

**RED BALLOON LEARNER CENTRE READING ("the Company")
(A PRIVATE COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31ST AUGUST 2013**

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**RED BALLOON LEARNER CENTRE READING
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FOR THE YEAR TO 31ST AUGUST 2013**

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**RED BALLOON LEARNER CENTRE READING
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
AS AT 31ST AUGUST 2013**

The report of the trustees for the year ended 31st August 2013

Introduction

The trustees and directors present their annual report and accounts for the year to 31st August 2013

The board of trustees and directors are satisfied with the performance of the charity during the period and the position at 31st August 2013 and consider that the charity is being developed to be in a decent position to continue its activities during the coming year, with the expectation of raising student numbers to the Centre's full capacity of 15 during 2013/14 as the relationship with local authorities and educational establishments develops and matures

Name, registered office and constitution of the charity

The full name of the charity is Red Balloon Learner Centre Reading

The company is limited by guarantee and as such does not have any share capital

The Registered Office is 220 Kings Road, Reading, Berkshire, RG1 4JJ

Company Registration Number 7150417

Charity Registration Number 1136446

The members of the Board of Trustees and Directors of the charity during the year ended 31st August 2013 and at the date that the report and accounts were approved were -

Howard Rubenstein resigned 23rd May 2013

David Uppington

Sarah Colquhoun

Angela Smith

Deborah Howells

Bankers

CAF Bank Limited

25 Kings Hill Avenue

Kings Hill, West Malling

Kent ME19 4JQ

**RED BALLOON LEARNER CENTRE READING
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
AS AT 31ST AUGUST 2013**

Structure, Governance and Management

1 Governance of the Centre

The Board of Trustees, in consultation with the Coordinators, make decisions on staffing, budgeting, and performance reviews. Trustees within the Group with specialist knowledge are consulted about financial, employment and other human resources issues.

2 Local fundraising

Trustees participate in fundraising, with the long term aim of raising between 20k and 30k per year, with any monies raised being used to help fund the running of the centre. Any excess is used towards enhancing the provisions offered.

3 Raising awareness

Trustees need to raise local public awareness of the need of children who have been so severely bullied that they cannot attend mainstream school. The aim is to draw attention to the fact that such children should be provided with full-time education and Red Balloon offers this service. This is addressed through local fundraising and engaging local businesses and schools in volunteering services or fundraising for us.

The trustees have identified two main concerns:

1 Continued referrals of students to the centre

The Learner Centre staff, supported by Trustees, continue to make strenuous efforts building and maintaining good relationships with education establishments and local authorities. Recent improvements in internal processes and the recent Ofsted inspection completed in March have helped to reassure authorities of the quality of the standard of care and education provided and have thus helped to maintain a continued referral of students.

During the summer term, the centre had ten students attending. Our capacity is fifteen.

2 Safeguarding and continued education of the students

Safeguarding the students is of the highest priority. Ongoing staff training in Health and Safety and child protection is provided regularly and as new staff are appointed, the relevant training is made available.

The Board of Trustees has the power to appoint new trustees by decision of the Trustees. People who come to members of the Board's attention as having relevant experience, interest or expertise are asked if they would consider becoming a trustee, and if it is considered appropriate, are introduced to the rest of the Board.

Red Balloon Learner Centre Group and the Association of Red Balloon Learner Centres

All Red Balloons are obliged to become members of the Association of Red Balloon Learner Centres, which entitles them to use the name "Red Balloon" and the logo. In addition, the Association provides a forum for the Trustees and officers of member Red Balloons (each of which is an independent registered charity) to share experiences, discuss common problems and make joint representations to the Board of Red Balloon Learner Centres Group. The aims of the latter are to raise awareness of the issue of children who are not receiving an education because of severe bullying, to provide quality assurance with respect to the provision offered by each Red Balloon, to ensure that it accords with Red Balloon Philosophy and Practice, and to raise funds to establish new Red Balloons and carry out training.

**RED BALLOON LEARNER CENTRE READING
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
AS AT 31ST AUGUST 2013**

Property

In line within the overall structure of Red Balloons, the property to be used as the Learner Centre has been purchased by the Red Balloon Learner Centre Group and leased back to the local Red Balloon (the Company) Group therefore hold the 'risk' that might be attached to the property, and the aligned focus means it provides a secure leasehold premises for the Company

Although no interior improvements were needed – aside from maintenance – following the recent renovation works, volunteers from a local company have been helping to redesign and improve the garden area to enable outside learning and provide additional opportunities to engage the students in growing and eating their own produce

Objectives and Activities of the Charity

The object of the charity as set out in the governing document is 'to advance the education of children aged 9 to 18 at the Red Balloon Learner Centre being students who for the time being are unable to attend mainstream schools, by providing tuition for them in a safe learning environment' There is no other purpose made scheme to recover this group of children, get them back into education or move onto further education or employment effectively giving them their 'life' back

The Learner Centre operates from 9 00am – 3 30pm each day for 36 weeks of the year The Centre is currently led by joint Co-ordinators and is supported by two teachers, two support workers, although due to cash restraints, this provision is continuously being reviewed to ensure the level of staffing is appropriate for the number of students The centre also have volunteers who regularly come in and help with the children

A part time Administrator is employed as well as a part time Housekeeper providing home cooked meals to the children All roles including Trustees and volunteers are DBS checked

Achievements and Performance of the Charity

As at other Red Balloon Learner Centres, achievement and performance at Red Balloon Reading will be measured by the increase in self-esteem and confidence of each student, in their ability to hold their own in the wider world and in their understanding of themselves and others

Donations and fundraising

We would like to thank all those that have donated and volunteered time during the year As trustees we are determined to find the right balance to utilise the funds donated to us for the needs of the children as well as ensuring that the charity has a secure future

We are grateful to those local businesses and schools who have supported us by undertaking fundraising to benefit the centre as well as other facilities in the local area helping us by sharing the use of appropriate facilities

**RED BALLOON LEARNER CENTRE READING
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
AS AT 31ST AUGUST 2013**

Financial review

Total unrestricted donations and grants received in the period were £9,058 (6mths ended 31/08/12 - £3,047) Income from charitable activities of £165,243 comprised the income from the local authorities which was received to fund the education of the students whilst outside mainstream education (6mths ended 31/08/12 - £43,000) Bank interest of £34 (6mths ended 31/08/12 - £20) was also received in the year

Total restricted donations and grants received in the year were nil (6mths ended 31/08/12 - £4470)

See note 9 for details of these funds

Various expenses were incurred relating to the staffing costs, general running costs and fundraising events More details are shown on page 7

Recognition is made of the small negative funding balance carried forward into the next year, but the trustees are confident that this will be remedied by student growth in 2013/14

Reserves policy

The Trustees policy on financial reserves is to ensure a minimum of 3-6 months of reserves is always held in the bank account but this is under review and dependant on the centre cash flow

The investment policy and objectives

The trustees' policy on investment is to retain the surplus funds in interest bearing bank deposit accounts

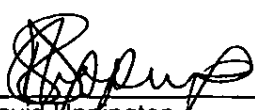
Statement of Trustees' and Directors' Responsibilities

Company law requires the Board to prepare financial statements for each financial year Under that law the board has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period In preparing those financial statements the Board is required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The trustees and directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with regulations made under the Charities Act and the Companies Act 2006 They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

This report has been prepared in accordance with the statement of Recommended Practice – Accounting and Reporting by Charities (revised 2005) and in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006



David Uppington
Director

Date 9 May 2014

RED BALLOON LEARNER CENTRE READING
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)
AS AT 31ST AUGUST 2013

	Notes	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds 6mths to 31-08-2012
Year to 31 August 2013					
		£	£	£	£
INCOMING RESOURCES					
Donations and grants received		9,058	-	9,058	7,517
Income from Charitable activities	4	165,243	-	165,243	43,000
Funds from group		20,000	-	20,000	6,000
Interest received	3	34	-	34	20
Total incoming resources		194,335	-	194,335	56,537
RESOURCES EXPENDED					
Wages and salaries	12	149,773	-	149,773	34,517
Supervision and other tuition		8,402	-	8,402	1,014
Training and recruitment		2,793	-	2,793	938
Rent and rates		26,575	-	26,575	11,200
Utilities		3,803	-	3,803	2,839
Insurance		1,325	-	1,325	311
Repairs and maintenance		5,637	-	5,637	1,220
Telephone and broadband		943	-	943	622
Accommodation, food and cleaning		3,305	-	3,305	574
Printing, stationery and office equipment		529	1,317	1,846	1,776
Small equipment		520	785	1,305	2,017
Professional services		1,648	-	1,648	226
Support fees (RB Group)		5,004	-	5,004	2,502
Event expenditure		-	-	-	380
Independent examiners fee		400	-	400	360
Sundry operating expenditure		3,953	-	3,953	668
Total resources expended		214,610	2,102	216,712	61,164
Net income/(expenditure) for the year		(20,275)	(2,102)	(22,377)	(4,627)
Fund balances brought forward	9	15,679	4,737	20,416	25,043
TOTAL FUNDS CARRIED FORWARD	9	(4,596)	2,635	(1,961)	20,416

The statement of financial activities includes all gains and losses recognised in the period

The notes on pages 9 -12 form part of these financial statements

**RED BALLOON LEARNER CENTRE READING
BALANCE SHEET
AS AT 31ST AUGUST 2013**

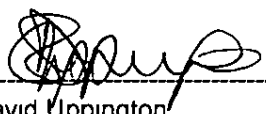
	Notes	£	31-08-2013 £	31-08-2012 £
Current Assets				
Debtors	6	3,072		7,728
Cash at bank and in hand		<u>43,416</u>		<u>21,237</u>
		46,488		28,965
Creditors Amounts falling due within one year	7	<u>(48,449)</u>		<u>(8,549)</u>
Net Current Assets			(1,961)	20,416
Creditors Amounts falling due after one year	8		-	-
Net Assets			<u>(1,961)</u>	<u>20,416</u>
Unrestricted Funds	9		(4,596)	15,679
Restricted Funds	9		<u>2,635</u>	<u>4,737</u>
Total Funds			<u>(1,961)</u>	<u>20,416</u>

For the period ending 31st August 2013, the company was entitled to exemption from audit under section 477 of the Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

On behalf of the Trustees and Directors



David Uppington
Director

Date . 9 May 2014

**RED BALLOON LEARNER CENTRE READING
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31ST AUGUST 2013**

1. ACCOUNTING POLICIES

Basis of preparation of the accounts

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE), (effective April 2008), and all other applicable accounting standards, as modified by the 2005 Revision of the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, effective April 2005. The accounts have been drawn up in accordance with the provisions of the Charities Act

Insofar as the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, effective April 2005 requires compliance with specific Financial Reporting Standards other than the FRSSE then the specific Financial Reporting Standards have been followed where their requirements differ from those of the FRSSE

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

The particular accounting policies adopted are set out below and have been applied consistently throughout the period and in the preceding year

Accounting convention

The financial statements are prepared on a going concern basis, under the historical cost convention

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity

Restricted funds are subjected to restrictions on their expenditure imposed by the donor

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to, and virtually certain to receive, the income and the amount can be quantified with reasonable accuracy. The following policies apply to particular categories of income

- Voluntary income is received by way of grants, donations and gifts and is included in full when receivable
- Investment income is included when receivable
- Incoming resources from charitable trading activity are accounted for when earned

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT that cannot be recovered

Fixed assets

Expenditure on fixed assets is only capitalised where it exceeds £500. There is currently no fixed asset expenditure capitalised in the accounts

**RED BALLOON LEARNER CENTRE READING
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31ST AUGUST 2013**

2 OPERATING SURPLUS

This is stated after charging	31-08-2013	31-08-2012
	£	£
Directors remuneration	-	-
Independent examiners fee	400	360

3. INTEREST RECEIVED

	31-08-2013	31-08-2012
	£	£
Bank interest received	34	20
Total	<u>34</u>	<u>20</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31-08-2013	31-08-2012
	£	£
Student fees	165,243	43,000
Total	<u>165,243</u>	<u>43,000</u>

5. TAXATION

No liability to UK corporation tax arises as the company enjoys charitable status

6. DEBTORS

	31-08-2013	31-08-2012
	£	£
Other debtors (Amounts owed for student fees)	-	3,000
Prepayments	3,072	4,728
Total	<u>3,072</u>	<u>7,728</u>

7. CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	31-08-2013	31-08-2012
	£	£
Trade creditors	2,560	5,112
Taxes and social security	2,411	1,843
Other creditors and accruals	43,478	1,594
Total	<u>48,449</u>	<u>8,549</u>

8. CREDITORS AMOUNTS FALLING DUE AFTER ONE YEAR

	31-08-2013	31-08-2012
	£	£
	-	-
Total	<u>-</u>	<u>-</u>

**RED BALLOON LEARNER CENTRE READING
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31ST AUGUST 2013**

9 MOVEMENT IN FUNDS

	Balance at 31 August 2012 £	Incoming resources £	Resources expended £	Balance at 31 August 2013 £
Unrestricted Funds.				
General Funds	15,679	-	20,275	(4,596)
<i>Total Unrestricted Funds</i>	<u>15,679</u>	<u>-</u>	<u>20,275</u>	<u>(4,596)</u>
Restricted Funds:				
Hilton Foundation	1,244	-	785	459
Peter Hearn Foundation	3,493	-	1,317	2,176
<i>Total Restricted Funds</i>	<u>4,737</u>	<u>-</u>	<u>2,102</u>	<u>2,635</u>
	<u>20,416</u>	<u>-</u>	<u>22,377</u>	<u>(1,961)</u>

Purposes of restricted Funds

The grant from the Hilton Foundation was awarded to the Centre to enable the purchase of instruments to equip the music room and the provision of equipment for recording and access to teaching

The grant from the Peter Hearn Foundation was awarded to the Centre to enable the purchase of resources to help towards equipping the centre with maths, text books and other science resources

10 SHARE CAPITAL

The company is limited by guarantee and as such does not have any share capital

11. LEASE COMMITMENTS

At 31 August 2013 the charity was committed to making the following payments under non-cancellable operating leases in the year to 31 August 2014

	31-08-2013 £	31-08-2012 £
Operating lease which expires.		
Between 2 – 5 years	22,500	22,500
Total	<u>22,500</u>	<u>22,500</u>

12. EMPLOYEES' REMUNERATION

Total remuneration (excluding employers National Insurance contributions) for the period amounted to £113,164

Employer's National Insurance for the period amounted to £36,609

There were no pension costs during the year

No employee earned £60,000 p a or more

There was an average of 9 staff paid during the year

**RED BALLOON LEARNER CENTRE READING
NOTES TO THE ACCOUNTS
FOR THE PERIOD ENDED 31ST AUGUST 2013**

13 TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No members of the Board of Trustees and Directors received any remuneration during the period or prior year and no expenses were reimbursed

No trustee or other person related to the charity has any personal interest in any contract or transaction entered into by the charity during the period or prior year

**INDEPENDENT EXAMINERS' REPORT
TO THE TRUSTEES OF RED BALLOON LEARNER CENTRE READING**

I report on the accounts of the company for the period ended 31 August 2013, which are set out on pages 7 to 12

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to

- examine the accounts under section 145 of the 2011 Act,
- to follow the procedures laid down in the General Directions given by the Charity Commissioner under section 145(5)(b) of the 2011 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 Commissioner. 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 the seeking of 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

- which gives me reasonable cause to believe that, in any material respect, the requirements
 - (a) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - (b) 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 Charitieshave not been met, or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

On behalf of

EDWIN SMITH
CHARTERED ACCOUNTANTS
32 Queens Road
Reading
RG1 4AU

Signed Philip Nixon FCA

Date 12/5/2014