

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

	Page
Trustees' Report	1 to 6
Report of the Independent Auditors	7 to 9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 20
Detailed Statement of Financial Activities	21 to 22

Trustees' Report for the Year Ended 31 May 2024

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.

The Rainbow Centre (Marham)

Trustees' Report

for the Year Ended 31 May 2024

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 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 2024

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.

The Rainbow Centre (Marham)

Trustees' Report

for the Year Ended 31 May 2024

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

The Rainbow Centre (Marham)

Trustees' Report for the Year Ended 31 May 2024

Trustees

Mrs D M Gent
Sq n Ldr B J Norton (resigned 7.9.2023)
Sq n Ldr DA Smith
Mr G J Walker
Mrs CM Wilson (resigned 15.8.2023)
Sq n 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)
Sq n Ldr P A Grimes
Mrs E C Wallace (appointed 25.8.2023) (resigned 13.6.2024)
Mrs C P A Wigglesworth
Sq n 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.

**Trustees' Report
for the Year Ended 31 May 2024**

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

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 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.

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

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

30th September 2024

The Rainbow Centre (Marham)

Statement of Financial Activities for the Year Ended 31 May 2024

		Unrestricted funds £	Restricted fund £	31.5.24 Total funds £	31.5.23 Total funds £
	Notes				
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	<u>401</u>	<u>-</u>	<u>401</u>	<u>707</u>
Total		<u>1,602,933</u>	<u>-</u>	<u>1,602,933</u>	<u>1,499,625</u>
Expenditure on					
Raising funds	5	401	-	401	706
Charitable activities	6				
Provision of childcare services		<u>1,616,838</u>	<u>-</u>	<u>1,616,838</u>	<u>1,444,402</u>
Total		<u>1,617,239</u>	<u>-</u>	<u>1,617,239</u>	<u>1,445,108</u>
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		<u><u>389,215</u></u>	<u><u>-</u></u>	<u><u>389,215</u></u>	<u><u>403,521</u></u>

The notes form part of these financial statements

The Rainbow Centre (Marham)

Balance Sheet

31 May 2024

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

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	<u>(15,101)</u>	<u>61,566</u>
Net cash (used in)/provided by operating activities		<u>(15,101)</u>	<u>61,566</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(4,634)</u>	<u>-</u>
Net cash (used in)/provided by investing activities		<u>(4,634)</u>	<u>-</u>
		<u> </u>	<u> </u>
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		<u>455,640</u>	<u>394,074</u>
Cash and cash equivalents at the end of the reporting period		<u><u>435,905</u></u>	<u><u>455,640</u></u>

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	<u>308</u>	<u>6,383</u>
Net cash (used in)/provided by operations	<u>(15,101)</u>	<u>61,566</u>

2. Analysis of changes in net funds			
	At 1.6.23	Cash flow	At 31.5.24
	£	£	£
Net cash			
Cash at bank	<u>455,640</u>	<u>(19,735)</u>	<u>435,905</u>
	<u>455,640</u>	<u>(19,735)</u>	<u>435,905</u>
Total	<u>455,640</u>	<u>(19,735)</u>	<u>435,905</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 May 2024**

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.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

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.

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

2. Donations and grants

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

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	<u>401</u>	<u>707</u>

4. Income from charitable activities

	31.5.24	31.5.23
	£	£
Provision of childcare	<u>1,107,639</u>	<u>1,026,502</u>

Activity
Provision of childcare services

5. Raising funds

Other trading activities

	31.5.24	31.5.23
	£	£
Purchases	<u>401</u>	<u>706</u>

6. Charitable activities costs

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

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

7. Support costs

	Governance costs £
Provision of childcare services	<u>4,640</u>

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	<u>600</u>	<u>600</u>

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	<u>47,839</u>	<u>41,930</u>
	<u>1,382,276</u>	<u>1,224,862</u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

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	<u>48</u>	<u>48</u>
	<u>55</u>	<u>55</u>

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	<u>4,634</u>
At 31 May 2024	<u>25,796</u>
Depreciation	
At 1 June 2023	16,323
Charge for year	<u>2,175</u>
At 31 May 2024	<u>18,498</u>
Net book value	
At 31 May 2024	<u>7,298</u>
At 31 May 2023	<u>4,839</u>

12. Debtors: amounts falling due within one year

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

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

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	<u>16,082</u>	<u>15,156</u>
	<u><u>64,511</u></u>	<u><u>64,203</u></u>

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	<u>600</u>	<u>600</u>

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
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>403,521</u></u>	<u><u>(14,306)</u></u>	<u><u>389,215</u></u>

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)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u><u>1,602,933</u></u>	<u><u>(1,617,239)</u></u>	<u><u>(14,306)</u></u>

Notes to the Financial Statements - continued
for the Year Ended 31 May 2024

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
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>349,004</u>	<u>54,517</u>	<u>403,521</u>

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
	<hr/>	<hr/>	<hr/>
Restricted funds			
First Aid Training	2,000	(2,000)	-
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,499,625</u>	<u>(1,445,108)</u>	<u>54,517</u>

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	<u>62,049</u>	<u>62,567</u>
	494,893	472,416
Other trading activities		
Fundraising events	401	707
Charitable activities		
Provision of childcare	<u>1,107,639</u>	<u>1,026,502</u>
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	<u>2,175</u>	<u>1,613</u>
	1,612,198	1,440,042
Support costs		
Governance costs		
Auditors' remuneration	4,640	4,360

This page does not form part of the statutory financial statements

The Rainbow Centre (Marham)

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

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

This page does not form part of the statutory financial statements
