

Charity registration number 1117092 (England and Wales)

Company registration number 05664446

RED BALLOON - NORWICH
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

RED BALLOON - NORWICH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr B Aldridge	
	E L Culley	
	M Blyth	
	P D Boland	(Appointed 6 November 2024)
	J T Clogan	(Appointed 6 November 2024)
	A Dabin	(Appointed 1 October 2024)
	W Marshall	(Appointed 1 October 2024)
	S F Ridge-Ward	(Appointed 10 May 2024)
	Z C Rolfe	(Appointed 6 November 2024)
Charity number (England and Wales)	1117092	
Company number	05664446	
Registered office	289 Drayton Road Norwich NR3 2PW	
Independent examiner	Argents Accountants Limited 15 Palace Street NORWICH Norfolk United Kingdom NR3 1RT	

RED BALLOON - NORWICH

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RED BALLOON - NORWICH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2024

The trustees present their annual report and financial statements for the year ended 31 August 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)".

Objectives and activities

ABOUT RED BALLOON – NORWICH

Red Balloon – Norwich creates a nurturing environment for students aged 11-16 who cannot thrive in a mainstream environment. The school exists to re-build trust, confidence, skills and academic knowledge through a proportioned blend of wellbeing, academic and vocational activities.

Red Balloon Norwich provides a safe, supportive and nurturing environment for 40 young people from Norfolk and the surrounding counties. Our centre is open Monday to Friday from 9.00am to 15.30pm during term time, and students attend full-time.

All students at Red Balloon – Norwich have an EHCP (Education Health and Care Plan) and through unconditional positive regard, curriculum sequencing and a narrative approach students are able to re-connect with education.

OBJECTS

To provide a nurturing and supportive learning environment for students aged 11-16 with or without an Education, Health and Care Plan who have suffered severe anxiety and significant trauma to the extent they are unable to access mainstream education.

To offer a tailored blend of academic, vocational and wellbeing intervention to ensure each student can attend school regularly, access a full time education and make a positive career transition Post 16 once they leave Red Balloon Norwich.

VALUES

Wellbeing

Mental health and emotional wellbeing are essential to being a happy and healthy individual. The balance of our mental health also form the foundations to enable us to thrive and to succeed.

Throughout their time with us Students at Red Balloon – Norwich are able to have integrative counselling support as part of their timetable. We use integrative counselling so we offer a range of therapeutic approaches including CBT, solution focused and drawing and talking therapy. Alongside our one to one counselling the majority of staff are trained in Level 2 Mental Health First Aid so our students who struggling to cope with severe anxiety and additional needs are able to address the problems they have been facing and develop strategies to overcome any barriers they might face in the future.

Academic

Red Balloon – Norwich understand education is not just about exams, and it's not one-size-fits-all. The school works under a negotiated curriculum, where the student has a say in what they want to learn, so we find an approach that enables them to learn successfully and feel motivated to attend. Our students come to us at various levels of ability, and we support them to get back on track and level with their peers, so they feel confident and capable when their time with us comes to an end.

Social Engagement

Red Balloon – Norwich is small and focused (no more than 6 students per class) allowing students feel part of the community. Our students have often had similar experiences so there's an innate level of understanding and acceptance already, and our inclusive atmosphere makes sure everyone feels valued. We seek to engage students in communities that are both supportive and demanding, so they understand both the value and realities of communities we experience throughout life. We believe it's important that students belong to the community and that they accept responsibility for their contribution to that community and for upholding the rights of the other community members.

RED BALLOON - NORWICH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

How do we deliver?

Skills For Life

Red Balloon Norwich believe in providing opportunities that develop transferable skills for the future. We offer cooking, budgeting, travel independence and wellbeing support linked to our preparing for adult life curriculum. Our nurturing approach allows students to: overcome their anxieties about school, meet new people, repair and sustain relationships and visit new environments including work placements. All students have access to our integrative counsellor who can support with a range of coping strategies as well as listening ear on the students journey to success.

Academic

Red Balloon Norwich offers the full range of GCSE core subjects Maths, English Language, English Literature, combined science / Biology, Art, Humanities and computer science. For those who require further support and intervention due to significant gaps in learning and time missed from education functional skills are also provided in English and Maths alongside the Entry Level Certificate in Science / Entry level Humanities.

Vocational Experience

We believe work experience plays a huge role in preparing our students for their next steps. The placement provides a feeling of safety, security and reassurance of what is expected and what working for an employer is like.

The young apprenticeship scheme is in place for students to find their employer 'match' post 16 and start the transition early over time. The employer can make a fair assessment of a Red Balloon Norwich Student and their SEN needs which supports the decision to make a full employment offer.

Public benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Red Balloon Learner Centres provide an 'intensive care' full-time education for children (10-17) who have been so traumatised (by bullying, physical violence, family breakdown, bereavement, rape etc) that they exclude themselves from school. There is no other purpose-made scheme to recover this group of children and to give them back their 'life'. More than half of the students at Red Balloon have attempted or 'seriously considered' suicide. They are provided with a safe environment with clear boundaries for behaviour and an individual full-time academic, pastoral and therapeutic programme.

Of the approximately 6.1 million 10 to 17 year olds in the UK, about three in one thousand is so anxious that he/she has left the mainstream educational system. This represents 16,500 children. Experience in existing Balloons causes us to believe that there is a need for such a Centre in every town and city in the UK.

Red Balloon improves the skills and life opportunities of a group of socially isolated, confidence-lacking and ignored children. Red Balloon contributes to stronger communities by identifying and addressing the problem of seriously bullied / traumatised children with the help of the community and for the benefit of the community.

RED BALLOON - NORWICH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2024**

Achievements and performance

Achievement and performance at Red Balloon Norwich is measured by the increase in self-esteem and confidence of each student, in their ability to hold their own in the wider world, in their understanding of themselves and others and in their recovery and return to mainstream or further education or employment.

This year has been one of progress and evolution at Red Balloon Norwich where we supported 41 students in total from 28 in the 2022/2023 academic year. Reflective of our growth the school also saw an increase in staff numbers from 14 to 24 clearly keeping to our high staff ratios to ensure all students received the best bespoke intervention in a nurturing learning environment.

On 27 February 2024 the school received a monitoring visit from the ISI (Independent Schools Inspectorate) and successfully met all Independent School Standards.

The school also added three additional mobile buildings to the site creating an additional year group of young people, a new counselling room, school office (a move which created a larger Maths classroom in the centre) and the addition of Games Development to the curriculum adding to the schools vocational offer. New MFL (Modern Foreign Language) subjects including French and Italian have also been added.

Our end of year GCSE results showed continued success across the curriculum for our students and Year 11 leavers. Out of our cohort of 10 X Year 11 students who sat 38 GCSE/Functional Skills exams in 2023/2024 there were 10 x GCSE grade 9 – 7 grades (40% grade 9), 4 x GCSE grades 4-6, 11 GCSE grades 1-3. Four students achieved functional skills pass grades in their core Maths and English areas of study. 100% of all Year 11 leavers achieved their qualifications required for their next destinations and 83.3% successfully sustained and are progressing in their new destinations. Students are normally restricted to taking no more than five subjects in any year, because many of them will on arriving at Red Balloon Norwich have missed years out of education and in some cases 40% of timetables as a transition measure can be focused on vocational learning and personal development to promote engagement.

Overall attendance for the year 2023/2024 was 70% and further work is being put in place to ensure continuous improvement in line with local and national standards. Our attendance without students with persistent absenteeism is 76% which remains a positive outlook for those students whose mental health, when they come to us, is quite poor following prolonged periods away from education.

Our Pupil Premium Grant was used to remove some of the most significant barriers to learning – providing targeted academic support across core subjects, improving attendance via the use of alternative provision, trips and visits and to expand the cultural capital of students within their communities.

Outside of classroom delivery students have completed taster sessions which have formed part of their post 16 destinations and have built confidence over a duration months prior to the 2024/2025 academic year.

The school has also continued to invest in staff development through providing access to apprenticeship training, leadership and management, Advanced Wellbeing training and IOSH Health and Safety.

The success in achieving our aims can be attributed in large measure to the outstanding teaching and support given by the dedicated staff.

FUNDRAISING

The Carol Concert for Red Balloon Norwich in December 2023 raised £546 and is booked again for December 2024.

RED BALLOON - NORWICH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

Financial review

During the year ended 31 August 2024 incoming resources totalled £966,201 (2023: £539,291) with total resources expended of £872,917 (2023: £563,917).

Total receipts on unrestricted funds were £938,143, of which trading income totalling £929,867 (2023: £536,286) represented fees received to fund the education of those students whilst outside mainstream education.

Staff numbers have been kept aligned to the number of students. Income and expenses were broadly in line with expectation. The Trustees manage and review the budget at each Trustee's meeting and work closely with the Head of Centre to ensure that costs are controlled.

Total funds held by Red Balloon Norwich at year ended 31 August 2024 totalled £574,273, of which £30,000 were restricted.

Reserve Policy

It is the policy of Red Balloon Norwich to maintain at least three and a half months free reserves or £150,000 whichever is the greater. We have to cover salaries in the event of late fee payment and we have to be prepared for a drop in student numbers at the beginning of the academic year – our aim is to help our students back into society however most of our students are with us for the remaining duration of their secondary education.

Structure, governance and management

The charity is a company limited by guarantee and as such does not have share capital. The company is also a registered charity, the charity number is 1117092

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr B Aldridge

E L Culley

M Blyth

G L Crane

(Resigned 7 July 2024)

P D Boland

(Appointed 6 November 2024)

J T Clogan

(Appointed 6 November 2024)

A Dabin

(Appointed 1 October 2024)

W Marshall

(Appointed 1 October 2024)

S F Ridge-Ward

(Appointed 10 May 2024)

Z C Rolfe

(Appointed 6 November 2024)

R G Walker

(Appointed 7 July 2024 and resigned 10 March 2025)

D Powles

(Appointed 4 October 2023 and resigned 10 May 2024)

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

RED BALLOON - NORWICH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

Organisational structure

Governance of the Centre

The Board of Trustees, in consultation with the Head of Centre, makes decisions about staffing, budgeting, and performance reviews.

STAFFING

Mark Anderson Head of Centre commenced employment as Head of Centre in August 2023 and has recruited a strong team which has made positive impact across the centre.

Following a skills audit, it was identified that there were gaps in the board and as a result, have recruited accordingly to expand the number, knowledge and experience of the board. This will support the organisation with future aspirations to grow.

Local fundraising

The Trustees aim to raise funds, ideally, to be used to enhance the provisions we offer, to buy resources, equipment, cover the cost of essential repair and replacement, etc; these funds are also used to fund unfunded students.

Raising awareness

Trustees need to raise local public awareness of the needs of children who have been traumatised for whatever reason (e.g. family breakdown, bereavement, rape, bullying etc) that they cannot for the time being attend mainstream school. The aim is to draw attention to the fact that such children should be provided with a way to recover their health and full-time education. Red Balloon - Norwich offers this service.

The trustees have identified one main area of concern which is the capacity to be able to provide our service to the volume of young people that require the support that the centre offers.

In 2013, Red Balloon Norwich was added to Norfolk County Council's Light Touch Framework as a provider of Day Education Services. Norfolk County Council issued a further Invitation to Tender in January 2017; our response was accepted in March 2017 and our new contract extends for a rolling five years. As a result, most of our students are directly funded by the Local Authority. During the current financial year, we began accepting students from Suffolk County Council on a spot placement basis.

This year 36 students attended full-time for the whole year, which included 5 students accessing services remotely via a blended learning offer with a goal to transition into the core school provision. A further five students accessed the school on a dual roll basis commissioned directly from partner schools alongside their mainstream provision. Norfolk and Suffolk County Council funded all full time placements students for students attending Red Balloon – Norwich (all of which have an Education, Health and Care Plan). A number of students also received additional funding for 1 to 1 teaching and learning support to support their transition into the core offer.

Our capacity has been increased through the blended use of alternative provision and online learning where appropriate supporting students not able to attend the centre straight away access a broad and balanced curriculum. Red Balloon-Norwich negotiates the curriculum with, and meets the social, psychological and therapeutic needs of, these young people.

The majority of our referrals come via the Local Authority SENPAG admissions process. Placements for young people who have been consulted can only be agreed by the Local Authority who control the admissions process. Red Balloon – Norwich are still open to receiving students who are directly funded by mainstream schools or privately via parents on a case by case basis.

It has been a transitional year for both staff and trustees, we now have a strong staff group led by a new leadership team, and our board of trustees now holds a wide range of skills and knowledge, which ensures a more strategic approach at board level. I place my thanks on record to all our staff and my fellow trustees for their continued dedication and support over the academic year.

RED BALLOON - NORWICH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 AUGUST 2024*

The trustees' report was approved by the Board of Trustees.

E L Culley
Trustee

21 May 2025

RED BALLOON - NORWICH

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF RED BALLOON - NORWICH

I report to the trustees on my examination of the financial statements of Red Balloon - Norwich (the charity) for the year ended 31 August 2024.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Mark Johnstone FCA

Argents Accountants Limited

15 Palace Street

NORWICH

Norfolk

NR3 1RT

United Kingdom

29 May 2025

RED BALLOON - NORWICH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income from:							
Donations and legacies	4	7,783	28,058	35,841	1,645	-	1,645
Charitable activities	5	929,867	-	929,867	536,286	-	536,286
Other trading activities	6	-	-	-	743	-	743
Investments	7	493	-	493	617	-	617
Total income		<u>938,143</u>	<u>28,058</u>	<u>966,201</u>	<u>539,291</u>	<u>-</u>	<u>539,291</u>
Expenditure on:							
Raising funds	8	805	-	805	892	-	892
Charitable activities	9	845,054	27,058	872,112	563,025	-	563,025
Total expenditure		<u>845,859</u>	<u>27,058</u>	<u>872,917</u>	<u>563,917</u>	<u>-</u>	<u>563,917</u>
Net income/(expenditure)		92,284	1,000	93,284	(24,626)	-	(24,626)
Transfers between funds		1,000	(1,000)	-	-	-	-
Net movement in funds	11	93,284	-	93,284	(24,626)	-	(24,626)
Reconciliation of funds:							
Fund balances at 1 September 2023		450,989	30,000	480,989	475,615	30,000	505,615
Fund balances at 31 August 2024		<u>544,273</u>	<u>30,000</u>	<u>574,273</u>	<u>450,989</u>	<u>30,000</u>	<u>480,989</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

RED BALLOON - NORWICH

BALANCE SHEET

AS AT 31 AUGUST 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	16		807,500		700,799
Current assets					
Debtors	17	388,574		12,164	
Cash at bank and in hand		177,549		174,933	
		566,123		187,097	
Creditors: amounts falling due within one year	19	(464,809)		(64,046)	
Net current assets			101,314		123,051
Total assets less current liabilities			908,814		823,850
Creditors: amounts falling due after more than one year	20		(334,541)		(342,861)
Net assets			574,273		480,989
The funds of the charity					
Restricted income funds	22	30,000		30,000	
Unrestricted funds	23	544,273		450,989	
		574,273		480,989	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 21 May 2025

E L Culley
Trustee

Company registration number 05664446 (England and Wales)

RED BALLOON - NORWICH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	1		137,629		(151,739)
Investing activities					
Purchase of tangible fixed assets		(127,186)		(264)	
Investment income received		493		617	
		<u> </u>		<u> </u>	
Net cash (used in)/generated from investing activities			(126,693)		353
Financing activities					
Repayment of bank loans		(8,320)		(7,917)	
		<u> </u>		<u> </u>	
Net cash used in financing activities			(8,320)		(7,917)
			<u> </u>		<u> </u>
Net increase/(decrease) in cash and cash equivalents			2,616		(159,303)
Cash and cash equivalents at beginning of year			174,933		334,236
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>177,549</u>		<u>174,933</u>

RED BALLOON - NORWICH

STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1	Cash generated from/(absorbed by) operations	2024 £	2023 £
	Surplus/(deficit) for the year	93,284	(24,626)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(493)	(617)
	Depreciation and impairment of tangible fixed assets	20,485	-
	Movements in working capital:		
	(Increase) in debtors	(376,410)	(12,164)
	Increase/(decrease) in creditors	36,304	(114,332)
	Increase in deferred income	364,459	-
	Cash generated from/(absorbed by) operations	137,629	(151,739)

2 Accounting policies

Charity information

Red Balloon - Norwich is a private company limited by guarantee incorporated in England and Wales. The registered office is 289 Drayton Road, Norwich, NR3 2PW.

2.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

2 Accounting policies

(Continued)

2.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

2.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	0-4% on cost
Fixtures and fittings	20% on cost
Computers	33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

2.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

2.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

2 Accounting policies

(Continued)

2.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

3 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

4 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	7,783	-	7,783	1,645	-	1,645
Grants	-	28,058	28,058	-	-	-
	<u>7,783</u>	<u>28,058</u>	<u>35,841</u>	<u>1,645</u>	<u>-</u>	<u>1,645</u>

5 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Education		
Tuition fees	<u>929,867</u>	<u>536,286</u>

6 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising activities	<u>-</u>	<u>743</u>

7 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	<u>493</u>	<u>617</u>

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

8 Expenditure on raising funds

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising and publicity		
Other fundraising costs	805	892
	<u> </u>	<u> </u>

9 Expenditure on charitable activities

	Education 2024 £	Education 2023 £
Direct costs		
Staff costs	512,084	336,268
Depreciation and impairment	20,485	-
Student expenses	144,060	53,645
Lesson resources	10,253	3,362
Inspection costs	3,043	2,966
Food and housekeeping	21,464	11,295
Office administration	17,066	15,442
Premises costs	64,144	48,628
IT costs	35,545	10,842
Bank charges	525	60
Staff costs	14,073	13,738
Travel	134	588
Trustee expenses	378	739
	<u> </u>	<u> </u>
	843,254	497,573
 Share of support and governance costs (see note 10)		
Support	28,258	65,152
Governance	600	300
	<u> </u>	<u> </u>
	872,112	563,025
	<u> </u>	<u> </u>
 Analysis by fund		
Unrestricted funds	845,054	563,025
Restricted funds	27,058	-
	<u> </u>	<u> </u>
	872,112	563,025
	<u> </u>	<u> </u>

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

10 Support costs allocated to activities

	2024 £	2023 £
Professional services	8,659	37,935
Red Balloon National Annual Levy	667	7,714
Mortgage interest	18,932	19,503
Governance costs	600	300
	<u>28,858</u>	<u>65,452</u>
Analysed between:		
Education	<u>28,858</u>	<u>65,452</u>

	2024 £	2023 £
Governance costs comprise:		
Audit or Independent examination fees	600	300
	<u>600</u>	<u>300</u>

11 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	600	300
Depreciation of owned tangible fixed assets	<u>20,485</u>	<u>-</u>

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

13 Employees

The average monthly number of employees during the year was:

	2024 Number
	17
Total	<u>17</u>

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

13 Employees (Continued)

Employment costs	2024 £	2023 £
Wages and salaries	512,084	336,268

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £
Aggregate compensation	45,787

14 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

Morphry Thyme Ltd a company in which Ben Aldridge (trustee) is a director of, amounting to £1,282 for bookkeeping services of which £118 was outstanding at the year end and Limelight Theatre Company and Studios, businesses of Zelda Rolfe (trustee), amounting to £1,490 for studio rent and classes.

15 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

16 Tangible fixed assets

	Freehold land and buildings	Fixtures and fittings	Computers	Total
	£	£	£	£
Cost				
At 1 September 2023	700,535	39,375	-	739,910
Additions	73,060	22,285	31,841	127,186
	<u>773,595</u>	<u>61,660</u>	<u>31,841</u>	<u>867,096</u>
At 31 August 2024	773,595	61,660	31,841	867,096
Depreciation and impairment				
At 1 September 2023	-	39,111	-	39,111
Depreciation charged in the year	13,520	3,085	3,880	20,485
	<u>13,520</u>	<u>42,196</u>	<u>3,880</u>	<u>59,596</u>
At 31 August 2024	13,520	42,196	3,880	59,596
Carrying amount				
At 31 August 2024	<u>760,075</u>	<u>19,464</u>	<u>27,961</u>	<u>807,500</u>
At 31 August 2023	<u>700,535</u>	<u>264</u>	<u>-</u>	<u>700,799</u>

17 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	378,706	4,652
Prepayments and accrued income	9,868	7,512
	<u>388,574</u>	<u>12,164</u>

18 Loans and overdrafts

	2024	2023
	£	£
Bank loans	<u>361,831</u>	<u>370,151</u>
Payable within one year	27,290	27,290
Payable after one year	<u>334,541</u>	<u>342,861</u>

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

19 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Bank loans	18	27,290	27,290
Other taxation and social security		10,056	4,866
Deferred income	21	364,459	-
Trade creditors		53,140	25,809
Other creditors		4,552	1,331
Accruals		5,312	4,750
		<u>464,809</u>	<u>64,046</u>

20 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Bank loans	18	<u>334,541</u>	<u>342,861</u>

21 Deferred income

	2024 £	2023 £
Other deferred income	<u>364,459</u>	<u>-</u>

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	<u>364,459</u>	<u>-</u>
Movements in the year:		
Deferred income at 1 September 2023	-	-
Resources deferred in the year	<u>364,459</u>	<u>-</u>
Deferred income at 31 August 2024	<u>364,459</u>	<u>-</u>

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

22 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
Legacy fund	30,000	-	-	-	30,000
Pupil Premium and Ever 6 FSM fund	-	10,040	(10,040)	-	-
Education Health Care plan support fund	-	1,200	(1,200)	-	-
Covid recovery fund	-	15,318	(15,318)	-	-
Travel support fund	-	500	(500)	-	-
Cabin fund	-	1,000	-	(1,000)	-
	<u>30,000</u>	<u>28,058</u>	<u>(27,058)</u>	<u>(1,000)</u>	<u>30,000</u>

Previous year:	At 1 September 2022	Incoming resources	Resources expended	Transfers	At 31 August 2023
	£	£	£	£	£
Legacy	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,000</u>

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
General funds	<u>450,989</u>	<u>938,143</u>	<u>(845,859)</u>	<u>1,000</u>	<u>544,273</u>
Previous year:	At 1 September 2022	Incoming resources	Resources expended	Transfers	At 31 August 2023
	£	£	£	£	£
General funds	<u>475,615</u>	<u>539,291</u>	<u>(563,917)</u>	<u>-</u>	<u>450,989</u>

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

24 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 August 2024:			
Tangible assets	807,500	-	807,500
Current assets/(liabilities)	71,314	30,000	101,314
Long term liabilities	(334,541)	-	(334,541)
	<u>544,273</u>	<u>30,000</u>	<u>574,273</u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 August 2023:			
Tangible assets	700,799	-	700,799
Current assets/(liabilities)	93,051	30,000	123,051
Long term liabilities	(342,861)	-	(342,861)
	<u>450,989</u>	<u>30,000</u>	<u>480,989</u>