

**THE RED BALLOON LEARNER CENTRE MERSEYSIDE  
(A COMPANY LIMITED BY GUARANTEE)  
REPORT AND ACCOUNTS  
FOR THE YEAR ENDED 31ST AUGUST 2012**

THURSDAY



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COMPANIES HOUSE

**THE RED BALLOON LEARNER CENTRE MERSEYSIDE  
INDEX TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST AUGUST 2012**

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COMPANY REGISTRATION NUMBER

6567438

REGISTERED OFFICE

16 Oakfield  
Liverpool  
L4 2QH

REGISTERED CHARITY NUMBER

1126548

**THE RED BALLOON LEARNER CENTRE MERSEYSIDE  
REPORT OF THE TRUSTEES AND DIRECTORS  
FOR THE YEAR ENDED 31ST AUGUST 2012**

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**TRUSTEES AND DIRECTORS**

The trustees and directors who served during the year to 31<sup>st</sup> August, 2012 were as follows

|                |  |
|----------------|--|
| P Kite (chair) | appointed 16 <sup>th</sup> April, 2008 |
| T Walsh        | appointed 13 <sup>th</sup> July, 2009  |
| S Webster      | resigned 11 <sup>th</sup> May, 2012    |
| D Coker        | appointed 30 <sup>th</sup> April, 2012 |
| K Jackson      | appointed 30 <sup>th</sup> April, 2012 |

**OBJECTS**

The objects of the trust are to advance the education of students aged 11 to 18 at the Red Balloon Learner Centre, being students who are victims of severe bullying and for the time being are unable to attend mainstream schools, by providing tuition and appropriate support for them in a safe learning environment until they are ready to return to mainstream education or employment

**STATUS**

The company is limited by guarantee and as such does not have any share capital. The company is also a registered charity. The charity number is 1126548.

**ACCOUNTS**

The trustees and directors have pleasure in submitting their report, together with the unaudited financial statements for the period ended 31<sup>st</sup> August, 2012.

**TRUSTEES' AND DIRECTORS' RESPONSIBILITIES**

The trustees and directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether the 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 trust will continue in business

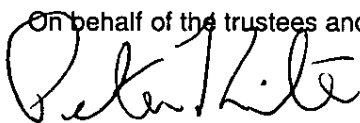
The trustees and directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE RED BALLOON LEARNER CENTRE MERSEYSIDE  
REPORT OF THE TRUSTEES AND DIRECTORS  
FOR THE YEAR ENDED 31ST AUGUST 2012**

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This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

On behalf of the trustees and directors

A handwritten signature in black ink, appearing to read 'Peter Kite', written over a horizontal line.

P Kite

28<sup>th</sup> February, 2013

**THE RED BALLOON LEARNER CENTRE MERSEYSIDE  
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES  
FOR THE YEAR ENDED 31ST AUGUST 2012**

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I report on the accounts of the company for the year ended 31<sup>st</sup> August, 2012, which are set out on pages 5 to 9

**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 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

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 43 of the 1993 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act, and
- to state whether particular matters have come to my attention

**Basis of independent examiner's report**

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, 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



M J Ruffles F C A  
Mark J. Ruffles & Co  
Accountants  
28<sup>th</sup> February, 2013

4 Baron Court  
Werrington  
Peterborough

**THE RED BALLOON LEARNER CENTRE MERSEYSIDE  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31ST AUGUST 2012**

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|   | Notes | Restricted<br>Funds<br>£ | Unrestricted<br>Funds<br>£ | Total<br>2012<br>£ | Total<br>2011<br>£ |
|---|-------|--------------------------|----------------------------|--------------------|--------------------|
| <b><u>INCOMING RESOURCES</u></b>        |       |                          |                            |                    |                    |
| Donations and grants received           |       | 15,917                   | 11,226                     | 27,143             | 48,471             |
| Fundraising activities                  |       | -                        | 8,649                      | 8,649              | 5,954              |
| Tuition fees                            |       | -                        | 82,129                     | 82,129             | 61,833             |
| Release of grants/deferred income       |       | -                        | 2,947                      | 2,947              | 2,947              |
| Bank Interest receivable                |       | -                        | -                          | -                  | 11                 |
| Miscellaneous income                    |       | -                        | 536                        | 536                | 2,517              |
|   |       | -----                    | -----                      | -----              | -----              |
| Total incoming resources                |       | 15,917                   | 105,487                    | 121,404            | 121,733            |
|   |       | =====                    | =====                      | =====              | =====              |
| <b><u>RESOURCES EXPENDED</u></b>        |       |                          |                            |                    |                    |
| Cost of generating funds                |       | -                        | 3,943                      | 3,943              | 640                |
| Direct charitable expenditure           |       | -                        | 99,884                     | 99,884             | 151,825            |
| Administration and support costs        |       | 2,500                    | 11,003                     | 13,503             | 24,456             |
| Depreciation                            |       | -                        | 12,519                     | 12,519             | 12,519             |
|   |       | -----                    | -----                      | -----              | -----              |
| Total resources expended                |       | 2,500                    | 127,349                    | 129,849            | 189,440            |
|   |       | =====                    | =====                      | =====              | =====              |
| Net (outgoing)/incoming resources       |       | 13,417                   | (21,862)                   | (8,445)            | (67,707)           |
| Extraordinary items                     | 3     | -                        | 76,697                     | 76,697             | -                  |
| Surplus/(deficit) brought forward       |       | 356                      | 7,738                      | 8,094              | 75,801             |
|   |       | -----                    | -----                      | -----              | -----              |
| <b>SURPLUS/(DEFICIT)CARRIED FORWARD</b> |       | <b>£13,773</b>           | <b>£62,573</b>             | <b>£76,346</b>     | <b>£8,094</b>      |
|   |       | =====                    | =====                      | =====              | =====              |

The notes on pages 7 to 9 form part of these financial statements

**THE RED BALLOON LEARNER CENTRE MERSEYSIDE  
BALANCE SHEET  
AS AT 31ST AUGUST 2012**

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|  | Notes | 2012<br>£ | 2011<br>£ |
|--|-------|-----------|-----------|
| <b>FIXED ASSETS</b>                          |       |           |           |
| Tangible fixed assets                        | 4     | 89,401    | 101,920   |
| <b>CURRENT ASSETS</b>                        |       |           |           |
| Cash at bank and in hand                     |       | 44,840    | 15,389    |
| Debtors                                      | 5     | -         | 12,781    |
|  |       | 44,840    | 28,170    |
| <b>CREDITORS amounts due within one year</b> | 6     | 34,318    | 35,275    |
|  |       | 10,522    | (7,105)   |
| <b>CREDITORS amounts due after one year</b>  | 7     | 99,923    | 94,815    |
|  |       | -         | 60,197    |
| <b>DEFERRED INCOME</b>                       | 8     | 99,923    | 34,618    |
|  |       | 23,577    | 26,524    |
| <b>NET ASSETS</b>                            |       | £76,346   | £8,094    |
|  |       | =====     | =====     |
| <b>FINANCED BY</b>                           |       |           |           |
| <b>RESERVES</b>                              | 9     | £76,346   | £8,094    |
|  |       | =====     | =====     |

For the year ended 31<sup>st</sup> August, 2012 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

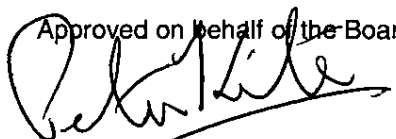
**Directors' responsibilities**

The guarantors have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts,

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime

Approved on behalf of the Board of Directors on 28<sup>th</sup> February, 2013



P. Kite

**THE RED BALLOON LEARNER CENTRE MERSEYSIDE  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST AUGUST 2012**

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**1 ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared in accordance with the applicable accounting standards and the Charities accounting statement of recommended practice. There have been no changes in accounting policies.

The financial statements were drawn up under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

Grants and voluntary income

Grants are recognised in the statement of financial activities so as to match them with the expenditure towards which they are intended to contribute. Grants received in respect of general costs are treated as income in the period in which they are received. Grants received in respect of capital expenditure are treated as deferred income and treated as income over the same period, and on the same basis, as the cost of the asset is depreciated.

Depreciation

Provision is made for depreciation on all tangible fixed assets at rates calculated to write off the cost or valuation, less residual value, of each asset over its expected useful life as detailed below.

|                                | Period        | Basis         |
|--------------------------------|---------------|---------------|
| Leasehold improvements         | Over 10 years | Straight line |
| Fixtures and fittings          | Over 10 years | Straight line |
| Computers and office equipment | Over 4 years  | Straight line |

Expenditure

All expenditure is accounted for gross in the period to which it relates.

Direct charitable expenses

The trustees and directors consider that direct charitable expenditure includes all direct costs associated with the objects of the trust and depreciation on related assets.

|  | 2012<br>£ | 2011<br>£ |
|--|-----------|-----------|
| <b>2 NET (OUTGOING)/INCOMING RESOURCES</b> |           |           |
| This is stated after charging              |           |           |
| Trustees' and Directors' remuneration      | -         | -         |
| Depreciation                               | 12,519    | 12,519    |
| Accountancy                                | 360       | 360       |
|  | =====     | ===       |

**3 EXTRAORDINARY ITEM**

Loans totalling £76,697 have now been formally written off by the creditors involved and these have been credited in the Statement of Financial Activities.



**THE RED BALLOON LEARNER CENTRE MERSEYSIDE  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST AUGUST 2012**

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**4 TANGIBLE FIXED ASSETS**

|                                    | Lease<br>Improvements | Fixtures &<br>Fittings | Computers &<br>equipment | Total   |
|------------------------------------|-----------------------|------------------------|--------------------------|---------|
| <b>COST</b>                        |                       |                        |                          |         |
| At 1 <sup>st</sup> September, 2011 | 92,767                | 17,348                 | 6,029                    | 116,144 |
| Additions                          | -                     | -                      | -                        | -       |
|                                    | -----                 | -----                  | -----                    | -----   |
| At 31 <sup>st</sup> August, 2012   | 92,767                | 17,348                 | 6,029                    | 116,144 |
|                                    | -----                 | -----                  | -----                    | -----   |

**DEPRECIATION**

|                                    |        |       |       |        |
|------------------------------------|--------|-------|-------|--------|
| At 1 <sup>st</sup> September, 2011 | 10,739 | 1,877 | 1,608 | 14,224 |
| Charge for the year                | 9,277  | 1,735 | 1,507 | 12,519 |
|                                    | -----  | ----- | ----- | -----  |
| At 31 <sup>st</sup> August, 2012   | 20,016 | 3,612 | 3,115 | 26,743 |
|                                    | -----  | ----- | ----- | -----  |

**NET BOOK VALUE**

|                                  |         |         |        |          |
|----------------------------------|---------|---------|--------|----------|
| At 31 <sup>st</sup> August, 2012 | £72,751 | £13,736 | £2,914 | £89,401  |
|                                  | =====   | =====   | =====  | =====    |
| At 31 <sup>st</sup> August, 2011 | £82,028 | £15,471 | £4,421 | £101,920 |
|                                  | =====   | =====   | =====  | =====    |

|                  | <b>2012</b> | <b>2011</b> |
|------------------|-------------|-------------|
|                  | <b>£</b>    | <b>£</b>    |
| <b>5 DEBTORS</b> |             |             |
| Prepayments      | -           | 471         |
| Other debtors    | -           | 12,310      |
|                  | -----       | -----       |
|                  | £-          | £12,781     |
|                  | =           | =====       |

**6 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                       |         |         |
|---------------------------------------|---------|---------|
| Trade creditors                       | -       | 925     |
| Accruals                              | 400     | 16,900  |
| Deferred income                       | 15,800  | -       |
| Other taxes and social security costs | 1,921   | 1,253   |
| Other creditors                       | 16,197  | 16,197  |
|                                       | -----   | -----   |
|                                       | £34,318 | £35,275 |
|                                       | =====   | =====   |

Other creditors comprise a liability to a separate charity relating to some joint fund-raising activities

**THE RED BALLOON LEARNER CENTRE MERSEYSIDE  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31ST AUGUST 2012**

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|  | 2012<br>£ | 2011<br>£ |
|--|-----------|-----------|
| <b>7 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR</b> |           |           |
| Loans from Red Balloon Group                           | -         | 44,000    |
| Other creditors  | -         | 16,197    |
|  | --        | -----     |
|  | £-        | £60,197   |
|  | =         | =====     |

Other creditors comprised a liability to a separate charity relating to some joint fund-raising activities  
The loan from Red Balloon Group has now been formally waived

**8 DEFERRED INCOME**

|                         |         |         |
|-------------------------|---------|---------|
| Capital grants received | £23,577 | £26,524 |
|                         | =====   | =====   |

**9 MOVEMENT IN RESERVES**

|                       | Balance at<br>01/09/11<br>£ | Incoming<br>Resources<br>£ | Resources<br>Expended<br>£ | Extraordinary<br>Item<br>£ | Balance at<br>31/08/12<br>£ |
|-----------------------|-----------------------------|----------------------------|----------------------------|----------------------------|-----------------------------|
| Restricted funds      | 356                         | 15,917                     | 2,500                      | -                          | 13,773                      |
| General purpose funds | 7,738                       | 105,487                    | 127,349                    | 76,697                     | 62,573                      |
|                       | -----                       | -----                      | -----                      | -----                      | -----                       |
|                       | 8,094                       | 121,404                    | 129,849                    | 76,697                     | 76,346                      |
|                       | =====                       | =====                      | =====                      | =====                      | =====                       |