out of a possible 47 referred to it. This year, the demographics and diversity ranges were broader than last year; we saw employed clients, more clients from ethnic minority groups, and a rise in the complexity of the needs of people seeking Shelter.

This year, we offered more wrap-around support to clients, including a Rainbow breakfast/social club during weekdays and evening meals, which helped increase engagement and 'move on' outcomes. We also supported guests in accessing the agency services offered at the Centre and referred some to appropriate support agencies, including the Drug & Alcohol Forward Trust and the Haven.

We found housing solutions for twelve clients (3 were housed before the Shelter opened and two by Porchlight); six failed to engage, two were evicted, and three were accommodated when insufficient time was left for a successful move-on. This left three for a few weeks in the B&B while we continued to support them with their 'move-on' plans. The challenge of finding suitable move-on options persisted this year, but we continue to be nimble and find ways to help our clients not return to the streets.

#### **Family Contact**

The Family Contact Centre is a crucial service that provides a safe and welcoming space where children from separated families can have supervised visits with one or both parents and occasionally with other relatives. It is a biweekly service, mostly volunteer-run, catering to children aged 0 to 17.

Referrals to the centre are received from various sources, including social services, solicitors, or self-referral from non-resident parents. We introduced a registration fee of £30 in 2022, and last year, we also introduced a £5 session fee to reduce no-shows, which is working well. In 2023, we supported 14 families and 18 children.

We are almost completing the requirement for our accreditation with the National Association of Child Contact Centres accreditation and were pleased that the assessors recognised the excellent practices we already had in place. We look forward to being formally accredited in 2024.



## **Folkestone Rainbow Centre**

### **Trustees' Report**

#### **Money Matters Project**

Each year, professionally prepared money advice plans (MAPs) and ongoing mentoring from trained volunteers are provided to those facing unmanageable debt. Unfortunately, the demand for the service, fuelled by the cost of living and unaffordable rents, keeps rising.

The financial advisor's assessment, advice, and volunteer mentor support enable clients to manage their money, deal with debts, and secure other entitlements, improving their overall quality of life.

Since July, the Trussell Trust has invested in the service to increase our money advisory capacity and extend it to Foodbank clients. During the year, the regular Money Matters service assisted and advised 51 clients whose debt levels ranged from £1,500 to £45,000.

With Trussell Trust funding, the debt management and income maximisation service has been extended to all clients using the Foodbank and Pantry services. The Money Adviser visits each location on a rota basis, helping ensure geographical coverage across the district. So far, 24 foodbank clients have been supported, making financial gains of £23,865, which is a good start. Five people no longer need the Foodbank, and the aim is to continue promoting the service to those who need it.

#### **FINANCIAL REVIEW**

##### **Reserves Policy**

It has been the policy of the charity to keep cash assets of a minimum of three months running costs with a target of about six months. Trustees clarified in the course of the year that this minimum and target applied separately to the charity's restricted and unrestricted reserves.

As at 31 December 2023 cash at bank and in hand was £986,366, of which £725,190 related to restricted funds and £100,000 related to designated funds. After allowing for liabilities of £20,220 the remaining balance stands at £140,956 which represents about four months of total monthly expenditure and around seven months expenditure from unrestricted funds.

#### **TRUSTEE APPOINTMENTS**

There were no new Trustee appointments in 2023.

#### **FUTURE DEVELOPMENTS**

With the District Methodist Church, we continue to plan for a combined centre on the site of the old Methodist Church in Sandgate Road. If this project comes to fruition, we will utilise the legacy funding bequeathed to provide emergency accommodation throughout the year and have a community café, food bank and Pantry. We would move our offices into the building at the same time. In addition, there are plans to begin the provision of supported housing as a step forward from emergency accommodation. We anticipate that cooking classes and a gardening club will start up in the near future.

Approved by the Board and signed on its behalf by:

  
.....

Dr P Le Feuvre

Chair of Trustees

Date..... 16/7/24 .....



## Folkestone Rainbow Centre

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of Folkestone Rainbow Centre 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.


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 the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that can 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on .....16/7/24..... and signed on its behalf by:

  
.....  
Dr P Le Feuvre  
Trustee

## **Folkestone Rainbow Centre**

### **Independent Examiner's Report to the trustees of Folkestone Rainbow Centre ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2023.

#### **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 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 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 Folkestone Rainbow Centre 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.



.....  
Mr Dan Payne FCCA  
Beresfords  
Chartered Certified Accountants  
1-2 Rhodium Point  
Spindle Close  
Hawkinge  
Folkestone  
Kent  
CT18 7TQ

Date: 16/7/24 .....

# Folkestone Rainbow Centre

## Statement of Financial Activities for the Year Ended 31 December 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	105,469	56,534	162,003
Charitable activities	4	-	263,754	263,754
Other trading activities	5	25,953	941	26,894
Investment income	6	55,046	-	55,046
Other income	7	23,000	-	23,000
Total Income		<u>209,468</u>	<u>321,229</u>	<u>530,697</u>
<b>Expenditure on:</b>				
Charitable activities	8	<u>(260,807)</u>	<u>(247,580)</u>	<u>(508,387)</u>
Total Expenditure		<u>(260,807)</u>	<u>(247,580)</u>	<u>(508,387)</u>
Net (expenditure)/income		<u>(51,339)</u>	<u>73,649</u>	<u>22,310</u>
Net movement in funds		(51,339)	73,649	22,310
Total funds brought forward		<u>634,758</u>	<u>684,435</u>	<u>1,319,193</u>
Total funds carried forward	20	<u><u>583,419</u></u>	<u><u>758,084</u></u>	<u><u>1,341,503</u></u>

The notes on pages 12 to 26 form an integral part of these financial statements.

## Folkestone Rainbow Centre

### Statement of Financial Activities for the Year Ended 31 December 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

#### 2022 Accounts

	Note	Unrestricted £	Restricted £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	269,497	200,791	470,288
Charitable activities	4	-	120,407	120,407
Other trading activities	5	3,122	-	3,122
Investment income	6	41,585	3	41,588
Other income	7	18,000	-	18,000
Total Income		<u>332,204</u>	<u>321,201</u>	<u>653,405</u>
<b>Expenditure on:</b>				
Charitable activities	8	<u>(259,844)</u>	<u>(158,838)</u>	<u>(418,682)</u>
Total Expenditure		<u>(259,844)</u>	<u>(158,838)</u>	<u>(418,682)</u>
Net income		<u>72,360</u>	<u>162,363</u>	<u>234,723</u>
Net movement in funds		72,360	162,363	234,723
Total funds brought forward		<u>562,399</u>	<u>522,073</u>	<u>1,084,472</u>
Total funds carried forward	20	<u><u>634,759</u></u>	<u><u>684,436</u></u>	<u><u>1,319,195</u></u>

The notes on pages 12 to 26 form an integral part of these financial statements.



**Folkestone Rainbow Centre**  
**(Registration number: 04318070)**  
**Balance Sheet as at 31 December 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	15	377,955	345,232
Investments	16	<u>1</u>	<u>1</u>
		<u>377,956</u>	<u>345,233</u>
<b>Current assets</b>			
Debtors	17	18,542	94,298
Cash at bank and in hand	18	<u>986,366</u>	<u>915,735</u>
		1,004,908	1,010,033
<b>Creditors: Amounts falling due within one year</b>	19	<u>(41,361)</u>	<u>(36,071)</u>
<b>Net current assets</b>		<u>963,547</u>	<u>973,962</u>
<b>Net assets</b>		<u>1,341,503</u>	<u>1,319,195</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		758,084	684,436
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>583,419</u>	<u>634,759</u>
<b>Total funds</b>	20	<u>1,341,503</u>	<u>1,319,195</u>


For the financial year ending 31 December 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

**Directors' responsibilities:**

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 9 to 26 were approved by the trustees, and authorised for issue on 16/1/24, and signed on their behalf by:

  
.....  
Dr P Le Feuvre  
Trustee

The notes on pages 12 to 26 form an integral part of these financial statements.

## **Folkestone Rainbow Centre**

### **Notes to the Financial Statements for the Year Ended 31 December 2023**

#### **1 Charity status**

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Cornerstone  
69 Sandgate Road  
Folkestone  
Kent  
CT20 2AF

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Statement of compliance**

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

Folkestone Rainbow Centre 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 notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Income and endowments**

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

##### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## **Folkestone Rainbow Centre**

### **Notes to the Financial Statements for the Year Ended 31 December 2023**

#### ***Grants receivable***

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### ***Gift aid***

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

#### ***Investment income***

Investment income is recognised on a receivable basis.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

#### **Taxation**

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

#### **Tangible fixed assets**

Individual fixed assets costing £50.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

## **Folkestone Rainbow Centre**

### **Notes to the Financial Statements for the Year Ended 31 December 2023**

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land and buildings	Straight line over the period of the lease.
Furniture and equipment	25% on reducing balance.
Motor vehicles	25% on reducing balance.
Computer equipment	3 years straight line

#### **Business combinations**

The company and its subsidiary are a small group and as a result do not have to prepare consolidated accounts.

#### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### **Trade debtors**

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.



## Folkestone Rainbow Centre

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### Financial instruments

##### *Recognition and measurement*

The trust 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.

##### *Investments*

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

### 3 Income from donations and legacies

	Unrestricted funds £	Restricted £	Total 2023 £	Total 2022 £
Donations and legacies;				
Appeals and donations	91,014	45,327	136,341	321,513
Gift aid tax reclaimed	4,186	1,799	5,985	7,221
Winter Shelter donations	-	9,408	9,408	5,831
Grants, including capital grants;				
Grants receivable	2,956	-	2,956	134,503
Other income	7,313	-	7,313	1,220
	<u>105,469</u>	<u>56,534</u>	<u>162,003</u>	<u>470,288</u>

### 4 Income from charitable activities

	Restricted £	Total 2023 £	Total 2022 £
FoodStop	6,382	6,382	6,358
The Pantry	14,880	14,880	-
Folkestone Churches Winter Shelter	142,358	142,358	99,649
Food Bank	95,134	95,134	14,400
Money Matters	5,000	5,000	-
	<u>263,754</u>	<u>263,754</u>	<u>120,407</u>

## Folkestone Rainbow Centre

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 5 Income from other trading activities

	Unrestricted funds £	Restricted £	Total 2023 £	Total 2022 £
Events income;				
Fundraising events	25,953	941	26,894	3,122
	<u>25,953</u>	<u>941</u>	<u>26,894</u>	<u>3,122</u>

#### 6 Investment income

	Unrestricted funds £	Total 2023 £	Total 2022 £
Interest receivable and similar income;			
Interest receivable on bank deposits	17,288	17,288	4,028
Income from rents	37,758	37,758	37,560
	<u>55,046</u>	<u>55,046</u>	<u>41,588</u>

#### 7 Other income

	Unrestricted funds £	Total 2023 £	Total 2022 £
Income from trading subsidiary	23,000	23,000	18,000

#### 8 Expenditure on charitable activities

Note	Unrestricted funds £	Restricted £	Total 2023 £	Total 2022 £
General	809	-	809	60
FoodStop	-	4,790	4,790	4,278
Folkestone Churches Winter Shelter	-	103,853	103,853	85,500
Homeless Support Service	131,116	-	131,116	109,296
Contact	2,594	-	2,594	3,921
Food Bank	-	68,871	68,871	56,010
Money Matters	-	42,819	42,819	-
Allocated support costs	9 121,652	24,047	145,699	151,890
Governance costs	9 4,636	3,200	7,836	7,727
	<u>260,807</u>	<u>247,580</u>	<u>508,387</u>	<u>418,682</u>

## Folkestone Rainbow Centre

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 9 Analysis of governance and support costs

##### Support costs allocated to charitable activities

	Other support costs £	Total 2023 £	Total 2022 £
FoodStop	(877)	(877)	208
Folkestone Churches Winter Shelter	2	2	6,003
Contact	1,500	1,500	1,250
Food Bank	19,900	19,900	3,749
Fixed assets fund	3,090	3,090	3,090
Money Matters	1,932	1,932	-
Wages	60,267	60,267	63,592
Staff NIC	2,392	2,392	2,820
Staff pensions	2,263	2,263	2,408
Recruitment and employment costs	119	119	617
Rates	1,018	1,018	365
Light and heat	4,241	4,241	8,809
Insurance	6,504	6,504	5,451
Repairs	(631)	(631)	4,440
Telephone	363	363	7,392
Computer expenses	6,243	6,243	2,488
Printing, postage and stationery	1,948	1,948	698
Sundry expenses	1,313	1,313	4,163
Cleaning	11,850	11,850	9,799
Travelling	-	-	115
Legal and professional fees	13,600	13,600	10,856
Bank charges	64	64	64
Depreciation	8,598	8,598	8,797
Loss on disposal of fixed assets	-	-	4,716
	<u>145,699</u>	<u>145,699</u>	<u>151,890</u>

## Folkestone Rainbow Centre

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### Governance costs

	Unrestricted funds £	Restricted £	Total 2023 £	Total 2022 £
Independent examiner fees				
Examination of the financial statements	2,220	-	2,220	2,220
Other governance costs	2,416	3,200	5,616	5,507
	<u>4,636</u>	<u>3,200</u>	<u>7,836</u>	<u>7,727</u>

#### 10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2023 £	2022 £
(Profit)/loss on disposal of tangible fixed assets	(2,877)	4,716
Depreciation of fixed assets	<u>28,110</u>	<u>13,723</u>

#### 11 Trustees remuneration and expenses

No trustees have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 12 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
<b>Staff costs during the year were:</b>		
Wages and salaries	220,052	200,563
Social security costs	11,995	11,023
Pension costs	<u>5,409</u>	<u>4,410</u>
	<u>237,456</u>	<u>215,996</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:



## Folkestone Rainbow Centre

### Notes to the Financial Statements for the Year Ended 31 December 2023

	2023 No	2022 No
Service delivery	8	7
Support	2	2
Winter Shelter	2	2
Food Bank	2	3
	<u>14</u>	<u>14</u>

The average number of employees during 2023 includes 6 full time staff and the remainder is made up of part time staff.

The average full time equivalent for the year was 10.9.

No employee received emoluments of more than £60,000 during the year.

#### 13 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	<u>2,220</u>	<u>2,220</u>

#### 14 Taxation

The company is a registered charity and is exempt from corporation tax on its charitable activities.

## Folkestone Rainbow Centre

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Computer equipment £	Total £
<b>Cost</b>					
At 1 January 2023	374,604	54,312	27,461	18,317	474,694
Additions	-	3,781	56,769	906	61,456
Disposals	-	-	(3,500)	-	(3,500)
	<u>374,604</u>	<u>58,093</u>	<u>80,730</u>	<u>19,223</u>	<u>532,650</u>
At 31 December 2023	<u>374,604</u>	<u>58,093</u>	<u>80,730</u>	<u>19,223</u>	<u>532,650</u>
<b>Depreciation</b>					
At 1 January 2023	52,364	47,352	23,640	6,106	129,462
Charge for the year	4,028	2,682	14,992	6,408	28,110
Eliminated on disposals	-	-	(2,877)	-	(2,877)
	<u>56,392</u>	<u>50,034</u>	<u>35,755</u>	<u>12,514</u>	<u>154,695</u>
At 31 December 2023	<u>56,392</u>	<u>50,034</u>	<u>35,755</u>	<u>12,514</u>	<u>154,695</u>
<b>Net book value</b>					
At 31 December 2023	<u>318,212</u>	<u>8,059</u>	<u>44,975</u>	<u>6,709</u>	<u>377,955</u>
At 31 December 2022	<u>322,240</u>	<u>6,960</u>	<u>3,821</u>	<u>12,211</u>	<u>345,232</u>

Included within the net book value of land and buildings above is £Nil (2022 - £Nil) in respect of freehold land and buildings and £318,212 (2022 - £322,240) in respect of leaseholds.

# Folkestone Rainbow Centre

## Notes to the Financial Statements for the Year Ended 31 December 2023

### 16 Fixed asset investments

	2023 £	2022 £
Shares in group undertakings and participating interests	1	1

### Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
<b>Cost</b>		
At 1 January 2023	1	1
At 31 December 2023	1	1
<b>Net book value</b>		
At 31 December 2023	1	1
At 31 December 2022	1	1

### Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2023	2022	
Subsidiary undertakings					
FRC Commercial Enterprises Ltd	England and Wales	Ordinary	100%	100%	Charity shop

### Subsidiaries

The loss for the financial period of FRC Commercial Enterprises Ltd was £5,012 (2022 - £(5,686) and the aggregate amount of capital and reserves at the end of the period was £7,049 (2022 - £12,061).

## Folkestone Rainbow Centre

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 17 Debtors

	2023 £	2022 £
Trade debtors	9,220	17,130
Prepayments	7,984	8,968
Accrued income	-	66,154
Other debtors	1,338	2,046
	<u>18,542</u>	<u>94,298</u>

#### 18 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	988	1,056
Cash at bank	985,378	914,679
	<u>986,366</u>	<u>915,735</u>

#### 19 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	18,371	12,717
Other taxation and social security	5,403	4,846
Other creditors	9,389	8,174
Accruals	8,198	10,334
	<u>41,361</u>	<u>36,071</u>



## Folkestone Rainbow Centre

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 20 Funds

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 31 December 2023 £
<b>Unrestricted</b>				
General	534,758	209,468	(260,807)	483,419
Designated	100,000	-	-	100,000
<b>Total unrestricted</b>	<u>634,758</u>	<u>209,468</u>	<u>(260,807)</u>	<u>583,419</u>
<b>Restricted Funds</b>				
FoodStop	28,161	6,382	(3,913)	30,630
Folkestone Churches Winter Shelter	119,097	151,866	(103,855)	167,108
Food Bank	14,879	157,981	(91,971)	80,889
Computer Equipment Purchase Fund	6,180	-	(3,090)	3,090
Property fund	516,118	-	-	516,118
Money Matters	-	5,000	(44,751)	(39,751)
<b>Restricted</b>	<u>684,435</u>	<u>321,229</u>	<u>(247,580)</u>	<u>758,084</u>
<b>Total funds</b>	<u><u>1,319,193</u></u>	<u><u>530,697</u></u>	<u><u>(508,387)</u></u>	<u><u>1,341,503</u></u>

# Folkestone Rainbow Centre

## Notes to the Financial Statements for the Year Ended 31 December 2023

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Balance at 31 December 2022 £
<b>2022 Accounts</b>				
<b>Unrestricted</b>				
General	462,399	332,204	(259,844)	534,759
Designated	100,000	-	-	100,000
<b>Total unrestricted</b>	<b>562,399</b>	<b>332,204</b>	<b>(259,844)</b>	<b>634,759</b>
<b>Restricted Funds</b>				
FoodStop	26,289	6,358	(4,486)	28,161
Pre-School Canterbury Road	-	-	-	-
Folkestone Churches Winter Shelter	104,938	105,663	(91,503)	119,098
Food Bank	24,728	49,910	(59,759)	14,879
Computer Equipment Purchase Fund	-	9,270	(3,090)	6,180
Property fund	366,118	150,000	-	516,118
<b>Restricted</b>	<b>522,073</b>	<b>321,201</b>	<b>(158,838)</b>	<b>684,436</b>
<b>Total funds</b>	<b>1,084,472</b>	<b>653,405</b>	<b>(418,682)</b>	<b>1,319,195</b>

## Folkestone Rainbow Centre

### Notes to the Financial Statements for the Year Ended 31 December 2023

The specific purposes for which the funds are to be applied are as follows:

The General fund is used for providing the Homeless Support Service and Contact as well as the administration of the charity, FoodStop, Folkestone Churches Winter Shelter and Food Bank.

The designated fund is used for future property repairs and refurbishments or for future property purchases.

The FoodStop fund is used to deliver fresh sandwiches and soup to the homeless and hungry. Income is derived from donations and grants.

The Folkestone Churches Winter Shelter fund is used to support the homeless during the months of December to February. Income is derived from donations and grants.

The Food Bank fund is used for the provision of a food bank in the district. Income is derived from donations and grants.

The fixed asset fund includes a grant which was received for the purchase of computer equipment.

The building fund includes a legacy which was received for future property purchases.

The Money Matters fund is used to provide financial advice to Food Bank clients.

#### 21 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds at 31 December 2023
	General	Designated		
	£	£	£	£
Tangible fixed assets	326,069	-	51,886	377,955
Fixed asset investments	1	-	-	1
Debtors	16,391	-	2,151	18,542
Cash and short-term deposits	161,176	100,000	725,190	986,366
Current liabilities	(20,219)	-	(21,142)	(41,361)
Total net assets	<u>483,418</u>	<u>100,000</u>	<u>758,085</u>	<u>1,341,503</u>

## Folkestone Rainbow Centre

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 2021 Accounts

	Unrestricted funds		Restricted funds	Total funds at 31 December 2022
	General	Designated		
	£	£	£	£
Tangible fixed assets	333,630	-	11,602	345,232
Fixed asset investments	1	-	-	1
Debtors	25,779	-	68,519	94,298
Cash and short-term deposits	199,394	100,000	616,341	915,735
Current liabilities	(24,044)	-	(12,027)	(36,071)
Total net assets	<u>534,760</u>	<u>100,000</u>	<u>684,435</u>	<u>1,319,195</u>

#### **22 Related party transactions**

During the year the charity made the following related party transactions:

##### **FRC Commercial Enterprises Ltd**

FRC Commercial Enterprises Ltd operates a second hand store with profits being donated to the Folkestone Rainbow Centre. It has some directors who are also on the board of the charity. The charity owns 100% of the share capital of FRC Commercial Enterprises Ltd and as such it has been identified as a related party.

During the financial year under review the charity received £23,000 (2022 - £18,000) of donations from FRC Commercial Enterprises Ltd. At the balance sheet date the amount due to/from FRC Commercial Enterprises Ltd was £Nil (2022 - £Nil).