

Rainbow Pre-School (Stansted)

Annual Report and Unaudited Financial Statements

for the Year Ended 31 August 2020

Rainbow Pre-School (Stansted)

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Rainbow Pre-School (Stansted)

Company Information

Directors	C Y Hardy GM Pursglove
Registered office	The Peter Kirk Centre St Johns Road Stansted Essex CM24 8JP
Accountants	Mansell & Co Chartered Certified Accountants 5 Ducketts Wharf South St Bishop's Stortford Herts CM23 3AR

Rainbow Pre-School (Stansted)

Directors' Report for the Year Ended 31 August 2020

The directors present their report and the financial statements for the year ended 31 August 2020.

Directors of the company

The directors who held office during the year were as follows:

C Y Hardy

GM Pursglove

Principal activity

The principal activity of the company is pre-school education

Small companies provision statement

This report has 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.

Approved by the Board on and signed on its behalf by:

.....
C Y Hardy
Director

**Chartered Certified Accountants' Report to the Board of Directors on the Preparation
of the Unaudited Statutory Accounts of
Rainbow Pre-School (Stansted)
for the Year Ended 31 August 2020**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Rainbow Pre-School (Stansted) for the year ended 31 August 2020 as set out on pages 4 to 10 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at <http://www.accaglobal.com/gb/en/discover/public-value/rulebook.html>.

This report is made solely to the Board of Directors of Rainbow Pre-School (Stansted), as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Rainbow Pre-School (Stansted) and state those matters that we have agreed to state to the Board of Directors of Rainbow Pre-School (Stansted), as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at <http://www.accaglobal.com/gb/en/technical-activities/technical-resources-search/2009/october/factsheet-163-audit-exempt-companies.html>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Rainbow Pre-School (Stansted) and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Rainbow Pre-School (Stansted) has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Rainbow Pre-School (Stansted). You consider that Rainbow Pre-School (Stansted) is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Rainbow Pre-School (Stansted). For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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Mansell & Co
Chartered Certified Accountants
5 Ducketts Wharf South St
Bishop's Stortford
Herts
CM23 3AR

Date:.....

Rainbow Pre-School (Stansted)

Profit and Loss Account for the Year Ended 31 August 2020

	Note	Total 31 August 2020 £	Total 31 August 2019 £
Turnover		87,780	87,691
Administrative expenses		(76,970)	(83,997)
Other operating income		2,531	-
Operating profit		13,341	3,694
Other interest receivable and similar income		185	152
		185	152
Profit before tax	4	13,526	3,846
Profit for the financial year		13,526	3,846

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Rainbow Pre-School (Stansted)

Statement of Comprehensive Income for the Year Ended 31 August 2020

	Note	2020 £	2019 £
Profit for the year		<u>13,526</u>	<u>3,846</u>
Total comprehensive income for the year		<u><u>13,526</u></u>	<u><u>3,846</u></u>

Rainbow Pre-School (Stansted)
(Registration number: 05179971)
Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	5	340	454
Current assets			
Debtors	6	567	515
Cash at bank and in hand		169,164	156,625
		169,731	157,140
Creditors: Amounts falling due within one year	7	(12,803)	(13,281)
Net current assets		156,928	143,859
Total assets less current liabilities		157,268	144,313
Creditors: Amounts falling due after more than one year	7	(44,182)	(44,753)
Net assets		113,086	99,560
Capital and reserves			
Profit and loss account		113,086	99,560
Total equity		113,086	99,560

For the financial year ending 31 August 2020 the company 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 company 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.

Approved and authorised by the Board on and signed on its behalf by:

.....

C Y Hardy
Director

Rainbow Pre-School (Stansted)

Statement of Changes in Equity for the Year Ended 31 August 2020

	Profit and loss account £	Total £
At 1 September 2019	99,560	99,560
Profit for the year	13,526	13,526
Total comprehensive income	13,526	13,526
At 31 August 2020	113,086	113,086
	Profit and loss account £	Total £
At 1 September 2018	95,714	95,714
Profit for the year	3,846	3,846
Total comprehensive income	3,846	3,846
At 31 August 2019	99,560	99,560

The notes on pages 8 to 10 form an integral part of these financial statements.

Rainbow Pre-School (Stansted)

Notes to the Financial Statements for the Year Ended 31 August 2020

1 General information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

The Peter Kirk Centre

St Johns Road

Stansted

Essex

CM24 8JP

[Authorised for issue date](#)

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

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class

Shed

Depreciation method and rate

25% reducing balance

Rainbow Pre-School (Stansted)

Notes to the Financial Statements for the Year Ended 31 August 2020

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 debtors

Trade debtors are amounts due from customers for merchandise sold or 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 company will not be able to collect all amounts due according to the original terms of the receivables.

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 company 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.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 8 (2019 - 8).

4 Profit before tax

Arrived at after charging/(crediting)

	2020 £	2019 £
Depreciation expense	114	151

Rainbow Pre-School (Stansted)

Notes to the Financial Statements for the Year Ended 31 August 2020

5 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 September 2019	3,962	3,962
At 31 August 2020	3,962	3,962
Depreciation		
At 1 September 2019	3,508	3,508
Charge for the year	114	114
At 31 August 2020	3,622	3,622
Carrying amount		
At 31 August 2020	340	340
At 31 August 2019	454	454

6 Debtors

	2020 £	2019 £
Prepayment insurance	567	515
Total current trade and other debtors	567	515

7 Creditors

	2020 £	2019 £
Due within one year		
PAYE and wages	555	1,033
Accountancy accrual and other accruals	12,248	12,248
	12,803	13,281
Due after one year		
Deferred income	8,130	7,926
Other creditors	36,052	36,827
	44,182	44,753

Rainbow Pre-School (Stansted)

Detailed Profit and Loss Account for the Year Ended 31 August 2020

	2020 £	2019 £
Turnover (analysed below)	<u>87,780</u>	<u>87,691</u>
Gross profit (%)	100%	100%
Administrative expenses		
Employment costs (analysed below)	(64,416)	(67,178)
Establishment costs (analysed below)	(4,608)	(4,824)
General administrative expenses (analysed below)	(7,772)	(11,784)
Finance charges (analysed below)	(60)	(60)
Depreciation costs (analysed below)	<u>(114)</u>	<u>(151)</u>
	(76,970)	(83,997)
Other operating income (analysed below)	<u>2,531</u>	<u>-</u>
Operating profit	13,341	3,694
Other interest receivable and similar income (analysed below)	<u>185</u>	<u>152</u>
Profit before tax	<u><u>13,526</u></u>	<u><u>3,846</u></u>

Rainbow Pre-School (Stansted)

Detailed Profit and Loss Account for the Year Ended 31 August 2020

	2020 £	2019 £
Turnover		
Net receipts from parents - Sundry income	67,712	5,957
Funding received	<u>20,068</u>	<u>81,734</u>
	<u>87,780</u>	<u>87,691</u>
Employment costs		
Wages and national insurance	(62,949)	(64,869)
Pension cost	(1,307)	(1,554)
Staff recruitment and training	<u>(160)</u>	<u>(755)</u>
	<u>(64,416)</u>	<u>(67,178)</u>
Establishment costs		
Rent	(1,334)	(1,502)
Waste and utilities	(545)	(664)
Insurance	(1,309)	(1,278)
Consumables, renewals and maintenance	(1,420)	(802)
Alarm	<u>-</u>	<u>(578)</u>
	<u>(4,608)</u>	<u>(4,824)</u>
General administrative expenses		
Administrative expenses	(5,924)	(9,090)
Donations	-	(47)
Sundry	(8)	(35)
Cleaning	(832)	(1,199)
Advertising	-	(135)
Gifts to helpers / Entertaining	(90)	(240)
Accountancy charges	(750)	(1,038)
Legal and professional fees	<u>(168)</u>	<u>-</u>
	<u>(7,772)</u>	<u>(11,784)</u>
Finance charges		
Bank charges	<u>(60)</u>	<u>(60)</u>
Depreciation costs		
Depreciation charge - shed	<u>(114)</u>	<u>(151)</u>
Other operating income		
Grants receivable - HMRC	<u>2,531</u>	<u>-</u>
Other interest receivable and similar income		
Interest received	<u>185</u>	<u>152</u>

This page does not form part of the statutory financial statements.