

CHARITY REGISTRATION NUMBER: 1158113

Rainbow Pre-School & Extended Services
Financial Statements
For the year ended
31 August 2024

Rainbow Pre-School & Extended Services

Financial Statements

Year ended 31 August 2024

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Rainbow Pre-School & Extended Services

Trustees' Annual Report

Year ended 31 August 2024

The trustees present their report and the financial statements of the charity for the year ended 31 August 2024.

Reference and administrative details

Registered charity name	Rainbow Pre-School & Extended Services
Charity registration number	1158113
Principal office	The Nursery Building St Andrews Lower School Brunts Lane Biggleswade Bedfordshire SG18 0LY
The trustees	Peter Teuma (Chair) Debbie King (Treasurer) Julia Khan Helen Rae

Julia Khan is employed as the director of Rainbow Pre-School & Extended Services and is the person that any specific enquiries should be directed to, either at the above address or by direct email which is Juliakhan@rainbow-preschool.co.uk.

Auditor	Streets Audit LLP Chartered accountants & statutory auditor 3 Wellbrook Court Girton Cambridge CB3 0NA
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Structure, governance and management

Structure

In October 2014 Rainbow Pre-School & Extended Services converted from an Unincorporated Charity to a Charitable Incorporated Organisation (CIO) and adopted the Charities Commission Model Constitution (Foundation).

Rainbow Pre-School & Extended Services

Trustees' Annual Report *(continued)*

Year ended 31 August 2024

Structure, governance and management *(continued)*

Governance and management

The aims for the future regarding Trustees is to always have a proportion of parents of children who attend our setting, but in addition we will recruit externally for members who have specific skills that are required to broaden the overall knowledge and skill set required for a committee of Trustees.

Julia Khan is the Director of Rainbow Pre-School & Extended Services as a paid member of staff, with overall responsibility for the daily operations across both sites. Direct reportees are:

- The Head of Rainbow Pre-School & Extended Services
- The Administration team (2 members of staff)

Hannah Adams the Head of Teaching and Child Development is a qualified Primary School Teacher and is responsible for the learning and development of all of the children in our care. Hannah line manages the Pre-School Managers from both east and west sites. The Pre-School Managers have overall responsibility for both pre-school and extended services sessions, the staffing structure therefore includes 2 deputy manager roles at both east and west, to cover breakfast and after school clubs. The Deputies report to the Managers. In addition, there is a Head of SEND who works across both sites and is responsible for children who have additional needs.

Recruitment and appointment of new trustees

Apart from the first charity trustees, every newly appointed trustee must be appointed for a term of two years by a resolution passed at a properly convened meeting of the charity trustees. New trustees may be recruited if an existing trustee stands down or if the committee feel that there is a need for a broader set of skills.

The recruitment exercise will consist of appropriate advertising including communication regarding any vacancies to all parents. Equal opportunity interviews will be carried out and the selection will take into account relevant experience and skills.

Trustees are not remunerated or receive any benefits for carrying out trustee duties.

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.

Regulators

Rainbow Pre-School & Extended Services are registered with Ofsted; registration numbers are EY482746 and EY493048.

Policies

All policies in place are reviewed annually by the Pre-School Director and the Head of Rainbow Pre-School & Extended Services. In particular, the following policies:

- Risk Management
- Safeguarding Vulnerable Beneficiaries
- Conflicts of Interest
- Volunteer Management
- Complaints Handling

Rainbow Pre-School & Extended Services

Trustees' Annual Report *(continued)*

Year ended 31 August 2024

Objectives and activities

Rainbow Pre-School & Extended Services works for the public benefit having as its objectives the development and education of children and young people, in particular by operating as a Pre-School that nurtures amazing young minds through affordable and flexible early years education. Focusing specifically on:

- Promoting care and safety
- Promoting education and promoting parental involvement
- Promoting health and well being
- Helping the children to become school ready before they make their transition to reception, providing them with the best start to full time education
- Being flexible and offering child care that is affordable to families, as a not for profit organisation.

Rainbow Pre-School & Extended Services operates in the town of Biggleswade, Bedfordshire, across 2 sites. The Head office is based at the West Site, Brunts Lane, Biggleswade and the 2nd site is Bantock Way, Biggleswade, both sites are within the grounds of St Andrews Lower School East and West. Rainbow is a Pre-School during term time (for children aged between 2 and 5 yrs old) and in addition offers a Breakfast Club, After School Club and School Holiday Club provision (children aged 2 to 9 yrs old). Both settings are open from 7.30am to 6pm for 50 weeks of the year.

Rainbow is a pre-school that nurtures amazing young minds through affordable and flexible early years education.

Achievements and performance

Charitable activities

We are happy to report this year that our main objectives have all been met.

Ofsted Inspection

Our west site is Ofsted rated OUTSTANDING and our east site is Ofsted rated GOOD.

Financial review

Financial

Rainbow Pre-School & Extended Services receives funding for children from families who are eligible to claim government funding. In addition, fees are charged for sessions not eligible to be funded.

There have been no internal fund raising events held throughout this year, other than a small amount of funding was raised by arranging letters from Santa and school photographs.

Reserves Policy

We aim to hold in reserve unrestricted funds that equal payment in lieu of notice periods for all staff and any other liabilities, which we estimate to be approximately £140,000. At the end of this financial period, we held £70,932 with £54,915 being unrestricted. Spending for the next academic year will be restricted until the shortfall is reduced.

Rainbow Pre-School & Extended Services

Trustees' Annual Report *(continued)*

Year ended 31 August 2024

Trustees' responsibilities statement

The trustees 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).

The law applicable to charities in England and Wales 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 charity and of the incoming resources and application of resources, of the charity 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 Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust Deed. 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.

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

Julia Khan
Trustee

Rainbow Pre-School & Extended Services

Independent Auditor's Report to the Trustees of Rainbow Pre-School & Extended Services

Year ended 31 August 2024

Opinion

We have audited the financial statements of Rainbow Pre-School & Extended Services (the 'charity') for the year ended 31 August 2024 which comprise the statement of financial activities, 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 31 August 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;
- have been prepared in accordance with the requirements of the Charities Act 2011.

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.

Rainbow Pre-School & Extended Services

Independent Auditor's Report to the Trustees of Rainbow Pre-School & Extended Services *(continued)*

Year ended 31 August 2024

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.

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 Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Other matter

The corresponding figures are unaudited.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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.

Rainbow Pre-School & Extended Services

Independent Auditor's Report to the Trustees of Rainbow Pre-School & Extended Services *(continued)*

Year ended 31 August 2024

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the charity and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

Rainbow Pre-School & Extended Services

Independent Auditor's Report to the Trustees of Rainbow Pre-School & Extended Services *(continued)*

Year ended 31 August 2024

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Streets Audit LLP
Chartered accountants & statutory auditor
3 Wellbrook Court
Girton
Cambridge
CB3 0NA

Rainbow Pre-School & Extended Services

Statement of Financial Activities

Year ended 31 August 2024

		Unrestricted funds	2024 Restricted funds	Total funds	2023 Total funds (restated)
	Note	£	£	£	£
Income and endowments					
Donations and legacies	4	—	—	—	6,214
Charitable activities	5	989,588	45,080	1,034,668	901,311
Other trading activities	6	483	—	483	1,749
Investment income	7	1,100	—	1,100	244
Total income		<u>991,171</u>	<u>45,080</u>	<u>1,036,251</u>	<u>909,518</u>
Expenditure					
Expenditure on charitable activities	8,9	992,139	46,816	1,038,955	895,818
Total expenditure		<u>992,139</u>	<u>46,816</u>	<u>1,038,955</u>	<u>895,818</u>
Net (expenditure)/income and net movement in funds		<u>(968)</u>	<u>(1,736)</u>	<u>(2,704)</u>	<u>13,700</u>
Reconciliation of funds					
Total funds brought forward as previously reported		171,896	17,213	189,109	147,386
Prior year adjustment		(116,013)	—	(116,013)	(87,990)
Total funds brought forward as restated		<u>55,883</u>	<u>17,213</u>	<u>73,096</u>	<u>59,396</u>
Total funds carried forward		<u>54,915</u>	<u>15,477</u>	<u>70,392</u>	<u>73,096</u>

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 12 to 21 form part of these financial statements.

Rainbow Pre-School & Extended Services

Statement of Financial Position

31 August 2024

		2024		2023 (restated)	
	Note	£	£	£	£
Fixed assets					
Tangible fixed assets	16		24,446		30,919
Current assets					
Stocks	17	500		2,294	
Debtors	18	181,270		104,762	
Cash at bank and in hand		<u>110,536</u>		<u>100,541</u>	
		292,306		207,597	
Creditors: amounts falling due within one year	19	<u>246,360</u>		<u>165,420</u>	
Net current assets			45,946		42,177
Total assets less current liabilities			<u>70,392</u>		<u>73,096</u>
Net assets			<u>70,392</u>		<u>73,096</u>
Funds of the charity					
Restricted funds			15,477		17,213
Unrestricted funds			<u>54,915</u>		<u>55,883</u>
Total charity funds	22		<u>70,392</u>		<u>73,096</u>

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

Julia Khan
Trustee

The notes on pages 12 to 21 form part of these financial statements.

Rainbow Pre-School & Extended Services

Statement of Cash Flows

Year ended 31 August 2024

	2024	2023 (restated)
	£	£
Cash flows from operating activities		
Net (expenditure)/income	(2,704)	13,700
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	6,473	8,698
Other interest receivable and similar income	(1,100)	(244)
Interest payable and similar charges	257	240
<i>Changes in:</i>		
Stocks	1,794	(247)
Trade and other debtors	(76,508)	(20,514)
Trade and other creditors	80,940	46,868
Cash generated from operations	9,152	48,501
Interest paid	(257)	(240)
Interest received	1,100	244
Net cash from operating activities	<u>9,995</u>	<u>48,505</u>
Cash flows from investing activities		
Purchase of tangible assets	—	(27,100)
Net cash used in investing activities	<u>—</u>	<u>(27,100)</u>
Net increase in cash and cash equivalents	9,995	21,405
Cash and cash equivalents at beginning of year	100,541	79,136
Cash and cash equivalents at end of year	<u>110,536</u>	<u>100,541</u>

The notes on pages 12 to 21 form part of these financial statements.

Rainbow Pre-School & Extended Services

Notes to the Financial Statements

Year ended 31 August 2024

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is The Nursery Building, St Andrews Lower School, Brunts Lane, Biggleswade, Bedfordshire, SG18 0LY.

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 Charities Act 2011.

3. Accounting policies

Basis of preparation

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

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

Going concern

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

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.

Significant judgements

There are no judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Tangible fixed assets are recognised at cost, less accumulated depreciation. Depreciation is charged over the estimated life of the asset to its estimated residual value.

The recoverability of trade debtors are considered on a regular basis. When calculating the debtor provision, the trustees consider the age of the debts and the financial position of its customer.

Rainbow Pre-School & Extended Services

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

3. 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.

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:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation. Assets costing over £1,000 and having an expected life of over 12 months are capitalised.

Rainbow Pre-School & Extended Services

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

3. Accounting policies *(continued)*

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:

Short leasehold property improvements	-	Straight line over the remaining life of the lease
Fixtures and fittings	-	33% straight line

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Defined contribution plans

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

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 charity will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the charity recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the charity with no future related costs are recognised in income in the period in which it becomes receivable.

4. Donations and legacies

	Unrestricted Funds	Total Funds 2024	Unrestricted Funds	Total Funds 2023 <i>(restated)</i>
	£	£	£	£
Grants				
Grants receivable	—	—	6,214	6,214

Rainbow Pre-School & Extended Services

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

5. Charitable activities

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Uniform sales	12	–	12
Government funding	488,934	45,080	534,014
Fees	495,053	–	495,053
School lunches	5,589	–	5,589
	<u>989,588</u>	<u>45,080</u>	<u>1,034,668</u>
	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	(restated) £
Uniform sales	–	–	–
Government funding	474,909	20,762	495,671
Fees	399,419	–	399,419
School lunches	6,221	–	6,221
	<u>880,549</u>	<u>20,762</u>	<u>901,311</u>

6. Other trading activities

	Unrestricted Funds	Total Funds 2024	Unrestricted Funds	Total Funds 2023
	£	£	£	(restated) £
Fundraising events	<u>483</u>	<u>483</u>	<u>1,749</u>	<u>1,749</u>

7. Investment income

	Unrestricted Funds	Total Funds 2024	Unrestricted Funds	Total Funds 2023
	£	£	£	(restated) £
Bank interest receivable	<u>1,100</u>	<u>1,100</u>	<u>244</u>	<u>244</u>

Rainbow Pre-School & Extended Services

Notes to the Financial Statements (continued)

Year ended 31 August 2024

8. Expenditure on charitable activities by fund type

	Unrestricted Funds	Restricted Funds	Total Funds 2024
	£	£	£
Provision of pre-school and extended services	731,422	45,080	776,502
Support costs	260,717	1,736	262,453
	<u>992,139</u>	<u>46,816</u>	<u>1,038,955</u>
	Unrestricted Funds	Restricted Funds	Total Funds 2023
	£	£	(restated) £
Provision of pre-school and extended services	640,177	3,404	643,581
Support costs	252,092	145	252,237
	<u>892,269</u>	<u>3,549</u>	<u>895,818</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2024 £	Total fund 2023 £
Provision of pre-school and extended services	776,502	251,336	1,027,838	892,107
Governance costs	–	11,117	11,117	3,711
	<u>776,502</u>	<u>262,453</u>	<u>1,038,955</u>	<u>895,818</u>

10. Analysis of support costs

	Provision of pre-school and extended services £	Total 2024 £	Total 2023 £
Governance costs	11,117	11,117	3,711
Management costs	56,635	56,635	57,157
Information technology	31,840	31,840	34,767
Human resources	12,449	12,449	8,272
Depreciation	6,473	6,473	8,698
Rent	16,108	16,108	16,056
Support staff salaries	66,446	66,446	64,006
Other	61,385	61,385	59,570
	<u>262,453</u>	<u>262,453</u>	<u>252,237</u>

Rainbow Pre-School & Extended Services

Notes to the Financial Statements (continued)

Year ended 31 August 2024

11. Net (expenditure)/income

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

	2024	2023 (restated)
	£	£
Depreciation of tangible fixed assets	6,473	8,698
Operating lease rentals	—	7,961
	<u> </u>	<u> </u>

12. Auditors remuneration

	2024	2023 (restated)
	£	£
Fees payable for the audit of the financial statements	6,450	—
	<u> </u>	<u> </u>
Fees payable to the charity's auditor and its associates for other services: Other non-audit services	3,750	—
	<u> </u>	<u> </u>

13. Independent examination fees

	2024	2023 (restated)
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	—	3,471
	<u> </u>	<u> </u>

14. Staff costs

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

	2024	2023 (restated)
	£	£
Wages and salaries	714,787	639,390
Social security costs	52,849	44,336
Employer contributions to pension plans	15,930	12,451
	<u>783,566</u>	<u>696,177</u>

The average head count of employees during the year was 26 (2023: 26).

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

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 £50,100 (2023: £50,100).

Rainbow Pre-School & Extended Services

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

15. Trustee remuneration and expenses

Julia Khan is both a trustee and is also employed as the director of the charity. She received remuneration of £50,978 (2023: £51,413) for her role as a director and the charity paid £878 (2023: £1,313) in pension contributions. This is permitted under the charity's constitution. No amounts were paid in respect of her role as a trustee.

No expenses were paid to any trustee during the year (2023: £nil).

16. Tangible fixed assets

	Short leasehold property improvements £	Fixtures and fittings £	Total £
Cost			
At 1 September 2023 (as restated)	27,100	117,079	144,179
Disposals	–	(10,314)	(10,314)
At 31 August 2024	27,100	106,765	133,865
Depreciation			
At 1 September 2023	226	113,034	113,260
Charge for the year	2,710	3,763	6,473
Disposals	–	(10,314)	(10,314)
At 31 August 2024	2,936	106,483	109,419
Carrying amount			
At 31 August 2024	24,164	282	24,446
At 31 August 2023	26,874	4,045	30,919

17. Stocks

	2024	2023 <i>(restated)</i>
	£	£
Uniforms	500	2,294

18. Debtors

	2024	2023 <i>(restated)</i>
	£	£
Trade debtors	179,140	102,732
Prepayments and accrued income	2,130	2,030
	181,270	104,762

Rainbow Pre-School & Extended Services

Notes to the Financial Statements (continued)

Year ended 31 August 2024

19. Creditors: amounts falling due within one year

	2024	2023 (restated)
	£	£
Trade creditors	–	12,379
Accruals and deferred income	224,675	119,373
Social security and other taxes	13,899	22,239
Other creditors	7,786	11,429
	<u>246,360</u>	<u>165,420</u>

20. Deferred income

	2024	2023 (restated)
	£	£
At 1 September 2023	116,013	87,990
Amount released to income	(116,013)	(87,990)
Amount deferred in year	<u>198,367</u>	<u>116,013</u>
At 31 August 2024	<u>198,367</u>	<u>116,013</u>

Deferred income is in respect of invoices raised in advance for fees for the academic year 2024/25.

21. 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 £15,930 (2023: £12,451).

Pension contributions amounting to £3,452 (2023: £3,218) were outstanding at the year end.

22. Analysis of charitable funds

Unrestricted funds

	At 1 September 2023	Income	Expenditure	Prior year adjustments	At 31 August 2024
	£	£	£	£	£
General funds	<u>171,896</u>	<u>991,171</u>	<u>(992,139)</u>	<u>(116,013)</u>	<u>54,915</u>

	At 1 September 2022	Income	Expenditure	Prior year adjustments	At 31 August 2023
	£	£	£	£	£
General funds	<u>147,386</u>	<u>888,756</u>	<u>(892,269)</u>	<u>(87,990)</u>	<u>55,883</u>

Rainbow Pre-School & Extended Services

Notes to the Financial Statements (continued)

Year ended 31 August 2024

22. Analysis of charitable funds (continued)

Restricted funds

	At 1 September 2023 £	Income £	Expenditure £	Prior year adjustments £	At 31 August 2024 £
Special Education Needs Funding	—	45,080	(45,080)	—	—
Landscaping project	17,213	—	(1,736)	—	15,477
	<u>17,213</u>	<u>45,080</u>	<u>(46,816)</u>	<u>—</u>	<u>15,477</u>

	At 1 September 2022 £	Income £	Expenditure £	Prior year adjustments £	At 31 August 2023 £
Special Education Needs Funding	—	3,404	(3,404)	—	—
Landscaping project	—	17,358	(145)	—	17,213
	<u>—</u>	<u>20,762</u>	<u>(3,549)</u>	<u>—</u>	<u>17,213</u>

During the year £45,080 (2023: £3,404) was received for Special Educational Needs provision. The income has been spent in full during the year on childcare staff costs.

During the previous year £17,358 was received from Central Bedfordshire Council towards the landscaping project. The resources expended represent the depreciation charge for the year.

23. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	8,969	15,477	24,446
Current assets	292,306	—	292,306
Creditors less than 1 year	(246,360)	—	(246,360)
Net assets	<u>54,915</u>	<u>15,477</u>	<u>70,392</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2023 £
Tangible fixed assets	13,706	17,213	30,919
Current assets	207,597	—	207,597
Creditors less than 1 year	(165,420)	—	(165,420)
Net assets	<u>55,883</u>	<u>17,213</u>	<u>73,096</u>

Rainbow Pre-School & Extended Services

Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

24. Prior year adjustments

A prior period adjustment was identified in respect of income that had not been deferred. The impact of the error is a reduction to the fee income in the prior year amounting to £28,023 and a reduction in the general funds brought forward at 31 August 2023 of £87,990, giving an overall reduction in the general funds brought forward at 31 August 2024 of £116,013.

25. Analysis of changes in net debt

	At 1 Sep 2023	Cash flows	At 31 Aug 2024
	£	£	£
Cash at bank and in hand	<u>100,541</u>	<u>9,995</u>	<u>110,536</u>

26. Operating lease commitments

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

	2024	2023 <i>(restated)</i>
	£	£
Not later than 1 year	20,040	21,614
Later than 1 year and not later than 5 years	68,208	72,192
Later than 5 years	<u>57,534</u>	<u>64,224</u>
	<u>145,782</u>	<u>158,030</u>

27. Related parties

There were no related party transactions during the year other than those disclosed in notes 14 and 15.