

Company registration number: 07304993

**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**Unaudited financial statements**

**31 August 2019**

TUESDAY



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COMPANIES HOUSE

**Red Spark Learning C.I.C**  
**Company limited by guarantee**

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**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**Directors and other information**

**Directors**

Ms Patricia Newby  
Mr Peter Ding

**Company number**

07304993

**Registered office**

Grange Court  
Pinsley Road  
Leominster  
Herefordshire  
HR6 8NL

**Business address**

Grange Court  
Pinsley Road  
Leominster  
Herefordshire  
HR6 8NL

**Accountants**

Apple Accountants  
7 Harrow Road  
Hereford  
HR4 0EH

**Bankers**

The co-operative bank

**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**Directors report**  
**Year ended 31 August 2019**

The directors present their report and the unaudited financial statements of the company for the year ended 31 August 2019.

**Directors**

The directors who served the company during the year were as follows:

Ms Patricia Newby

Mr Peter Ding

**Small company provisions**

*This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.*

This report was approved by the board of directors on 21 August 2020 and signed on behalf of the board by:

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

Ms Patricia Newby  
Director

**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**Report to the board of directors on the preparation of the**  
**unaudited statutory financial statements of Red Spark Learning C.I.C**  
**Year ended 31 August 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Red Spark Learning C.I.C for the year ended 31 August 2019 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Chartered Institute of Management Accountants, we are subject to its ethical and other professional requirements which are detailed at [www.cimaglobal.com](http://www.cimaglobal.com).

Our work has been undertaken in accordance with the requirements of the Chartered Institute of Management Accountants as detailed at [www.cimaglobal.com](http://www.cimaglobal.com).

Apple Accountants  
CIMA

7 Harrow Road  
Hereford  
HR4 0EH

21 August 2020

**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**Statement of comprehensive income**  
**Year ended 31 August 2019**

	Note	2019 £	2018 £
<b>Turnover</b>		138,275	90,457
Cost of sales		(13,126)	(9,697)
<b>Gross profit</b>		125,149	80,760
Administrative expenses		(122,130)	(78,345)
<b>Operating profit</b>		3,019	2,415
<b>Profit before taxation</b>	<b>5</b>	3,019	2,415
Tax on profit		(592)	(458)
<b>Profit for the financial year and total comprehensive income</b>		2,427	1,957

All the activities of the company are from continuing operations.

**The notes on pages 8 to 12 form part of these financial statements.**

**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**Statement of financial position**  
**31 August 2019**

	Note	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	6	1,426		1,524	
			1,426		1,524
<b>Current assets</b>					
Debtors	7	14,131		13,958	
Cash at bank and in hand		3,783		6,056	
		17,914		20,014	
<b>Creditors: amounts falling due within one year</b>	8	(3,878)		(8,503)	
<b>Net current assets</b>			14,036		11,511
<b>Total assets less current liabilities</b>			15,462		13,035
<b>Provisions for liabilities</b>			(289)		(289)
<b>Net assets</b>			15,173		12,746
<b>Capital and reserves</b>					
Profit and loss account			15,173		12,746
<b>Members funds</b>			15,173		12,746

For the year ending 31 August 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors 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 476;
- The directors acknowledge their 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 in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

**The notes on pages 8 to 12 form part of these financial statements.**

**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**Statement of financial position (continued)**  
**31 August 2019**

These financial statements were approved by the board of directors and authorised for issue on 21 August 2020, and are signed on behalf of the board by:

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

Ms Patricia Newby  
Director

Company registration number: 07304993

**The notes on pages 8 to 12 form part of these financial statements.**



**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**Statement of changes in equity**  
**Year ended 31 August 2019**

	Profit and loss account £	Total £
<b>At 1 September 2017</b>	10,789	10,789
Profit for the year	1,957	1,957
<b>Total comprehensive income for the year</b>	1,957	1,957
<b>At 31 August 2018 and 1 September 2018</b>	12,746	12,746
Profit for the year	2,427	2,427
<b>Total comprehensive income for the year</b>	2,427	2,427
<b>At 31 August 2019</b>	15,173	15,173

**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**Notes to the financial statements**  
**Year ended 31 August 2019**

**1. General information**

The company is a private company limited by guarantee, registered in England. The address of the registered office is Grange Court, Pinsley Road, Leominster, Herefordshire, HR6 8NL.

**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**

**Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

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

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

**Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**Notes to the financial statements (continued)**  
**Year ended 31 August 2019**

**Tangible assets**

*Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.*

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

**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:

Fittings fixtures and equipment	- 25%	reducing balance
---------------------------------	-------	------------------

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

**Impairment**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

**Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**Notes to the financial statements (continued)**  
**Year ended 31 August 2019**

**Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

**Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

**4. Limited by guarantee**

*In the event that the company is wound up, the members liabilities will be limited to £1.*

**5. Profit before taxation**

Profit before taxation is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation of tangible assets	472	505
	<u>          </u>	<u>          </u>

**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**Notes to the financial statements (continued)**  
**Year ended 31 August 2019**

6. Tangible assets	Fixtures, fittings and equipment £	Total £
<b>Cost</b>	4,480	4,480
At 1 September 2018	374	374
Additions	4,854	4,854
<b>At 31 August 2019</b>		
<b>Depreciation</b>	2,956	2,956
At 1 September 2018	472	472
Charge for the year	3,428	3,428
<b>At 31 August 2019</b>		
<b>Carrying amount</b>	1,426	1,426
<b>At 31 August 2019</b>	1,524	1,524
At 31 August 2018		
7. Debtors	2019	2018
	£	£
Other debtors	14,131	13,958
8. Creditors: amounts falling due within one year	2019	2018
	£	£
Trade creditors	729	4,290
Corporation tax	592	240
Social security and other taxes	1,949	1,045
Other creditors	608	2,928
	3,878	8,503

**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**Notes to the financial statements (continued)**  
**Year ended 31 August 2019**

**9. Directors advances, credits and guarantees**

During the year the directors entered into the following advances and credits with the company:

<b>2019</b>				
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	£	£	£	£
Ms Patricia Newby	(2,436)	(555)	3,000	9
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>2018</b>				
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	£	£	£	£
Ms Patricia Newby	(320)	(3,000)	884	(2,436)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**The following pages do not form part of the statutory accounts.**

**Red Spark Learning C.I.C**  
**Company limited by guarantee**

**Detailed income statement**  
**Year ended 31 August 2019**

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
<b>Turnover</b>		
Courses	138,275	90,457
	<u>138,275</u>	<u>90,457</u>
<b>Cost of sales</b>		
Teaching resources	(3,460)	(2,393)
Transport	(1,896)	-
Room hire	(7,770)	(7,304)
	<u>(13,126)</u>	<u>(9,697)</u>
<b>Gross profit</b>	<u>125,149</u>	<u>80,760</u>
<b>Gross profit percentage</b>	90.5%	89.3%
<b>Overheads</b>		
<b>Administrative expenses</b>		
Wages and salaries	(74,959)	(45,766)
Directors remuneration	(31,823)	(21,067)
Employer's social security contributions	(3,426)	-
Staff pension costs - defined contribution	(362)	(443)
Rent payable	(6,500)	(5,867)
Insurance	(528)	(521)
Printing, postage and stationery	(970)	(882)
Telephone	(237)	(252)
Computer costs	(494)	-
Motor expenses	(1,400)	(1,838)
Travelling	(4)	(118)
Accountancy fees	(480)	(480)
General expenses	(198)	(182)
Subscriptions	(277)	(424)
Depreciation of tangible assets	(472)	(505)
	<u>(122,130)</u>	<u>(78,345)</u>
<b>Operating profit</b>	3,019	2,415
<b>Operating profit percentage</b>	2.2%	2.7%
<b>Profit before taxation</b>	<u>3,019</u>	<u>2,415</u>



000497/15

# CIC 34

## Community Interest Company Report

**For official use**  
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*Please  
complete in  
typescript, or  
in bold black  
capitals.*

**Company Name in  
full**

Red Spark Learning Community Interest Company

**Company Number**

07304993

**Year Ending**

31<sup>st</sup> Aug 2019

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

#### **PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT**

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a fair and accurate description of how they have benefited the community, or section of the community, which the company is intended to serve.

Within the past year we have delivered basic skills qualifications to individuals over the age of 19, most of which being sociologically and economically disadvantaged residents of Herefordshire. We bid for funding distributed by the skills funding agency through Herefordshire Council through a series of competitive tenders. Focus this year has been on English, maths and IT qualification based courses as well as employability courses that run intermittently throughout the year. Our learners are more generally interested in improving their skills in relation to gaining employment or progressing into further education, with our company being able to supply this provision in a safe environment in small classes, and without charge to the learner.

We have continued our partnership with Landau, as it relates to the Big Lottery Fund and the European Social Fund, as it showed a beneficial impact towards our learners beyond that of education. This has been most beneficial towards those learners for which issues would often arise as a result of disability or a change in economic status leading to low or no income; helping us to enable them towards entrance or re-entrance into the workplace. This may well include but would not be limited to, entering training, volunteering, job searching or employment.

Through the fund we are able to deploy part-time teaching staff, specific staff members to assist learners into work as well as other employees who work specifically with benefit applications, housing issues, debt management etc. Finally, the director manages the project with the help of administration staff.

*(If applicable, please just state "A social audit report covering these points is attached").*

***(Please continue on separate continuation sheet if necessary.)***

**PART 2 – CONSULTATION WITH STAKEHOLDERS** – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

Our network of contacts has increased because the funding available has increased we have targeted our funding at those who are unemployed and in danger of social exclusion. Our contacts include organisations such as:

JCP, the local NHS mental health team, Landau, The Kindle Centre, The Cart Shed, NCLP, Vennture, Aspire, HVOSS, The Herefordshire Wildlife Trust, Community brokers and social prescribers as well as *occupational therapists from NHS residential care for mental health*. We have often organised provision in response to consultation with these organisations and or in partnership with them,

We also have regular ongoing contact with the Community Learning section of Herefordshire Council. Informal contact, participation in stakeholder events and meetings to monitor our delivery take place throughout the year, and we contribute to the self-assessment process towards the year's end.

*(If applicable, please just state "A social audit report covering these points is attached").*

**PART 3 – DIRECTORS' REMUNERATION** – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that,

"There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below.

Directors Remuneration was Gross £27,970.68. There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for directors loss of office, which require to be disclosed.

**PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION** – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that “no transfer of assets other than for full consideration has been made” below.

No transfer of assets other than for full consideration has been made.

*(Please continue on separate continuation sheet if necessary.)*

**(N.B. Please enclose a cheque for £15 payable to Companies House)**

## PART 5 – SIGNATORY

**The original report must be signed by a director or secretary of the company**

Signed

*P. Newkey*

Date

21/8/20

Office held (tick as appropriate) ☒ Director ☐ Secretary

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

	Telephone 07815 910320
DX Number	DX Exchange

**When you have completed and signed the form, please send it to the Registrar of Companies at:**

*For companies registered in England and Wales:* Companies House, Crown Way, Cardiff, CF14 3UZ  
DX 33050 Cardiff

*For companies registered in Scotland:* Companies House, 4<sup>th</sup> Floor, Edinburgh Quay 2, 139  
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

*For companies registered in Northern Ireland:* Companies House, 2nd Floor, The Linenhall, 32-38  
Linenhall Street, Belfast, BT2 8BG