

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 2024

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

Folkestone Rainbow Centre

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Folkestone Rainbow Centre

Reference and Administrative Details

Trustees	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
Secretary	Mr S C Corner
Registered Office	Cornerstone 69 Sandgate Road Folkestone Kent CT20 2AF
Company Registration Number	04318070
Charity Registration Number	1096570
Independent Examiner	Beresfords Chartered Certified Accountants 1-2 Rhodium Point Spindle Close Hawkinge Folkestone Kent CT18 7TQ

Folkestone Rainbow Centre

Trustees' Report

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 2024.

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 2024, the Rainbow Centre maintained all of its long-standing services, some of which needed to expand to respond to increasing demand, especially by people experiencing homelessness. Greater numbers of people attend our Breakfast Club, benefiting from a warm and friendly space, and from the increased range of services that are on offer.

Along with our church partners we ran another successful Winter Shelter in a local B&B. Through the support of our many volunteers, hot evening meals were provided seven nights a week.

Our mobile combined foodbank and Pantry continues to operate each weekday at different venues in the district, and the Hythe Pantry remains well used and well supported. The year has seen an increase in the number of charities providing food for the people of Folkestone. This has led to a slight reduction in the Foodstop service that is run three evenings a week.

Our Money Matters scheme, that supports people in financial difficulty, has seen a change following the closure of the local Citizens Advice service. This has led to the Rainbow Centre negotiating with Dover and Deal CA who would then employ the financial adviser working in the service.

The Family Contact Centre continues to provide a vital support in our local community. This year, it received accreditation from the National Association of Child Contact Centres.

There has been an increase in the rental of the Rainbow shop, that has led to a decrease in the surplus funds from the takings of the shop that are available to the Rainbow Centre.

In anticipation of our 40th anniversary, we recruited a marketing and communications consultant to help to plan the publicity and events for the coming year.

We remained in discussion 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 kind donations from local businesses, supporters and residents. We had another healthy financial year, with many successful funding bids, and our reserves remain stable and sufficient.

Thanks to Mary Stredwick, our Chief Executive, we have strong ongoing relationships with the local Council, and local Churches and businesses.

Homeless Support Service and Rainbow Club

Evictions are rising, averaging three per week, totalling around 100 this year. Many landlords issue Section 21 no-fault eviction notices to sell their properties or reclaim them for new tenants. Significant challenges remain, including a lack of available move-on accommodation and rising rents. Our clients who are single, unemployed and homeless face daily obstacles in finding housing, as few landlords accept them. Local council criteria regarding local connections and priority needs further limit clients' options. Additionally, many clients struggle to pay rising rents, leading to increased requests for clothing and food assistance. We are also seeing more clients with dual diagnoses or ongoing mental health issues, and are actively building partnerships with statutory mental health services.

Folkestone Rainbow Centre

Trustees' Report

Most individuals using our Homeless Support Service needed help completing housing applications, advice, and advocacy, with at least 70% of our clients requiring this assistance. Our clients, aged 18 to 72, include approximately 75% males, 20% females, and 5% identifying as non-binary or other genders. Currently, 20% are employed, while another 20% are seeking work. We have also supported 20 recently released offenders, offering Day Centre services since we may not provide housing support for some. 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. We attended to a total of 88 new clients; 520 telephone enquiries requesting housing advice and other support, including access to showers (520), laundry (400), food parcels, 15 per week, and 4 clients per dental bus quarterly visit; 6 haircuts per monthly visit and 60 postal clients.

Despite challenges, our efforts have led to 15 clients moving into permanent accommodation. We've secured grants for essential household items, sustained ten tenancies, and provided informal support to several clients.

Our Rainbow Club operates from 10 am to noon, Monday through Friday, serving around 35 clients daily. Clients enjoy breakfast and can access information about local food outlets. This year, we have provided nearly 1,000 breakfasts and distributed about 15 "Take Food Friday" bags weekly to rough sleepers.

The Rainbow Centre is recognised as a community hub, collaborating with Porchlight for weekly drop-in services and working closely with the local Council and Social Services. Forward Trust runs a drug and alcohol recovery clinic every Friday, while our weekly nurse assists clients with referrals. A quarterly health day, now attended by 8-10 support services, including a dental van, continues to meet client health needs. Other services include a benefits maximisation clinic and a drug and alcohol recovery service offered by Reach Out And Recover (ROAR). Barbers volunteer monthly to provide haircuts, and a CXK-run numeracy course has helped six clients improve their financial skills. Our garden project at Harbour Church, which produced vegetables, will resume soon. We thank our volunteer team of 30 dedicated individuals and our staff team of 4 who deliver the service.

Shepway Food Bank

Shepway Foodbank, part of the Folkestone Rainbow Centre and Trussell Trust Network, has provided emergency food since 2014 and has evolved from handing out essential food parcels to offering much support. The majority of people needing emergency food do so due to other more critical circumstances, such as debt, mental health, and homelessness, and the support given is to tackle these underlying causes of their food crisis.

We are here to empower people, not to depend on food banks through our financial inclusion partnership project with Trussell Trust and Shepway Citizen Advice which is coaching Foodbank users on budgeting, managing debt, and benefits income maximisation coupled with cooking demonstrations, signposting them to services for assistance, whether to our homeless support team or outside agencies.

Shepway Foodbank has one static New Romney service and a mobile service visiting five locations in Cheriton, Hawkinge, Lydd, Folkestone Academy (until May 2024) and East Folkestone. The combined locations fulfilled 712 food vouchers, 24% of which were due to the rising costs of essentials. With our 95 referral agents, we fed 1439 people in 2024: 995 adults & 444 children. These figures have shown a continued decrease over the last 2 years. This is not only due to the Rainbow Centre's pantry offering, but there are far more organisations in Folkestone who have started or responded to the cost of living crisis, establishing projects to help those in need, which means more opportunities to access food in and around the town centre. However, the same cannot be said for the rural areas of our district, where 24.5% of food parcels were distributed. Nearly 30% of people needing to access the foodbank more than 3 times in six months were due to low income. The highest number of food parcels went to the age group 35 - 44 years. The hardest hit in 2024 were single people, over 57% of the vouchers we fulfilled; this is an increase of nearly 10% from 2023. We are seeing many foodbank service users transfer to the Pantry service, and the change in their ability to 'pay their way' has been tremendous.

Folkestone Rainbow Centre

Trustees' Report

We rely solely on generous donations from churches, schools, local organisations/businesses, the general public, and surplus items from supermarkets, mainly bread and bakery goods.

We work very hard in the background to ensure we have enough stock in our warehouse to meet Foodbank and Pantry needs and also supply the Rainbow Centre's services, including FoodStop, Homeless Support Service and Winter Shelter. We increased community collection points; use of the Bank the Food app, supermarket drives, and in May we launched The 'Gift of Nourishment' initiative in partnership with Lenihan's Veg Van and New Romney Butchers. The initiative allows local small businesses to donate directly to us, generating £2,240 towards fresh produce purchases. Harvest 2024 was a bumper for Shepway Foodbank; four back-to-back food drives at Waitrose Hythe, Tesco Cheriton, Sainsburys West Park Farm Folkestone & Asda Folkestone boosted stock by 4,327 kg and contributions of fresh produce from the Hythe Environmental Gleaners Group. Our total stock for 2024 was 45,579 kg, which is 1,846 kg less than 2023. This reflects the cost of living crisis. The average price of a food parcel for a single person is £45, and for a family of four, £78.

Food Pantries

Our static Hythe Pantry and Mobile Pantries are part of the Your Local Pantry network, with 100+ pantries throughout the UK. A pantry aims to capture people before they reach a crisis point and require access to the Foodbank; it is for those struggling financially to make ends meet and softens the blow of high living costs. 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 fee of £7 per visit and receive approximately £45 of shopping, including ambient, frozen, and fresh produce.

Since October 2024, the Foodbank and Pantries are offered simultaneously as a mobile service in five locations (Cheriton, Hawkinge, Lydd, Folkestone Academy (until May 2024) and East Folkestone). Each location has the vital community space, where anyone accessing either the Foodbank or Pantry can come in relax, have a refreshment, chat to us and engage with agencies, including CAB, NHS One You, Community Wardens, Southern Water Vulnerability officers, Shaw Trust Health & Work programme, F&HDC Welfare team. At the Hythe Pantry, there is a clothes rail available to our members, they can help themselves for a small donation, items for their selves and their family. We also have a book swap available. Many members also donate clothes or books, making them feel part of the community we are building. The mobile service is helping more people access food than ever before.

The Mobile Pantries supported 2,067 visits to feed 5,252 people, 3,464 adults, and 1,788 children. Add this number to the Hythe Pantry, which saw an average of 134 members utilise the service during 2024, with 2,251 visits from January 2024 through December 2024. The total number of people supported is 12,038 people in our community during 2024.

FoodStop

Despite the challenges this year, Food Stop has continued as an outreach service run by a dedicated team of volunteers, providing essential support three nights a week to those living on the streets. At the end of 2023, we learned that two new groups had started providing hot meals: one at our location behind the police station and another at the Clock Tower. Initially, this provision was for two nights a week, but it was soon increased to six nights a week. This change impacted our service, leading us to reluctantly withdraw from the town venue during the week while maintaining a presence at the seafront in May.

Due to the changes, comparing statistics year on year is challenging. Throughout the year, we supported 2,270 people with bags containing sandwiches, tins or packets of soup, baked beans, and a tinned meal, fruit, custard, or rice pudding. We also offer hot drinks, biscuits, and homemade cakes, which local supporters donate.

Folkestone Churches Winter Shelter (FCWS)

Folkestone Rainbow Centre

Trustees' Report

The Winter Shelter, a collaborative project of the Rainbow Centre and local churches, operated from December 1, 2024, to February 28, 2025. This was our fifth year running a static shelter. During this period, we accommodated 15 guests, including one dog and one cat, in 12 pre-booked rooms. The project ran smoothly, and guests expressed appreciation as they quickly connected with staff, volunteers, and each other.

While our shelter officially ended on February 28, we extended operations until March 15 to support six guests with upcoming move-ins. By March 15, we had admitted 15 guests—4 women and 11 men. Of these, 13 secured accommodation, one went to Colchester, the Council prioritised another for housing, and two guests regrettably could not engage.

We were fortunate to have an exceptional partnership with our local churches and community. We extend our heartfelt thanks to the 87 volunteers from the church community and other individuals and businesses who generously donated their time, support, and resources to our shelter and Day Centre guests. We especially want to thank our Homeless Support staff members who demonstrated flexibility, took on additional responsibilities at short notice, worked evenings and weekends, when our Winter Shelter Coordinator left his post abruptly.

Family Contact

The Family Contact Centre is a crucial service that significantly impacts families who have experienced separation and wish to maintain contact with their children. The Centre provides a safe and welcoming environment where children can engage with their parents, siblings, and other family members. Furthermore, we offer a handover service during our operating hours. Our primary focus is to prioritise the unique needs of each family, including those with children who have additional needs. Our dedicated staff are trained to facilitate supported contact sessions and ensure smooth transitions between parents and children, accommodating ages 0 to 17.

The service operates every other Saturday from 8:45 a.m. to 1:00 p.m. We provide a variety of toys and craft activities for families to enjoy, although we encourage parents to bring their selection of activities as well. Parents often take the initiative to contribute craft activities for special occasions such as birthdays, Halloween, Easter, and Christmas, allowing them to participate in these celebrations actively, which they might otherwise miss.

We are incredibly proud of the quality of service our highly dedicated team of volunteers offers and are pleased to have gained National Association of Child Contact Centres accreditation.

In 2024, we supported 10 families, including 13 children. Four additional families and four children were allocated places; however, they chose not to attend.

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.

During the year, the regular Money Matters service assisted fewer clients than in 2023 due to the Money Specialist Adviser being off-sick for a couple of months; 11 mentors and one Debt Specialist supported 42 Clients, whose debt levels ranged from £1,500 to £45,000.

With Trussell Trust funding, a Money Adviser has, throughout the year, alongside the Foodbank and Pantry Service, continued to visit all the locations on a rotating schedule, allowing people to access the money and debt management service no matter where they live within the Folkestone and Hythe district. So far, 53 foodbank clients have been supported, and the aim is to continue promoting the service to those who need it.

In December, we learnt about the sad closure of Citizens Advice Shepway before Christmas, thus ending a partnership between one of the last original organisations. We are very grateful that Dover, Deal and District Citizens Advice will be stepping in to take their place by providing a Debt Specialist to work on a different project called Money First Aid, which also helps clients in debt.

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 2024 cash at bank and in hand was £1,032,432, of which £776,791 related to restricted funds and £100,000 related to designated funds. After allowing for liabilities of £17,628 the remaining balance stands at £138,013 which represents about three months of total monthly expenditure and around six months expenditure from unrestricted funds.

TRUSTEE APPOINTMENTS

Alison Pemberton became a trustee on 16th July 2024 and resigned as a trustee on 24th September 2024.

Folkestone Rainbow Centre

Trustees' Report

FUTURE DEVELOPMENTS

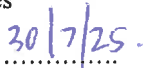
The Folkestone Rainbow Centre has been offered the use of a hotel in the town for the purposes of emergency and supported housing for homeless people. We will seek planning permission for change of use, and hope to have this facility available for the winter of 25-26. We continue to refine plans for the development of the former Methodist Church in Sandgate Road, and we look forward to receiving planning permission for this structure, that will allow us to begin the necessary fund-raising. If this project is permitted, we would plan to re-locate our offices to these new premises.

Approved by the Board and signed on its behalf by:

.....

Dr P Le Feuvre

Chair of Trustees

Date.....

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".

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 on30/7/25..... 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 2024.

Responsibilities and basis of report

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

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

Independent examiner's statement

Since 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: 30/1/25

Folkestone Rainbow Centre

Statement of Financial Activities for the Year Ended 31 December 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2024 £
Income and Endowments from:				
Donations and legacies	3	242,117	47,078	289,195
Charitable activities	4	-	194,345	194,345
Other trading activities	5	10,574	-	10,574
Investment income	6	57,452	-	57,452
Other income	7	9,000	-	9,000
Total Income		<u>319,143</u>	<u>241,423</u>	<u>560,566</u>
Expenditure on:				
Charitable activities	8	<u>(282,709)</u>	<u>(248,448)</u>	<u>(531,157)</u>
Total Expenditure		<u>(282,709)</u>	<u>(248,448)</u>	<u>(531,157)</u>
Net income/(expenditure)		36,434	(7,025)	29,409
Transfers between funds		<u>(51,580)</u>	<u>51,580</u>	<u>-</u>
Net movement in funds		(15,146)	44,555	29,409
Total funds brought forward		<u>583,418</u>	<u>758,084</u>	<u>1,341,502</u>
Total funds carried forward	20	<u><u>568,272</u></u>	<u><u>802,639</u></u>	<u><u>1,370,911</u></u>

The notes on pages 14 to 29 form an integral part of these financial statements.

Folkestone Rainbow Centre

Statement of Financial Activities for the Year Ended 31 December 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

2023 Accounts

	Note	Unrestricted £	Restricted £	Total 2023 £
Income and Endowments from:				
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>
Expenditure on:				
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		<u>(51,339)</u>	<u>73,649</u>	<u>22,310</u>
Total funds brought forward		<u>634,758</u>	<u>684,435</u>	<u>1,319,193</u>
Total funds carried forward	20	<u>583,419</u>	<u>758,084</u>	<u>1,341,503</u>

The notes on pages 14 to 29 form an integral part of these financial statements.

Folkestone Rainbow Centre
(Registration number: 04318070)
Balance Sheet as at 31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	15	358,671	377,955
Investments	16	<u>1</u>	<u>1</u>
		<u>358,672</u>	<u>377,956</u>
Current assets			
Debtors	17	11,582	18,542
Cash at bank and in hand	18	<u>1,032,432</u>	<u>986,366</u>
		1,044,014	1,004,908
Creditors: Amounts falling due within one year	19	<u>(31,775)</u>	<u>(41,361)</u>
Net current assets		<u>1,012,239</u>	<u>963,547</u>
Net assets		<u>1,370,911</u>	<u>1,341,503</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		802,639	758,084
Unrestricted income funds			
Unrestricted funds		<u>568,272</u>	<u>583,419</u>
Total funds	20	<u>1,370,911</u>	<u>1,341,503</u>

For the financial year ending 31 December 2024 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.

The financial statements on pages 11 to 29 were approved by the trustees, and authorised for issue on 30/1/25 and signed on their behalf by:

.....

Dr P Le Feuvre
Trustee

The notes on pages 14 to 29 form an integral part of these financial statements.

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

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.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

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.

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

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.

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.

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

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.

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:

Asset class	Depreciation method and rate
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.

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

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.

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 2024 £	Total 2023 £
Donations and legacies;				
Appeals and donations	155,016	34,333	189,349	136,341
Gift aid tax reclaimed	4,976	2,671	7,647	5,985
Winter Shelter donations	-	10,074	10,074	9,408
Grants, including capital grants;				
Grants receivable	75,291	-	75,291	2,956
Other income	6,834	-	6,834	7,313
	<u>242,117</u>	<u>47,078</u>	<u>289,195</u>	<u>162,003</u>

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

4 Income from charitable activities

	Restricted £	Total 2024 £	Total 2023 £
FoodStop	5,456	5,456	6,382
The Pantry	26,313	26,313	14,880
Folkestone Churches Winter Shelter	90,863	90,863	142,358
Food Bank	34,976	34,976	95,134
Money Matters	36,737	36,737	5,000
	<u>194,345</u>	<u>194,345</u>	<u>263,754</u>

5 Income from other trading activities

	Unrestricted funds £	Total 2024 £	Total 2023 £
Events income;			
Fundraising events	10,574	10,574	26,894
	<u>10,574</u>	<u>10,574</u>	<u>26,894</u>

6 Investment income

	Unrestricted funds £	Total 2024 £	Total 2023 £
Interest receivable and similar income;			
Interest receivable on bank deposits	24,150	24,150	17,288
Income from rents	33,302	33,302	37,758
	<u>57,452</u>	<u>57,452</u>	<u>55,046</u>

7 Other income

	Unrestricted funds £	Total 2024 £	Total 2023 £
Income from trading subsidiary	9,000	9,000	23,000

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

8 Expenditure on charitable activities

	Note	Unrestricted funds £	Restricted £	Total 2024 £	Total 2023 £
General		1,740	-	1,740	809
FoodStop		-	3,279	3,279	4,790
Folkestone Churches Winter Shelter		-	95,324	95,324	103,853
Homeless Support Service		135,751	-	135,751	131,116
Contact		2,771	-	2,771	2,594
Food Bank		-	73,703	73,703	68,871
Money Matters		-	46,634	46,634	42,819
Allocated support costs	9	137,130	25,988	163,118	145,699
Governance costs	9	5,317	3,520	8,837	7,836
		<u>282,709</u>	<u>248,448</u>	<u>531,157</u>	<u>508,387</u>

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

9 Analysis of governance and support costs

Support costs allocated to charitable activities

	Other support costs £	Total 2024 £	Total 2023 £
FoodStop	1,500	1,500	(877)
Folkestone Churches Winter Shelter	2	2	2
Contact	1,650	1,650	1,500
Food Bank	19,464	19,464	19,900
Fixed assets fund	3,090	3,090	3,090
Money Matters	1,932	1,932	1,932
Wages	64,144	64,144	60,267
Staff NIC	2,567	2,567	2,392
Staff pensions	1,920	1,920	2,263
Recruitment and employment costs	2,057	2,057	119
Rates	2,953	2,953	1,018
Light and heat	7,439	7,439	4,241
Insurance	7,074	7,074	6,504
Repairs	2,559	2,559	(631)
Telephone	(721)	(721)	363
Computer expenses	6,210	6,210	6,243
Printing, postage and stationery	880	880	1,948
Sundry expenses	1,108	1,108	1,313
Cleaning	6,852	6,852	11,850
Travelling	59	59	-
Legal and professional fees	20,669	20,669	13,600
Bank charges	79	79	64
Depreciation	9,611	9,611	8,598
Bad debts	20	20	-
	<u>163,118</u>	<u>163,118</u>	<u>145,699</u>

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

Governance costs

	Unrestricted funds £	Restricted £	Total 2024 £	Total 2023 £
Independent examiner fees				
Examination of the financial statements	2,220	-	2,220	2,220
Other governance costs	3,097	3,520	6,617	5,616
	<u>5,317</u>	<u>3,520</u>	<u>8,837</u>	<u>7,836</u>

10 Net incoming/outgoing resources

Net incoming resources for the year include:

	2024 £	2023 £
Profit on disposal of tangible fixed assets	-	(2,877)
Depreciation of fixed assets	<u>25,447</u>	<u>28,110</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:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	226,347	220,052
Social security costs	12,256	11,995
Pension costs	5,298	5,409
	<u>243,901</u>	<u>237,456</u>

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

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

	2024 No	2023 No
Service delivery	9	8
Support	2	2
Winter Shelter	1	2
Food Bank	2	2
	<u>14</u>	<u>14</u>

The average number of employees during 2024 includes 5 full time staff and the remainder is made up of part time staff.

The average full time equivalent for the year was 9.49.

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

13 Independent examiner's remuneration

	2024 £	2023 £
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 2024

15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 January 2024	374,604	58,092	80,730	19,223	532,649
Additions	<u>-</u>	<u>3,644</u>	<u>-</u>	<u>2,520</u>	<u>6,164</u>
At 31 December 2024	<u>374,604</u>	<u>61,736</u>	<u>80,730</u>	<u>21,743</u>	<u>538,813</u>
Depreciation					
At 1 January 2024	56,392	50,034	35,755	12,514	154,695
Charge for the year	<u>4,028</u>	<u>2,927</u>	<u>11,244</u>	<u>7,248</u>	<u>25,447</u>
At 31 December 2024	<u>60,420</u>	<u>52,961</u>	<u>46,999</u>	<u>19,762</u>	<u>180,142</u>
Net book value					
At 31 December 2024	<u>314,184</u>	<u>8,775</u>	<u>33,731</u>	<u>1,981</u>	<u>358,671</u>
At 31 December 2023	<u>318,212</u>	<u>8,058</u>	<u>44,975</u>	<u>6,709</u>	<u>377,954</u>

Included within the net book value of land and buildings above is £Nil (2023 - £Nil) in respect of freehold land and buildings and £314,184 (2023 - £318,212) in respect of leaseholds.

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

16 Fixed asset investments

	2024 £	2023 £
Shares in group undertakings and participating interests	<u>1</u>	<u>1</u>
Shares in group undertakings and participating interests		
	Subsidiary undertakings £	Total £
Cost		
At 1 January 2024	<u>1</u>	<u>1</u>
At 31 December 2024	<u>1</u>	<u>1</u>
Net book value		
At 31 December 2024	<u>1</u>	<u>1</u>
At 31 December 2023	<u>1</u>	<u>1</u>

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
			2024	2023	
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 £461 (2023 - £5,012) and the aggregate amount of capital and reserves at the end of the period was £6,589 (2023 - £7,050).

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

17 Debtors

	2024 £	2023 £
Trade debtors	2,750	9,220
Prepayments	5,953	7,984
Other debtors	2,879	1,338
	<u>11,582</u>	<u>18,542</u>

18 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	1,268	988
Cash at bank	1,031,164	985,378
	<u>1,032,432</u>	<u>986,366</u>

19 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	16,212	18,371
Other taxation and social security	4,212	5,403
Other creditors	688	9,389
Accruals	10,663	8,198
	<u>31,775</u>	<u>41,361</u>

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

20 Funds

	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2024 £
Unrestricted					
General	483,418	319,143	(282,709)	(51,580)	468,272
Designated	100,000	-	-	-	100,000
Total unrestricted	583,418	319,143	(282,709)	(51,580)	568,272
Restricted Funds					
FoodStop	30,630	6,272	(4,779)	-	32,123
Folkestone Churches Winter Shelter	167,108	101,093	(95,326)	-	172,875
Food Bank	80,889	97,321	(96,687)	-	81,523
Computer Equipment Purchase Fund	3,090	-	(3,090)	-	-
Property fund	516,118	-	-	-	516,118
Money Matters	(39,751)	36,737	(48,566)	51,580	-
Restricted	758,084	241,423	(248,448)	51,580	802,639
Total funds	1,341,502	560,566	(531,157)	-	1,370,911

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Balance at 31 December 2023 £
2023 Accounts				
Unrestricted				
General	534,758	209,468	(260,807)	483,419
Designated	100,000	-	-	100,000
Total unrestricted	634,758	209,468	(260,807)	583,419
Restricted Funds				
FoodStop	28,161	6,382	(3,913)	30,630
Pre-School Canterbury Road	-	-	-	-
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)
Restricted	684,435	321,229	(247,580)	758,084
Total funds	1,319,193	530,697	(508,387)	1,341,503

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

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 equipment is now fully depreciated and has been transferred to the general fund.

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 2024
	General	Designated		
	£	£	£	£
Tangible fixed assets	321,293	-	37,378	358,671
Fixed asset investments	1	-	-	1
Debtors	8,963	-	2,619	11,582
Cash and short-term deposits	155,641	100,000	776,791	1,032,432
Current liabilities	(17,628)	-	(14,147)	(31,775)
Total net assets	<u>468,270</u>	<u>100,000</u>	<u>802,641</u>	<u>1,370,911</u>

Folkestone Rainbow Centre

Notes to the Financial Statements for the Year Ended 31 December 2024

2023 Accounts

	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	483,418	100,000	758,085	1,341,503

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 £9,000 (2023 - £23,000) of donations from FRC Commercial Enterprises Ltd. At the balance sheet date the amount due to/from FRC Commercial Enterprises Ltd was £Nil (2023 - £Nil).

