

RAINBOW HOUSE GROUP
(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

Company No: 09733557

Charity No: 1201214

ABACUS PARTNERS (LDN) LLP
CHARTERED CERTIFIED ACCOUNTANTS
UNIT A, ABBOTTS WHARF
93 STAINSBY ROAD
LONDON E14 6JL

RAINBOW HOUSE GROUP
(A Company Limited by Guarantee)

FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 August 2023

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RAINBOW HOUSE GROUP
(A Company Limited by Guarantee)
Directors'/Trustees' Report
for the year ended 31 August 2023

Company Information

Trustees / Directors	Ms Salma Begum Ali Ms Jennatun Nessa Al Mamun Ms Tamanna Begum
Company number	09733557
Charity number	1201214
Principal and Registered Office	London Muslim Centre 46 Whitechapel Road London E1 1JX
Examiner	Abacus Partners (Ldn) LLP Unit A, Abbots Wharf 93 Stainsby Road London E14 6JL
Banker	Barclays Bank Plc

RAINBOW HOUSE GROUP
(A Company Limited by Guarantee)
Directors'/Trustees' Report
for the year ended 31 August 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act, are pleased to present the trustees' report and the Financial statements for the year ended 31 August 2023 to comply with the requirements of the Companies Act 2006, Charities Act 2011 and the Statement of Recommended Practice (SORP) for charities.

Governing Instrument:

The company's/charity's objects and regulations are regulated by Memorandum & Articles of Association adopted on 15 July 2022 (based on Charity Commission's model constitution) and then amended on 24 November 2022. The company was originally incorporated on 14 August 2015 with the Companies House as limited by guarantee. The same documents with amendments were registered with the Charity Commission on 2 December 2022.

The objects of the charity is to advance the education of children aged 0-10 by providing childcare facilities following the National Curriculum and government agenda and providing education and training of persons in the provision of such care, development and education.

The charity is organised with a Board of Trustees elected by the members to oversee the overall activities. One person is nominated as chairperson to monitor the day to day running of the charity.

About Us

Rainbow House is an independent not-for-profit provider of a range of services for children aged 0-10 years and their families. It was initiated by local women in 2001 as a mothers & toddlers group, and it grew steadily to meet the growing demands of the community and since then has become an Ofsted registered child care setting in 2005. In 2015 we opened another site nearby. Our services include part-time and full-time pre-school sessions, after school club, weekend language clubs, Mothers & Toddlers session, seminars, workshops, crèche, outings, and fun days. With all our services running at full capacity over 200 children and their families benefit from our services on a weekly basis. We are located in purpose-built settings in East London and are managed by a Management Committee.

Our Vision

Being located in a deprived area our goal is to strive for excellence in all that we do by embedding reflective practice and making measured improvements to provide the best outcomes for children. Research has shown the great impact a high-quality provision can have on the lives of children from disadvantaged backgrounds.

Our Mission

Rainbow House aims to extend and nurture children through their early learning experience, by using the Early Years Foundation Stage Curriculum as guidance to build upon foundations laid within the home. We support parents, the child's first educators, to help each child be healthy, safe, enjoy and achieve their full potential within a safe and caring environment. Rainbow House is culturally sensitive and reflects the diverse community it serves.

RAINBOW HOUSE GROUP
(A Company Limited by Guarantee)
Directors'/Trustees' Report
for the year ended 31 August 2023

Aims and Objectives

In fulfilling our mission, we will strive to achieve the following objectives:

- To offer high quality childcare for children aged 0-10 years, that is affordable for people from disadvantaged backgrounds.
- To enable parents and families to access early years children's services, education and skills to achieve their full potential and participate fully in society.
- To develop skills and knowledge of staff by supporting training and education

Key Achievements and Public benefits

Children are at the centre of all that we do. We aim to make a difference to the lives of all children at our setting and extending its impact to staff, parents, the wider community, and society at large for example we fundraised for the earthquake disasters in Turkey and Syria.

Following COVID-19 lockdowns, we identified children coming into nursery with low language, independence, and social skills. For a second year in a row, we have particularly found it challenging as children came into nursery with low language and independence skills; they were behind in their learning and development and a number of children were supported with their behaviour and identified additional needs. Staff and children's high absence levels continued to be a challenge. The result of which meant that we were not at full capacity throughout the year which impacted our income. We had around 75 children in our preschools and a further 90 children access our Afterschool and Weekend clubs.

Despite the challenges we supported staff with their wellbeing and undertaking new training opportunities e.g. Early Talk Boost, Autism, Elklan, EYPDP. With the additional training staff provided interventions such as Early Talk Boost, Attention Bucket and Forest school in order to help support children with identified needs. These interventions have been highly successful with great outcomes for children. We continue to provide high quality Early Years education and care, whilst also managing the impact of the pandemic on our business, children, and families. We provided families with resource packs and food packs. We also acknowledged the great services provided by the NHS and local community Hero's by giving food hampers to local hospitals. Despite disruptions to their education our small cohort of 7 Reception aged children all achieved their Early Learning Goals and some left Rainbow House as fluent readers and writers and exceeding skills and knowledge for their age.

To enrich children's experiences – particularly those receiving pupil premium funding, we provided a number of outings and trips in addition to our usual local trips such as to the Cable cars, Science/Natural History Museum, Buckingham Palace, bowling and end of year trip to Chessington. We also provided a parenting course, mothers tea party and the children at our LMC site organised a show for parents entitled 'Story of Nuh'. Staff and parents have been instrumental in the growth in children's learning and development, and we are very proud of all they have achieved this year. We would like to extend our thanks to them all for their continued support and hard work.

RAINBOW HOUSE GROUP
(A Company Limited by Guarantee)
Directors'/Trustees' Report
for the year ended 31 August 2023

Reserves Policy and Going Concern

The Trustees believe that it is essential that the Trust maintains sufficient reserves to allow it to continue its work through difficult economic times, to allow flexibility for cash flow requirements in respect of committed programmes, as well as providing resources in the event of any significant and unexpected expenditure. The Trustees have set a target of six months' expenditure as a prudent level of reserves. Currently the reserve is well above the policy level and yet the reserve policy is regularly under review.

The Trustees are fully satisfied with the Going Concern basis of accounts preparation as they have seen further funds received after the financial year-end, which will continue to support planned projects, and help the organisation return to a surplus next year.

Financial position

The Statements of Financial Activities shows a deficit of £64,239 this year (2022: Deficit of £3,465) with total funds of £384,859 (2022: £449,098) as at 31 August 2023. Despite the fall in funds, the Trustees have assessed cash flow from 12 months of the signing date of Accounts to be confident of Going Concern.

Directors / Trustees' Responsibilities:

The trustees (who are also directors of The Rooted Forum for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK GAAP applicable to Smaller Entities).

Company/Charity 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 these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- as the directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

RAINBOW HOUSE GROUP
(A Company Limited by Guarantee)
Directors'/Trustees' Report
for the year ended 31 August 2023

Independent Examiner:

An independent examiner was carried out by Abacus Partners (Ldn) LLP, Chartered Certified Accountants. In the absence of a specific resolution to the contrary Abacus Partners (Ldn) LLP will continue in office.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 21 May 2024, and are signed on behalf of the board by:



Ms Salma Begum Ali
(Chair)

**REPORT OF THE INDEPENDENT EXAMINER TO THE DIRECTORS /
TRUSTEES OF THE ROOTED FORUM
(A Company Limited by Guarantee)
For the year ended 31 August 2023**

I have examined the accounts and statements on pages 6 to 12 which have been prepared on the basis of accounting policies set out on page 8.

Respective responsibilities of Trustees and Examiner:

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income did not exceed £250,000 and I am qualified to undertake the examination by being a qualified member of ACCA.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention

Basis of Examiner's Statement:

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

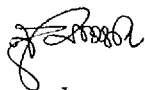
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006 section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Nur Ahmed Chowdhury FCCA

for and on behalf of
Abacus Partners (Ldn) LLP
Unit A, Abbots Wharf
93 Stainsby Road, London, E14 6JL

Date: 21 May 2024

RAINBOW HOUSE GROUP
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES (incorporating the income and expenditure account)
FOR THE YEAR ENDED 31 AUGUST 2023

INCOME AND EXPENDITURE	Notes	Unrestricted £	Restricted £	2023 £	2022 £
INCOMING RESOURCES					
Voluntary Income	5	9,750	1,326	11,076	1,105
Incoming resources from Charitable activities	6	363,720	-	363,720	392,055
Total Income		<u>373,470</u>	<u>1,326</u>	<u>374,796</u>	<u>393,160</u>
RESOURCES EXPENDED					
Voluntary expenses	7	3,960	-	3,960	1,583
Charitable Activities Cost	8	357,511	1,326	358,837	326,914
Governance and Support Cost	9	76,238	-	76,238	68,128
Total Resources Expended		<u>437,709</u>	<u>1,326</u>	<u>439,035</u>	<u>396,625</u>
NET INCOME /DEFICIT FOR THE YEAR		(64,239)	-	(64,239)	(3,465)
Fund Movement	13	-	-	-	-
Fund as at 1 September 2022		449,098	-	449,098	452,563
Funds as at 31 August 2023		<u>384,859</u>	<u>-</u>	<u>384,859</u>	<u>449,098</u>

All the activities of the charitable company are from continuing operations.

The notes on pages 8 to 12 form part of these accounts.

RAINBOW HOUSE GROUP
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2023

	Notes	£	2023 £	2022 £
Fixed Assets:				
Tangible Assets	10		32,937	37,643
Current Assets:				
Debtors & prepayments	11	14,981		11,010
Cash at Bank and in hand		408,633		404,694
		421,614		415,604
Creditors:				
Amount falling due within one year	12	69,692		4,149
Net Current Assets			351,922	411,455
Total Net Assets			<u>384,859</u>	<u>449,098</u>
Funds				
Unrestricted funds: General			384,859	449,098
Restricted Funds	13			
Total Funds			<u>384,859</u>	<u>449,098</u>

For the year ended 31 August 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

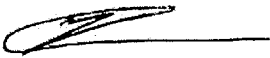
Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 478; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime' and accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 21 May 2024, and are signed on behalf of the board by:


Salma Begum Ali
(Chair/Trustee)
Company registration number 09733557


Jeenatun Nessa Al-Mamun
(Treasurer/Trustee)

The notes on pages 8 to 12 form part of these accounts.

RAINBOW HOUSE GROUP
(A COMPANY LIMITED BY GUARANTEE)
Notes to the financial statements
for the year ended 31 August 2023

1 General Information

The company is a private company limited by guarantee, registered in England.

2 Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3 Accounting Policies

3.1 Basis of preparation of accounts:

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

3.2 Income Recognition:

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

- Donation and other income recognised when received.
- Tuitions Fee income is recognised when entitlement has occurred.
- Grants for immediate expenditure are accounted for when they become receivable.
- Grants / Donation restricted to future accounting period are deferred and recognised in those periods.
- Grants / Donation for specific project are treated as restricted to the projects c/fwd for future operation.

3.3 Allocation of cost:

Costs are allocated between restricted and unrestricted fund according to the terms of income. Where items expended are mixed, they are apportioned between the categories according to the income they relate to as well as using best possible professional judgements.

3.4 Support cost:

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

3.5 Tangible fixed assets and depreciation:

Fixed assets for the charity used are capitalised at cost. They are stated in the accounts at cost less depreciation. Depreciation is calculated to write off the cost less their estimated residual value, over their expected useful lives on the following bases:

Furniture, Fixture and Equipment's	20% on cost.
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3.6 Funds:

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.
- Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.
- Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

3.7 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the next 12 months. A surplus has been generated during the year in addition to cumulative surplus fund, and the expected cash outflows now from the beginning of 2023 can be supported, hence the going concern basis is adopted.

RAINBOW HOUSE GROUP
(A COMPANY LIMITED BY GUARANTEE)
Notes to the financial statements
for the year ended 31 August 2023

3.9 Legal status of the Trust

The Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

4 Incoming Resources

The incoming resources and surplus are attributable to the principal activities of the charity.

Trustees confirm that all income of service level agreement is unrestricted unless mentioned otherwise.

INCOME SUMMARY

5 VOLUNTARY INCOME:	Unrestricted	Restricted	2023	2022
	£	£	£	£
Other income	9,750	1,326	11,076	1,105
	<u>9,750</u>	<u>1,326</u>	<u>11,076</u>	<u>1,105</u>
6 CHARITABLE ACTIVITIES INCOME:	Unrestricted	Restricted	2023	2022
	£	£	£	£
LBTH- Nursery service grants	305,508	-	305,508	339,484
Nursery fees	58,212	-	58,212	52,571
	<u>363,720</u>	<u>-</u>	<u>363,720</u>	<u>392,055</u>
Total Income	<u>373,470</u>	<u>1,326</u>	<u>374,796</u>	<u>393,160</u>

RAINBOW HOUSE GROUP
(A COMPANY LIMITED BY GUARANTEE)
Notes to the financial statements
for the year ended 31 August 2023

7 VOLUNTARY COST:	Unrestricted	Restricted	2023	2022
	£	£	£	£
Volunteers' expenses	3,960		3,960	1,583
	<u>3,960</u>	<u>-</u>	<u>3,960</u>	<u>1,583</u>
8 CHARITABLE ACTIVITIES COST:	Unrestricted	Restricted	2023	2022
	£	£	£	£
Salaries and employment costs	226,826	-	226,826	204,207
Staff training	64	1,326	1,390	5,081
Cover teacher & casual staff	4,626	-	4,626	6,183
Operating lease rental	5,238	-	5,238	3,885
Rent & service charges payable	60,464	-	60,464	56,338
Fees & subscriptions	1,338	-	1,338	1,375
Insurances	1,348	-	1,348	2,861
Study materials including stationeries	14,770	-	14,770	13,673
Cleaning and health hygiene	12,941	-	12,941	9,348
Repairs and maintenance	8,991	-	8,991	9,283
Telephone and internet	1,018	-	1,018	1,783
Children toys and gifts	2,242	-	2,242	1,037
After school club expenses	8,405	-	8,405	8,166
Tour, travels and charitable event refreshments	9,240	-	9,240	3,695
	<u>357,511</u>	<u>1,326</u>	<u>358,837</u>	<u>326,914</u>
9 GOVERNANCE AND SUPPORT COST:	Unrestricted	Restricted	2023	2022
	£	£	£	£
<u>A) Support Cost</u>				
Salaries and employment costs	26,709		26,709	25,525
Rent & service charges payable	3,360		3,360	3,130
Insurances	75		75	159
Repairs and maintenance	999		999	1,031
Telephone and Internet	57		57	99
Bank Charges	404		404	183
Sundry Office Expenses	193		193	1,108
Depreciation on FF and Equipment's	4,706		4,706	5,315
	<u>36,503</u>	<u>-</u>	<u>36,503</u>	<u>36,550</u>
<u>B) Governance Cost</u>				
Salaries and Wages including E'er NIC	26,709		26,709	25,525
Rent & service charges payable	3,360		3,360	3,130
Insurances	75		75	159
Telephone and Internet	57		57	99
Accountancy Fees	2,400		2,400	1,800
Legal & Professional Fees	7,134		7,134	865
	<u>39,735</u>	<u>-</u>	<u>39,735</u>	<u>31,578</u>
Total governance & support cost	<u>76,238</u>	<u>-</u>	<u>76,238</u>	<u>68,128</u>
Total Expenses	<u>437,709</u>	<u>1,326</u>	<u>439,035</u>	<u>396,625</u>

RAINBOW HOUSE GROUP
(A COMPANY LIMITED BY GUARANTEE)
Notes to the financial statements
for the year ended 31 August 2023

10 TANGIBLE FIXED ASSETS:	Leasehold Property	Furniture, Fixtures & Equipment £	Total £
Cost B/Fwd	70,583	31,054	101,637
Addition	-	-	-
	<u>70,583</u>	<u>31,054</u>	<u>101,637</u>
Depreciation:			
Charges B/Fwd	32,940	31,054	63,994
Charge for the year	4,706	-	4,706
	<u>37,646</u>	<u>31,054</u>	<u>68,700</u>
Net Book Value			
As at 31 August 2023	<u>32,937</u>	<u>-</u>	<u>32,937</u>
As at 31 August 2022	<u>37,643</u>	<u>-</u>	<u>37,643</u>

11 DEBTORS & PREPAYMENTS:	2023 £	2022 £
Rent deposits	6,482	6,482
Fees debtors	3,383	4,528
Prepayments	5,116	-
	<u>14,981</u>	<u>11,010</u>

12 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR	2023 £	2022 £
Pension	-	650
Accruals& deferred income	66,891	1,800
Wage and PAYE	2,801	1,699
	<u>69,692</u>	<u>4,149</u>

13 Movement in Funds	Free Reserve £	Designated Fund £	Unrestricted Fund £	Restricted Fund £	Total £
As at 1 September 2022	411,455	37,643	449,098	-	449,098
Current year surplus/deficit	(64,239)		(64,239)	-	(64,239)
Current year transfer	4,706	(4,706)		-	-
As at 31 August 2023	<u>351,922</u>	<u>32,937</u>	<u>384,859</u>	<u>-</u>	<u>384,859</u>

14 STAFF EMOLUMENTS:	2023 £	2022 £
Total wages and salaries	267,092	244,914
Employer's NIC	9,122	7,455
Pension costs	4,030	2,888
	<u>280,244</u>	<u>255,257</u>
Direct Charitable	226,826	204,207
Others	53,418	51,050
	<u>280,244</u>	<u>255,257</u>
Avg No of employees: Admin	2	2
Avg No of employees: Charitable	19	19
	<u>21</u>	<u>21</u>
Employees paid in excess of £60,000 during the current year and previous year	<u>None</u>	<u>None</u>

RAINBOW HOUSE GROUP
(A COMPANY LIMITED BY GUARANTEE)
Notes to the financial statements
for the year ended 31 August 2023

15 RELATED PARTY TRANSACTIONS

There were no related party transactions during the year or prior year.

16 TAXATION

The entity does not undertake non-charitable activities and is therefore entitled to tax exemptions with HMRC.

17 POST BALANCE SHEET EVENTS

There were no significant post balance sheet events to report.

18 CONTINGENT LIABILITIES

The company had no contingent liabilities as at 31 August 2023 or at 31 August 2022.

19 GIFTS IN KIND AND VOLUNTEERS

During the year the company/charity benefited from unpaid work performed by volunteers.

20 Lease commitments:

At 31 August 2023 the charitable company had annual commitments on commercial leases on property.

The future minimum non-cancellable operating leases are as follows:

	2023	2022
	£	£
Under one year	62,437	61,393
Between 2-5 years	255,596	145,316
More than 5 years	<u>91,767</u>	<u>112,014</u>

The entity had no capital commitments as at 31/08/23 (2022: £nil)