

**THE RAINBOW CENTRE FOR CONDUCTIVE
EDUCATION LIMITED**

(A company limited by guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30th JUNE 2016

Charity Number 1096603



3 Acorn Business Centre
Northarbour Road
Cosham
Portsmouth
PO6 3TH

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 2016

CONTENTS	PAGES
Trustees Annual Report	1 to 6
Independent auditor's report	7 to 8
Statement of Financial Activities (incorporating the income and expenditure account)	9
Balance sheet	10
Notes to the financial statements	11 to 20

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

TRUSTEES ANNUAL REPORT

YEAR ENDED 30th JUNE 2016

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 30th June 2016.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name The Rainbow Centre for Conductive Education Limited

Charity registration number 1096603

Company registration number 04465743

Registered office The Bradbury Building
Palmerston Drive
Fareham
Hampshire
PO14 1BJ

THE TRUSTEES

Mr G. Morgan Chairman
Mr M. Palethorpe
Mrs P. Barnes
Mrs A. Snell
Mrs L. Johnson
Mr S. Lambert
Mr P. Sams
Mr J. Natt
Mrs L. Docherty (Resigned 20th July 2015)

Parent Board Representative Mrs A. Snell

Centre Director Mrs L. Bull

Auditor tgs taylorcocks
Chartered Accountants & Statutory Auditors
3 Acorn Business Centre
Northarbour Road
Portsmouth
PO6 3TH

Bankers HSBC Bank plc
165 High Street
Southampton
SO14 2NZ

Solicitors Coffin Mew
1000 Lakeside
North Harbour
Portsmouth
PO6 3EN

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 30th JUNE 2016

CHAIRMAN'S REPORT

The period covered by this report (1st July 2015 to 30th June 2016) was a year of many highlights and a year in which we prepared the way to embark upon a growth strategy for The Rainbow Centre.

The undoubted high point of the year was our Ofsted Inspection which rated us as OUTSTANDING. This was a wonderful result and demonstrates the quality of the vital service which we provide and the calibre and professionalism of our whole service delivery team. An Ofsted inspection is an independent, external, highly professional audit of our activities and I would like to congratulate all those involved in achieving this highly prestigious recognition of how we manage ourselves and help our children.

From a business perspective, our total income for the year was £705k whilst our expenses were £790k. This meant that for the financial year in question we experienced an £85k shortfall. This was an entirely planned situation fully in line with our published three-year plan for the Rainbow Centre. Because the Rainbow Centre was in such a strong cash situation at the beginning of the year the Board of Trustees took some Strategic decisions to lay more foundations to enhance the Centre and get it prepared to meet our ambitious growth targets.

Of note in this regard were:

- 1) The appointment of an additional Conductor into our Service Delivery Team. This will increase our capacity to help more children and adults – by demonstration, between the previous financial year and 2015/2016 we have increased the number of adults we are supporting by 11 and the extra headcount will have contributed to that growth.
- 2) The important decision to bring the Fundraising Manager's role in-house on a full-time basis. Up until this time the Rainbow Centre utilised a part-time external resource which performed very well for us. However, the Board of Trustees concluded that the option to bring this key resource in-house would have significant long term benefits not least of which being that we now have a full time member of staff, for the same cost as before, providing a constant presence on both corporate fundraising and management of the team. This in turn impacts positively on the stability, ownership and the ongoing development of the Fundraising team and the management structure of the Centre.

The above are the biggest contributors to the shortfall though other areas will include the fact that we had three events adversely impacted owing to being let down by suppliers. Finally, a much valued Trust which gave us a £20k regular annual income to support disadvantaged families was wound up.

Bringing the Fundraising Manager's role in-house and further restructuring and recruitment within the Fundraising team, taking effect from July 2016 to coincide with the start of our next financial year, will provide us with 9 additional man-days per week within this team. It is intended that this significant increase in resources will allow increased revenue generation and safeguard income streams moving forwards.

Risk Management

The Rainbow Centre essentially receives no Government financial support (just 0.1% of all income). This means that all our funds must be generated in the Private Sector and from individual donations. It is important therefore to have a variety of income streams. We are striving to increase our sustainable income via Fees, Shops, Regular Giving, and an initiative whereby we request organisations for donations on a Monthly basis.

I would like to categorically state that the Rainbow Centre has never and will never embark upon some of the questionable practices that some Charities have used to extricate funding, and the Rainbow Centre will continue to make decisions based on ethical standards and act with integrity at all times.

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 30th JUNE 2016

The Board

There were no changes to the members of the Board of Trustees during the 2015/16 financial year. I am particularly pleased about the commitment of the Board who have a wide breadth of expertise and operate at senior levels within their respective fields. We are well represented at Legal, Finance, HR, Business, and Parent Trustees. We still however are looking to develop the Board to continually improve the organisation.

The Organisation

During 2015/16 we supported 53 children and young people with cerebral palsy and other motor disorders. We provided 635 group sessions and 53 individual sessions. As a part of our early Intervention Unit we ran School for Parents sessions for those children under the age of three. We also ran sessions in our Special Needs Nursery 5 days a week as well as School Booster sessions designed for children of early school age.

In 2015/16 we increased the number of adults being supported to 55. We also increased the number of adult sessions in that we were able to run: 4 stroke groups, 7 Parkinson's groups and 3 MS groups per fortnight. Additionally, we run 2 adult cerebral palsy groups per month. Over the course of the year we provided a total of 296 group sessions and 70 individual sessions.

Between the children and adults, we ran 1054 sessions during the year and had a 16% increase in the number of service users that we helped throughout the year.

We simply would not be able to function were it not for our Volunteers. We recently held a recognition day for our 64 volunteers. This was an opportunity to thank this hardworking, selfless group of people which we simply couldn't do without. I would like to thank them for their tremendous efforts.

Our Vision

To be recognised as a UK Centre of Excellence, helping people with neurological conditions across our region at all key stages of their life.

Our Mission

We transform the lives of people who have a neurological condition enabling them to become as independent as possible so that they and their families can enjoy life to the full.

Our Values

Caring, Teamwork, Excellence, Enabling and Inspiring.

Summary

The long-lasting memory for the Rainbow Centre this year will be the successful Ofsted inspection resulting in the OUTSTANDING classification. This external assessment gives us a measure of the professional effectiveness of our staff and of how we go about our business.

The Rainbow Centre continues to be in a sound financial situation despite the planned increase in operating costs in the year. We finished the year with a total 2.8 months of reserve (restricted and unrestricted funding). That said we are completely focussed on ensuring that our strategic plan delivers the investment which we are putting into the Centre. We are striving to improve our regular sustainable income.

Acknowledgements

Special thanks are due to Taylorcocks for the professionalism and support preparing these accounts.



Gareth Morgan
Chair of Trustees

23rd January 2017

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 30th JUNE 2016

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of The Rainbow Centre For Conductive Education Limited 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 (United Kingdom Generally Accepted Accounting Practice).

Comes 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 (FRSSE);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The trustees present their report and the audited financial statements of the charity for the year ended 30th June 2016.

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 charity'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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 30th JUNE 2016

AUDITOR

tgs taylorcocks have been re-appointed as auditors for the ensuing year in accordance with section 485 of the Companies Act 2006.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Registered office:
The Bradbury Building
Palmerston Drive
Fareham
Hampshire
PO14 1BJ

Signed by order of the trustees

A handwritten signature in black ink, appearing to read 'G Morgan', written in a cursive style.

Gareth Morgan
Chairman of Trustees

23rd January 2017

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED**

YEAR ENDED 30th JUNE 2016

We have audited the financial statements of The Rainbow Centre for Conductive Education Limited for the year ended 30th June 2016 which comprise of the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implication for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30th June 2016 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 (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE
RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED *(continued)***

YEAR ENDED 30th JUNE 2016

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.



James Blake ACA (Senior Statutory Auditor)

For and on behalf of



Office: Portsmouth

Date: 24th January 2017

Taylorcocks Chartered Accountants & Statutory Auditors is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 30th JUNE 2016

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
INCOMING RESOURCES					
Donations, legacies and raising funds	2	517,125	94,402	611,527	676,356
Investment income	3	1,437	-	1,437	289
Charitable activities	4	91,501	-	91,501	81,254
TOTAL INCOMING RESOURCES		610,063	94,402	704,465	757,899
RESOURCES EXPENDED					
Costs of generating funds:					
Fundraising costs	5	(147,109)	-	(147,109)	(243,418)
Shop costs	5	(99,641)	-	(99,641)	(98,042)
Charitable activities	6	(484,341)	(58,898)	(543,239)	(434,359)
TOTAL RESOURCES EXPENDED		(731,091)	(58,898)	(789,989)	(677,777)
NET MOVEMENT IN FUNDS		(121,028)	35,504	(85,524)	80,122
RECONCILIATION OF FUNDS					
Total funds brought forward		1,108,336	27,212	1,135,548	1,055,426
Transfers		8,669	-	8,669	-
TOTAL FUNDS CARRIED FORWARD		995,977	62,716	1,058,693	1,135,548
NOTE:					
Total incoming resources		610,063	94,402	704,465	757,899
Total resources expended		(731,091)	(58,898)	(789,989)	(677,777)
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		(121,028)	35,504	(85,524)	80,122

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

The notes on pages 11 to 20 form part of these financial statements.

**THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION
LIMITED**

BALANCE SHEET

30th JUNE 2016

	Note	2016 £	£	2015 £
FIXED ASSETS				
Tangible assets	10		860,761	874,363
CURRENT ASSETS				
Debtors	11	45,853		41,263
Cash at bank		188,129		257,212
		<u>233,982</u>		<u>298,475</u>
CREDITORS: Amounts falling due within one year	12	(36,050)		(37,290)
			<u>197,932</u>	<u>261,185</u>
NET CURRENT ASSETS			197,932	261,185
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,058,693</u>	<u>1,135,548</u>
CREDITORS: Amounts falling due after more than one year			-	-
NET ASSETS			<u>1,058,693</u>	<u>1,135,548</u>
FUNDS				
Restricted income funds	14		62,716	27,212
Unrestricted income funds	15		63,216	172,320
Designated funds - Fixed assets fund	15		860,761	864,016
Designated funds - Future property development fund	15		72,000	72,000
TOTAL FUNDS			<u>1,058,693</u>	<u>1,135,548</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

These financial statements were approved by the trustees on 23rd January 2017, and are signed on their behalf by:



Gareth Mor
Chairman of Trustees

Company Registration Number 04465743

The notes on pages 11 to 20 form part of these financial statements.

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 2016

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSSE) (effective January 2015) issued in May 2014 (Charities SORP 2015 (FRSSSE)) and the Financial Reporting Standard for Smaller Entities (effective January 2015).

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

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

Office Equipment	- 25% straight line
Fixtures and Fittings	- 25% reducing balance
Leasehold Property	- 2% per annum straight line

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Finance lease agreements

Assets held under finance lease agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the statement of financial activities on a straight line basis.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of financial activities when receivable. Grants where entitlement is not conditional on the delivery of a specific performance by the charity are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Income from the charity shop is included in the year in which it is receivable.

Income from investments is included in the year in which it is receivable.

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 2016

1. ACCOUNTING POLICIES *(continued)*

Legacies are included when the charity is advised by the personal representative of the deceased, being deceased before the year end, that payment will be made or property transferred and the amount involved can be quantified.

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 reported as part of the expenditure to which it relates.

Expenditure is classified under headings of Fundraising costs or Charitable activities as appropriate, which aggregate all costs related to the activities of the charity. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources. Premises overheads have been allocated on a floor area basis and other overheads have been allocated on the basis of the head count.

Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Fundraising costs are those costs associated with managing the generation of funds into the charity, to provide the charity with the funds to deliver its activities and services for its beneficiaries.

Funds structure

The charity has a number of restricted income funds to account for a situation where a donor requires that a donation must be spent on a particular purpose or where funds have been raised for a specific purpose.

Unrestricted income funds are funds 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 are funds set aside by the trustees out of unrestricted income funds for specific future purposes or projects. The fixed assets fund represents amounts invested in fixed assets for use by the charity in respect of the property, The Bradbury Building. The Future property development fund represents funds set aside by the trustees for the purpose of funding the planned future extension to The Bradbury Building.

Pension costs

The charity makes payments to a defined contribution pension scheme on behalf of key employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 2016

1. ACCOUNTING POLICIES *(continued)*

Going Concern

The charity is heavily reliant on voluntary income sources, primarily donations and fundraising from the local community, to provide it with the funds it needs in order to support the services it delivers. Due to the nature of these voluntary income sources, the related cash flows are difficult for the charity to forecast with reasonable certainty, both in respect of the quantity and timing of these cash flows. Conversely the charity's expenditure, which consists primarily of staff costs of providing the charitable services and supporting the charitable services, are relatively fixed monthly amounts that can be predicted with reasonable certainty. The result of these factors is that the charity is exposed to significant fluctuations in its cash flows, which has a direct impact on its cash resources.

To manage these risks, the charity seeks to maintain cash reserves within its bank account equivalent to 3 months operating costs (circa £183,000) (2015-circa £145,000), in order to provide it with a stable platform from which it can make medium to long-term planning decisions on its services.

The trustees have carefully considered the funding requirements of the charity and are confident that from the strategies that have been implemented, the charity will have sufficient resources for it to continue for the foreseeable future. Accordingly the trustees continue to adopt the going concern basis of accounting in preparing these financial statements.

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 2016

2. DONATIONS, LEGACIES AND RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Donations				
Donations – community	144,825	-	144,825	181,920
Donations – corporate	135,478	-	135,478	111,613
Donations – trusts and foundations	54,730	94,402	149,132	141,720
Gifts in kind	5,000	-	5,000	5,000
Other	7,035	-	7,035	5,335
Legacies				
Bequests and legacies received	120	-	120	20,277
Activities for raising funds				
Shop income	107,304	-	107,304	109,416
Events	54,945	-	54,945	95,675
Rental income	7,688	-	7,688	5,400
	<u>517,125</u>	<u>94,402</u>	<u>611,527</u>	<u>676,356</u>

3. INVESTMENT INCOME

	Unrestricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Investment income - deposit interest	1,437	1,437	289
	<u>1,437</u>	<u>1,437</u>	<u>289</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Fees received from Conductive Education	90,926	90,926	79,483
Fees received from Saturday Club	575	575	1,771
	<u>91,501</u>	<u>91,501</u>	<u>81,254</u>

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 2016

5. COSTS OF GENERATING FUNDS

	Unrestricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Shop costs	99,641	99,641	98,042
Events and other fundraising costs	77,906	77,906	92,276
Fundraising salary costs	69,203	69,203	53,100
	<u>246,750</u>	<u>246,750</u>	<u>243,418</u>

6. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Conductive Education	208,872	-	208,872	194,826
Support to Conductive Education	259,795	58,898	318,693	224,062
Audit and accountancy fees	5,000	-	5,000	5,000
Other governance costs	10,674	-	10,674	10,471
	<u>484,341</u>	<u>58,898</u>	<u>543,239</u>	<u>434,359</u>

7. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging:

	2016 £	2015 £
Depreciation	30,216	28,445
Auditors' fees	5,000	5,000
Loss on disposal of fixed assets	-	-
	<u>-</u>	<u>-</u>

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 2016

8. STAFF COSTS AND EMOLUMENTS

Total staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	359,842	334,785
Social security costs	32,574	17,637
Pension costs	809	-
	<u>393,225</u>	<u>352,422</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2016	2015
	No	No
Number of administrative staff	2	2
Number of Conductive staff	11	10
Number of fundraising staff	5	5
Number of shop staff	4	3
	<u>22</u>	<u>20</u>

No employee received emoluments of more than £60,000 during the year (2015 – £60,000).

No remuneration was paid to Trustees in the year.

9. TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 2016

10. TANGIBLE FIXED ASSETS

	Long leasehold property £	Office and other equipment £	Fixtures and fittings £	Total £
COST				
At 1 July 2015	1,045,012	22,834	35,172	1,103,018
Additions	-	12,883	3,731	16,614
Disposals	-	-	-	-
At 30 June 2016	1,045,012	35,717	38,903	1,119,632
DEPRECIATION				
At 1 July 2015	187,962	11,361	29,332	228,655
Charge for the year	20,900	7,422	1,894	30,216
On disposals	-	-	-	-
At 30 June 2016	208,862	18,783	31,226	258,871
NET BOOK VALUE				
At 30 June 2016	836,150	16,934	7,677	860,761
At 30 June 2015	857,050	11,473	5,840	874,363

The land upon which The Bradbury Building is built is held on a 125 year lease, of which 115 years are remaining, from Fareham Borough Council.

11. DEBTORS

	2016 £	2015 £
Trade debtors	3,779	10,819
Prepayments and accrued income	27,162	22,264
Other debtors	14,912	8,180
	45,853	41,263

12. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	9,851	14,466
Accruals and deferred income	13,401	11,729
Other creditors	2,106	500
PAYE and social security	10,692	8,404
Finance lease agreements	-	2,191
	36,050	37,290

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 2016

13. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2016 the charity had annual commitments under non-cancellable operating leases as set out below.

	2016		2015	
	Land and buildings	Other items	Land and buildings	Other items
	£	£	£	£
Operating leases which expire:				
Within 1 year	-	-	4,000	-
Within 2 to 5 years	26,500	-	17,000	-
After more than 5 years	-	-	-	-
	<u>26,500</u>	<u>-</u>	<u>21,000</u>	<u>-</u>

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 2016

14. RESTRICTED INCOME FUNDS

	Balance at 1 Jul 2015	Incoming resources	Resources expended	Transfers	Balance at 30 Jun 2016
	£	£	£		£
Hope For The Future	-	13,205	(13,205)	-	-
The Toy Trust	664	19	(629)	-	54
Henry Smith	-	30,000	-	-	30,000
Outreach Research Project	9,772	-	(2,299)	-	7,473
Helping Hand Fund	-	5,000	-	-	5,000
St James Place	-	7,500	(2,500)	-	5,000
Mathilda Reed	-	95	-	-	95
Computers Fund	-	9,912	(1,243)	(8,669)	-
Saturday Club	3,200	8,607	(4,765)	-	7,042
Pathway Project	13,576	700	(9,100)	-	5,176
First Steps Project	-	2,625	(2,625)	-	-
Training	-	80	(80)	-	-
Adult Services	-	16,659	(13,783)	-	2,876
	<u>27,212</u>	<u>94,402</u>	<u>(50,229)</u>	<u>(8,669)</u>	<u>62,716</u>

Restricted Income Funds were received for the following projects and areas of work;

Hope for the Future Project funding was received towards our work with children, including a grant from Global's Make Some Noise towards providing sessions for children under the age of 10.

The Henry Smith Charity awarded a grant towards the running costs of providing Conductive Education to both children and adults.

The Outreach Research Project into the viability of an outreach service for adults was funded by the National Lottery through the Big Lottery Fund and will be completed by spring 2017.

The newly launched Helping Hand Fund, funded by individual donations, aims to ensure that an individual's financial circumstances will never become a barrier to accessing our services, by funding the session fees of children and adults who are unable to otherwise afford those fees and are unable to secure funding elsewhere.

St. James Place Foundation awarded a grant towards the salary cost of providing a Conductor in Charge for the Early Intervention Unit.

Hampshire County Council awarded a Policy and Resources Grant to the Computers Fund for the purpose of purchasing new IT and office equipment.

The Saturday Club was awarded a Short Breaks for Children with Disabilities and Additional Needs grant of £8,607 from Hampshire County Council to help fund our work with older children.

Funds received in prior periods continued to support The Parent Pathway Project, which initially provided advice and practical help to families with a child with cerebral palsy. The project has now expanded its remit to include providing this support to our adult service users. It is now the Family Support Service.

THE RAINBOW CENTRE FOR CONDUCTIVE EDUCATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30th JUNE 2016

Funds to support our Adult Services were received from The Valentine Charitable Trust, Woodroffe Benton Foundation and the Bill Reavell Golf Day. These funds have once again allowed us to expand our adult service, running more groups and providing an increased number of Conductive Education sessions to more participants compared to the previous year.

15. UNRESTRICTED INCOME FUNDS

	Balance at 1 Jul 2015 £	Incoming resources £	Outgoing resources £	Transfers £	Balance 30 Jun 2016 £
Designated funds					
Fixed assets fund	864,016	-	(3,255)	-	860,761
Future property development fund	72,000	-	-	-	72,000
Total designated funds	936,016	-	(3,255)		932,761
Unrestricted income funds	172,320	610,063	(727,836)	8,669	63,216
At 30 June 2015	1,108,336	610,063	(731,091)	8,669	995,977

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Restricted funds £	Total £
Tangible fixed assets	860,761	-	860,761
Cash at bank and in hand	125,413	62,716	188,129
Other net assets	9,803	-	9,803
Total Funds	995,977	62,716	1,058,693