

Charity registration number 1117092 (England and Wales)

Company registration number 05664446

RED BALLOON - NORWICH
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

RED BALLOON - NORWICH

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	B Aldridge	
	E L Culley	
	M Blyth	
	J T Clogan	(Appointed 6 November 2024)
	A Dabin	(Appointed 1 October 2024)
	S F Ridge-Ward	
	B Crane	(Appointed 29 May 2025)
	O Dension	(Appointed 2 February 2026)
Charity number (England and Wales)	1117092	
Company number	05664446	
Registered office	289 Drayton Road Norwich NR3 2PW	
Auditor	Sumer Auditco 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 2025

The trustees present their annual report and financial statements for the year ended 31 August 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 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 forms the foundations to enable us to thrive and to succeed.

Throughout their time with us students at Red Balloon – Norwich are able to access integrative counselling support as part of their timetable. We use integrative counselling so we can offer a range of therapeutic approaches including CBT, solution focused and drawing and talking therapy to help remove barriers to learning and develop coping strategies for their identified support needs which often includes severe anxiety. Alongside our one to one counselling the majority of staff are also trained in Level 2 Mental Health First Aid so mental health support remains at the centre of our whole school approach to improving wellbeing for all.

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, whilst still ensuring the statutory education requirements are met. 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. We have also developed a strong vocational offering for pupils that struggle to learn in the traditional way.

RED BALLOON - NORWICH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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.

How do we deliver?

Skills For Life

At Red Balloon Norwich, we're passionate about equipping young people with the skills they need for a confident, independent future. Our program includes practical life skills such as cooking, budgeting, travel training, and wellbeing support; all designed to prepare students for adult life. Through our nurturing approach, students are supported to overcome anxieties around school, build new friendships, repair and sustain relationships, and explore new environments, including work placements. Every student also has access to our integrative counsellor, offering a listening ear and a range of coping strategies to support them on their 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 Certificates in Science and Humanities.

Vocational Experience

We believe work experience plays a huge role in preparing our students for their next steps. Placements provide a feeling of safety, security and reassurance of what is to be 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 before leaving Red Balloon - Norwich. The employer can make a fair assessment of a 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 2025

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 2024/2025 has been one of progress and evolution at Red Balloon Norwich where we supported 52 learners (8 were attending on a part-time dual roll arrangement at one given time). This was an increase of 26.83% from 2023/2024 where 41 students were supported. At no given point was the PAN of 40 students on roll exceeded. Reflective of our growth the school also saw an increase in staff numbers from 24 to 32 clearly keeping to our high staff ratios to ensure all students received the best bespoke intervention in a nurturing learning environment.

Our end of year GCSE results showed continued success across the curriculum for our students and Year 11 leavers.

Out of our cohort of 12 X Year 11 students 2024/2025 out of 35 GCSE exams sat there were 15 x GCSE's grades 5-8 (43%), 22 x GCSE's grades 4 and above (73%). 9/12 students sat Functional Skills E2-L2 (including entry Science) = 75% pass rate. 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 2024/2025 was 78% which was an 8% increase on the 2023/2024 academic year.

Our attendance without students with persistent absenteeism and of non-statutory school age was 82.5% an increase of 6.5% on the 2023/2024 academic year. This continues to demonstrate an improvement and remains a positive outlook for those students whose mental health, when they come to us, is poor following extended 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, our students have completed taster sessions which have formed part of their post 16 destinations, and have built confidence over a number of months which has led to positive destinations once again for the 2024/2025 academic year with only one student NEET (not in employment education and further training).

The school has also continued to invest in staff development through providing access to teacher training, leadership and management, IOSH Health and Safety and Specialist SEN Teaching Assistant Level 5 qualifications. Two members of staff are also registered for Masters courses.

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 2024 raised £546.95 and is booked again for December 2025.

RED BALLOON - NORWICH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Financial review

During the year ended 31 August 2025 incoming resources totalled £1,366,909 (2024: £966,201) with total resources expended of £1,418,388 (2024: £872,917).

Total receipts on unrestricted funds were £1,329,870, of which trading income totalling £1,319,733 (2024: £929,867) 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 2025 totalled £522,794, of which £19,635 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:

B Aldridge	
E L Culley	
M Blyth	
P D Boland	(Appointed 6 November 2024 and resigned 1 January 2026)
J T Clogan	(Appointed 6 November 2024)
A Dabin	(Appointed 1 October 2024)
W Marshall	(Appointed 1 October 2024 and resigned 14 July 2025)
S F Ridge-Ward	
Z C Rolfe	(Appointed 6 November 2024 and resigned 1 January 2026)
R G Walker	(Resigned 10 March 2025)
B Crane	(Appointed 29 May 2025)
O Dension	(Appointed 2 February 2026)

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.

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, has been in post since August 2023 and has continued to develop a strong team which has made positive impact across the centre.

RED BALLOON - NORWICH

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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 continue 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 2024/2025 financial year, we began accepting students from Suffolk County Council on a spot placement basis.

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. 8 students also accessed dual roll provision on a part-time basis commissioned by mainstream schools where Red Balloon Norwich were the subsidiary provider.

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.

Auditor

In accordance with the company's articles, a resolution proposing that Sumer Auditco Limited be reappointed as auditor of the company will be put at a General Meeting.

It has been a year of stability for both staff and trustees, and the organisation is now in a positive and stable position to look forward at new opportunities. The board will be preparing a 3 year Strategic vision which will be shared with stakeholders in early 2026. We have a strong staff group led by a experienced leadership team, and our board of trustees holds a wide range of skills and knowledge, which continues to ensure a 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.

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

E L Culley
Trustee

28 May 2026

RED BALLOON - NORWICH

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees, who are also the directors of Red Balloon - Norwich for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with 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.

RED BALLOON - NORWICH

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF RED BALLOON - NORWICH

Opinion

We have audited the financial statements of Red Balloon - Norwich (the 'charity') for the year ended 31 August 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

RED BALLOON - NORWICH

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF RED BALLOON - NORWICH

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- enquiring of management, including obtaining and reviewing supporting documentation concerning the company's policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud; and
- obtaining an understanding of the legal and regulatory framework that the company operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the companies. The key laws and regulations we considered in this context included the Companies Act 2006, tax legislation, and laws specifically applicable to sector in which the company operates.

RED BALLOON - NORWICH

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF RED BALLOON - NORWICH

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the Financial Statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance, reviewing internal controls/systems notes and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Assessing compliance with relevant laws and regulations, including Equality Act 2010, Employers' Liability Act 1969 and Health & Safety at Work Act 1974, to which we found no material shortfalls or had any concerns.
- Assessing compliance with relevant laws and regulations applicable to Schools, to which we found no material shortfalls or had any concerns.

Other Matters Paragraph:

The financial statements for the prior period were not audited.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Johnstone (Senior Statutory Auditor)

For and on behalf of Sumer Auditco Limited, Statutory Auditor

Chartered Accountants

15 Palace Street

NORWICH

Norfolk

NR3 1RT

United Kingdom

28 May 2026

Sumer Auditco Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

RED BALLOON - NORWICH

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	4	8,183	37,039	45,222	7,783	28,058	35,841
Charitable activities	5	1,321,028	-	1,321,028	929,867	-	929,867
Investments	6	659	-	659	493	-	493
Total income		<u>1,329,870</u>	<u>37,039</u>	<u>1,366,909</u>	<u>938,143</u>	<u>28,058</u>	<u>966,201</u>
Expenditure on:							
Raising funds	7	-	-	-	805	-	805
Charitable activities	8	1,400,984	17,404	1,418,388	845,054	27,058	872,112
Total expenditure		<u>1,400,984</u>	<u>17,404</u>	<u>1,418,388</u>	<u>845,859</u>	<u>27,058</u>	<u>872,917</u>
Net income/(expenditure)		<u>(71,114)</u>	<u>19,635</u>	<u>(51,479)</u>	<u>92,284</u>	<u>1,000</u>	<u>93,284</u>
Transfers between funds							
		30,000	(30,000)	-	1,000	(1,000)	-
Net movement in funds	9	<u>(41,114)</u>	<u>(10,365)</u>	<u>(51,479)</u>	<u>93,284</u>	<u>-</u>	<u>93,284</u>
Reconciliation of funds:							
Fund balances at 1 September 2024		544,273	30,000	574,273	450,989	30,000	480,989
Fund balances at 31 August 2025		<u>503,159</u>	<u>19,635</u>	<u>522,794</u>	<u>544,273</u>	<u>30,000</u>	<u>574,273</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 2025

		2025	2024
	Notes	£	£
Fixed assets			
Tangible assets	14	797,800	807,500
Current assets			
Debtors	15	87,003	388,574
Cash at bank and in hand		684,950	177,549
		771,953	566,123
Creditors: amounts falling due within one year	17	(703,015)	(464,809)
Net current assets		68,938	101,314
Total assets less current liabilities		866,738	908,814
Creditors: amounts falling due after more than one year	18	(343,944)	(334,541)
Net assets		522,794	574,273
The funds of the charity			
Restricted income funds	20	19,635	30,000
Unrestricted funds	21	503,159	544,273
		522,794	574,273

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 28 May 2026

E L Culley
Trustee

Company registration number 05664446 (England and Wales)

RED BALLOON - NORWICH

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

		2025		2024	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	2		527,935		137,629
Investing activities					
Purchase of tangible fixed assets		(29,172)		(127,186)	
Investment income received		659		493	
Net cash used in investing activities			(28,513)		(126,693)
Financing activities					
Repayment of bank loans		(8,783)		(8,320)	
Net cash used in financing activities			(8,783)		(8,320)
Net increase in cash and cash equivalents			490,639		2,616
Cash and cash equivalents at beginning of year			177,549		174,933
Cash and cash equivalents at end of year			668,188		177,549
Relating to:					
Cash at bank and in hand			684,950		177,549
Bank overdrafts included in creditors payable within one year			(16,762)		-

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1 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.

1.1 Basis of preparation

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. The principal accounting policies adopted are set out below.

1.2 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.

1.3 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.

1.4 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.

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

1.5 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.

1.6 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	0-10% 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.

1.7 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).

1.8 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.

1.9 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.

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

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.

1.10 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.

2	Cash generated from operations	2025 £	2024 £
	(Deficit)/surplus for the year	(51,479)	93,284
	Adjustments for:		
	Investment income recognised in statement of financial activities	(659)	(493)
	Cost adjustment to tangible fixed assets	8,805	-
	Depreciation and impairment of tangible fixed assets	30,067	20,485
	Movements in working capital:		
	Decrease/(increase) in debtors	301,571	(376,410)
	Increase in creditors	60,348	36,304
	Increase in deferred income	179,282	364,459
	Cash generated from operations	527,935	137,629

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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.

4 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	7,573	-	7,573	7,783	-	7,783
Grants	610	37,039	37,649	-	28,058	28,058
	<u>8,183</u>	<u>37,039</u>	<u>45,222</u>	<u>7,783</u>	<u>28,058</u>	<u>35,841</u>

5 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Education		
Tuition fees	1,319,733	929,867
Other income	1,295	-
	<u>1,321,028</u>	<u>929,867</u>

6 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	659	493
	<u>659</u>	<u>493</u>

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

7 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Other fundraising costs	-	805
	<u> </u>	<u> </u>

8 Expenditure on charitable activities

	Education 2025 £	Education 2024 £
Direct costs		
Staff costs	907,101	512,084
Depreciation and impairment	30,067	20,485
Student expenses	235,949	144,060
Lesson resources	11,635	10,253
Inspection costs	5,921	3,043
Food and housekeeping	13,190	21,464
Office administration	19,947	17,066
Premises costs	113,992	64,144
IT costs	31,167	35,545
Bank charges	65	525
Staff costs	14,342	14,073
Travel	1,338	134
Trustee expenses	229	378
	<u>1,384,943</u>	<u>843,254</u>
Share of support and governance costs (see note 10)		
Support	28,945	28,258
Governance	4,500	600
	<u>1,418,388</u>	<u>872,112</u>
Analysis by fund		
Unrestricted funds	1,400,984	845,054
Restricted funds	17,404	27,058
	<u>1,418,388</u>	<u>872,112</u>

9 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	4,500	600
Depreciation of owned tangible fixed assets	30,067	20,485
	<u> </u>	<u> </u>

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

10 Support costs allocated to activities

	2025 £	2024 £
Professional services	15,150	8,659
Red Balloon National Annual Levy	-	667
Mortgage interest	13,795	18,932
Governance costs	4,500	600
	<u>33,445</u>	<u>28,858</u>
Analysed between:		
Education	<u>33,445</u>	<u>28,858</u>
	2025 £	2024 £
Governance costs comprise:		
Audit or Independent examination fees	4,500	600
	<u>4,500</u>	<u>600</u>

11 Trustees

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

12 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	32	17

Employment costs

	2025 £	2024 £
Wages and salaries	907,101	512,084

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:

	2025 £	2024 £
Aggregate compensation	59,369	52,063

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

13 Taxation

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

14 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 September 2024	773,595	61,660	31,841	867,096
Additions	13,346	2,713	13,113	29,172
Disposals	(3,559)	(553)	(4,693)	(8,805)
At 31 August 2025	783,382	63,820	40,261	887,463
Depreciation and impairment				
At 1 September 2024	13,520	42,196	3,880	59,596
Depreciation charged in the year	14,924	4,596	10,547	30,067
At 31 August 2025	28,444	46,792	14,427	89,663
Carrying amount				
At 31 August 2025	754,938	17,028	25,834	797,800
At 31 August 2024	760,075	19,464	27,961	807,500

15 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	74,837	378,706
Prepayments and accrued income	12,166	9,868
	87,003	388,574

16 Loans and overdrafts

	2025 £	2024 £
Bank overdrafts	16,762	-
Bank loans	353,048	361,831
	369,810	361,831
Payable within one year	25,866	27,290
Payable after one year	343,944	334,541

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

16 Loans and overdrafts

(Continued)

The bank loan (being a mortgage) is secured by a legal charge over the freehold land and property owned by the charity

17 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank loans and overdrafts	16	25,866	27,290
Other taxation and social security		119,393	10,056
Deferred income	19	543,741	364,459
Trade creditors		5,396	53,140
Other creditors		3,338	4,552
Accruals		5,281	5,312
		<u>703,015</u>	<u>464,809</u>

18 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans	16	<u>343,944</u>	<u>334,541</u>

19 Deferred income

	2025 £	2024 £
Other deferred income	<u>543,741</u>	<u>364,459</u>

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	<u>543,741</u>	<u>364,459</u>
Movements in the year:		
Deferred income at 1 September 2024	364,459	-
Released from previous periods	(364,459)	-
Resources deferred in the year	<u>543,741</u>	<u>364,459</u>
Deferred income at 31 August 2025	<u>543,741</u>	<u>364,459</u>

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

20 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 2024	Incoming resources	Resources expended	Transfers	At 31 August 2025
	£	£	£	£	£
Legacy fund	30,000	-	-	(30,000)	-
Pupil Premium and Ever 6 FSM fund	-	16,404	(16,404)	-	-
Cabin fund	-	1,000	(1,000)	-	-
Teachers Pension fund	-	19,635	-	-	19,635
	<u>30,000</u>	<u>37,039</u>	<u>(17,404)</u>	<u>(30,000)</u>	<u>19,635</u>

Previous year:	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>

During the year, the board of trustees reviewed the historical financial data and found that the legacy fund was created by a former trustee to fund future property development work rather than the charity actually receiving restricted funding. It was therefore agreed by the board to transfer this £30,000 from restricted funds to designated funds.

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

21 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 2024	Incoming resources	Resources expended	Transfers	At 31 August 2025
	£	£	£	£	£
Legacy fund	-	-	-	30,000	30,000
General funds	544,273	1,329,870	(1,400,984)	-	473,159
	<u>544,273</u>	<u>1,329,870</u>	<u>(1,400,984)</u>	<u>30,000</u>	<u>503,159</u>
	<u><u>544,273</u></u>	<u><u>1,329,870</u></u>	<u><u>(1,400,984)</u></u>	<u><u>30,000</u></u>	<u><u>503,159</u></u>
Previous year:	At 1 September 2023	Incoming resources	Resources expended	Transfers	At 31 August 2024
	£	£	£	£	£
General funds	450,989	938,143	(845,859)	1,000	544,273
	<u>450,989</u>	<u>938,143</u>	<u>(845,859)</u>	<u>1,000</u>	<u>544,273</u>
	<u><u>450,989</u></u>	<u><u>938,143</u></u>	<u><u>(845,859)</u></u>	<u><u>1,000</u></u>	<u><u>544,273</u></u>

22 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 August 2025:			
Tangible assets	797,800	-	797,800
Current assets/(liabilities)	49,303	19,635	68,938
Long term liabilities	(343,944)	-	(343,944)
	<u>503,159</u>	<u>19,635</u>	<u>522,794</u>
	<u><u>503,159</u></u>	<u><u>19,635</u></u>	<u><u>522,794</u></u>
	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>
	<u><u>544,273</u></u>	<u><u>30,000</u></u>	<u><u>574,273</u></u>

RED BALLOON - NORWICH

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

23 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025	2024
	£	£
Within one year	22,000	-
	<u> </u>	<u> </u>

24 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, invoiced the charity £13,695 for bookkeeping services, £1,640 was outstanding at the year end.

Limelight Theatre Company and Limelight Studios (Norwich) Ltd, which Zelda Rolfe (trustee) is owner and director, were paid £42,863 for studio rent and classes. There was no balance outstanding at the year end.

The Inspiration Trust, a charity in which Emma Culley (trustee) is a governor, were charged £3,903 by Red Balloon - Norwich for tuition fees. £3,903 was outstanding at the year end.

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