


Company registration number: 07304993

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

Unaudited financial statements

31 August 2017

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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 2017

The directors present their report and the unaudited financial statements of the company for the year ended 31 August 2017.

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 30 May 2018 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'P Newby', with a stylized flourish at the end.

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 2017

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 2017 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.

Our work has been undertaken in accordance with the requirements of the Chartered Institute of Management Accountants as detailed at www.cimaglobal.com

Apple Accountants
CIMA

7 Harrow Road
Hereford
HR4 0EH

30 May 2018

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

Statement of comprehensive income
Year ended 31 August 2017

	Note	2017 £	2016 £
Turnover		63,354	78,157
Cost of sales		(7,988)	(10,258)
Gross profit		55,366	67,899
Administrative expenses		(55,618)	(69,443)
Operating loss		(252)	(1,544)
Loss before taxation	5	(252)	(1,544)
Tax on loss		232	101
Loss for the financial year and total comprehensive income		(20)	(1,443)

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 2017

	Note	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	6	2,029		1,514	
			2,029		1,514
Current assets					
Debtors	7	8,913		5,686	
Cash at bank and in hand		11,859		9,512	
		20,772		15,198	
Creditors: amounts falling due within one year	8	(11,941)		(5,600)	
Net current assets			8,831		9,598
Total assets less current liabilities			10,860		11,112
Provisions for liabilities			(71)		(303)
Net assets			10,789		10,809
Capital and reserves					
Profit and loss account			10,789		10,809
Members funds			10,789		10,809

For the year ending 31 August 2017 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.

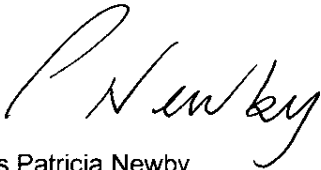
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2017

These financial statements were approved by the board of directors and authorised for issue on 30 May 2018, and are signed on behalf of the board by.



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 2017

	Profit and loss account £	Total £
At 1 September 2015	12,252	12,252
Loss for the year	(1,443)	(1,443)
Total comprehensive income for the year	(1,443)	(1,443)
At 31 August 2016 and 1 September 2016	10,809	10,809
Loss for the year	(20)	(20)
Total comprehensive income for the year	(20)	(20)
At 31 August 2017	10,789	10,789

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

Notes to the financial statements
Year ended 31 August 2017

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

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 September 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 10.

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 2017

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 2017

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

4. Limited by guarantee

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

5. Loss before taxation

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

	2017	2016
	£	£
Depreciation of tangible assets	671	505

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

Notes to the financial statements (continued)
Year ended 31 August 2017

6. Tangible assets

	Fixtures, fittings and equipment £	Total £
Cost		
At 1 September 2016	3,294	3,294
Additions	1,186	1,186
At 31 August 2017	<u>4,480</u>	<u>4,480</u>
Depreciation		
At 1 September 2016	1,780	1,780
Charge for the year	671	671
At 31 August 2017	<u>2,451</u>	<u>2,451</u>
Carrying amount		
At 31 August 2017	<u>2,029</u>	<u>2,029</u>
At 31 August 2016	<u>1,514</u>	<u>1,514</u>

7. Debtors

	2017 £	2016 £
Other debtors	<u>8,913</u>	<u>5,686</u>

8. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	7,334	158
Social security and other taxes	489	1,040
Other creditors	4,118	4,402
	<u>11,941</u>	<u>5,600</u>

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

Notes to the financial statements (continued)
Year ended 31 August 2017

9. Directors advances, credits and guarantees

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

	2017			
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	£	£	£	£
Mr Mark Woodward	-	-	-	-
Ms Patricia Newby	(1,505)	-	1,185	(320)
	<u>(1,505)</u>	<u>-</u>	<u>1,185</u>	<u>(320)</u>
	2016			
	Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
	£	£	£	£
Mr Mark Woodward	(10)	-	10	-
Ms Patricia Newby	(1,424)	(81)	-	(1,505)
	<u>(1,434)</u>	<u>(81)</u>	<u>10</u>	<u>(1,505)</u>

10. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 September 2015

Reconciliation of equity

No transitional adjustments were required.

Reconciliation of profit or loss for the year

No transitional adjustments were required

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 2017

	2017	2016
	£	£
Turnover		
Courses	63,354	78,157
	<u>63,354</u>	<u>78,157</u>
Cost of sales		
Teaching resources	(910)	(4,210)
Room hire	(7,078)	(6,048)
	<u>(7,988)</u>	<u>(10,258)</u>
Gross profit	<u>55,366</u>	<u>67,899</u>
Gross profit percentage	87.4%	86.9%
Overheads		
Administrative expenses		
Wages and salaries	(27,646)	(32,039)
Directors remuneration	(21,000)	(29,222)
Employer's social security contributions	-	(1,079)
Staff training	(116)	(71)
Rent payable	(2,976)	(2,728)
Insurance	(507)	(377)
Repairs and maintenance	-	(20)
Printing, postage and stationery	(471)	(428)
Telephone	(202)	(222)
Computer costs	(79)	(215)
Motor expenses	(968)	(1,479)
Travelling	(52)	(54)
Accountancy fees	(432)	(420)
General expenses	(498)	(584)
Depreciation of tangible assets	(671)	(505)
	<u>(55,618)</u>	<u>(69,443)</u>
Operating loss	(252)	(1,544)
Operating loss percentage	0.4%	2.0%
Loss before taxation	<u>(252)</u>	<u>(1,544)</u>

CIC 34**Community Interest Company Report**

For official use
(Please leave blank)

Please
complete in
typescript, or
in bold black
capitals.

**Company Name in
full**

Red Spark Learning Community Interest Company

Company Number

07304993

Year Ending

31st Aug 2017

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.

During the course of the year we have delivered basic skills qualification courses to individuals over the age of nineteen, most of whom are unemployed and from disadvantaged areas of Herefordshire. The funding from Herefordshire Council is gained through a competitive tendering process and originates from the Skills Funding Agency. Our qualification courses are in Math, English, IT and Employability. The majority of our learners are unemployed and want to upskill.

In addition to the qualification courses we have delivered a range of IT courses to improve social inclusion and skills to those who are unemployed. All our delivery has been without charge to the learner. Generally our client base have had confidence issues particularly when accessing education but this year we have had an increase in those that have more serious mental health issues.

To further our support beyond education to assist with the issues caused by low or no income and disability we have become partners in a bid managed by Landau. We will know the outcome by November 2017.

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

JCP, Leominster Children's Centre, Herefordshire Carer's Support and the local NHS mental health team.

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 and Employability 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.

See Accounts, directors remuneration is clearly identified.

We 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.

C. Newby

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. Newby

Date

30/5/2018

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	
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, 4th 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