THE RAINBOW CENTRE (MARHAM)

England & Wales · Charity number 1126581

Details

Status	Registered
Legal form	Charitable company
Company number	06580163
Registered	2008-11-05
Register	View on the Charity Commission register

Contact

Address	The Rainbow Centre Elm Road Upper Marham King's Lynn PE33 9NF
Phone	01760446161
Email	MRM-RainbowCentre-OIC@mod.gov.uk
Website	https://www.marhamrainbowcentre.com/

Activities

Objects: TO ADVANCE, FOR THE PUBLIC BENEFIT, THE EDUCATION OF CHILDREN (PRIMARILY, BUT NOT EXCLUSIVELY UNDER STATUTORY SCHOOL AGE) AND TO ENHANCE THEIR DEVELOPMENT BY:(A) PROVIDING APPROPRIATE PLAY, EDUCATION AND CARE FACILITIES AND TRAINING COURSES; AND(B) ENCOURAGING AND FACILITATING THE STUDY OF THE EDUCATIONAL/DEVELOPMENTAL NEEDS OF SUCH CHILDREN AND OF THEIR FAMILIES AND PROMOTING PUBLIC INTEREST IN, AND RECOGNITION OF, SUCH NEEDS; AND(C) SUCH OTHER CHARITABLE MEANS AS THE DIRECTORS SHALL REASONABLY THINK FIT.

Activities: Day-Care Centre for children - 3 months to 12 years

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

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Geography

- **Area of benefit:** NORFOLK
- Norfolk

Finances

Period end	Income	Expenditure	Assets	Employees
2025-05-31	£2,027,959	£1,877,181	£539,993	63
2024-05-31	£1,602,933	£1,617,239	£389,215	55
2023-05-31	£1,499,625	£1,445,108	£403,521	55
2022-05-31	£1,335,957	£1,228,865	£349,004	51
2021-05-31	£1,142,868	£1,099,204	£241,912	50

Trustees

Name	Role	Appointed
Alison Mclean		2023-10-30
Chris Elmer		2025-05-13
Christina Owen		2025-05-13
Christine Brooks		2026-04-29
Gary James Walker MBE TD VR		2017-07-10
Kevin Atkinson		2025-06-20
Philip Andrew Hitchen		2024-06-18
Stephen John Robinson		2026-03-03

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THE RAINBOW CENTRE (MARHAM)

England & Wales - Charity number 1126581

Accounts

REGISTERED COMPANY NUMBER: 06580163 (England and Wales)
REGISTERED CHARITY NUMBER: 1126581

Trustees' Report and

Financial Statements for the Year Ended 31 May 2025

for

The Rainbow Centre (Marham)

Stephenson Smart (East Anglia) Limited
Chartered accountants & statutory auditor
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

Contents of the Financial Statements
for the Year Ended 31 May 2025

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Trustees' Report
for the Year Ended 31 May 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 May 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities
Objectives and aims
The Charity's Objects, as set out in the Constitution are to enhance the care, development and education of children primarily under statutory school age, but also in Breakfast and After School Clubs by encouraging parents to understand and provide for the needs of their children through community groups and by:

- Offering appropriate play facilities and training courses together with the right of parents to take responsibility for and become involved in the activities of such groups, ensuring that such groups offer opportunities for all children, whatever their race, culture, religion, means or ability.
- Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local area.
- Providing a safe and secure environment, where parents are happy in the knowledge that their children receive quality care.
- Advancing the education of children by offering a supportive, challenging and encouraging environment, where children can relax, have fun and be with friends.
- Providing a reliable and consistent service.
- Working within a framework that ensures equality of opportunity for all children and families.
- Instigating and adhering to and furthering the aims of the Pre-School Learning Alliance.

Within these Objects, the Centre's aim is to provide the highest quality learning and care in a loving, nurturing, safe environment that is vibrant, purposeful, challenging and supportive to enable children to fulfil their potential and stand the best chance of developing into confident and successful learners.

Public benefit
The Trustees have a duty to report on public benefit by explaining the significant activities undertaken in order to carry out our aims for the public benefit and our achievements measured against those aims.
We confirm that we have had regard to the Charity Commission's guidance on public benefit in reporting on the Charity's activities and achievements.

Trustees' Report
for the Year Ended 31 May 2025

Achievements and performance
Charitable activities
Operational performance of the centre

This year has seen the Centre continue to provide an excellent service.
Continuous improvements have been made through evaluation and reflection of our practice as we strive to raise standards and improve the children's lives. This is reflected in the results of the most recent OFSTED inspection held in January 2025, where the Centre achieved a good rating.

With ongoing training at the top of our agenda, we continue to celebrate many staff gaining their National Vocational Qualification (NVQ) at levels 2, 3, 4 and 5. One member of staff has also achieved level 6. The Centre Manager is a graduate of the Early Years Professional Status (EYPS) qualification.
The Charity continually seeks to develop and improve the Centre, to enable the provision of childcare of the highest quality. In order to set firm foundations upon which children can build, the Charity aims to maximise the opportunities offered to children, and to give them memorable and long-lasting experiences.

To add to the developments of previous periods, the Charity has further enhanced the Centre's facilities by:
• Refreshing and renewing the resources available to assist children with learning through play, in both the inside and outside areas.

These developments will enable child-focused activities to continue promoting holistic development and learning through the guidelines of the statutory Early Years Foundation Stage Document. Past developments have proven to be very successful and an enhancement to the Centre's environment. It promulgates the ethos of the Centre, which is that the child is at the centre of the curriculum.

Investment performance

The funds held by the Centre are banked through the Service Institute Fund (SIF) . Interest is not currently being paid on this account. With interest rates now increasing the Trustees are considering alternative investments that may increase interest receivable.
The trustees, having in mind the liquidity requirements of operating the Centre, have maintained a policy of keeping funds in a current account that is easily accessible.

Financial review
Principal funding sources

The results for the year and the charity's financial position at the year end are shown in the attached financial statements. The charity has continued to raise the majority of its funds through fees paid by parents and grants received. The trustees consider the results for the year to be satisfactory.

Donated services and facilities

The Rainbow Centre occupies a building owned by The Defence Infrastructure Organisation. Rent payments for use of the building began on the 1st October 2016 at a reduced rate, the reduction from the market value of rent is treated as donated income. The Defence Infrastructure Organisation also pays for the lighting and heating of the Centre. The value of these donated amounts is included in the Statement of Financial Activities and detailed in note 2 to the financial statements.

The Trustees give of their time freely.

Trustees' Report
for the Year Ended 31 May 2025

Financial review
Reserves policy
The charity seeks to maintain a level of reserves to meet its needs for the foreseeable future whilst enabling it to meet the needs of the children using the service, the Trustees also always try to maintain reserves high enough to cover minimum statutory redundancy payments currently circa £252,000 should the centre ever have to close. Reserves are funds which are unrestricted and undesignated and which are not represented by tangible fixed assets held for charitable use. At the year end the charity held reserves totalling £532,918. The trustees designate funds from time to time to enable the costs of larger projects to be met.

Future plans
Key objectives are; to continue to provide outstanding care.

The centre also wishes to retain their core of highly trained staff.

The Centre will continue to encourage and support staff training, with a focus on increasing knowledge of child protection, first aid and outdoor learning. Staff wishing to gain their NVQ in child care will also be supported, with the Centre contributing up to 50% depending on the course, towards the costs of working towards levels 2 and 3.

The Centre also intends to continue to encourage and build community relationships with the families who use the Centre.

Appropriate staffing levels are to be maintained to allow the centre to provide childcare to those eligible for the Government funded childcare which has increased significantly in 2024 & 2025.

Structure, governance and management
Governing document
The Rainbow Centre (Marham) is a company limited by guarantee, governed by its Memorandum & Articles of Association dated 29 April 2008. It is a registered charity, established on 29 April 2008, at which point it took over the operation of the service of its predecessor charity. Anybody can apply to become a member of the company. The liability of each member is limited to £1 in the event of the company having to be wound up.

Recruitment and appointment of new trustees
Trustees are elected at the Annual General Meeting. One third of the trustees must retire in rotation at each Annual General Meeting, but may be re-appointed at the same meeting. No trustee of the air-force rank of Squadron Leader or above shall be entitled to retire unless a new trustee of the same rank or above is first appointed.

The trustees may at any time co-opt any person suitably qualified to be appointed as a trustee to fill a casual vacancy or as an additional trustee. Co-opted trustees retain their office until the next Annual General Meeting, but are then eligible for re-election.

Trustees' vacancies are advertised locally as they arise. New trustees receive an induction into the workings of the Centre and are provided with Terms of Reference relevant to their position. All trustees are required to have Disclosure and Barring checks.

The cost of Trustee's Indemnity Insurance for the period was included within the charity's annual insurance policy and as such cannot be separately determined.

Organisational structure
The trustees are responsible for the overall management and control of the Centre and aim to meet at least every four months. The day to day running of the Centre is delegated to the Centre Manager, Mrs D Gent.

Structure, governance and management
Key management remuneration
Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £72,239 (2024:£66,128).

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. Detailed considerations of risk are delegated to the Centre Manager who identifies and assesses risk and establishes the necessary controls.

The key controls used by the Charity include:

- Setting formal agendas for all Committee and Board Meetings.
- Providing detailed Terms of Reference for all Committee Members.
- Maintaining a comprehensive strategic plan, budgets and management accounts.
- Establishing an organisational structure with line management.
- Maintaining written policies.
- Providing clear authorisation with approval levels.
- Vetting procedures for the protection of the vulnerable.

The trustees are satisfied that the major risks have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Reference and administrative details
Registered Company number
06580163 (England and Wales)

Registered Charity number
1126581

Registered office
Elm Road
Upper Marham
King's Lynn
Norfolk
PE33 9NF

Trustees' Report
for the Year Ended 31 May 2025

Trustees
Mrs D M Gent
Sqn Ldr DA Smith
Mr G J Walker
Sqn Ldr M R C A Hayward (resigned 1.9.2025)
Sqn Ldr P A Grimes (resigned 15.4.2025)
Mrs E C Wallace (resigned 13.6.2024)
Mrs C P A Wigglesworth (resigned 13.5.2025)
Sqn Ldr P A Hitchen (appointed 18.6.2024)
Mrs C M I Hall (appointed 13.6.2024) (resigned 1.9.2025)
Wg Cdr A R Mclean
Ms C K Owens (appointed 13.5.2025)
Sqn Ldq C W Elmer Chairman (appointed as Trustee 13.5.2025, Chairman 20.06.25)
Mr K Atkinson (appointed 20.6.2025)
Mr T Hall (appointed 1.9.2025)

Company Secretary
Mrs D M Gent

Auditors
Stephenson Smart (East Anglia) Limited
Chartered accountants & statutory auditor
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

Bankers
SIF
RAF Marham
King's Lynn
Norfolk
PE33 9NF

Website https://www.marhamrainbowcentre.com/

Statement of trustees' responsibilities
The trustees (who are also the directors of The Rainbow Centre (Marham) 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 Financial Reporting Standard 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 which 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 the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Statement of trustees' responsibilities - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors
The auditors, Stephenson Smart (East Anglia) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 17 September 2025 and signed on its behalf by:

Sqn Ldr CW Elmer - Chairman

Mrs DM Gent- Trustee

Opinion

We have audited the financial statements of The Rainbow Centre (Marham) (the 'charitable company') for the year ended 31 May 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the trustees' Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures inline with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of The Rainbow Centre (Marham)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Christopher Goad BFP FCA (Senior Statutory Auditor)
for and on behalf of Stephenson Smart (East Anglia) Limited
Chartered accountants & statutory auditor
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

17 September 2025

Statement of Financial Activities
for the Year Ended 31 May 2025

	Notes	Unrestricted funds £	Restricted fund £	31.5.25 Total funds £	31.5.24 Total funds £
Income and endowments from					
Donations and grants	2	984,658	-	984,658	494,893
Charitable activities	4				
Provision of childcare services		1,042,960	-	1,042,960	1,107,639
Other trading activities	3	341	-	341	401
Total		2,027,959	-	2,027,959	1,602,933
Expenditure on					
Raising funds	5	341	-	341	401
Charitable activities	6				
Provision of childcare services		1,876,840	-	1,876,840	1,616,838
Total		1,877,181	-	1,877,181	1,617,239
NET INCOME/(EXPENDITURE)		150,778	-	150,778	(14,306)
Reconciliation of funds					
Total funds brought forward		389,215	-	389,215	403,521
Total funds carried forward		539,993	-	539,993	389,215

The notes form part of these financial statements

Balance Sheet
31 May 2025

	Notes	Unrestricted funds £	Restricted fund £	31.5.25 Total funds £	31.5.24 Total funds £
Fixed assets					
Tangible assets	11	7,075	-	7,075	7,298
Current assets					
Debtors	12	4,134	-	4,134	10,523
Cash at bank		622,903	-	622,903	435,905
		627,037	-	627,037	446,428
Creditors					
Amounts falling due within one year	13	(94,119)	-	(94,119)	(64,511)
Net current assets		532,918	-	532,918	381,917
Total assets less current liabilities		539,993	-	539,993	389,215
NET ASSETS		539,993	-	539,993	389,215
Funds	15				
Unrestricted funds				539,993	389,215
Total funds				539,993	389,215

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 17 September 2025 and were signed on its behalf by:

Sqn Ldr CW Elmer - Chairman

Mrs DM Gent - Trustee

The notes form part of these financial statements

Cash Flow Statement
for the Year Ended 31 May 2025

	Notes	31.5.25 £	31.5.24 £
Cash flows from operating activities			
Cash generated from operations	1	188,634	(15,101)
Net cash provided by/(used in) operating activities		188,634	(15,101)
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,636)	(4,634)
Net cash used in investing activities		(1,636)	(4,634)
Change in cash and cash equivalents in the reporting period		186,998	(19,735)
Cash and cash equivalents at the beginning of the reporting period		435,905	455,640
Cash and cash equivalents at the end of the reporting period		622,903	435,905

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 May 2025

1. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	31.5.25	31.5.24
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	150,778	(14,306)
Adjustments for:		
Depreciation charges	1,859	2,175
Decrease/(increase) in debtors	6,389	(3,278)
Increase in creditors	29,608	308
Net cash provided by/(used in) operations	188,634	(15,101)

2. Analysis of changes in net funds

	At 1.6.24	Cash flow	At 31.5.25
	£	£	£
Net cash			
Cash at bank	435,905	186,998	622,903
	435,905	186,998	622,903
Total	435,905	186,998	622,903

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Figures are rounded to the nearest whole pound sterling.

The financial statements cover an individual entity

Income
All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Fundraising income is credited to unrestricted funds in the period in which the fundraising event is held.

Income from grants is included in incoming resources on an accruals basis. Where the grant is for the general purposes of the charity it is credited to unrestricted funds. Where the use of the grant has been specified by the grantor, it is credited to restricted funds.

Expenditure
Resources expended are included in the Statement of Financial Activities on an accruals basis.
Irrecoverable VAT is included with the item of expense to which it relates.
The cost of generating funds includes all costs relating to fundraising events.
Resources expended on charitable activities include all costs relating to the provision of childcare services.
Governance costs comprise the costs of running the charity, including external audit, legal advice and the costs of complying with constitutional and statutory requirements.
Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

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

Fixtures and fittings	-	25% p.a. reducing balance

Tangible fixed assets costing over £1,500 are capitalised unless it is felt that the cost has been covered by grants in that year or the costs are in respect of improvements to the outdoor area and therefore cannot be removed from the property. Where assets are not capitalised, the resources expended are shown in the Statement of Financial Activities in the same year as any related income.

Taxation
The charity is exempt from corporation tax on its charitable activities.

1. **Accounting policies - continued**

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Operating leases
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Donated goods
These are included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Debtors
Debtors are measured at their recoverable amounts; the amount the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services.

Creditors
Creditors are recognised for the amount that the charity anticipates it will pay to settle the debt or the amount it has received as an advance payment for goods or services it must provide.

Judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Government grants
Government grants are recognised using the accruals method.

Going concern
There are no material uncertainties about the charity's ability to continue.

2. Donations and grants

	31.5.25	31.5.24
	£	£
Donations	-	57
Grants	925,629	432,787
Donated services and facilities	59,029	62,049
	984,658	494,893

Included within grants received £925,629 (2024: £432,787) is £925,629 (2024: £432,787) of unrestricted income from Norfolk County Council for Childcare provision.

3. Other trading activities

	31.5.25	31.5.24
	£	£
Fundraising events	341	401

4. Income from charitable activities

	Activity	31.5.25	31.5.24
		£	£
Provision of childcare	Provision of childcare services	1,042,960	1,107,639

5. Raising funds

Other trading activities

	31.5.25	31.5.24
	£	£
Purchases	341	401

6. Charitable activities costs

	Direct Costs	Support costs (see note 7)	Totals
	£	£	£
Provision of childcare services	1,871,890	4,950	1,876,840

7. Support costs

	Governance costs
	£
Provision of childcare services	4,950

All support costs have been allocated to the sole charitable activity of the charity being the provision of childcare services.

8. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	31.5.25	31.5.24
	£	£
Auditors' remuneration	4,950	4,640
Depreciation - owned assets	1,859	2,175
Other operating leases	51,000	51,000
Operating leases- equipment	600	600

9. Trustees' remuneration and benefits

Mrs D Gent, a trustee, received remuneration amounting to £72,239 (2024 - £66,128) in her role as Centre Manager. Included within this figure was £24,576 (2023: £15,967) in respect of pension contributions. The level of remuneration was agreed on an arms-length basis, by the Board of Trustees without the involvement of Mrs D Gent.

No other trustees or persons connected with trustees have received any remuneration during the year.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 May 2025 nor for the year ended 31 May 2024.

10. Staff costs

	31.5.25	31.5.24
	£	£
Wages and salaries	1,438,689	1,231,108
Social security costs	123,798	103,329
Other pension costs	61,713	47,839
	1,624,200	1,382,276

10. Staff costs - continued

The average monthly number of employees during the year was as follows:

	31.5.25	31.5.24
Management staff	4	4
Administrative staff	3	3
Production staff	56	48
	63	55

No staff members received emoluments (excluding Employers Pension contributions) in excess of £60,000.

11. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 June 2024	25,796
Additions	1,636
At 31 May 2025	27,432
Depreciation	
At 1 June 2024	18,498
Charge for year	1,859
At 31 May 2025	20,357
Net book value	
At 31 May 2025	7,075
At 31 May 2024	7,298

12. Debtors: amounts falling due within one year

	31.5.25 £	31.5.24 £
Trade debtors	147	5,807
Prepayments and accrued income	3,987	4,716
	4,134	10,523

13. Creditors: amounts falling due within one year

	31.5.25	31.5.24
	£	£
Trade creditors	7,413	7,899
Other creditors	62,049	40,530
Accruals and deferred income	24,657	16,082
	94,119	64,511

Included within Other creditors is £41,971 (2024: £25,543) relating to deferred income in respect of grants receivable for childcare to be provided after the period end.

14. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.5.25	31.5.24
	£	£
Within one year	600	600

15. Movement in funds

	At 1.6.24	Net movement in funds	At 31.5.25
	£	£	£
Unrestricted funds			
General fund	389,215	150,778	539,993
TOTAL FUNDS	389,215	150,778	539,993

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	2,027,959	(1,877,181)	150,778
TOTAL FUNDS	2,027,959	(1,877,181)	150,778

15. Movement in funds - continued

Comparatives for movement in funds

	At 1.6.23 £	Net movement in funds £	At 31.5.24 £
Unrestricted funds			
General fund	403,521	(14,306)	389,215
TOTAL FUNDS	403,521	(14,306)	389,215

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,602,933	(1,617,239)	(14,306)
TOTAL FUNDS	1,602,933	(1,617,239)	(14,306)

There was no restricted income or expenditure throughout the current or previous period.

16. Related party disclosures

There were no related party transactions for the year ended 31 May 2025.

17. Ultimate controlling party

The charity was controlled by the trustees throughout the current and previous period.

Detailed Statement of Financial Activities
for the Year Ended 31 May 2025

	31.5.25 £	31.5.24 £
Income and endowments		
Donations and grants		
Donations	-	57
Grants	925,629	432,787
Donated services and facilities	59,029	62,049
	984,658	494,893
Other trading activities		
Fundraising events	341	401
Charitable activities		
Provision of childcare	1,042,960	1,107,639
Total incoming resources	2,027,959	1,602,933
Expenditure		
Other trading activities		
Fundraising events	341	401
Charitable activities		
Wages	1,438,689	1,231,108
Social security	123,798	103,329
Pensions	61,713	47,839
Operating leases- buildings	51,000	51,000
Insurance	3,974	3,770
Light and heat	23,941	23,357
Groceries and consumables	66,471	56,269
Repairs and maintenance	2,197	4,111
Legal and professional fees	4,922	4,482
Office costs	11,555	7,595
Equipment and improvements	61,161	70,798
Staff training	2,744	365
Welfare	17,866	6,000
Depreciation of tangible fixed assets	1,859	2,175
	1,871,890	1,612,198
Support costs		
Governance costs		
Auditors' remuneration	4,950	4,640

Detailed Statement of Financial Activities
for the Year Ended 31 May 2025

	31.5.25 £	31.5.24 £
Total resources expended	1,877,181	1,617,239
Net income/(expenditure)	150,778	(14,306)

This page does not form part of the statutory financial statements

THE RAINBOW CENTRE (MARHAM)

England & Wales - Charity number 1126581

Accounts

REGISTERED COMPANY NUMBER: 06580163 (England and Wales)
REGISTERED CHARITY NUMBER: 1126581

Trustees' Report and

Financial Statements for the Year Ended 31 May 2024

for

The Rainbow Centre (Marham)

Stephenson Smart (East Anglia) Limited
Chartered accountants & statutory auditor
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

The Rainbow Centre (Marham)

Contents of the Financial Statements
for the Year Ended 31 May 2024

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 May 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

Objectives and aims

The Charity's Objects, as set out in the Constitution are to enhance the care, development and education of children primarily under statutory school age, but also in Breakfast and After School Clubs by encouraging parents to understand and provide for the needs of their children through community groups and by:

- Offering appropriate play facilities and training courses together with the right of parents to take responsibility for and become involved in the activities of such groups, ensuring that such groups offer opportunities for all children, whatever their race, culture, religion, means or ability.
- Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local area.
- Providing a safe and secure environment, where parents are happy in the knowledge that their children receive quality care.
- Advancing the education of children by offering a supportive, challenging and encouraging environment, where children can relax, have fun and be with friends.
- Providing a reliable and consistent service.
- Working within a framework that ensures equality of opportunity for all children and families.
- Instigating and adhering to and furthering the aims of the Pre-School Learning Alliance.

Within these Objects, the Centre's aim is to provide the highest quality learning and care in a loving, nurturing, safe environment that is vibrant, purposeful, challenging and supportive to enable children to fulfil their potential and stand the best chance of developing into confident and successful learners.

Public benefit

The Trustees have a duty to report on public benefit by explaining the significant activities undertaken in order to carry out our aims for the public benefit and our achievements measured against those aims.

We confirm that we have had regard to the Charity Commission's guidance on public benefit in reporting on the Charity's activities and achievements.

Achievement and performance
Charitable activities
Operational performance of the centre
This year has seen the Centre continue to provide an excellent service.
Continuous improvements have been made through evaluation and reflection of our practice as we strive to raise standards and improve the children's lives. This is reflected in the results of the most recent OFSTED inspection held in May 2019, where for the third time an outstanding grade was achieved overall. An inspection by Norfolk County Council in October 2010 also graded the Centre as outstanding.

With ongoing training at the top of our agenda, we continue to celebrate many staff gaining their National Vocational Qualification (NVQ) at levels 2, 3, 4 and 5. One member of staff has also achieved level 6. The Centre Manager is a graduate of the Early Years Professional Status (EYPS) qualification.
The Charity continually seeks to develop and improve the Centre, to enable the provision of childcare of the highest quality. In order to set firm foundations upon which children can build, the Charity aims to maximise the opportunities offered to children, and to give them memorable and long-lasting experiences.

To add to the developments of previous periods, the Charity has further enhanced the Centre's facilities
by:
• Refreshing and renewing the resources available to assist children with learning through play, notably with new mud kitchens in the outside area.

These developments, both in and outdoors, will enable child-focused activities to continue promoting holistic development and learning through the guidelines of the statutory Early Years Foundation Stage Document. Past developments have proven to be very successful and an enhancement to the Centre's environment. It promulgates the ethos of the Centre, which is that the child is at the centre of the curriculum.

Investment performance
The funds held by the Centre are banked through the Service Institute Fund (SIF) . Interest is not currently being paid on this account. . With interest rates now increasing the Trustees are considering alternative investments that may increase interest receivable.
The trustees, having in mind the liquidity requirements of operating the Centre, have maintained a policy of keeping funds in a current account that is easily accessible.

Financial review
Principal funding sources
The results for the year and the charity's financial position at the year end are shown in the attached financial statements. The charity has continued to raise the majority of its funds through fees paid by parents and grants received. The trustees consider the results for the year to be be satisfactory.

Donated services and facilities
The Rainbow Centre occupies a building owned by The Defence Infrastructure Organisation. Rent payments for use of the building began on the 1st October 2016 at a reduced rate, the reduction from the market value of rent is treated as donated income. The Defence Infrastructure Orgasnisation also pays for the lighting and heating of the Centre. The value of these donated amounts is included in the Statement of Financial Activities and detailed in note 2 to the financial statements.

The Trustees give of their time freely.

Financial review

Reserves policy

The charity seeks to maintain a level of reserves to meet its needs for the foreseeable future whilst enabling it to meet the needs of the children using the service, the Trustees also always try to maintain reserves high enough to cover minimum statutory redundancy payments currently circa £257,000 should the centre ever have to close. Reserves are funds which are unrestricted and undesignated and which are not represented by tangible fixed assets held for charitable use. At the year end the charity held reserves totalling £381,917. The trustees designate funds from time to time to enable the costs of larger projects to be met.

Future plans

Key objectives are; to continue to provide outstanding care.

The centre also wishes to retain their core of highly trained staff.

The Centre will continue to encourage and support staff training, with a focus on increasing knowledge of child protection, first aid and outdoor learning. Staff wishing to gain their NVQ in child care will also be supported, with the Centre contributing up to 50% depending on the course, towards the costs of working towards levels 2 and 3.

The Centre also intends to continue to encourage and build community relationships with the families who use the Centre.

Appropriate staffing levels are to be maintained to allow the centre to provide childcare to those eligible for the additional Government funded hours being offered to 2 year olds from April 2024.

Structure, governance and management

Governing document

The Rainbow Centre (Marham) is a company limited by guarantee, governed by its Memorandum & Articles of Association dated 29 April 2008. It is a registered charity, established on 29 April 2008, at which point it took over the operation of the service of its predecessor charity. Anybody can apply to become a member of the company. The liability of each member is limited to £1 in the event of the company having to be wound up.

Recruitment and appointment of new trustees

Trustees are elected at the Annual General Meeting. One third of the trustees must retire in rotation at each Annual General Meeting, but may be re-appointed at the same meeting. No trustee of the air-force rank of Squadron Leader or above shall be entitled to retire unless a new trustee of the same rank or above is first appointed.

The trustees may at any time co-opt any person suitably qualified to be appointed as a trustee to fill a casual vacancy or as an additional trustee. Co-opted trustees retain their office until the next Annual General Meeting, but are then eligible for re-election.

Trustees' vacancies are advertised locally as they arise. New trustees receive an induction into the workings of the Centre and are provided with Terms of Reference relevant to their position. All trustees are required to have Disclosure and Barring checks.

The cost of Trustee's Indemnity Insurance for the period was included within the charity's annual insurance policy and as such cannot be separately determined.

Organisational structure

The trustees are responsible for the overall management and control of the Centre and aim to meet at least every four months. The day to day running of the Centre is delegated to the Centre Manager, Mrs D Gent.

Structure, governance and management

Key management remuneration

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £66,128 (2023:£60,241).

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. Detailed considerations of risk are delegated to the Centre Manager who identifies and assesses risk and establishes the necessary controls.

The key controls used by the Charity include:

- Setting formal agendas for all Committee and Board Meetings.
- Providing detailed Terms of Reference for all Committee Members.
- Maintaining a comprehensive strategic plan, budgets and management accounts.
- Establishing an organisational structure with line management.
- Maintaining written policies.
- Providing clear authorisation with approval levels.
- Vetting procedures for the protection of the vulnerable.

The trustees are satisfied that the major risks have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Reference and administrative details

Registered Company number

06580163 (England and Wales)

Registered Charity number

1126581

Registered office

Elm Road
Upper Marham
King's Lynn
Norfolk
PE33 9NF

Trustees
Mrs D M Gent
Sqn Ldr B J Norton (resigned 7.9.2023)
Sqn Ldr DA Smith
Mr G J Walker
Mrs CM Wilson (resigned 15.8.2023)
Sqn Ldr M R C A Hayward
Mrs R Portlock (resigned 15.8.2023)
Lt O N Adams (appointed 7.7.2023) (resigned 6.1.2024)
Sqn Ldr P A Grimes
Mrs E C Wallace (appointed 25.8.2023) (resigned 13.6.2024)
Mrs C P A Wigglesworth
Sqn Ldr P A Hitchen Chairman (appointed 18.6.2024)
Mrs C M I Hall (appointed 13.6.2024)
Wg Cdr A R Mclean (appointed 30.10.2023)

Company Secretary
Mrs D M Gent

Auditors
Stephenson Smart (East Anglia) Limited
Chartered accountants & statutory auditor
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

Bankers
SIF
RAF Marham
King's Lynn
Norfolk
PE33 9NF

Website https://www.marhamrainbowcentre.com/

Statement of trustees' responsibilities
The trustees (who are also the directors of The Rainbow Centre (Marham) 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 Financial Reporting Standard 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 which 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 the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

Statement of trustees' responsibilities - continued

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors
The auditors, Stephenson Smart (East Anglia) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 30th September 2024 and signed on its behalf by:

Sqn Ldr P A Hitchen - Chairman

Mrs DM Gent - Trustee

Opinion

We have audited the financial statements of The Rainbow Centre (Marham) (the 'charitable company') for the year ended 31 May 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the trustees' Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures inline with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Christopher Goad BFP FCA (Senior Statutory Auditor)
for and on behalf of Stephenson Smart (East Anglia) Limited
Chartered accountants & statutory auditor
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

30th September 2024

Statement of Financial Activities
for the Year Ended 31 May 2024

	Notes	Unrestricted funds £	Restricted fund £	31.5.24 Total funds £	31.5.23 Total funds £
Income and endowments from					
Donations and grants	2	494,893	-	494,893	472,416
Charitable activities	4				
Provision of childcare services		1,107,639	-	1,107,639	1,026,502
Other trading activities	3	401	-	401	707
Total		1,602,933	-	1,602,933	1,499,625
Expenditure on					
Raising funds	5	401	-	401	706
Charitable activities	6				
Provision of childcare services		1,616,838	-	1,616,838	1,444,402
Total		1,617,239	-	1,617,239	1,445,108
NET INCOME/(EXPENDITURE)		(14,306)	-	(14,306)	54,517
Reconciliation of funds					
Total funds brought forward		403,521	-	403,521	349,004
Total funds carried forward		389,215	-	389,215	403,521

The notes form part of these financial statements

Balance Sheet
31 May 2024

	Notes	Unrestricted funds £	Restricted fund £	31.5.24 Total funds £	31.5.23 Total funds £
Fixed assets					
Tangible assets	11	7,298	-	7,298	4,839
Current assets					
Debtors	12	10,523	-	10,523	7,245
Cash at bank		435,905	-	435,905	455,640
		446,428	-	446,428	462,885
Creditors					
Amounts falling due within one year	13	(64,511)	-	(64,511)	(64,203)
Net current assets		381,917	-	381,917	398,682
Total assets less current liabilities		389,215	-	389,215	403,521
NET ASSETS		389,215	-	389,215	403,521
Funds	15				
Unrestricted funds				389,215	403,521
Total funds				389,215	403,521

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 30th September 2024 and were signed on its behalf by:

Sqn Ldr Philip Hitchen - Chairman

Mrs D M Gent - Trustee

The notes form part of these financial statements

The Rainbow Centre (Marham)

Cash Flow Statement
for the Year Ended 31 May 2024

	Notes	31.5.24 £	31.5.23 £
Cash flows from operating activities			
Cash generated from operations	1	(15,101)	61,566
Net cash (used in)/provided by operating activities		(15,101)	61,566
Cash flows from investing activities			
Purchase of tangible fixed assets		(4,634)	-
Net cash (used in)/provided by investing activities		(4,634)	-
Change in cash and cash equivalents in the reporting period		(19,735)	61,566
Cash and cash equivalents at the beginning of the reporting period		455,640	394,074
Cash and cash equivalents at the end of the reporting period		435,905	455,640

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 May 2024

1. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	31.5.24	31.5.23
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(14,306)	54,517
Adjustments for:		
Depreciation charges	2,175	1,613
Increase in debtors	(3,278)	(947)
Increase in creditors	308	6,383
Net cash (used in)/provided by operations	(15,101)	61,566

2. Analysis of changes in net funds

	At 1.6.23	Cash flow	At 31.5.24
	£	£	£
Net cash			
Cash at bank	455,640	(19,735)	435,905
	455,640	(19,735)	435,905
Total	455,640	(19,735)	435,905

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Figures are rounded to the nearest whole pound sterling.

The financial statements cover an individual entity

Income

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Fundraising income is credited to unrestricted funds in the period in which the fundraising event is held.

Income from grants is included in incoming resources on an accruals basis. Where the grant is for the general purposes of the charity it is credited to unrestricted funds. Where the use of the grant has been specified by the grantor, it is credited to restricted funds.

Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis.
Irrecoverable VAT is included with the item of expense to which it relates.
The cost of generating funds includes all costs relating to fundraising events.
Resources expended on charitable activities include all costs relating to the provision of childcare services.
Governance costs comprise the costs of running the charity, including external audit, legal advice and the costs of complying with constitutional and statutory requirements.
Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

Tangible fixed assets

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

Fixtures and fittings	-	25% p.a. reducing balance

Tangible fixed assets costing over £1,500 are capitalised unless it is felt that the cost has been covered by grants in that year or the costs are in respect of improvements to the outdoor area and therefore cannot be removed from the property. Where assets are not capitalised, the resources expended are shown in the Statement of Financial Activities in the same year as any related income.

Taxation

The charity is exempt from corporation tax on its charitable activities.

1. Accounting policies - continued

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Operating leases
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Donated goods
These are included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Debtors
Debtors are measured at their recoverable amounts; the amount the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services.

Creditors
Creditors are recognised for the amount that the charity anticipates it will pay to settle the debt or the amount it has received as an advance payment for goods or services it must provide.

Judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Government grants
Government grants are recognised using the accruals method.

Going concern
There are no material uncertainties about the charity's ability to continue.

2. Donations and grants

	31.5.24	31.5.23
	£	£
Donations	57	-
Grants	432,787	409,849
Donated services and facilities	62,049	62,567
	494,893	472,416

Included within grants received £432,787 (2023: £409,849) is £432,787 (2023: £407,849) of unrestricted income from Norfolk County Council for Childcare provision and £nil (2023: £2,300) of restricted income for first aid training.

3. Other trading activities

	31.5.24	31.5.23
	£	£
Fundraising events	401	707

4. Income from charitable activities

	Activity	31.5.24	31.5.23
		£	£
Provision of childcare	Provision of childcare services	1,107,639	1,026,502

5. Raising funds

Other trading activities

	31.5.24	31.5.23
	£	£
Purchases	401	706

6. Charitable activities costs

	Direct Costs	Support costs (see note 7)	Totals
	£	£	£
Provision of childcare services	1,612,198	4,640	1,616,838

7. Support costs

	Governance costs
	£
Provision of childcare services	4,640

All support costs have been allocated to the sole charitable activity of the charity being the provision of childcare services.

8. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	31.5.24	31.5.23
	£	£
Auditors' remuneration	4,640	4,360
Depreciation - owned assets	2,175	1,613
Other operating leases	51,000	51,000
Operating leases- equipment	600	600

9. Trustees' remuneration and benefits

Mrs D Gent, a trustee, received remuneration amounting to £66,128 (2023 : £60,241) in her role as Centre Manager. Included within this figure was £15,967 (2023: £14,522) in respect of pension contributions. The level of remuneration was agreed on an arms-length basis, by the Board of Trustees without the involvement of Mrs D Gent.

No other trustees or persons connected with trustees have received any remuneration during the year.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 May 2024 nor for the year ended 31 May 2023.

10. Staff costs

	31.5.24	31.5.23
	£	£
Wages and salaries	1,231,108	1,099,925
Social security costs	103,329	83,007
Other pension costs	47,839	41,930
	1,382,276	1,224,862

10. Staff costs - continued

The average monthly number of employees during the year was as follows:

	31.5.24	31.5.23
Management staff	4	4
Administrative staff	3	3
Production staff	48	48
	55	55

No staff members received emoluments (excluding Employers Pension contributions) in excess of £60,000.

11. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 June 2023	21,162
Additions	4,634
At 31 May 2024	25,796
Depreciation	
At 1 June 2023	16,323
Charge for year	2,175
At 31 May 2024	18,498
Net book value	
At 31 May 2024	7,298
At 31 May 2023	4,839

12. Debtors: amounts falling due within one year

	31.5.24 £	31.5.23 £
Trade debtors	5,807	2,737
Prepayments and accrued income	4,716	4,508
	10,523	7,245

13. Creditors: amounts falling due within one year

	31.5.24	31.5.23
	£	£
Trade creditors	7,899	6,854
Other creditors	40,530	42,193
Accruals and deferred income	16,082	15,156
	64,511	64,203

Included within Other creditors is £25,543, (2023: £16,834) relating to deferred income in respect of grants receivable for childcare to be provided after the period end.

14. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.5.24	31.5.23
	£	£
Within one year	600	600

15. Movement in funds

	At 1.6.23	Net movement in funds	At 31.5.24
	£	£	£
Unrestricted funds			
General fund	403,521	(14,306)	389,215
TOTAL FUNDS	403,521	(14,306)	389,215

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,602,933	(1,617,239)	(14,306)
TOTAL FUNDS	1,602,933	(1,617,239)	(14,306)

15. Movement in funds - continued

Comparatives for movement in funds

	At 1.6.22 £	Net movement in funds £	At 31.5.23 £
Unrestricted funds			
General fund	349,004	54,517	403,521
TOTAL FUNDS	349,004	54,517	403,521

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,497,625	(1,443,108)	54,517
Restricted funds			
First Aid Training	2,000	(2,000)	-
TOTAL FUNDS	1,499,625	(1,445,108)	54,517

Restricted expenditure of £nil (2023: £2,000) was for first aid refresher training.

16. Related party disclosures

There were no related party transactions for the year ended 31 May 2024.

17. Ultimate controlling party

The charity was controlled by the trustees throughout the current and previous period.

The Rainbow Centre (Marham)

Detailed Statement of Financial Activities
for the Year Ended 31 May 2024

	31.5.24 £	31.5.23 £
Income and endowments		
Donations and grants		
Donations	57	-
Grants	432,787	409,849
Donated services and facilities	62,049	62,567
	494,893	472,416
Other trading activities		
Fundraising events	401	707
Charitable activities		
Provision of childcare	1,107,639	1,026,502
Total incoming resources	1,602,933	1,499,625
Expenditure		
Other trading activities		
Fundraising events	401	706
Charitable activities		
Wages	1,231,108	1,099,925
Social security	103,329	83,007
Pensions	47,839	41,930
Operating leases- buildings	51,000	51,000
Insurance	3,770	3,408
Light and heat	23,357	22,787
Groceries and consumables	56,269	55,235
Repairs and maintenance	4,111	35,066
Legal and professional fees	4,482	4,084
Office costs	7,595	10,132
Equipment and improvements	70,798	28,986
Staff training	365	2,252
Staff welfare	6,000	617
Depreciation of tangible fixed assets	2,175	1,613
	1,612,198	1,440,042
Support costs		
Governance costs		
Auditors' remuneration	4,640	4,360

Detailed Statement of Financial Activities
for the Year Ended 31 May 2024

	31.5.24 £	31.5.23 £
Total resources expended	1,617,239	1,445,108
Net (expenditure)/income	(14,306)	54,517

THE RAINBOW CENTRE (MARHAM)

England & Wales - Charity number 1126581

Accounts

REGISTERED COMPANY NUMBER: 06580163 (England and Wales)
REGISTERED CHARITY NUMBER: 1126581

Trustees' Report and

Financial Statements for the Year Ended 31 May 2023

for

The Rainbow Centre (Marham)

Stephenson Smart (East Anglia) Limited
Chartered accountants & statutory auditor
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

The Rainbow Centre (Marham)

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for the Year Ended 31 May 2023

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The Rainbow Centre (Marham)

Trustees' Report
for the Year Ended 31 May 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 May 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities
Objectives and aims
The Charity's Objects, as set out in the Constitution are to enhance the care, development and education of children primarily under statutory school age, but also in Breakfast and After School Clubs by encouraging parents to understand and provide for the needs of their children through community groups and by:

- Offering appropriate play facilities and training courses together with the right of parents to take responsibility for and become involved in the activities of such groups, ensuring that such groups offer opportunities for all children, whatever their race, culture, religion, means or ability.
- Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local area.
- Providing a safe and secure environment, where parents are happy in the knowledge that their children receive quality care.
- Advancing the education of children by offering a supportive, challenging and encouraging environment, where children can relax, have fun and be with friends.
- Providing a reliable and consistent service.
- Working within a framework that ensures equality of opportunity for all children and families.
- Instigating and adhering to and furthering the aims of the Pre-School Learning Alliance.

Within these Objects, the Centre's aim is to provide the highest quality learning and care in a loving, nurturing, safe environment that is vibrant, purposeful, challenging and supportive to enable children to fulfil their potential and stand the best chance of developing into confident and successful learners.

Public benefit
The Trustees have a duty to report on public benefit by explaining the significant activities undertaken in order to carry out our aims for the public benefit and our achievements measured against those aims.
We confirm that we have had regard to the Charity Commission's guidance on public benefit in reporting on the Charity's activities and achievements.

Achievement and performance
Charitable activities
Operational performance of the centre
This year has seen the Centre continue to provide an excellent service.
Continuous improvements have been made through evaluation and reflection of our practice as we strive to raise standards and improve the children's lives. This is reflected in the results of the most recent OFSTED inspection held in May 2019, where for the third time an outstanding grade was achieved overall. An inspection by Norfolk County Council in October 2010 also graded the Centre as outstanding.

With ongoing training at the top of our agenda, we continue to celebrate many staff gaining their National Vocational Qualification (NVQ) at levels 2, 3, 4 and 5. One member of staff has also achieved level 6. The Centre Manager is a graduate of the Early Years Professional Status (EYPS) qualification.
The Charity continually seeks to develop and improve the Centre, to enable the provision of childcare of the highest quality. In order to set firm foundations upon which children can build, the Charity aims to maximise the opportunities offered to children, and to give them memorable and long-lasting experiences.

To add to the developments of previous periods, the Charity has further enhanced the Centre's facilities by:
• Refreshing and renewing the resources available to assist children with learning through play.

These developments, both in and outdoors, will enable child-focused activities to continue promoting holistic development and learning through the guidelines of the statutory Early Years Foundation Stage Document. Past developments have proven to be very successful and an enhancement to the Centre's environment. It promulgates the ethos of the Centre, which is that the child is at the centre of the curriculum.

Investment performance
The funds held by the Centre are banked through the Service Institute Fund (SIF) and have been considered to achieve a satisfactory rate of interest based on rates available.With interest rates now increasing the Trustees are considering alternative investments that may increase interest receivable.
The trustees, having in mind the liquidity requirements of operating the Centre, have maintained a policy of keeping funds in a current account that is easily accessible.

Financial review
Principal funding sources
The results for the year and the charity's financial position at the year end are shown in the attached financial statements. The charity has continued to raise the majority of its funds through fees paid by parents and grants received. The trustees consider the results for the year to be be satisfactory.

Donated services and facilities
The Rainbow Centre occupies a building owned by The Defence Infrastructure Organisation. Rent payments for use of the building began on the 1st October 2016 at a reduced rate, the reduction from the market value of rent is treated as donated income. The Defence Infrastructure Orgasnisation also pays for the lighting and heating of the Centre. The value of these donated amounts is included in the Statement of Financial Activities and detailed in note 2 to the financial statements.

The Trustees give of their time freely.

Financial review

Reserves policy

The charity seeks to maintain a level of reserves to meet its needs for the foreseeable future whilst enabling it to meet the needs of the children using the service, the Trustees also always try to maintain reserves high enough to cover minimum statutory redundancy payments currently circa £229,000 should the centre ever have to close. Reserves are funds which are unrestricted and undesignated and which are not represented by tangible fixed assets held for charitable use. At the year end the charity held reserves totalling £398,682. The trustees designate funds from time to time to enable the costs of larger projects to be met.

Future plans

Key objectives are; to continue to provide outstanding care.

The centre also wishes to retain their core of highly trained staff.

The Centre will continue to encourage and support staff training, with a focus on increasing knowledge of child protection, first aid and outdoor learning. Staff wishing to gain their NVQ in child care will also be supported, with the Centre contributing up to 50% depending on the course, towards the costs of working towards levels 2 and 3.

The Centre also intends to continue to encourage and build community relationships with the families who use the Centre.

Structure, governance and management

Governing document

The Rainbow Centre (Marham) is a company limited by guarantee, governed by its Memorandum & Articles of Association dated 29 April 2008. It is a registered charity, established on 29 April 2008, at which point it took over the operation of the service of its predecessor charity. Anybody can apply to become a member of the company. The liability of each member is limited to £1 in the event of the company having to be wound up.

Recruitment and appointment of new trustees

Trustees are elected at the Annual General Meeting. One third of the trustees must retire in rotation at each Annual General Meeting, but may be re-appointed at the same meeting. No trustee of the air-force rank of Squadron Leader or above shall be entitled to retire unless a new trustee of the same rank or above is first appointed.

The trustees may at any time co-opt any person suitably qualified to be appointed as a trustee to fill a casual vacancy or as an additional trustee. Co-opted trustees retain their office until the next Annual General Meeting, but are then eligible for re-election.

Trustees' vacancies are advertised locally as they arise. New trustees receive an induction into the workings of the Centre and are provided with Terms of Reference relevant to their position. All trustees are required to have Disclosure and Barring checks.

The cost of Trustee's Indemnity Insurance for the period was included within the charity's annual insurance policy and as such cannot be separately determined.

Organisational structure

The trustees are responsible for the overall management and control of the Centre and aim to meet at least every four months. The day to day running of the Centre is delegated to the Centre Manager, Mrs D Gent.

Key management remuneration

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £60,241 (2022:£56,958).

Structure, governance and management
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. Detailed considerations of risk are delegated to the Centre Manager who identifies and assesses risk and establishes the necessary controls.

The key controls used by the Charity include:

- Setting formal agendas for all Committee and Board Meetings.
- Providing detailed Terms of Reference for all Committee Members.
- Maintaining a comprehensive strategic plan, budgets and management accounts.
- Establishing an organisational structure with line management.
- Maintaining written policies.
- Providing clear authorisation with approval levels.
- Vetting procedures for the protection of the vulnerable.

The trustees are satisfied that the major risks have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Reference and administrative details
Registered Company number
06580163 (England and Wales)

Registered Charity number
1126581

Registered office
Elm Road
Upper Marham
King's Lynn
Norfolk
PE33 9NF

Trustees
Mrs D M Gent
Mrs H Marr (resigned 16.2.2023)
Sqn Ldr B J Norton Chairman (resigned 7.9.2023)
Sqn Ldr DA Smith
Mr G J Walker
Mrs CM Wilson (resigned 15.8.2023)
Mr M R C A Hayward
Mr JA Walls (resigned 3.8.2022)
Mrs R Portlock (appointed 3.8.2022) (resigned 15.8.2023)
Lt O N Adams (appointed 7.7.2023)
Sqn Ldr P A Grimes Chairman (appointed 11.11.2022)
Mrs E C Wallace (appointed 25.8.2023)
Mrs C P A Wigglesworth (appointed 1.11.2022)

Company Secretary
Mrs D M Gent

Trustees' Report
for the Year Ended 31 May 2023

Reference and administrative details
Auditors
Stephenson Smart (East Anglia) Limited
Chartered accountants & statutory auditor
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

Bankers
SIF
RAF Marham
King's Lynn
Norfolk
PE33 9NF

Website https://www.marhamrainbowcentre.com/

Statement of trustees' responsibilities
The trustees (who are also the directors of The Rainbow Centre (Marham) 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 Financial Reporting Standard 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 which 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 the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors
The auditors, Stephenson Smart (East Anglia) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 6 October 2023 and signed on its behalf by:

Sqn Ldr P A Grimes – Chairman

Mrs D M Gent- Trustee

Report of the Independent Auditors to the Members of The Rainbow Centre (Marham)

Opinion

We have audited the financial statements of The Rainbow Centre (Marham) (the 'charitable company') for the year ended 31 May 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the trustees' Report.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of The Rainbow Centre (Marham)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Christopher Goad BFP FCA (Senior Statutory Auditor)
for and on behalf of Stephenson Smart (East Anglia) Limited
Chartered accountants & statutory auditor
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

6 October 2023

The Rainbow Centre (Marham)

Statement of Financial Activities
for the Year Ended 31 May 2023

	Notes	Unrestricted funds £	Restricted fund £	31.5.23 Total funds £	31.5.22 Total funds £
Income and endowments from					
Donations and grants	2	470,416	2,000	472,416	424,367
Charitable activities	5				
Provision of childcare services		1,026,502	-	1,026,502	911,567
Other trading activities	3	707	-	707	-
Investment income	4	-	-	-	23
Total		1,497,625	2,000	1,499,625	1,335,957
Expenditure on					
Raising funds	6	706	-	706	-
Charitable activities	7				
Provision of childcare services		1,442,402	2,000	1,444,402	1,228,865
Total		1,443,108	2,000	1,445,108	1,228,865
NET INCOME		54,517	-	54,517	107,092
Reconciliation of funds					
Total funds brought forward		349,004	-	349,004	241,912
Total funds carried forward		403,521	-	403,521	349,004

The notes form part of these financial statements

The Rainbow Centre (Marham)

Balance Sheet
31 May 2023

	Notes	Unrestricted funds £	Restricted fund £	31.5.23 Total funds £	31.5.22 Total funds £
Fixed assets					
Tangible assets	12	4,839	-	4,839	6,452
Current assets					
Debtors	13	7,245	-	7,245	6,298
Cash at bank		455,640	-	455,640	394,074
		462,885	-	462,885	400,372
Creditors					
Amounts falling due within one year	14	(64,203)	-	(64,203)	(57,820)
Net current assets		398,682	-	398,682	342,552
Total assets less current liabilities		403,521	-	403,521	349,004
NET ASSETS		403,521	-	403,521	349,004
Funds	16				
Unrestricted funds				403,521	349,004
Total funds				403,521	349,004

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 6 October 2023 and were signed on its behalf by:

Mrs D M Gent - Trustee

Sqn Ldr P A Grimes - Chairman

The notes form part of these financial statements

The Rainbow Centre (Marham)

Cash Flow Statement
for the Year Ended 31 May 2023

	Notes	31.5.23 £	31.5.22 £
Cash flows from operating activities			
Cash generated from operations	1	61,566	109,265
Net cash provided by operating activities		61,566	109,265
Change in cash and cash equivalents in the reporting period		61,566	109,265
Cash and cash equivalents at the beginning of the reporting period		394,074	284,809
Cash and cash equivalents at the end of the reporting period		455,640	394,074

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 May 2023

1. Reconciliation of net income to net cash flow from operating activities

	31.5.23 £	31.5.22 £
Net income for the reporting period (as per the Statement of Financial Activities)	54,517	107,092
Adjustments for:		
Depreciation charges	1,613	2,151
Increase in debtors	(947)	(1,284)
Increase in creditors	6,383	1,306
Net cash provided by operations	61,566	109,265

2. Analysis of changes in net funds

	At 1.6.22 £	Cash flow £	At 31.5.23 £
Net cash			
Cash at bank	394,074	61,566	455,640
	394,074	61,566	455,640
Total	394,074	61,566	455,640

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Figures are rounded to the nearest whole pound sterling.

The financial statements cover an individual entity

Income
All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Fundraising income is credited to unrestricted funds in the period in which the fundraising event is held.

Income from grants is included in incoming resources on an accruals basis. Where the grant is for the general purposes of the charity it is credited to unrestricted funds. Where the use of the grant has been specified by the grantor, it is credited to restricted funds.

Expenditure
Resources expended are included in the Statement of Financial Activities on an accruals basis.
Irrecoverable VAT is included with the item of expense to which it relates.
The cost of generating funds includes all costs relating to fundraising events.
Resources expended on charitable activities include all costs relating to the provision of childcare services.
Governance costs comprise the costs of running the charity, including external audit, legal advice and the costs of complying with constitutional and statutory requirements.
Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

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

Fixtures and fittings	- 25% p.a. reducing balance

Tangible fixed assets costing over £1,500 are capitalised unless it is felt that the cost has been covered by grants in that year or the costs are in respect of improvements to the outdoor area and therefore cannot be removed from the property. Where assets are not capitalised, the resources expended are shown in the Statement of Financial Activities in the same year as any related income.

Taxation
The charity is exempt from corporation tax on its charitable activities.

1. Accounting policies - continued

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Operating leases
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Donated goods
These are included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Debtors
Debtors are measured at their recoverable amounts; the amount the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services.

Creditors
Creditors are recognised for the amount that the charity anticipates it will pay to settle the debt or the amount it has received as an advance payment for goods or services it must provide.

Judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Government grants
Government grants are recognised using the accruals method.

Going concern
There are no material uncertainties about the charity's ability to continue.

2. Donations and grants

	31.5.23	31.5.22
	£	£
Donations	-	55
Grants	409,849	360,261
Donated services and facilities	62,567	64,051
	472,416	424,367

Included within grants received £409,849 (2022: £360,261) is £407,849 (2022: £357,961) of unrestricted income from Norfolk County Council for Childcare provision and £2,000 (2022: £2,300) of restricted income for first aid training.

3. Other trading activities

	31.5.23	31.5.22
	£	£
Fundraising events	707	-

4. Investment income

	31.5.23	31.5.22
	£	£
Bank interest receivable	-	23

5. Income from charitable activities

	Activity	31.5.23	31.5.22
		£	£
Provision of childcare	Provision of childcare services	1,026,502	911,567

6. Raising funds

Other trading activities

	31.5.23	31.5.22
	£	£
Purchases	706	-

7. Charitable activities costs

	Direct Costs	Support costs (see note 8)	Totals
	£	£	£
Provision of childcare services	1,440,042	4,360	1,444,402

8. Support costs

	Governance costs
	£
Provision of childcare services	4,360

All support costs have been allocated to the sole charitable activity of the charity being the provision of childcare services.

9. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	31.5.23	31.5.22
	£	£
Auditors' remuneration	4,360	3,840
Depreciation - owned assets	1,613	2,151
Other operating leases	51,000	51,000
Operating leases- equipment	600	570

10. Trustees' remuneration and benefits

Mrs D Gent, a trustee, received remuneration amounting to £60,241 (2022 - £56,958) in her role as Centre Manager. Included within this figure was £14,522 (2022: £13,752) in respect of pension contributions. The level of remuneration was agreed on an arms-length basis, by the Board of Trustees without the involvement of Mrs D Gent.

No other trustees or persons connected with trustees have received any remuneration during the year.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 May 2023 nor for the year ended 31 May 2022.

11. Staff costs

	31.5.23	31.5.22
	£	£
Wages and salaries	1,099,925	963,300
Social security costs	83,007	69,932
Other pension costs	41,930	37,333
	1,224,862	1,070,565

The average monthly number of employees during the year was as follows:

	31.5.23	31.5.22
Management staff	4	4
Administrative staff	3	3
Production staff	48	44
	55	51

No staff received emoluments (excluding Employers Pension contributions) in excess of £60,000.

12. Tangible fixed assets

	Fixtures and fittings
	£
Cost	
At 1 June 2022 and 31 May 2023	21,162
Depreciation	
At 1 June 2022	14,710
Charge for year	1,613
At 31 May 2023	16,323
Net book value	
At 31 May 2023	4,839
At 31 May 2022	6,452

13. Debtors: amounts falling due within one year

	31.5.23	31.5.22
	£	£
Trade debtors	2,737	2,395
Prepayments and accrued income	4,508	3,903
	7,245	6,298

14. Creditors: amounts falling due within one year

	31.5.23	31.5.22
	£	£
Trade creditors	6,854	5,350
Other creditors	42,193	40,011
Accruals and deferred income	15,156	12,459
	64,203	57,820

Included within Other creditors is £16,834 (2022: £17,818) relating to deferred income in respect of grants receivable for childcare to be provided after the period end.

15. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.5.23	31.5.22
	£	£
Within one year	600	3,660

16. Movement in funds

	At 1.6.22	Net movement in funds	At 31.5.23
	£	£	£
Unrestricted funds			
General fund	349,004	54,517	403,521
TOTAL FUNDS	349,004	54,517	403,521

16. Movement in funds - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,497,625	(1,443,108)	54,517
Restricted funds			
First Aid Training	2,000	(2,000)	-
TOTAL FUNDS	1,499,625	(1,445,108)	54,517

Comparatives for movement in funds

	At 1.6.21 £	Net movement in funds £	At 31.5.22 £
Unrestricted funds			
General fund	241,912	107,092	349,004
TOTAL FUNDS	241,912	107,092	349,004

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,333,657	(1,226,565)	107,092
Restricted funds			
First Aid Training	2,300	(2,300)	-
TOTAL FUNDS	1,335,957	(1,228,865)	107,092

Restricted expenditure of £2,000 (2022: £2,300) was for first aid refresher training.

17. Related party disclosures

There were no related party transactions for the year ended 31 May 2023.

18. Ultimate controlling party

The charity was controlled by the trustees throughout the current and previous period.

The Rainbow Centre (Marham)

Detailed Statement of Financial Activities
for the Year Ended 31 May 2023

	31.5.23 £	31.5.22 £
Income and endowments		
Donations and grants		
Donations	-	55
Grants	409,849	360,261
Donated services and facilities	62,567	64,051
	472,416	424,367
Other trading activities		
Fundraising events	707	-
Investment income		
Bank interest receivable	-	23
Charitable activities		
Provision of childcare	1,026,502	911,567
Total incoming resources	1,499,625	1,335,957
Expenditure		
Other trading activities		
Fundraising events	706	-
Charitable activities		
Wages	1,099,925	963,300
Social security	83,007	69,932
Pensions	41,930	37,333
Operating leases- buildings	51,000	51,000
Insurance	3,408	3,149
Light and heat	22,787	22,231
Groceries and consumables	55,235	35,279
Repairs and maintenance	35,066	3,422
Legal and professional fees	4,084	3,677
Office costs	10,132	6,987
Equipment and improvements	28,986	23,747
Staff training	2,252	2,817
Staff welfare	617	-
Depreciation of tangible fixed assets	1,613	2,151
	1,440,042	1,225,025

Detailed Statement of Financial Activities
for the Year Ended 31 May 2023

	31.5.23 £	31.5.22 £
Support costs		
Governance costs		
Auditors' remuneration	4,360	3,840
Total resources expended	1,445,108	1,228,865
Net income	54,517	107,092

This page does not form part of the statutory financial statements

THE RAINBOW CENTRE (MARHAM)

England & Wales - Charity number 1126581

Accounts

REGISTERED COMPANY NUMBER: 06580163 (England and Wales)
REGISTERED CHARITY NUMBER: 1126581

Trustees' Report and

Financial Statements for the Year Ended 31 May 2022

for

The Rainbow Centre (Marham)

Stephenson Smart (East Anglia) Limited
Chartered accountants & statutory auditor
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

The Rainbow Centre (Marham)

Contents of the Financial Statements
for the Year Ended 31 May 2022

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Trustees' Report
for the Year Ended 31 May 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 May 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities
Objectives and aims
The Charity's Objects, as set out in the Constitution are to enhance the care, development and education of children primarily under statutory school age, but also in Breakfast and After School Clubs by encouraging parents to understand and provide for the needs of their children through community groups and by:

- Offering appropriate play facilities and training courses together with the right of parents to take responsibility for and become involved in the activities of such groups, ensuring that such groups offer opportunities for all children, whatever their race, culture, religion, means or ability.
- Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local area.
- Providing a safe and secure environment, where parents are happy in the knowledge that their children receive quality care.
- Advancing the education of children by offering a supportive, challenging and encouraging environment, where children can relax, have fun and be with friends.
- Providing a reliable and consistent service.
- Working within a framework that ensures equality of opportunity for all children and families.
- Instigating and adhering to and furthering the aims of the Pre-School Learning Alliance.

Within these Objects, the Centre's aim is to provide the highest quality learning and care in a loving, nurturing, safe environment that is vibrant, purposeful, challenging and supportive to enable children to fulfil their potential and stand the best chance of developing into confident and successful learners.

Public benefit
The Trustees have a duty to report on public benefit by explaining the significant activities undertaken in order to carry out our aims for the public benefit and our achievements measured against those aims.
We confirm that we have had regard to the Charity Commission's guidance on public benefit in reporting on the Charity's activities and achievements.

Achievement and performance
Charitable activities
Operational performance of the centre
This year has seen the Centre continue to provide an excellent service while still observing additional safeguards to try to ensure the safety of children and staff while there are still risks from the Covid pandemic.
Continuous improvements have been made through evaluation and reflection of our practice as we strive to raise standards and improve the children's lives. This is reflected in the results of the most recent OFSTED inspection held in May 2019, where for the third time an outstanding grade was achieved overall. An inspection by Norfolk County Council in October 2010 also graded the Centre as outstanding.

With ongoing training at the top of our agenda, we continue to celebrate many staff gaining their National Vocational Qualification (NVQ) at levels 2, 3, 4 and 5. One member of staff has also achieved level 6. The Centre Manager is a graduate of the Early Years Professional Status (EYPS) qualification.
The Charity continually seeks to develop and improve the Centre, to enable the provision of childcare of the highest quality. In order to set firm foundations upon which children can build, the Charity aims to maximise the opportunities offered to children, and to give them memorable and long-lasting experiences.

To add to the developments of previous periods, the Charity has further enhanced the Centre's facilities by:
• Refreshing and renewing the resources available to assist children with learning through play.

These developments, both in and outdoors, will enable child-focused activities to continue promoting holistic development and learning through the guidelines of the statutory Early Years Foundation Stage Document. Past developments have proven to be very successful and an enhancement to the Centre's environment. It promulgates the ethos of the Centre, which is that the child is at the centre of the curriculum.

Investment performance
The funds held by the Centre are banked through the Service Institute Fund (SIF) and achieve a satisfactory rate of interest. The trustees, having in mind the liquidity requirements of operating the Centre, have maintained a policy of keeping funds in a current account that is easily accessible.

Financial review
Principal funding sources
The results for the year and the charity's financial position at the year end are shown in the attached financial statements. The charity has continued to raise the majority of its funds through fees paid by parents and grants received. Parent fees paid increased significantly due to the Covid 19 Pandemic affecting the prior year where only children of Key Workers could attend Nursery for parts of the year. The trustees consider the results for the year to be be satisfactory.

Donated services and facilities
The Rainbow Centre occupies a building owned by The Defence Infrastructure Organisation. Rent payments for use of the building began on the 1st October 2016 at a reduced rate, the reduction from the market value of rent is treated as donated income. The Defence Infrastructure Orgasnisation also pays for the lighting and heating of the Centre. The value of these donated amounts is included in the Statement of Financial Activities and detailed in note 2 to the financial statements.

The Trustees give of their time freely.

Financial review
Reserves policy
The charity seeks to maintain a level of reserves to meet its needs for the foreseeable future whilst enabling it to meet the needs of the children using the service, the Trustees also always try to maintain reserves high enough to cover minimum statutory redundancy payments currently circa £190,000 should the centre ever have to close. Reserves are funds which are unrestricted and undesignated and which are not represented by tangible fixed assets held for charitable use. At the year end the charity held reserves totalling £342,552. The trustees designate funds from time to time to enable the costs of larger projects to be met.

Future plans
Key objectives are; to continue to provide outstanding care.

The centre also wishes to retain their core of highly trained staff.

The Centre will continue to encourage and support staff training, with a focus on increasing knowledge of child protection, first aid and outdoor learning. Staff wishing to gain their NVQ in child care will also be supported, with the Centre contributing up to 50% depending on the course, towards the costs of working towards levels 2 and 3.

The Centre also intends to continue to encourage and build community relationships with the families who use the Centre.

Structure, governance and management
Governing document
The Rainbow Centre (Marham) is a company limited by guarantee, governed by its Memorandum & Articles of Association dated 29 April 2008. It is a registered charity, established on 29 April 2008, at which point it took over the operation of the service of its predecessor charity. Anybody can apply to become a member of the company. The liability of each member is limited to £1 in the event of the company having to be wound up.

Recruitment and appointment of new trustees
Trustees are elected at the Annual General Meeting. One third of the trustees must retire in rotation at each Annual General Meeting, but may be re-appointed at the same meeting. No trustee of the air-force rank of Squadron Leader or above shall be entitled to retire unless a new trustee of the same rank or above is first appointed.

The trustees may at any time co-opt any person suitably qualified to be appointed as a trustee to fill a casual vacancy or as an additional trustee. Co-opted trustees retain their office until the next Annual General Meeting, but are then eligible for re-election.

Trustees' vacancies are advertised locally as they arise. New trustees receive an induction into the workings of the Centre and are provided with Terms of Reference relevant to their position. All trustees are required to have Disclosure and Barring checks.

The cost of Trustee's Indemnity Insurance for the period was included within the charity's annual insurance policy and as such cannot be separately determined.

Organisational structure
The trustees are responsible for the overall management and control of the Centre and aim to meet at least every four months. The day to day running of the Centre is delegated to the Centre Manager, Mrs D Gent.

Key management remuneration
Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £56,958 (2021:£55,086).

Structure, governance and management
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. Detailed considerations of risk are delegated to the Centre Manager who identifies and assesses risk and establishes the necessary controls.

The key controls used by the Charity include:

- Setting formal agendas for all Committee and Board Meetings.
- Providing detailed Terms of Reference for all Committee Members.
- Maintaining a comprehensive strategic plan, budgets and management accounts.
- Establishing an organisational structure with line management.
- Maintaining written policies.
- Providing clear authorisation with approval levels.
- Vetting procedures for the protection of the vulnerable.

The trustees are satisfied that the major risks have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Reference and administrative details
Registered Company number
06580163 (England and Wales)

Registered Charity number
1126581

Registered office
Elm Road
Upper Marham
King's Lynn
Norfolk
PE33 9NF

Trustees
Mrs D M Gent
Mrs H Marr (appointed 28.9.2021)
Sqn Ldr B J Norton Chairman
Sqn Ldr DA Smith
Sqn Ldr G J Walker
Mrs CM Wilson (appointed 12.10.2021)
Sqn Ldr M Hayward
Wg Cdr JA Walls (resigned 3.8.2022)
Mrs R Portlock (appointed 3.8.2022)

Company Secretary
Mrs D M Gent

Reference and administrative details
Auditors
Stephenson Smart (East Anglia) Limited
Chartered accountants & statutory auditor
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

Bankers
SIF
RAF Marham
King's Lynn
Norfolk
PE33 9NF

Website https://www.marhamrainbowcentre.com/

Statement of trustees' responsibilities
The trustees (who are also the directors of The Rainbow Centre (Marham) 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 Financial Reporting Standard 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 which 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 the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors
The auditors, Stephenson Smart (East Anglia) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 30 September 2022 and signed on its behalf by:



Sqn Ldr B J Norton – Chairman



Mrs D M Gent Trustee

Opinion

We have audited the financial statements of The Rainbow Centre (Marham) (the 'charitable company') for the year ended 31 May 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the trustees' Report.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Members of The Rainbow Centre (Marham)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Michael Andrews FCA (Senior Statutory Auditor)
for and on behalf of Stephenson Smart (East Anglia) Limited
Chartered accountants & statutory auditor
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

30 September 2022

Statement of Financial Activities
for the Year Ended 31 May 2022

	Notes	Unrestricted funds £	Restricted fund £	31.5.22 Total funds £	31.5.21 Total funds £
Income and endowments from					
Donations and grants	2	422,067	2,300	424,367	539,019
Charitable activities					
Provision of childcare services		911,567	-	911,567	602,253
Other trading activities	3	-	-	-	1,574
Investment income	4	23	-	23	21
Total		1,333,657	2,300	1,335,957	1,142,867
Expenditure on					
Raising funds	6	-	-	-	452
Charitable activities	7				
Provision of childcare services		1,226,565	2,300	1,228,865	1,098,751
Total		1,226,565	2,300	1,228,865	1,099,203
NET INCOME		107,092	-	107,092	43,664
Reconciliation of funds					
Total funds brought forward		241,912	-	241,912	198,248
Total funds carried forward		349,004	-	349,004	241,912

The notes form part of these financial statements

The Rainbow Centre (Marham)

Balance Sheet
31 May 2022

	Notes	Unrestricted funds £	Restricted fund £	31.5.22 Total funds £	31.5.21 Total funds £
Fixed assets					
Tangible assets	13	6,452	-	6,452	8,603
Current assets					
Debtors	14	6,298	-	6,298	5,014
Cash at bank		394,074	-	394,074	284,809
		400,372	-	400,372	289,823
Creditors					
Amounts falling due within one year	15	(57,820)	-	(57,820)	(56,514)
Net current assets		342,552	-	342,552	233,309
Total assets less current liabilities		349,004	-	349,004	241,912
NET ASSETS		349,004	-	349,004	241,912
Funds	17				
Unrestricted funds				349,004	241,912
Total funds				349,004	241,912

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 30 September 2022 and were signed on its behalf by:

Mrs D M Gent - Trustee

Sqn Ldr B J Norton - Chairman

The notes form part of these financial statements

The Rainbow Centre (Marham)

Cash Flow Statement
for the Year Ended 31 May 2022

	Notes	31.5.22 £	31.5.21 £
Cash flows from operating activities			
Cash generated from operations	1	109,265	54,019
Net cash provided by operating activities		109,265	54,019
Change in cash and cash equivalents in the reporting period		109,265	54,019
Cash and cash equivalents at the beginning of the reporting period		284,809	230,790
Cash and cash equivalents at the end of the reporting period		394,074	284,809

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 May 2022

1. Reconciliation of net income to net cash flow from operating activities

	31.5.22	31.5.21
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	107,092	43,664
Adjustments for:		
Depreciation charges	2,151	2,868
(Increase)/decrease in debtors	(1,284)	44,630
Increase/(decrease) in creditors	1,306	(37,143)
Net cash provided by operations	109,265	54,019

2. Analysis of changes in net funds

	At 1.6.21	Cash flow	At 31.5.22
	£	£	£
Net cash			
Cash at bank	284,809	109,265	394,074
	284,809	109,265	394,074
Total	284,809	109,265	394,074

The notes form part of these financial statements

1. Accounting policies

Basis of preparing the financial statements
The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Figures are rounded to the nearest whole pound sterling.

The financial statements cover an individual entity

Income
All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:
Fundraising income is credited to unrestricted funds in the period in which the fundraising event is held.
Income from grants is included in incoming resources on an accruals basis. Where the grant is for the general purposes of the charity it is credited to unrestricted funds. Where the use of the grant has been specified by the grantor, it is credited to restricted funds.

Expenditure
Resources expended are included in the Statement of Financial Activities on an accruals basis.
Irrecoverable VAT is included with the item of expense to which it relates.
The cost of generating funds includes all costs relating to fundraising events.
Resources expended on charitable activities include all costs relating to the provision of childcare services.
Governance costs comprise the costs of running the charity, including external audit, legal advice and the costs of complying with constitutional and statutory requirements.
Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

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

Fixtures and fittings - 25% on reducing balance

Tangible fixed assets costing over £1,500 are capitalised unless it is felt that the cost has been covered by grants in that year or the costs are in respect of improvements to the outdoor area and therefore cannot be removed from the property. Where assets are not capitalised, the resources expended are shown in the Statement of Financial Activities in the same year as any related income.

Taxation
The charity is exempt from corporation tax on its charitable activities.

1. **Accounting policies - continued**

Fund accounting
Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Operating leases
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Donated goods
These are included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Debtors
Debtors are measured at their recoverable amounts; the amount the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services.

Creditors
Creditors are recognised for the amount that the charity anticipates it will pay to settle the debt or the amount it has received as an advance payment for goods or services it must provide.

Judgements and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Government grants
Government grants are recognised using the accruals method.

Going concern
There are no material uncertainties about the charity's ability to continue.

2. Donations and grants

	31.5.22	31.5.21
	£	£
Donations	56	2,611
Grants	360,260	361,187
Donated services and facilities	64,051	57,389
Government grant income	-	117,832
	424,367	539,019

Included within grants received £360,260 (2021: £361,187) is £357,960 (2021: £361,187) of unrestricted income from Norfolk County Council for Childcare provision and £2,300 (2021: £nil) of restricted income for refreshing first aid skills.

3. Other trading activities

	31.5.22	31.5.21
	£	£
Fundraising events	-	1,574

4. Investment income

	31.5.22	31.5.21
	£	£
Bank interest receivable	23	21

5. Income from charitable activities

	Activity	31.5.22	31.5.21
		£	£
Provision of childcare	Provision of childcare services	911,567	602,253

6. Raising funds

Other trading activities

	31.5.22	31.5.21
	£	£
Purchases	-	452

7. Charitable activities costs

	Direct Costs	Support costs (see note 8)	Totals
	£	£	£
Provision of childcare services	1,225,025	3,840	1,228,865

8. Support costs

	Governance costs
	£
Provision of childcare services	3,840

All support costs have been allocated to the sole charitable activity of the charity being the provision of childcare services.

9. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	31.5.22	31.5.21
	£	£
Auditors' remuneration	3,840	3,480
Depreciation - owned assets	2,151	2,868
Other operating leases	51,000	51,000
Operating leases- equipment	570	512

10. Trustees' remuneration and benefits

Mrs D Gent, a trustee, received remuneration amounting to £56,958 (2021 - £55,086) in her role as Centre Manager. Included within this figure was £13,752 (2021: £3,575) in respect of pension contributions. The level of remuneration was agreed on an arms-length basis, by the Board of Trustees without the involvement of Mrs D Gent.

No other trustees or persons connected with trustees have received any remuneration during the year.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 May 2022 nor for the year ended 31 May 2021.

11. Staff costs

	31.5.22	31.5.21
	£	£
Wages and salaries	963,300	881,070
Social security costs	69,932	65,407
Other pension costs	37,333	28,319
	1,070,565	974,796

The average monthly number of employees during the year was as follows:

	31.5.22	31.5.21
Management staff	4	4
Administrative staff	3	2
Production staff	44	44
	51	50

No employees received emoluments in excess of £60,000.

12. Comparatives for the statement of financial activities

All income and expenditure during 2021 was unrestricted therefore was as per the totals on the statement of financial activities on page 10.

13. Tangible fixed assets

	Fixtures and fittings
	£
Cost	
At 1 June 2021 and 31 May 2022	21,162
Depreciation	
At 1 June 2021	12,559
Charge for year	2,151
At 31 May 2022	14,710
Net book value	
At 31 May 2022	6,452
At 31 May 2021	8,603

14. Debtors: amounts falling due within one year

	31.5.22	31.5.21
	£	£
Trade debtors	2,395	1,983
Prepayments and accrued income	3,903	3,031
	6,298	5,014

15. Creditors: amounts falling due within one year

	31.5.22	31.5.21
	£	£
Trade creditors	5,350	7,680
Other creditors	40,011	22,829
Accruals and deferred income	12,459	26,005
	57,820	56,514

Included within Other creditors is £17,818 (2021: £9,228) relating to deferred income in respect of grants receivable for childcare to be provided after the period end.

16. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.5.22	31.5.21
	£	£
Within one year	3,660	9,693
Between one and five years	-	3,060
	3,660	12,753

17. Movement in funds

	At 1.6.21	Net movement in funds	At 31.5.22
	£	£	£
Unrestricted funds			
General fund	241,912	107,092	349,004
TOTAL FUNDS	241,912	107,092	349,004

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,333,657	(1,226,565)	107,092
Restricted funds			
First Aid Training	2,300	(2,300)	-
TOTAL FUNDS	1,335,957	(1,228,865)	107,092

17. **Movement in funds - continued**

Comparatives for movement in funds

	At 1.6.20	Net movement in funds	At 31.5.21
	£	£	£
Unrestricted funds			
General fund	198,248	43,664	241,912
TOTAL FUNDS	198,248	43,664	241,912

Comparative net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,142,867	(1,099,203)	43,664
TOTAL FUNDS	1,142,867	(1,099,203)	43,664

Restricted expenditure of £2,300 was for first aid refresher training.

18. **Related party disclosures**

There were no related party transactions for the year ended 31 May 2022.

19. **Ultimate controlling party**

The charity was controlled by the trustees throughout the current and previous period.

Detailed Statement of Financial Activities
for the Year Ended 31 May 2022

	31.5.22 £	31.5.21 £
Income and endowments		
Donations and grants		
Donations	56	2,611
Grants	360,260	361,187
Donated services and facilities	64,051	57,389
Government grant income	-	117,832
	424,367	539,019
Other trading activities		
Fundraising events	-	1,574
Investment income		
Bank interest receivable	23	21
Charitable activities		
Provision of childcare	911,567	602,253
Total incoming resources	1,335,957	1,142,867
Expenditure		
Other trading activities		
Fundraising events	-	452
Charitable activities		
Wages	963,300	881,070
Social security	69,932	65,407
Pensions	37,333	28,319
Operating leases- buildings	51,000	51,000
Rates and water	-	250
Insurance	3,149	2,857
Light and heat	22,231	21,689
Groceries and consumables	35,279	21,232
Repairs and maintenance	3,422	2,636
Legal and professional fees	3,677	981
Office costs	6,987	7,820
Equipment and improvements	23,747	9,142
Staff training	2,817	-
Depreciation of tangible fixed assets	2,151	2,868
	1,225,025	1,095,271

This page does not form part of the statutory financial statements

Detailed Statement of Financial Activities
for the Year Ended 31 May 2022

	31.5.22 £	31.5.21 £
Support costs		
Governance costs		
Auditors' remuneration	3,840	3,480
Total resources expended	1,228,865	1,099,203
Net income	107,092	43,664

This page does not form part of the statutory financial statements

THE RAINBOW CENTRE (MARHAM)

England & Wales - Charity number 1126581

Accounts

COMPANY REGISTRATION NUMBER: 06580163

CHARITY REGISTRATION NUMBER: 1126581

The Rainbow Centre (Marham)

Company Limited by Guarantee

Financial Statements

31st May 2021

STEPHENSON SMART (EAST ANGLIA) LIMITED
Chartered accountants & statutory auditor
22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

The Rainbow Centre (Marham)

Company Limited by Guarantee

Financial Statements

Year ended 31st May 2021

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The Rainbow Centre (Marham)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31st May 2021

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31st May 2021.

Reference and administrative details

Registered charity name	The Rainbow Centre (Marham)
Charity registration number	1126581
Company registration number	06580163
Principal office and registered office	Elm Road Upper Marham King's Lynn Norfolk PE33 9NF

The trustees

Sqn Ldr D Smith	
Mr G Walker	
Sgt R Douglas	(Retired 22nd September 2020)
Sqn Ldr M Hayward	
Mrs D Gent	
Sqn Ldr B Norton, Chairman	
Cpl K Scott	(Appointed 22nd September 2020)
Wg Cdr J Walls	
Mrs C Wilson	(Appointed 12th October 2021)
Mrs H Marr	(Appointed 28th September 2021)

Company secretary	Mrs D Gent
Auditor	Stephenson Smart (East Anglia) Limited Chartered accountants & statutory auditor 22-26 King Street King's Lynn Norfolk PE30 1HJ
Bankers	SIF RAF Marham King's Lynn Norfolk PE33 9NF
Website	https://www.marhamrainbowcentre.com/

Structure, governance and management

The Rainbow Centre (Marham) is a company limited by guarantee, governed by its Memorandum & Articles of Association dated 29 April 2008. It is a registered charity, established on 29 April 2008, at which point it took over the operation of the service of its predecessor charity.

Anybody can apply to become a member of the company. The liability of each member is limited to £1 in the event of the company having to be wound up.

Recruitment and training of trustees
Trustees are elected at the Annual General Meeting. One third of the trustees must retire in rotation at each Annual General Meeting, but may be re-appointed at the same meeting. No trustee of the air-force rank of Squadron Leader or above shall be entitled to retire unless a new trustee of the same rank or above is first appointed.

The trustees may at any time co-opt any person suitably qualified to be appointed as a trustee to fill a casual vacancy or as an additional trustee. Co-opted trustees retain their office until the next Annual General Meeting, but are then eligible for re-election.

Trustees' vacancies are advertised locally as they arise. New trustees receive an induction into the workings of the Centre and are provided with Terms of Reference relevant to their position. All trustees are required to have Disclosure and Barring checks.

The cost of Trustee's Indemnity Insurance for the period was included within the charity's annual insurance policy and as such cannot be separately determined.

Organisational structure
The trustees are responsible for the overall management and control of the Centre and meet at least every four months. The day to day running of the Centre is delegated to the Centre Manager, Mrs D Gent.

Risk management
The trustees are responsible for the management of the risks faced by the Centre. Detailed considerations of risk are delegated to the Centre Manager who identifies and assesses risk and establishes the necessary controls.

The key controls used by the Charity include:

- Setting formal agendas for all Committee and Board Meetings.
- Providing detailed Terms of Reference for all Committee Members.
- Maintaining a comprehensive strategic plan, budgets and management accounts.
- Establishing an organisational structure with line management.
- Maintaining written policies.
- Providing clear authorisation with approval levels.
- Vetting procedures for the protection of the vulnerable.

The trustees are satisfied that the major risks have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Objectives and activities

Charitable objects
The Charity's Objects, as set out in the Constitution are to enhance the care, development and education of children primarily under statutory school age, but also in Breakfast and After School Clubs by encouraging parents to understand and provide for the needs of their children through community groups and by:

- Offering appropriate play facilities and training courses together with the right of parents to take responsibility for and become involved in the activities of such groups, ensuring that such groups offer opportunities for all children, whatever their race, culture, religion, means or ability.
- Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local area.
- Providing a safe and secure environment, where parents are happy in the knowledge that their children receive quality care.
- Advancing the education of children by offering a supportive, challenging and encouraging environment, where children can relax, have fun and be with friends.
- Providing a reliable and consistent service.
- Working within a framework that ensures equality of opportunity for all children and families.
- Instigating and adhering to and furthering the aims of the Pre-School Learning Alliance.

Aims and intended impact
Within these Objects, the Centre's aim is to provide the highest quality learning and care in a loving, nurturing, safe environment that is vibrant, purposeful, challenging and supportive to enable children to fulfil their potential and stand the best chance of developing into confident and successful learners.

Achievements and performance

Operational performance of the centre
This year has seen the Centre continue to provide an excellent service during the challenging times of the Covid Pandemic. Continuous improvements have been made through evaluation and reflection of our practice as we strive to raise standards and improve the children's lives. This is reflected in the results of the most recent OFSTED inspection held in May 2019, where for the third time an outstanding grade was achieved overall. An inspection by Norfolk County Council in October 2010 also graded the Centre as outstanding.

With ongoing training at the top of our agenda, we continue to celebrate many staff gaining their National Vocational Qualification (NVQ) at levels 2, 3, 4 and 5. One member of staff has also achieved level 6. The Centre Manager is a graduate of the Early Years Professional Status (EYPS) qualification.

The Charity continually seeks to develop and improve the Centre, to enable the provision of childcare of the highest quality. In order to set firm foundations upon which children can build, the Charity aims to maximise the opportunities offered to children, and to give them memorable and long-lasting experiences.

To add to the developments of previous periods, the Charity has further enhanced the Centre's facilities by:

- Refreshing and renewing the resources available to assist children with learning through play.

Achievements and performance ***(continued)***

These developments, both in and outdoors, will enable child-focused activities to continue promoting holistic development and learning through the guidelines of the statutory Early Years Foundation Stage Document. Past developments have proven to be very successful and an enhancement to the Centre's environment. It promulgates the ethos of the Centre, which is that the child is at the centre of the curriculum.

Financial review

Results for the year
The results for the year and the charity's financial position at the year end are shown in the attached financial statements. The charity has continued to raise the majority of its funds through fees paid by parents and grants received. Parent fees paid were reduced significantly due to the Covid 19 Pandemic where only children of Key Workers could attend Nursery for parts of the year. Taking into consideration the pressures of the Covid Pandemic the trustees consider the results for the year to be be satisfactory.

Reserves
The charity seeks to maintain a level of reserves to meet its needs for the foreseeable future whilst enabling it to meet the needs of the children using the service, the Trustees also always try to maintain reserves high enough to cover minimum statutory redundancy payments of circa £171,000 should the centre ever have to close. Reserves are funds which are unrestricted and undesignated and which are not represented by tangible fixed assets held for charitable use. At the year end the charity held reserves totalling £233,309. The trustees designate funds from time to time to enable the costs of larger projects to be met.

Investments
The funds held by the Centre are banked through the Service Institute Fund (SIF) and achieve a satisfactory rate of interest. The trustees, having in mind the liquidity requirements of operating the Centre, have maintained a policy of keeping funds in a current account that is easily accessible.

Donated services and facilities
The Rainbow Centre occupies a building owned by The Defence Infrastructure Organisation. Rent payments for use of the building begun on the 1st October 2016 at a reduced rate, the reduction from the market value of rent is treated as donated income. The Defence Infrastructure Orgasnisation also pays for the lighting and heating of the Centre. The value of these donated amounts is included in the Statement of Financial Activities and detailed in note 5 to the financial statements.

The Trustees give of their time freely.

Financial review ***(continued)***

Financial Instruments
The charity uses various financial instruments including cash, and items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the charity's operations. The charity does not usually use derivative financial instruments to hedge risk as they are not deemed to be significant.

The existence of these financial instruments exposes the charity to a number of financial risks, which are described in more detail below. The main risk arising from the charity's financial instruments is credit risk. The trustees review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Credit risk
The charity is exposed to credit risk on its debtors.

Liquidity risk
The charity manages its cash requirements in order to minimise interest expense, whilst ensuring the charity has sufficient liquid resources to meet the operating needs of the business.

Interest rate risk
The charity is exposed to minimal interest rate risks, as it usually operates with a positive cash balance due to careful cash flow planning. Fluctuating interest income from bank balances is not a risk to the charity.

Plans for future periods

Future plans
Key objectives are; to continue to provide outstanding care; and to ensure the centre is ready to deal with fluctuations in child numbers during the transitional period as the Lightning Jet Squadrons arrive at Marham; this process should be complete by 2023. The centre also wishes to retain their core of highly trained staff. The centre does not plan any major refurbishments while there is still great uncertainty over the effects of Covid 19 on operations.

The Centre will continue to encourage and support staff training, with a focus on increasing knowledge of child protection, first aid and outdoor learning. Staff wishing to gain their NVQ in child care will also be supported, with the Centre contributing up to 50% depending on the course, towards the costs of working towards levels 2 and 3.

The Centre wishes to promote staff wellbeing and plans to do this by implementing a wellbeing policy during 2021.

The Centre also intends to continue to encourage and build community relationships with the families who use the Centre.

Public benefit
The Trustees have a duty to report on public benefit by explaining the significant activities undertaken in order to carry out our aims for the public benefit and our achievements measured against those aims. We confirm that we have had regard to the Charity Commission's guidance on public benefit in reporting on the Charity's activities and achievements detailed above.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 10th November 2021 and signed on behalf of the board of trustees by:

Sqn Ldr B Norton
Chairman

Mrs D Gent
Trustee

The Rainbow Centre (Marham)

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Rainbow Centre (Marham)

Year ended 31st May 2021

Opinion

We have audited the financial statements of The Rainbow Centre (Marham) (the 'charity') for the year ended 31st May 2021 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st May 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Michael Andrews FCA (Senior Statutory Auditor)

For and on behalf of
Stephenson Smart (East Anglia) Limited
Chartered accountants & statutory auditor

22-26 King Street
King's Lynn
Norfolk
PE30 1HJ

10th November 2021

The Rainbow Centre (Marham)

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31st May 2021

	Note	2021 Unrestricted funds £	2021 **Total funds £**	2020 Total funds £
Income and endowments				
Donations and grants	**5**	539,020	**539,020**	*549,464*
Charitable activities	**6**	602,253	**602,253**	*777,696*
Other trading activities	**7**	1,574	**1,574**	*3,610*
Investment income	**8**	21	**21**	*149*
Total income		1,142,868	**1,142,868**	*1,330,919*
Expenditure				
Expenditure on raising funds:				
Costs of other trading activities	**9**	452	**452**	*2,345*
Expenditure on charitable activities	**10,11**	1,098,752	**1,098,752**	*1,387,130*
Total expenditure		1,099,204	**1,099,204**	*1,389,475*
Net income/(expenditure) and net movement in funds		43,664	**43,664**	*(58,556)*
Reconciliation of funds				
Total funds brought forward		198,248	**198,248**	*256,804*
Total funds carried forward		241,912	**241,912**	*198,248*

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 15 to 24 form part of these financial statements.

The Rainbow Centre (Marham)

Company Limited by Guarantee

Statement of Financial Position

31st May 2021

	Note	2021 £	£	2020 £
Fixed assets				
Tangible fixed assets	**17**		**8,603**	*11,471*
Current assets				
Debtors	**18**	**5,014**		*49,644*
Cash at bank and in hand		**284,809**		*230,790*
		289,823		*280,434*
Creditors: amounts falling due within one year	**19**	**56,514**		*93,657*
Net current assets			**233,309**	*186,777*
Total assets less current liabilities			**241,912**	*198,248*
Net assets			**241,912**	*198,248*
Funds of the charity				
Unrestricted funds			**241,912**	*198,248*
Total charity funds	**22**		**241,912**	*198,248*

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 10th November 2021, and are signed on behalf of the board by:

Sqn Ldr B Norton
Chairman

Mrs D Gent
Trustee

Under the Companies Act 2006 s454, on a voluntary basis, the trustees can amend these financial statements if they subsequently prove to be defective.

The notes on pages 15 to 24 form part of these financial statements.

The Rainbow Centre (Marham)

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31st May 2021

	2021 £	2020 £
Cash flows from operating activities		
Net income/(expenditure)	**43,664**	*(58,556)*
Adjustments for:		
Depreciation of tangible fixed assets	**2,868**	*3,824*
Government grant income	**(117,832)**	*(88,251)*
Other interest receivable and similar income	**(21)**	*(149)*
Accrued expenses	**6,311**	*13,319*
Changes in:		
Trade and other debtors	**44,630**	*(42,908)*
Trade and other creditors	**(43,454)**	*(13,686)*
Cash generated from operations	**(63,834)**	*(186,407)*
Interest received	**21**	*149*
Net cash used in operating activities	**(63,813)**	*(186,258)*
Cash flows from financing activities		
Government grant income	**117,832**	*88,251*
Net cash from financing activities	**117,832**	*88,251*
Net increase/(decrease) in cash and cash equivalents	**54,019**	*(98,007)*
Cash and cash equivalents at beginning of year	**230,790**	*328,797*
Cash and cash equivalents at end of year	**284,809**	*230,790*

The notes on pages 15 to 24 form part of these financial statements.

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Elm Road, Upper Marham, King's Lynn, Norfolk, PE33 9NF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Reserves

The charity seeks to maintain a level of reserves to meet its needs for the foreseeable future whilst enabling it to meet the needs of the children using the service. The Trustees always try to maintain reserves high enough to cover minimum statutory redundancy payments of circa £173,000 should the centre ever have to close. Reserves are defined as unrestricted and undesignated funds which are not represented by tangible fixed assestes held for charitable use.

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The Rainbow Centre (Marham) meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the entity. Figures are rounded to the nearest whole pound sterling.

The financial statements cover an individual entity

Going concern

There are no material uncertainties about the charity's ability to continue.

Donated services and facilities

These are included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Debtors

Debtors are measured at their recoverable amounts; the amount the charity anticipates it will receive from a debt or the amount it has paid in advance for goods or services.

Creditors

Creditors are recognised for the amount that the charity anticipates it will pay to settle the debt or the amount it has received as an advance payment for goods or services it must provide.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Grants, donations and fundraising income received for a specific purpose have been included within restricted income funds. All other funds are unrestricted income funds. Unrestricted income funds include designated funds which have been earmarked by the trustees for a specific purpose.

The trustees designate funds from time to time to enable the costs of larger projects to be met.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

Fundraising income is credited to unrestricted funds in the period in which the fundraising event is held.

Income from grants is included in incoming resources on an accruals basis. Where the grant is for the general purposes of the charity it is credited to unrestricted funds. Where the use of the grant has been specified by the grantor, it is credited to restricted funds.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Irrecoverable VAT is included with the item of expense to which it relates.

The cost of generating funds includes all costs relating to fundraising events.

Resources expended on charitable activities include all costs relating to the provision of childcare services.

Governance costs comprise the costs of running the charity, including external audit, legal advice and the costs of complying with constitutional and statutory requirements.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

3. Accounting policies *(continued)*

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible fixed assets costing over £1,500 are capitalised unless it is felt that the cost has been covered by grants in that year or the costs are in respect of improvements to the outdoor area and therefore cannot be removed from the property. Where assets are not capitalised, the resources expended are shown in the Statement of Financial Activities in the same year as any related income.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment	-	25% reducing balance

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

3. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or paable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

4. Limited by guarantee

A member's liability to contribute to the net assets of the charitable company on a winding up is limited to £1.

5. Donations and grants

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Donations				
Miscellaneous donations	2,612	**2,612**	–	–
Grants				
Norfolk County Council	361,187	**361,187**	389,374	*389,374*
Government grant income	117,832	**117,832**	88,251	*88,251*

5. Donations and grants *(continued)*

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Other donations and legacies				
Donated light and heat costs	21,689	**21,689**	21,689	*21,689*
Donated rent costs	35,700	**35,700**	50,150	*50,150*
	539,020	**539,020**	549,464	*549,464*

6. Charitable activities

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Provision of childcare services	602,253	**602,253**	777,696	*777,696*

7. Other trading activities

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Fundraising events	1,574	**1,574**	3,610	*3,610*

8. Investment income

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Bank interest receivable	21	**21**	149	*149*

9. Costs of other trading activities

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Costs of other trading actitivies - Fundraising events	452	**452**	2,345	*2,345*

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	**Total Funds 2021 £**	Unrestricted Funds £	Total Funds 2020 £
Provision of childcare services	1,095,271	**1,095,271**	1,383,849	*1,383,849*
Support costs	3,481	**3,481**	3,281	*3,281*
	1,098,752	**1,098,752**	1,387,130	*1,387,130*

All support costs other than audit fees and interest payable, have been allocated to the sole charitable activity of the Charity.

11. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	**Total funds 2021 £**	Total fund 2020 £
Provision of childcare services	1,095,271	–	**1,095,271**	*1,383,849*
Governance costs	–	3,481	**3,481**	*3,281*
	1,095,271	3,481	**1,098,752**	*1,387,130*

12. Analysis of support costs

	Audit Fees £	**Total 2021 £**	Total 2020 £
Governance costs	3,480	**3,480**	*3,280*

13. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	**2,868**	*3,824*
Operating leases - buildings	**51,000**	*51,000*
Operating leases - equipment	**513**	*451*
Employers pension contributions	**28,319**	*45,706*
Auditors remuneration- audit of the financial statements	**3,480**	*3,280*

14. Auditors remuneration

	2021 £	2020 £
Fees payable for the audit of the financial statements	**3,480**	*3,280*

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	*£*
Wages and salaries	**881,070**	*1,051,360*
Social security costs	**65,407**	*72,564*
Employer contributions to pension plans	**28,319**	*45,706*
	974,796	*1,169,630*

The average head count of employees during the year was 50 (2020: 66). The average number of full-time equivalent employees during the year is analysed as follows:

	2021	2020
	No.	*No.*
Number of production staff	**44**	*58*
Number of administrative staff	**2**	*3*
Number of management staff	**4**	*5*
	50	*66*

The number of employees whose remuneration for the year fell within the following bands, were:

	2021	2020
	No.	*No.*
£60,000 to £69,999	**–**	*1*

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £55,086 (2020:£64,114).

16. Trustee remuneration and expenses

Mrs D Gent, a trustee, received remuneration amounting to £55,086 (2020 - £64,114) in her role as Centre Manager. Included within this figure was £3,575 (2020: £9,634) in respect of pension contributions. The level of remuneration was agreed on an arms-length basis, by the Board of Trustees without the involvement of Mrs D Gent.

No other trustees or persons connected with trustees have received any remuneration during the year.

There were no payments in respect of trustees' expenses during the year.

No further related party transactions with related parties were undertaken such as are required to be disclosed under FRS 102.

17. Tangible fixed assets

	Equipment £	**Total £**
Cost		
At 1st June 2020 and 31st May 2021	21,162	**21,162**
Depreciation		
At 1st June 2020	9,691	**9,691**
Charge for the year	2,868	**2,868**
At 31st May 2021	12,559	**12,559**
Carrying amount		
At 31st May 2021	8,603	**8,603**
At 31st May 2020	11,471	*11,471*

18. Debtors

	2021 £	2020 £
Trade debtors	**1,983**	*1,032*
Prepayments and accrued income	**3,031**	*2,890*
Other debtors	**–**	*45,722*
	5,014	*49,644*

19. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	**7,680**	*827*
Accruals and deferred income	**26,005**	*19,694*
Social security and other taxes	**–**	*5,875*
Other creditors	**22,829**	*67,261*
	56,514	*93,657*

Included within Other creditors is £9,228 (2020: £52,415) relating to deferred income in respect of grants receivable for childcare to be provided after the period end.

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £28,319 (2020: £45,706).

21. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in income from donations and legacies:		
Government grants income	**117,832**	*88,251*

The Government grant of £117,832 (2020: £88,251) was to reimburse for Furloughed wages payments made to employees.

22. Analysis of charitable funds

Unrestricted funds

	At 1st June 2020	Income	Expenditure	**At 31st May 2021**
	£	£	£	**£**
General funds	198,248	1,142,868	(1,099,204)	**241,912**

	At 1st June 2019	Income	Expenditure	At 31st May 2020
	£	£	£	£
General funds	256,804	1,330,919	(1,389,475)	*198,248*

23. Analysis of net assets between funds

	Unrestricted Funds	**Total Funds 2021**
	£	**£**
Tangible fixed assets	8,603	**8,603**
Current assets	289,823	**289,823**
Creditors less than 1 year	(56,514)	**(56,514)**
Net assets	241,912	**241,912**

	Unrestricted Funds	Total Funds 2020
	£	£
Tangible fixed assets	11,471	*11,471*
Current assets	280,434	*280,434*
Creditors less than 1 year	(93,657)	*(93,657)*
Creditors greater than 1 year	–	–
Net assets	198,248	*198,248*

24. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2021	2020
	£	£
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	**1,932**	*1,032*
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	**19,000**	*10,278*

25. Analysis of changes in net debt

	At 1 Jun 2020	Cash flows	**At 31 May 2021**
	£	£	**£**
Cash at bank and in hand	230,790	54,019	**284,809**

26. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	**9,693**	*3,063*
Later than 1 year and not later than 5 years	**3,060**	*3,400*
	12,753	*6,463*

27. Controlling party

The charity was controlled by the trustees throughout the current and previous period.

The following pages do not form part of the financial statements.

The Rainbow Centre (Marham)

Company Limited by Guarantee

Detailed Statement of Financial Activities

Year ended 31st May 2021

	2021 £	2020 £
Income and endowments		
Donations and grants		
Miscellaneous donations	**2,612**	–
Norfolk County Council	**361,187**	*389,374*
Government grant income	**117,832**	*88,251*
Donated light and heat costs	**21,689**	*21,689*
Donated rent costs	**35,700**	*50,150*
	539,020	*549,464*
Charitable activities		
Provision of childcare services	**602,253**	*777,696*
Other trading activities		
Fundraising events	**1,574**	*3,610*
Investment income		
Bank interest receivable	**21**	*149*
Total income	**1,142,868**	*1,330,919*

	2021 £	2020 £
Expenditure		
Costs of other trading activities		
Purchases	**452**	*2,345*
Expenditure on charitable activities		
Purchases	**21,232**	*69,118*
Wages and salaries	**881,070**	*1,051,360*
Employer's NIC	**65,407**	*72,564*
Pension costs	**28,319**	*45,706*
Rent	**51,000**	*51,000*
Rates and water	**250**	*–*
Light and heat	**21,689**	*21,689*
Repairs and maintenance	**2,636**	*7,522*
Insurance	**2,857**	*2,737*
Legal and professional fees	**4,462**	*4,246*
Other office costs	**7,820**	*7,257*
Depreciation	**2,868**	*3,824*
Staff training	**–**	*2,324*
Equipment and improvements	**9,142**	*47,783*
	1,098,752	*1,387,130*
Total expenditure	**1,099,204**	*1,389,475*
Net income/(expenditure)	**43,664**	*(58,556)*

The Rainbow Centre (Marham)

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities

Year ended 31st May 2021

	2021	2020
	£	£
Costs of other trading activities		
Costs of other trading actitivies - Fundraising events		
Fundraising events	**452**	*2,345*
Costs of other trading activities	**452**	*2,345*
Expenditure on charitable activities		
Provision of childcare services		
Activities undertaken directly		
Groceries and consumables	**21,232**	*69,118*
Wages and salaries	**881,070**	*1,051,360*
Employer's NICs	**65,407**	*72,564*
Pension costs	**28,319**	*45,706*
Rent	**51,000**	*51,000*
Rates	**250**	*–*
Light and heat	**21,689**	*21,689*
Repairs and maintenance	**2,636**	*7,522*
Insurance	**2,857**	*2,737*
Legal and professional fees	**981**	*965*
Office costs	**7,820**	*7,257*
Depreciation	**2,868**	*3,824*
Staff training	**–**	*2,324*
Equipment and improvements	**9,142**	*47,783*
	1,095,271	*1,383,849*
Governance costs		
Governance costs - audit fees	**3,481**	*3,281*
Expenditure on charitable activities	**1,098,752**	*1,387,130*