

AUDITORS' REPORT

TO THE MEMBERS OF RAINBOWS FOR ALL GOD'S CHILDREN OF GREAT BRITAIN INC

UNDER SECTION 247B OF THE COMPANIES ACT 1985

(A COMPANY LIMITED BY GUARANTEE)

We have examined the abbreviated accounts set out on pages 1 to 3 together with the financial statements of the company for the year ended 31 August 2002 prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF THE MEMBERS OF THE BOARD OF TRUSTEES AND AUDITORS.

The members of the Board of Trustees are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985, as amended. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246 (5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

OPINION

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with section 246 (5) and (6) of the Companies Act 1985, as amended, and the abbreviated accounts on pages 1 to 3 have been properly prepared in accordance with these provisions.

Spenser, Wilson & Co

25 June 2003

Spenser Wilson & Co
15/17 Carlton Street.
Halifax
West Yorkshire.



RAINBOWS FOR ALL GOD'S CHILDREN OF GREAT BRITAIN INC

(A COMPANY LIMITED BY GUARANTEE)

COMPANY REGISTRATION NUMBER 03231375

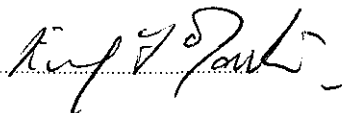
BALANCE SHEET

AS AT 31ST AUGUST 2002

2001			
£			£
	FIXED ASSETS		
4219	Tangible Assets		3492
	CURRENT ASSETS		
	Stock	33744	
	Debtors	23285	
	Cash at Bank and in Hand	49361	
		78399	106390
		18475	
	CREDITORS		
	Amounts falling due within one year	26264	
59924	NET CURRENT ASSETS/(LIABILITIES)		80126
64143	TOTAL ASSETS LESS CURRENT LIABILITIES		83618
	CAPITAL AND RESERVES		
61791	Unrestricted Funds	81616	
2352	Restricted Funds	2002	
64143			83618

The abbreviated accounts have been prepared in accordance with the special provision of Part VII of the Companies Act as amended relating to small companies

The financial statements on pages 1 to 3 are approved by the Board of Trustees on 16/6/03

and signed on its behalf by 

RAINBOWS FOR ALL GOD'S CHILDREN OF GREAT BRITAIN INC

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST AUGUST 2002

ACCOUNTING POLICIES

Basis of Accounting

The Accounts are prepared under the historical cost convention include the results of the charity's operations which are described in the Board of Trustees' Report and all of which are continuing.

The accounts have been prepared in compliance with Statement of Recommended Practice Accounting and Reporting by Charities and in accordance with the Companies Act 1985, and with the Financial Reporting Standard for Smaller Entities (June 2002).

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement.

Donations, Legacies and similar incoming resources

Donations, legacies and other incoming resources are taken to the Income and Expenditure Account when they are receivable.

Gifts and Intangible Income

Gifts and Intangible Income are taken to the credit of the Income and Expenditure account when they are received at a value equivalent to the trade cost of those gifts or intangible income at date of receipt.

Grants Receivable

Grants receivable for revenue expenditure are taken to the credit of the Income and Expenditure Account when they are accrued. Grants for capital expenditure are deferred and included in the Income and Expenditure Account by instalments over the expected useful lives of the related assets.

Deferred Income

Deferred Income is included in respect of contractual incoming resources received or invoiced in advance.

Netting Off of Expenses and Related Income

Expenditure and Related Income is not netted off unless the amounts involved are immaterial.

Cost of Generating Funds

Cost of generating funds consists of any items of expenditure which are directly expended on fund raising activities.

Expenditure

Expenditure has been charged to the Income and Expenditure Account on an accruals basis inclusive of VAT that cannot be recovered. Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, they have been apportioned across the cost categories on a basis consistent with the use of these reserves.

Expenditure on Management and Administration of the Charity

Administration expenditure includes all expenditure not directly related to the charitable activity or fundraising ventures. This includes cost of running office premises, staff salaries for administrative staff, audit fees, and apportioned expenditure relating to management and administration.

Stocks

Stocks are stated at the lower of cost or net realisable value.

Foreign Exchange Transactions

Assets and Liabilities denominated in foreign currencies are translated into sterling at the closing rates. All revaluation differences are taken to Income and Expenditure.

RAINBOWS FOR ALL GOD'S CHILDREN OF GREAT BRITAIN INC

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31ST AUGUST 2002

Cost of Generating Funds

Cost of Generating funds consists of any items of expenditure which are directly expended on fund raising activities.

Tangible Fixed Assets

Equipment is stated at cost

Capitalisation of Fixed Assets

Fixed assets are capitalised and the relevant expenditure is incurred on an accruals basis

Depreciation

Depreciation is calculated on all tangible fixed assets at rates calculated to write off the cost of valuation, less estimated residual value of each asset evenly over its expected useful life as follows:-

Equipment over 4 years

Pension Costs

The pension costs charged against income are contributions payable in the accounting period.

Taxation

As a charity the company is generally exempt from Corporation Tax but not from VAT.

TANGIBLE FIXED ASSETS

	Equipment and Total
	£
Cost	
At 31.8.01	9458
Additions	1471
At 31.8.02	<u>10929</u>
Depreciation	
At 31.8.01	5239
Provided during year	2198
At 31.8.02	<u>7437</u>
Net Book Value 31.8.02	<u>3492</u>
Net Book Value at 31.8.01	<u>4219</u>

BODIES CONNECTED WITH THE CHARITY

The Company is a subsidiary Company of Rainbows for All God's Children Inc, incorporated in the State of Illinois file no 5321-314-6, who is the company's sole full member. Copies of accounts of Rainbows For All God's Children Inc can be obtained from 2100 Golf Road, Room 370, Rolling Meadows, Illinois, 60008, USA.

The activities of the above are similar in nature to the activities of the Company.

ADJUSTMENTS TO PRECEDING YEAR'S FIGURES.

The Company has included the figures for the year relating to Rainbows South Yorkshire which has been treated in the financial statements as a branch of the Company. The preceding year's figures relating to Rainbows South Yorkshire has been included in the comparative figures for the year ended 31 August 2001 shown in the financial statements.