

RED BALLOON LEARNER CENTRE READING

England & Wales · Charity number 1136446

Details

Status	Registered
Legal form	Charitable company
Company number	07150417
Registered	2010-06-18
Register	View on the Charity Commission register

Contact

Address	220 Kings Road Reading Berkshire RG1 4JJ
Phone	07776258366
Email	admin@reading.rbhc.org.uk
Website	www.redballoonlearner.org.uk

Activities

Objects: TO ADVANCE THE EDUCATION OF STUDENTS AGED 9 TO 18 AT THE RED BALLOON LEARNER CENTRE, BEING STUDENTS WHO ARE VICTIMS OF SEVERE BULLYING AND FOR THE TIME BEING ARE UNABLE TO ATTEND MAINSTREAM SCHOOL BY PROVIDING TUITION AND APPROPRIATE SUPPORT FOR THEM IN A SAFE LEARNING ENVIRONMENT UNTIL THEY ARE READY TO RETURN TO MAINSTREAM EDUCATION OR ENTER EMPLOYMENT.

Activities: To advance the education of students aged 9 to 18, being students who are the victims of bullying, or by reason of other emotional trauma or illness, are for the time being unable to attend mainstream school, including but not limited to, providing them with on-line tuition and face-to-face support.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** UNDEFINED.
- Bracknell Forest
- Reading
- West Berkshire
- Windsor And Maidenhead
- Wokingham

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£863,986	£868,159	£451,889	23
2024-08-31	£916,830	£876,218	£456,062	23
2023-08-31	£721,310	£716,524	£415,450	22
2022-08-31	£678,045	£630,569	£410,664	21
2021-08-31	£657,615	£546,319	£363,188	19
2020-08-31	£587,956	£461,378	£251,892	18

Trustees

Name	Role	Appointed
Tony Lake	Chair	2020-02-12
ALASDAIR PEARSON		2019-11-13
Alika Gupta		2022-09-14
Caroline Billing		2022-10-18
Peter David Harvey		2024-04-24
Toni Mary Antionette Henderson		2025-04-30

Accounts

Charity Registration No. 1136446

Company Registration No. 7150417 (England and Wales)

**RED BALLOON LEARNER CENTRE READING
(A PRIVATE COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

RED BALLOON LEARNER CENTRE READING

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A D H Pearson	
	Mr T Lake	
	Ms A Gupta	
	Ms C Billing	
	Mr P Harvey	
	Ms A Henderson	(Appointed 30 April 2025)
Head of centre	Michelle Masters	
Charity number	1136446	
Company number	7150417	
Registered office	220 Kings Road Reading RG1 4JJ	
Independent examiner	Edwin Smith Chartered Accountants 32 Queen Road Reading Berkshire RG1 4AU	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	

RED BALLOON LEARNER CENTRE READING

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RED BALLOON LEARNER CENTRE READING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 AUGUST 2025

The trustees present their 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 and "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)" (effective 1 January 2019).

Object of the Charity

The object of the charity is to advance the education of children aged 11 to 18 at the Red Balloon Learner Centre, being students who are victims of severe bullying, or by reason of other emotional or mental health trauma, are unable to attend mainstream schools. This is achieved by providing tuition and appropriate support for them in a safe learning environment until they are ready to return to mainstream education or enter employment. The Trustees confirm that they have given due regard to the guidance issued by the Charity Commission on public benefit.

Governance

The charity has a Board of Trustees who are responsible for the governance of the charity. The Board of Trustees has the power to appoint new trustees. People who come to the trustee's attention as having relevant experience, interest or expertise are asked if they would consider becoming a trustee, are interviewed by other trustees and, if it is considered appropriate, are introduced to all of the trustees. All trustees are subject to DBS checks.

The Board aims to meet 6 times per year and holds an AGM in the Spring Term. At each meeting student progress is reviewed and regular management accounts are provided for review by the Trustees. Safeguarding is also included as an agenda item at each meeting.

Management

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

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

Red Balloon Learner Centre Reading is linked to the wider Red Balloon Educational Trust. This provides a forum for the Trustees and staff to share experiences and discuss common problems.

Risk analysis

The trustees have examined the major strategic and operational risks which the charity faces. The two main areas of concern are:

1. Safeguarding and continued education of the students

Safeguarding of students is of the highest priority and is continually monitored. Ongoing staff training in Health & Safety and Child Protection is provided regularly. In addition, a full range of policies are regularly reviewed by staff and trustees.

2. Sourcing of funding for students

Staff, supported by Trustees, continue to make strenuous efforts building and maintaining good relationships with education establishments and local authorities. The Trustees and Head of Centre have developed a fee pricing structure that reflects the varying support and educational needs of each student.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

RED BALLOON LEARNER CENTRE READING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2025**

Achievements and Performance of the Charity

The trustees are satisfied with the performance of the charity for the year ending 31 August 2025. The objectives of the charity are only achieved through the skill, hard work and dedication of the staff and volunteers at Red Balloon and as Trustees we are indebted to the team.

The charity supported 23 students in the Centre during the year. Of these students 17 were still with us at the start of the 2025/26 academic year. Of those who left, five were year 11 or older, four of whom transitioned to further education or training and one who took a medically advised gap year. One younger student moved out of the area. Five students sat GCSE and/or Functional Skills exams in the summer of 2025.

Students of all ages achieved a range of AQA Unit Award Scheme (UAS) certificates. UAS allows all students to engage with learning and have their achievements recognised. Students primarily achieved certification in Food Technology, Design & Technology and English, averaging 6 awards each.

The Outreach programme continued to develop with our Outreach Team working with 21 young people and their families over the year. They have successfully reintegrated a large number into Alternative Provision, Specialist Provision or back into school. The Outreach team also provided support to students through provision of reports for Annual Reviews and Funding panels.

During the year we received funding to purchase outdoor table tennis equipment to encourage participation in physical activities and provide a low-pressure structured activity that could be used for social time. Our goal is to create an outdoor gym environment offering students physical activities to aid self-regulation to help them focus and engage in their learning, mentoring or therapy.

Red Balloon is not just about academic results but about giving students a wider learning experience and focusing on wellbeing and personal development. Significant time, energy and expertise is given to ensuring this is achieved.

Wellbeing

Wellbeing provision is central to our support of students and this year in particular we have focused on developing students' confidence and understanding of dealing with social media as well as the risks inherent in drug taking. We have made a concerted effort to provide holistic and consistent support to our students to enable them to engage with the ubiquitous social media safely, and engaged closely with police services to support students in understanding the dangers of engaging with drugs.

We continued to run Challenge Time sessions (with a focus on developing important social skills and life skills) and have involved students in community activities within the Centre. All students have a tutor and at the beginning of the day there is a tutor time session from 9-9.15 am. Eating together is an important part of our wellbeing and pastoral care, with students encouraged to eat together, along with staff in the Community Room.

Wider learning and personal development

We offered a range of enrichment activities for our students this year including trips to the West End to see The Lion King, Hampton Court Palace, Bletchley Park, Gift of Glass, and Mad Hatters Pottery Painting.

During the year we also had a range of cultural activities in the Centre.

Future plans of the Charity

After discussion with several local authorities and the drafting of a business plan, in March of 2021 we began looking in earnest for a location for a second site. Following an unsuccessful attempt to secure planning permission for our selected site in 2022 we remain committed to finding an alternative.

RED BALLOON LEARNER CENTRE READING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

Financial review

Total unrestricted income during the period was £862,486 (2024 - £913,330) a decrease of 5.6%. This consisted largely of income from the local authorities which was received to fund the education and wellbeing of the students whilst outside mainstream education. Total restricted donations in the year were £1,500 (2024 - £3,500), see note 15 for details of these funds.

Total expenditure was £868,159 (2024 - £876,218) and was incurred in performance of the charitable activities of the company, including staffing, direct student costs, rent, utilities and other general running costs.

An unrestricted deficit of £5,440 was recorded, bringing total unrestricted funds to £426,816 and within our targeted reserves policy.

We would like to thank all those that have fundraised, donated and volunteered time during the year.

Reserves policy

The trustees' policy on financial reserves is to ensure a minimum of 3-6 months of reserves are held in the bank account, in addition to any specifically determined requirements.

The investment policy and objectives

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

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 A D H Pearson

Mr T Lake

Ms A Gupta

Ms C Billing

Mr P Harvey

Mr C O'Hara

Ms A Henderson

(Appointed 18 September 2024 and resigned 11 November 2024)

(Appointed 30 April 2025)

RED BALLOON LEARNER CENTRE READING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Red Balloon Learner Centre Reading for the purposes of company law) are responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Standards and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements the Board is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practices: Accounting and Reporting by Charities (2015);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards, comprising FRS102, have been followed, subject to any material differences 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 business.

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

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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


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Mr T Lake
Trustee

Dated: 18/3/2028

RED BALLOON LEARNER CENTRE READING

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF RED BALLOON LEARNER CENTRE READING

I report to the trustees on my examination of the financial statements of Red Balloon Learner Centre Reading (the charity) for the year ended 31 August 2025.

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 the Institute of Chartered Accountants in England and Wales, 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:

- 1 the financial statements do not accord with those records; or
- 2 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
- 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.



Edwin Smith

Chartered Accountants

32 Queen Road

Reading

Berkshire

RG1 4AU

Date: 24th April 2026

RED BALLOON LEARNER CENTRE READING

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	2	8,632	1,500	10,132	1,543	3,500	5,043
Charitable activities	4	848,044	-	848,044	905,566	-	905,566
Investments	3	5,810	-	5,810	6,221	-	6,221
Total income		862,486	1,500	863,986	913,330	3,500	916,830
Expenditure on:							
Charitable activities	5	867,926	233	868,159	873,785	2,433	876,218
Total expenditure		867,926	233	868,159	873,785	2,433	876,218
Net income/(expenditure) and movement in funds		(5,440)	1,267	(4,173)	39,545	1,067	40,612
Reconciliation of funds:							
Fund balances at 1 September 2024		432,256	23,806	456,062	392,711	22,739	415,450
Fund balances at 31 August 2025		426,816	25,073	451,889	432,256	23,806	456,062

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

RED BALLOON LEARNER CENTRE READING

BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	11		13,675		16,651
Current assets					
Debtors	12	19,911		10,231	
Cash at bank and in hand		446,281		468,222	
		<u>466,192</u>		<u>478,453</u>	
Creditors: amounts falling due within one year	13	<u>27,978</u>		<u>39,042</u>	
Net current assets			438,214		439,411
Total assets less current liabilities			<u>451,889</u>		<u>456,062</u>
The funds of the charity					
Restricted income funds	15	25,073		23,806	
Unrestricted funds	16	426,816		432,256	
		<u>451,889</u>		<u>456,062</u>	

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 2025.

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 18/3/2026



Mr T Lake
Trustee

Company registration number 7150417 (England and Wales)

RED BALLOON LEARNER CENTRE READING

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	19		(21,812)		55,859
Investing activities					
Purchase of tangible fixed assets		(5,939)		(5,424)	
Investment income received		5,810		6,221	
Net cash (used in)/generated from investing activities			(129)		797
Net cash generated from financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(21,941)		56,656
Cash and cash equivalents at beginning of year			468,222		411,566
Cash and cash equivalents at end of year			446,281		468,222

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

Charity information

Red Balloon Learner Centre Reading is a registered charity and a company limited by guarantee incorporated in England and Wales. The registered office is 220 Kings Road, Reading, RG1 4JJ.

1.1 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" ("FRS 102") 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)" (effective 1 January 2019). 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.

1.4 Income

All income resources are included in the Statement of Financial Activities when the charity is entitled to, and sufficiently certain to receive, the income and the amount can be quantified with reasonable accuracy.

The following policies apply to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full when receivable.
- Incoming resources from charitable activities are accounted for when earned. Deferred income relates to student fees which relate to future accounting periods.

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.

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

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

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.

Expenditure on fixed assets is only capitalised where it exceeds £1,000 and has an expected useful life greater than one year.

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:

Fixtures and fittings	7 years straight line
Computers	3 years straight line
Motor vehicles	5 years straight line

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 at bank and in hand includes cash and cash held at bank current accounts and short term highly liquid investments held on deposit accounts.

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transactions value and subsequently measured at their settlement value.

1.10 Leases

Operating leases are recognised over the period of which the lease falls due on a straight line basis.

1.11 Pension Schemes

Employees of the charity are automatically enrolled into a defined contribution scheme unless they have exercised their right to opt out. The charity contribution is restricted to the contributions disclosed in note 8. The costs of the defined contribution scheme are included within unrestricted funds.

1.12 Debtors

Debtors are recognised at the settlement amount due.

1.13 Creditors

Creditors and provisions are recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total Unrestricted funds	Restricted funds	Total
	2025 £	2025 £	2025 £	2024 £	2024 £
Donations	<u>8,632</u>	<u>1,500</u>	<u>10,132</u>	<u>1,543</u>	<u>3,500</u>

3 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	<u>5,810</u>	<u>6,221</u>

4 Charitable activities

	Charitable Activities 2025 £	Charitable Activities 2024 £
Student fees	<u>848,044</u>	<u>905,566</u>

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

5 Charitable activities

	Charitable Activities 2025 £	Charitable Activities 2024 £
Staff costs	671,935	614,262
Depreciation and impairment	8,914	9,365
Travel and subsistence	2,901	5,686
Student operating costs	25,434	61,881
Other teaching resources	15,452	12,635
Accommodation, food and cleaning	16,118	6,050
Communication	4,724	3,280
Insurance	9,492	6,793
Red Balloon Educational Trust support fees	8,000	8,000
Consumables	12,239	14,751
Rent and rates	35,475	35,636
Training and recruitment	1,943	17,294
Repairs and maintenance	11,307	37,790
Office equipment	1,991	2,717
Utilities	6,907	7,069
Sundry operating expenditure	162	587
Other charitable expenditure	2,434	1,969
	<u>835,428</u>	<u>845,765</u>
Share of governance costs (see note 7)	32,731	30,453
	<u>868,159</u>	<u>876,218</u>
Analysis by fund		
Unrestricted funds	867,926	873,785
Restricted funds	233	2,433
	<u>868,159</u>	<u>876,218</u>

No ex gratia payments (2024: £1,602) were made to employees at the discretion of the trustees during the period.

6 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	<u>8,914</u>	<u>9,365</u>

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

7 Support costs

There were no support costs during the year or prior year. Governance costs were as follows:

	Governance costs 2025 £	Governance costs 2024 £
Independent examiners fee	925	1,000
Professional services	31,806	29,453
	<u>32,731</u>	<u>30,453</u>
Analysed between Charitable activities	<u>32,731</u>	<u>30,453</u>

8 Trustees

None of the Board of Trustees and Directors received any remuneration during the year or prior year. Expenses of £113 (2024 - £160) were reimbursed, relating to travel and meeting costs.

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

9 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	<u>23</u>	<u>23</u>

Employment costs

	2025 £	2024 £
Wages and salaries	598,760	552,224
Social security costs	51,379	41,717
Other pension costs	16,717	14,845
	<u>666,856</u>	<u>608,786</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,000 - £70,000	<u>1</u>	<u>-</u>

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

9 Employees

(Continued)

Remuneration of key management personnel

The key management personnel of the charity comprise the trustees, the Head of Centre and two Deputy Heads. The total employment benefits of the key management personnel of the Trust was £164,337 (2024 - £145,719).

10 Taxation

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

11 Tangible fixed assets

	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost				
At 1 September 2024	6,600	22,550	20,400	49,550
Additions	-	5,939	-	5,939
At 31 August 2025	6,600	28,489	20,400	55,489
Depreciation and impairment				
At 1 September 2024	1,785	16,155	14,960	32,900
Depreciation charged in the year	943	3,891	4,080	8,914
At 31 August 2025	2,728	20,046	19,040	41,814
Carrying amount				
At 31 August 2025	3,872	8,443	1,360	13,675
At 31 August 2024	4,815	6,396	5,440	16,651

12 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	13,268	1,250
Prepayments and accrued income	6,643	8,981
	19,911	10,231

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

13 Creditors: amounts falling due within one year

	2025	2024
	£	£
Other taxation and social security	13,388	10,882
Trade creditors	3,297	23,534
Other creditors	2,783	2,577
Accruals and deferred income	8,510	2,049
	<u>27,978</u>	<u>39,042</u>

14 Retirement benefit schemes

	2025	2024
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>16,717</u>	<u>14,845</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

15 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.

	Movement in funds			Movement in funds			Balance at 31 August 2025
	Balance at 1 September 2023	Incoming resources	Resources expended	Balance at 1 September 2024	Incoming resources	Resources expended	
	£	£	£	£	£	£	£
Bursary	17,733	-	-	17,733	-	-	17,733
Dark Room	134	-	-	134	-	-	134
Music Therapy	107	-	-	107	-	-	107
Building Work	308	-	-	308	-	-	308
Community	668	-	-	668	-	-	668
Garden	571	3,500	(2,000)	2,071	-	-	2,071
3D Printer	676	-	(140)	536	-	(233)	303
SALT	1,891	-	(140)	1,751	-	-	1,751
Special Events	14	-	(14)	-	-	-	-
Seymour Trust Sensory Circuit	637	-	(139)	498	1,000	-	1,498
PingPong	-	-	-	-	500	-	500
	<u>22,739</u>	<u>3,500</u>	<u>(2,433)</u>	<u>23,806</u>	<u>1,500</u>	<u>(233)</u>	<u>25,073</u>

Purpose of the restricted funds

- Bursary - Funds to contribute to a Bursary for a student to attend Red Balloon Reading.
- Dark Room - Funds to develop a photography dark room at Red Balloon Reading.
- Music Therapy - Funds to cover the cost of a music therapist.
- Building work - Funds to enhance the learner centre to provide our students with the best learning and therapeutic environment.
- Community - Funds to enable the recruitment of an Outreach Worker.
- Garden - Grant funding to enhance the outdoor areas of the Centre for students to enjoy.
- 3D Printer - Personal donation to purchase a 3D printer to support teaching and learning.
- SALT & Seymour Trust - Funds to support a newly implemented programme of speech and language therapy.
- Special Events - Funds raised to contribute towards a trip or sporting event.
- Seymour Trust Sensory Circuit - Funds to create movement stations designed to provide sensory input and promote self-regulation in young people.
- Project PingPong - Grant funding for a table tennis table, providing a low-pressure structured activity to support socialising.

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

16 Designated 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.

	Balance at 1 September 2023	Movement in funds Incoming resources	Balance at 1 September 2024	Resources expended	Balance at 31 August 2025
	£	£	£	£	£
Expansion	166,533	-	166,533	(3,450)	163,083
	<u>166,533</u>	<u>-</u>	<u>166,533</u>	<u>(3,450)</u>	<u>163,083</u>

Purpose of the designated funds

- Expansion - Funds to support the opening of a second centre in the Reading area.

17 Operating lease commitments

Lessee

The Company leases property from Red Balloon Educational Trust. At 31 August 2025 the Company had the following total future minimum lease payments under non-cancellable operating leases:

	2025 £	2024 £
Within one year	32,000	32,500
Between two and five years	67,000	97,500
	<u>99,000</u>	<u>130,000</u>

18 Related party transactions

During the year £42,639 (2024: £45,098) was invoiced by Red Balloon Educational Trust, an entity under common beneficial ownership, in relation to rent, management fee and other operating costs. At the year end the balance outstanding was £2,610 (2024: £Nil).

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

19	Cash (absorbed by)/generated from operations	2025 £	2024 £
	(Deficit)/surplus for the year	(4,173)	40,612
	Adjustments for:		
	Investment income recognised in statement of financial activities	(5,810)	(6,221)
	Depreciation and impairment of tangible fixed assets	8,914	9,365
	Movements in working capital:		
	(Increase) in debtors	(9,680)	(6,637)
	(Decrease)/increase in creditors	(11,063)	18,740
	Cash (absorbed by)/generated from operations	<u>(21,812)</u>	<u>55,859</u>

Accounts

Charity Registration No. 1136446

Company Registration No. 7150417 (England and Wales)

**RED BALLOON LEARNER CENTRE READING
(A PRIVATE COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024**

RED BALLOON LEARNER CENTRE READING

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr T Lake Mr A D H Pearson Ms C Billing Ms A Gupta Mr P Harvey	(Appointed 24 April 2024)
Head of centre	Michelle Masters	
Charity number	1136446	
Company number	7150417	
Registered office	220 Kings Road Reading RG1 4JJ	
Independent examiner	Edwin Smith Chartered Accountants 32 Queen Road Reading Berkshire RG1 4AU	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	

RED BALLOON LEARNER CENTRE READING

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RED BALLOON LEARNER CENTRE READING

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

The trustees present their 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 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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)" (effective 1 January 2019).

Object of the Charity

The object of the charity is to advance the education of children aged 11 to 18 at the Red Balloon Learner Centre, being students who are victims of severe bullying, or by reason of other emotional or mental health trauma, are unable to attend mainstream schools. This is achieved by providing tuition and appropriate support for them in a safe learning environment until they are ready to return to mainstream education or enter employment. The Trustees confirm that they have given due regard to the guidance issued by the Charity Commission on public benefit.

Governance

The charity has a Board of Trustees who are responsible for the governance of the charity. The Board of Trustees has the power to appoint new trustees. People who come to the trustee's attention as having relevant experience, interest or expertise are asked if they would consider becoming a trustee, are interviewed by other trustees and, if it is considered appropriate, are introduced to all of the trustees. All trustees are subject to DBS checks.

The Board aims to meet 6 times per year and holds an AGM in the Spring Term. At each meeting student progress is reviewed and regular management accounts are provided for review by the Trustees. Safeguarding is also included as an agenda item at each meeting.

Management

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

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

Red Balloon Learner Centre Reading is linked to the wider Red Balloon Educational Trust. This provides a forum for the Trustees and staff to share experiences and discuss common problems.

Risk analysis

The trustees have examined the major strategic and operational risks which the charity faces. The two main areas of concern are:

1. Safeguarding and continued education of the students

Safeguarding of students is of the highest priority and is continually monitored. Ongoing staff training in Health & Safety and Child Protection is provided regularly. In addition, a full range of policies are regularly reviewed by staff and trustees.

2. Sourcing of funding for students

Staff, supported by Trustees, continue to make strenuous efforts building and maintaining good relationships with education establishments and local authorities. The Trustees and Head of Centre have developed a fee pricing structure that reflects the varying support and educational needs of each student.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

RED BALLOON LEARNER CENTRE READING

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

Achievements and Performance of the Charity

The trustees are satisfied with the performance of the charity for the year ending 31 August 2024. The objectives of the charity are only achieved through the skill, hard work and dedication of the staff and volunteers at Red Balloon and as Trustees we are indebted to the team.

The charity supported 23 students in the Centre during the year. Of these students 13 were still with us at the start of the 2024/25 academic year. Of those who left, eight were year 11 or older, seven of whom transitioned to further education or training. Two younger students were supported to transition to provision more appropriate to their needs. Nine students sat GCSE and/or Functional Skills exams in the summer of 2024.

Students of all ages achieved a range of AQA Unit Award Scheme (UAS) certificates. UAS allows all students to engage with learning and have their achievements recognised. Students primarily achieved certification in Food Technology, Design & Technology and English, averaging 5 awards each.

The Outreach programme continued to develop with our Outreach Team working with 24 young people and their families over the year. They have successfully reintegrated a large number into Alternative Provision, Specialist Provision or back into school. The Outreach team provided support to students through provision of reports for Annual Reviews and Funding panels.

During the year we received funding to support the development of our garden, providing students with a more accessible and usable space. Our goal is to create an outdoor gym environment offering students physical activities to aid self-regulation to help them focus and engage in their learning, mentoring or therapy.

Red Balloon is not just about academic results but about giving students a wider learning experience and focusing on wellbeing and personal development. Significant time, energy and expertise is given to ensuring this is achieved.

Wellbeing

Wellbeing provision is central to our support of students and this year in particular we have focussed on developing students' confidence and understanding of dealing with social media. We have made a concerted effort to provide holistic and consistent support to our students to enable them to engage with the ubiquitous social media safely.

We continued to run Challenge Time sessions (with a focus on developing important social skills and life skills) and have involved students in community activities within the Centre. All students have a tutor and at the beginning of the day there is a tutor time session from 9-9.15 am. Eating together is an important part of our wellbeing and pastoral care, with students encouraged to eat together, along with staff in the Community Room.

Wider learning and personal development

We offered a range of enrichment activities for our students this year including trips to the Cinema, Pottery Painting, Wokingham Superbowl & Laser Quest, and Thorpe Park.

Future plans of the Charity

After discussion with several local authorities and the drafting of a business plan, in March of 2021 we began looking in earnest for a location for a second site. Following last year's unsuccessful attempt to secure planning permission for our selected site we remain committed to finding an alternative.

Financial review

Total unrestricted income during the period was £913,330 (2023 - £720,324) an increase of 26.8%. This consisted largely of income from the local authorities which was received to fund the education and wellbeing of the students whilst outside mainstream education. Total restricted donations in the year were £3,500 (2023 - £986), see note 13 for details of these funds.

Total expenditure was £876,218 (2023 - £716,524) and was incurred in performance of the charitable activities of the company, including staffing, direct student costs, rent, utilities and other general running costs.

An unrestricted surplus of £39,545 was recorded, bringing total unrestricted funds to £432,256 and within our targeted reserve policy.

We would like to thank all those that have fundraised, donated and volunteered time during the year.

RED BALLOON LEARNER CENTRE READING

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

Reserves policy

The Trustees policy on financial reserves is to ensure a minimum of 3-6 months of reserves are held in the bank account, in addition to any specifically determined requirements.

The investment policy and objectives

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

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 T Lake

Mr A D H Pearson

Ms L Preston

(Resigned 6 December 2023)

Ms C Billing

Ms A Gupta

Mr P Harvey

(Appointed 24 April 2024)

RED BALLOON LEARNER CENTRE READING

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

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Red Balloon Learner Centre Reading for the purposes of company law) are responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

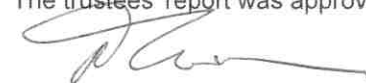
Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Standards and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements the Board is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practices: Accounting and Reporting by Charities (2015);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards, comprising FRS102, have been followed, subject to any material differences 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 business.

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

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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



.....
Mr A D H Pearson

Trustee

Dated: 30/4/25

RED BALLOON LEARNER CENTRE READING

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF RED BALLOON LEARNER CENTRE READING

I report to the trustees on my examination of the financial statements of Red Balloon Learner Centre Reading (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 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act 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 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

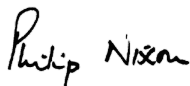
Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, 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:

- 1 the financial statements do not accord with those records; or
- 2 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts 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 accounts 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.



Edwin Smith

Chartered Accountants
32 Queen Road
Reading
Berkshire
RG1 4AU

Dated: 1 May 2025.....

RED BALLOON LEARNER CENTRE READING

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:							
Donations and legacies	2	1,543	3,500	5,043	448	986	1,434
Charitable activities	4	905,566	-	905,566	717,203	-	717,203
Investments	3	6,221	-	6,221	2,673	-	2,673
Total income		913,330	3,500	916,830	720,324	986	721,310
Expenditure on:							
Charitable activities	5	873,785	2,433	876,218	708,602	7,922	716,524
Total expenditure		873,785	2,433	876,218	708,602	7,922	716,524
Net income and movement in funds		39,545	1,067	40,612	11,722	(6,936)	4,786
Reconciliation of funds:							
Fund balances at 1 September 2023		392,711	22,739	415,450	380,989	29,675	410,664
Fund balances at 31 August 2024		432,256	23,806	456,062	392,711	22,739	415,450

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

RED BALLOON LEARNER CENTRE READING

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	11		16,651		20,592
Current assets					
Debtors	12	10,231		3,594	
Cash at bank and in hand		468,222		411,566	
		478,453		415,160	
Creditors: amounts falling due within one year	13	39,042		20,302	
Net current assets			439,411		394,858
Total assets less current liabilities			456,062		415,450
The funds of the charity					
Restricted income funds	15	23,806		22,739	
Unrestricted funds	16	432,256		392,711	
		456,062		415,450	

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 30/4/25



Mr A D H Pearson
Trustee

Company registration number 7150417 (England and Wales)

RED BALLOON LEARNER CENTRE READING

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	19		55,859		3,638
Investing activities					
Purchase of tangible fixed assets		(5,424)		(4,848)	
Investment income received		6,221		2,673	
Net cash generated from/(used in) investing activities			797		(2,175)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			56,656		1,463
Cash and cash equivalents at beginning of year			411,566		410,103
Cash and cash equivalents at end of year			468,222		411,566

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

Charity information

Red Balloon Learner Centre Reading is a registered charity and a company limited by guarantee incorporated in England and Wales. The registered office is 220 Kings Road, Reading, RG1 4JJ.

1.1 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" ("FRS 102") 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)" (effective 1 January 2019). 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.

1.4 Income

All income resources are included in the Statement of Financial Activities when the charity is entitled to, and sufficiently certain to receive, the income and the amount can be quantified with reasonable accuracy.

The following policies apply to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full when receivable.
- Incoming resources from charitable activities are accounted for when earned. Deferred income relates to student fees which relate to future accounting periods.

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.

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

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

(Continued)

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.

Expenditure on fixed assets is only capitalised where it exceeds £1,000 and has an expected useful life greater than one year.

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:

Fixtures and fittings	7 years straight line
Computers	3 years straight line
Motor vehicles	5 years straight line

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 at bank and in hand includes cash and cash held at bank current accounts and short term highly liquid investments held on deposit accounts.

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transactions value and subsequently measured at their settlement value.

1.10 Leases

Operating leases are recognised over the period of which the lease falls due on a straight line basis.

1.11 Pension Schemes

Employees of the charity are automatically enrolled into a defined contribution scheme unless they have exercised their right to opt out. The charity contribution is restricted to the contributions disclosed in note 8. The costs of the defined contribution scheme are included within unrestricted funds.

1.12 Debtors

Debtors are recognised at the settlement amount due.

1.13 Creditors

Creditors and provisions are recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£
Donations	1,543	3,500	5,043	448	986	1,434

3 Income from investments

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Interest receivable	6,221	2,673

4 Charitable activities

	Charitable Activities	Charitable Activities
	2024	2023
	£	£
Student fees	905,566	717,203

RED BALLOON LEARNER CENTRE READING

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

5 Charitable activities

	Charitable Activities 2024 £	Charitable Activities 2023 £
Staff costs	614,262	515,002
Depreciation and impairment	9,365	10,401
Travel and subsistence	5,686	4,139
Student operating costs	61,881	42,064
Red Balloon of the air costs	-	4,723
Other teaching resources	12,635	7,813
Accommodation, food and cleaning	6,050	8,170
Communication	3,280	2,390
Insurance	6,793	5,975
Red Balloon Educational Trust support fees	8,000	8,000
Consumables	14,751	9,845
Rent and rates	35,636	27,516
Training and recruitment	17,294	5,424
Repairs and maintenance	37,790	23,513
Office equipment	2,717	2,529
Utilities	7,069	4,208
Sundry operating expenditure	587	740
Other charitable expenditure	1,969	2,609
	<u>845,765</u>	<u>685,061</u>
Share of governance costs (see note 7)	30,453	31,463
	<u>876,218</u>	<u>716,524</u>
Analysis by fund		
Unrestricted funds	873,785	708,602
Restricted funds	2,433	7,922
	<u>876,218</u>	<u>716,524</u>

An ex gratia payment of £1,602 was made to an employee at the discretion of the trustees.

6 Net movement in funds	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	<u>9,365</u>	<u>10,401</u>

RED BALLOON LEARNER CENTRE READING

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

7 Support costs

There were no support costs during the year or prior year. Governance costs were as follows:

	Governance costs 2024 £	Governance costs 2023 £
Independent examiners fee	1,000	960
Professional services	29,453	30,503
	<u>30,453</u>	<u>31,463</u>
Analysed between		
Charitable activities	<u>30,453</u>	<u>31,463</u>

8 Trustees

None of the Board of Trustees and Directors received any remuneration during the year or prior year. Expenses of £160 (2023 - £329) were reimbursed, relating to travel and meeting costs.

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

9 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	<u>23</u>	<u>21</u>
Employment costs	2024 £	2023 £
Wages and salaries	552,224	471,579
Social security costs	41,717	30,815
Other pension costs	14,845	10,676
	<u>608,786</u>	<u>513,070</u>

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

Remuneration of key management personnel

The key management personnel of the charity comprise the trustees, the Head of Centre and two Deputy Heads. The total employment benefits of the key management personnel of the Trust was £145,719 (2023 - £125,780)

RED BALLOON LEARNER CENTRE READING

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

10 Taxation

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

11 Tangible fixed assets

	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost				
At 1 September 2023	6,600	17,126	20,400	44,126
Additions	-	5,424	-	5,424
At 31 August 2024	6,600	22,550	20,400	49,550
Depreciation and impairment				
At 1 September 2023	842	11,812	10,880	23,534
Depreciation charged in the year	943	4,342	4,080	9,365
At 31 August 2024	1,785	16,154	14,960	32,899
Carrying amount				
At 31 August 2024	4,815	6,396	5,440	16,651
At 31 August 2023	5,758	5,314	9,520	20,592

12 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	1,250	-
Prepayments and accrued income	8,981	3,594
	10,231	3,594

13 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	10,882	8,693
Trade creditors	23,534	6,681
Other creditors	2,577	2,095
Accruals and deferred income	2,049	2,833
	39,042	20,302

RED BALLOON LEARNER CENTRE READING

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

14 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	14,845	10,676

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

15 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.

	Movement in funds			Movement in funds			
	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Balance at 31 August 2024 £
Bursary	21,600	-	(3,867)	17,733	-	-	17,733
Dark Room	134	-	-	134	-	-	134
Music Therapy	406	-	(299)	107	-	-	107
Student Therapy	1,730	-	(1,730)	-	-	-	-
Building work	308	-	-	308	-	-	308
Community	668	-	-	668	-	-	668
Garden	571	-	-	571	3,500	(2,000)	2,071
3D Printer	709	-	(33)	676	-	(140)	536
SALT	2,749	-	(858)	1,891	-	(140)	1,751
Special Events	800	-	(786)	14	-	(14)	-
Seymour Trust Sensory Circuit	-	986	(349)	637	-	(139)	498
	29,675	986	(7,922)	22,739	3,500	(2,433)	23,806

Purpose of the restricted funds

- Bursary - Funds to contribute to a Bursary for a student to attend Red Balloon Reading.
- Dark Room - Funds to develop a photography dark room at Red Balloon Reading.
- Music Therapy - Funds to cover the cost of a music therapist.
- Student Therapy - Funds to provide therapeutic provisions to our students, for example equine or canine therapy.
- Building work - Funds to enhance the learner centre to provide our students with the best learning and therapeutic environment.
- Community - Funds to enable the recruitment of an Outreach Worker.
- Minibus - Grant funding to purchase a vehicle for student trips and visits.
- Garden - Grant funding to enhance the outdoor areas of the Centre for students to enjoy.
- 3D Printer - Personal donation to purchase a 3D printer to support teaching and learning.
- SALT & Seymour Trust - Funds to support a newly implemented programme of speech and language therapy.
- Special Events - Funds raised to contribute towards a trip or sporting event.
- Seymour Trust Sensory Circuit - Funds to create movement stations designed to provide sensory input and promote self-regulation in young people.

RED BALLOON LEARNER CENTRE READING

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

16 Designated 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.

	Movement in funds			Movement in funds		
	Balance at 1 September 2022	Incoming resources	Resources expended	Balance at 1 September 2023	Incoming resources	Balance at 31 August 2024
	£	£	£	£	£	£
Expansion	168,187	-	(1,654)	166,533	-	166,533
	<u>168,187</u>	<u>-</u>	<u>(1,654)</u>	<u>166,533</u>	<u>-</u>	<u>166,533</u>

Purpose of the designated funds

- Expansion - Funds to support the opening of a second centre in the Reading area.

17 Operating lease commitments

Lessee

The Company leases property from Red Balloon Educational Trust. At 31 August 2021 the Company had the following total future minimum lease payments under non-cancellable operating leases:

	2024 £	2023 £
Within one year	32,500	-
Between two and five years	97,500	-
	<u>130,000</u>	<u>-</u>

18 Related party transactions

During the year £45,098 (2023: £41,185) was paid to Red Balloon Educational Trust, an entity under common beneficial ownership, in relation to rent, management fee and other operating costs. At the year end the balance outstanding was £Nil (2023: £Nil).

RED BALLOON LEARNER CENTRE READING

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

19	Cash generated from operations	2024 £	2023 £
	Surplus for the year	40,612	4,786
	Adjustments for:		
	Investment income recognised in statement of financial activities	(6,221)	(2,673)
	Depreciation and impairment of tangible fixed assets	9,365	10,401
	Movements in working capital:		
	(Increase)/decrease in debtors	(6,637)	202
	Increase/(decrease) in creditors	18,740	(9,078)
	Cash generated from operations	55,859	3,638

Accounts

Charity Registration No. 1136446

Company Registration No. 7150417 (England and Wales)

**RED BALLOON LEARNER CENTRE READING
(A PRIVATE COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

RED BALLOON LEARNER CENTRE READING

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr T Lake Mr A D H Pearson Ms C Billing Ms A Gupta	(Appointed 18 October 2022) (Appointed 14 September 2022)
Head of centre	Michelle Masters	(Appointed 1 October 2022)
Charity number	1136446	
Company number	7150417	
Registered office	220 Kings Road Reading RG1 4JJ	
Independent examiner	Edwin Smith Chartered Accountants 32 Queen Road Reading Berkshire RG1 4AU	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	

RED BALLOON LEARNER CENTRE READING

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Balance sheet	7
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RED BALLOON LEARNER CENTRE READING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their report and financial statements for the year ended 31 August 2023.

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 and "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)" (effective 1 January 2019).

Object of the Charity

The object of the charity is to advance the education of children aged 11 to 18 at the Red Balloon Learner Centre, being students who are victims of severe bullying, or by reason of other emotional or mental health trauma, are unable to attend mainstream schools. This is achieved by providing tuition and appropriate support for them in a safe learning environment until they are ready to return to mainstream education or enter employment. The Trustees confirm that they have given due regard to the guidance issued by the Charity Commission on public benefit.

Governance

The charity has a Board of Trustees who are responsible for the governance of the charity. The Board of Trustees has the power to appoint new trustees. People who come to the trustee's attention as having relevant experience, interest or expertise are asked if they would consider becoming a trustee, are interviewed by other trustees and, if it is considered appropriate, are introduced to all of the trustees. All trustees are subject to DBS checks.

The Board aims to meet 6 times per year and holds an AGM in the Spring Term. At each meeting student progress is reviewed and regular management accounts are provided for review by the Trustees. Safeguarding is also included as an agenda item at each meeting.

Management

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

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

Red Balloon Learner Centre Reading is part of the wider Red Balloon Group. This provides a forum for the Trustees and staff to share experiences, discuss common problems and make joint representations to the Board of Red Balloon Learner Centre Group.

Risk analysis

The trustees have examined the major strategic and operational risks which the charity faces. The two main areas of concern are:

1. Safeguarding and continued education of the students

Safeguarding of students is of the highest priority and is continually monitored. Ongoing staff training in Health & Safety and Child Protection is provided regularly. In addition, a full range of policies are regularly reviewed by staff and trustees.

2. Sourcing of funding for students

Staff, supported by Trustees, continue to make strenuous efforts building and maintaining good relationships with education establishments and local authorities. The Trustees and Head of Centre have developed a fee pricing structure that reflects the varying support and educational needs of each student.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

RED BALLOON LEARNER CENTRE READING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Achievements and Performance of the Charity

The trustees are satisfied with the performance of the charity for the year ending 31 August 2023. The objectives of the charity are only achieved through the skill, hard work and dedication of the staff and volunteers at Red Balloon and as Trustees we are indebted to the team.

The charity supported 25 students during the year. Of these students 18 were still with us at the start of the 2023/24 academic year. Of those who left, four were year 11 or older, three of whom transitioned to further education or training. Four younger students were supported to transition to provision more appropriate to their needs. Two students sat GCSE and/or Functional Skills exams in the summer of 2023.

Students of all ages achieved a range of AQA Unit Award Scheme (UAS) certificates. UAS allows all students to engage with learning and have their achievements recognised. Students primarily achieved certification in Art & Design, Food Technology and English, averaging 9 certificates each.

During the year we received funding to support the development of a sensory circuit providing students with physical activities to aid self-regulation to help them focus and engage in their learning, mentoring or therapy.

Red Balloon is not just about academic results but about giving students a wider learning experience and focusing on wellbeing and personal development. Significant time, energy and expertise is given to ensuring this is achieved.

Wellbeing

Wellbeing provision is central to our support of students and this year in particular we have focussed on developing students' confidence and understanding of dealing with social media. We have made a concerted effort to provide holistic and consistent support to our students to enable them to engage with the ubiquitous social media safely.

The Outreach programme continued to develop with our Outreach Team supporting 14 young people and their families over the year. We also undertook a pilot of a new Outreach programme for primary schools. This involves our outreach team supporting students in discovering their resilience and developing their self-esteem. We realise that our students are struggling in schools at ever younger ages, and have created a program that fits hand in glove with our approach for secondary students for primary students in Years 5 and 6.

We continued to run Circle Time and Challenge Time sessions (with a focus on developing important social skills and life skills) and have involved students in community activities within the Centre. All students have a tutor and at the beginning of the day there is a tutor time session from 9-9.15 am. Eating together is an important part of our wellbeing and pastoral care, with students encouraged to eat together, along with staff in the Community Room.

Wider learning and personal development

We offered a range of enrichment activities for our students this year including trips to Wembley Stadium, Pottery Pals, Wokingham Superbowl & Laser Quest, and Thorpe Park.

During the year we also had a range of cultural activities in the Centre.

Future plans of the Charity

After discussion with several local authorities and the drafting of a business plan, in March of 2021 we began looking in earnest for a location for a second site. Following last year's unsuccessful attempt to secure planning permission for our selected site we remain committed to finding an alternative.

RED BALLOON LEARNER CENTRE READING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

Financial review

Total unrestricted income during the period was £720,324 (2022 - £671,917) an increase of 7.2%. This consisted largely of income from the local authorities which was received to fund the education and wellbeing of the students whilst outside mainstream education. Total restricted donations in the year were £986 (2022 - £6,128), see note 13 for details of these funds.

Total expenditure was £716,524 (2022 - £630,569) and was incurred in performance of the charitable activities of the company, including staffing, direct student costs, rent, utilities and other general running costs.

An unrestricted surplus of £11,722 was recorded, bringing total unrestricted funds to £392,711 and within our targeted reserve policy.

We would like to thank all those that have fundraised, donated and volunteered time during the year.

Reserves policy

The Trustees policy on financial reserves is to ensure a minimum of 3-6 months of reserves are held in the bank account, in addition to any specifically determined requirements.

The investment policy and objectives

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

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:

Ms G T Godwin	(Resigned 30 November 2022)
Mr T Lake	
Dr J A Nicholsby	(Resigned 26 April 2023)
Mr A D H Pearson	
Mr D R Whittle	(Resigned 31 August 2023)
Ms L Preston	(Resigned 6 December 2023)
Ms C Billing	(Appointed 18 October 2022)
Ms A Gupta	(Appointed 14 September 2022)

RED BALLOON LEARNER CENTRE READING

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

FOR THE YEAR ENDED 31 AUGUST 2023

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Red Balloon Learner Centre Reading for the purposes of company law) are responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

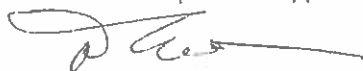
Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Standards and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements the Board is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practices: Accounting and Reporting by Charities (2015);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards, comprising FRS102, have been followed, subject to any material differences 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 business.

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

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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



Mr A D H Pearson

Trustee

Dated: 24/4/24

RED BALLOON LEARNER CENTRE READING

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF RED BALLOON LEARNER CENTRE READING

I report to the trustees on my examination of the financial statements of Red Balloon Learner Centre Reading (the charity) for the year ended 31 August 2023.

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 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act 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 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, 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:

- 1 the financial statements do not accord with those records; or
- 2 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts 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 accounts 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.



Edwin Smith

Chartered Accountants
32 Queen Road
Reading
Berkshire
RG1 4AU

Dated: 30 April 2024

RED BALLOON LEARNER CENTRE READING

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes						
Income from:							
Donations and legacies	2	448	986	1,434	-	6,128	6,128
Charitable activities	4	717,203	-	717,203	671,757	-	671,757
Investments	3	2,673	-	2,673	160	-	160
Total income		<u>720,324</u>	<u>986</u>	<u>721,310</u>	<u>671,917</u>	<u>6,128</u>	<u>678,045</u>
Charitable activities	5	<u>708,602</u>	<u>7,922</u>	<u>716,524</u>	<u>624,055</u>	<u>6,514</u>	<u>630,569</u>
Net income/(expenditure) and movement in funds		11,722	(6,936)	4,786	47,862	(386)	47,476
Reconciliation of funds:							
Fund balances at 1 September 2022		<u>380,989</u>	<u>29,675</u>	<u>410,664</u>	<u>333,127</u>	<u>30,061</u>	<u>363,188</u>
Fund balances at 31 August 2023		<u>392,711</u>	<u>22,739</u>	<u>415,450</u>	<u>380,989</u>	<u>29,675</u>	<u>410,664</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 LEARNER CENTRE READING

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	10		20,592		26,145
Current assets					
Debtors	11	3,594		3,796	
Cash at bank and in hand		411,566		410,103	
		415,160		413,899	
Creditors: amounts falling due within one year	12	20,302		29,380	
Net current assets			394,858		384,519
Total assets less current liabilities			415,450		410,664
The funds of the charity					
Restricted income funds	13	22,739		29,675	
Unrestricted funds	14	392,711		380,989	
		415,450		410,664	

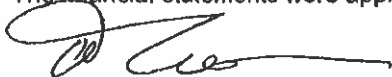
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2023.

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 24th April 2024



Mr A D H Pearson
Trustee

Company registration number 7150417 (England and Wales)

RED BALLOON LEARNER CENTRE READING

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	17		3,638		62,612
Investing activities					
Purchase of tangible fixed assets		(4,848)		(8,288)	
Investment income received		2,673		160	
Net cash used in investing activities			(2,175)		(8,128)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			1,463		54,484
Cash and cash equivalents at beginning of year			410,103		355,619
Cash and cash equivalents at end of year			411,566		410,103

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

Red Balloon Learner Centre Reading is a registered charity and a company limited by guarantee incorporated in England and Wales. The registered office is 220 Kings Road, Reading, RG1 4JJ.

1.1 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" ("FRS 102") 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)" (effective 1 January 2019). 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.

1.4 Income

All income resources are included in the Statement of Financial Activities when the charity is entitled to, and sufficiently certain to receive, the income and the amount can be quantified with reasonable accuracy.

The following policies apply to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full when receivable.
- Incoming resources from charitable activities are accounted for when earned. Deferred income relates to student fees which relate to future accounting periods.

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.

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

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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.

Expenditure on fixed assets is only capitalised where it exceeds £1,000 and has an expected useful life greater than one year.

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:

Fixtures and fittings	7 years straight line
Computers	3 years straight line
Motor vehicles	5 years straight line

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 at bank and in hand includes cash and cash held at bank current accounts and short term highly liquid investments held on deposit accounts.

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transactions value and subsequently measured at their settlement value.

1.10 Leases

Operating leases are recognised over the period of which the lease falls due on a straight line basis.

1.11 Pension Schemes

Employees of the charity are automatically enrolled into a defined contribution scheme unless they have exercised their right to opt out. The charity contribution is restricted to the contributions disclosed in note 8. The costs of the defined contribution scheme are included within unrestricted funds.

1.12 Debtors

Debtors are recognised at the settlement amount due.

1.13 Creditors

Creditors and provisions are recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Restricted funds
	2023	2023	2023	2022
	£	£	£	£
Donations	448	986	1,434	6,128

3 Income from Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	2,673	160

4 Charitable activities

	Charitable Activities	Charitable Activities
	2023	2022
	£	£
Student fees	717,203	671,757

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

5 Charitable activities

	Charitable Activities 2023 £	Charitable Activities 2022 £
Staff costs	515,002	439,916
Depreciation and impairment	10,401	8,760
Travel and subsistence	4,139	2,949
Student operating costs	42,064	35,864
Red Balloon of the air costs	4,723	5,405
Other teaching resources	7,813	8,191
Accommodation, food and cleaning	8,170	6,801
Communication	2,390	1,052
Insurance	5,975	4,368
Red Balloon Educational Trust support fees	8,000	8,000
Consumables	9,845	10,048
Rent and rates	27,516	27,596
Training and recruitment	5,424	6,967
Repairs and maintenance	23,513	29,170
Office equipment	2,529	3,420
Utilities	4,208	6,496
Sundry operating expenditure	740	883
Other charitable expenditure	2,609	1,547
	<u>685,061</u>	<u>607,433</u>
Share of governance costs (see note 6)	31,463	23,136
	<u>716,524</u>	<u>630,569</u>
Analysis by fund		
Unrestricted funds	708,602	624,055
Restricted funds	7,922	6,514
	<u>716,524</u>	<u>630,569</u>

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

6 Support costs

There were no support costs during the year or prior year. Governance costs were as follows:

	Governance costs 2023 £	Governance costs 2022 £
Independent examiners fee	960	835
Professional services	30,503	22,301
	<u>31,463</u>	<u>23,136</u>
Analysed between Charitable activities	<u>31,463</u>	<u>23,136</u>

7 Trustees

No members of the Board of Trustees and Directors received any remuneration during the year or prior year. Expenses of £329 (2022 - nil) were reimbursed, relating to travel and meeting costs.

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

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	<u>21</u>	<u>21</u>
Employment costs	2023 £	2022 £
Wages and salaries	471,579	401,316
Social security costs	30,815	25,782
Other pension costs	10,676	7,800
	<u>513,070</u>	<u>434,898</u>

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

Remuneration of key management personnel

The key management personnel of the charity comprise the trustees, the Head of Centre and two Deputy Heads. The total employment benefits of the key management personnel of the Trust was £125,780 (2022 - £101,464)

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

9 Taxation

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

10 Tangible fixed assets

	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost				
At 1 September 2022	1,752	17,126	20,400	39,278
Additions	4,848	-	-	4,848
At 31 August 2023	6,600	17,126	20,400	44,126
Depreciation and impairment				
At 1 September 2022	188	6,145	6,800	13,133
Depreciation charged in the year	654	5,667	4,080	10,401
At 31 August 2023	842	11,812	10,880	23,534
Carrying amount				
At 31 August 2023	5,758	5,314	9,520	20,592
At 31 August 2022	1,564	10,981	13,600	26,145

11 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Prepayments and accrued income	3,594	3,796

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	8,693	6,069
Trade creditors	6,681	19,057
Other creditors	2,095	1,519
Accruals and deferred income	2,833	2,735
	20,302	29,380

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 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.

	Movement in funds			Movement in funds			
	Balance at 1 September 2021	Incoming resources	Resources expended	Balance at 1 September 2022	Incoming resources	Resources expended	Balance at 31 August 2023
	£	£	£	£	£	£	£
Bursary	21,600	-	-	21,600	-	(3,867)	17,733
Dark Room	134	-	-	134	-	-	134
Music Therapy	-	630	(224)	406	-	(299)	107
Student Therapy	4,588	-	(2,858)	1,730	-	(1,730)	-
Building work	308	-	-	308	-	-	308
Community	668	-	-	668	-	-	668
Garden	1,368	-	(797)	571	-	-	571
3D Printer	1,095	-	(386)	709	-	(33)	676
SALT	300	4,698	(2,249)	2,749	-	(858)	1,891
Special Events	-	800	-	800	-	(786)	14
Seymour Trust Sensory Circuit	-	-	-	-	986	(349)	637
	<u>30,061</u>	<u>6,128</u>	<u>(6,514)</u>	<u>29,675</u>	<u>986</u>	<u>(7,922)</u>	<u>22,739</u>

Purpose of the restricted funds

- Bursary - Funds to contribute to a Bursary for a student to attend Red Balloon Reading.
- Dark Room - Funds to develop a photography dark room at Red Balloon Reading.
- Music Therapy - Funds to cover the cost of a music therapist.
- Student Therapy - Funds to provide therapeutic provisions to our students, for example equine or canine therapy.
- Building work - Funds to enhance the learner centre to provide our students with the best learning and therapeutic environment.
- Community - Funds to enable the recruitment of an Outreach Worker.
- Minibus - Grant funding to purchase a vehicle for student trips and visits.
- Garden - Grant funding to enhance the outdoor areas of the Centre for students to enjoy.
- 3D Printer - Personal donation to purchase a 3D printer to support teaching and learning.
- SALT & Seymour Trust - Funds to support a newly implemented programme of speech and language therapy.
- Special Events - Funds raised to contribute towards a trip or sporting event.
- Seymour Trust Sensory Circuit - Funds to create movement stations designed to provide sensory input and promote self-regulation in young people.

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

14 Designated 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.

	Movement in funds				
	Balance at 1 September 2021	Incoming resources	Resources expended	Balance at 1 September 2022	Resources expended
	£	£	£	£	£
Expansion	178,560	-	(10,373)	168,187	(1,654)
	<u>178,560</u>	<u>-</u>	<u>(10,373)</u>	<u>168,187</u>	<u>(1,654)</u>
	<u><u>178,560</u></u>	<u><u>-</u></u>	<u><u>(10,373)</u></u>	<u><u>168,187</u></u>	<u><u>(1,654)</u></u>

Purpose of the designated funds

- Expansion - Funds to support the opening of a second centre in the Reading area.

15 Events after the reporting date

During the year the trustees were in negotiations for a new rental lease agreement which was signed just after the year end date on 28 September 2023. The lease runs for a term of 7 years from 1 September 2023 to 31 August 2030, with a break date of 1 September 2028. The commitment up to this break clause date is £160,000.

16 Related party transactions

There were no related party transactions outside of those transactions with other Red Balloon entities.

The members of the Company comprise the trustees and Red Balloon Educational Trust (company number 05385341). Copies of its consolidated accounts, which include the Company, are available from its registered address Willow Lodge, 37 High Street, Milton, Cambridge, England, CB24 6DF.

17	Cash generated from operations	2023 £	2022 £
	Surplus for the year	4,786	47,476
	Adjustments for:		
	Investment income recognised in statement of financial activities	(2,673)	(160)
	Depreciation and impairment of tangible fixed assets	10,401	8,760
	Movements in working capital:		
	Decrease in debtors	202	174,071
	(Decrease) in creditors	(9,078)	(167,535)
	Cash generated from operations	<u><u>3,638</u></u>	<u><u>62,612</u></u>

Accounts

Charity Registration No. 1136446

Company Registration No. 7150417 (England and Wales)

**RED BALLOON LEARNER CENTRE READING
(A PRIVATE COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

RED BALLOON LEARNER CENTRE READING

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr T Lake	
	Dr J A Nicholsby	
	Mr A D H Pearson	
	Mr D R Whittle	
	Ms L Preston	(Appointed 22 June 2022)
	Ms C Billing	(Appointed 18 October 2022)
	Ms A Gupta	(Appointed 14 September 2022)
Head of centre	Christina Pepper	(Resigned 31 August 2022)
	Michelle Masters	(Appointed 1 October 2022)
Charity number	1136446	
Company number	7150417	
Registered office	220 Kings Road Reading RG1 4JJ	
Independent examiner	Edwin Smith Chartered Accountants 32 Queens Road Reading RG1 4AU	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	

RED BALLOON LEARNER CENTRE READING

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Statement of financial activities	6
Balance sheet	7
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RED BALLOON LEARNER CENTRE READING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their report and financial statements for the year ended 31 August 2022.

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 and "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)" (effective 1 January 2019).

Object of the Charity

The object of the charity is to advance the education of children aged 11 to 18 at the Red Balloon Learner Centre, being students who are victims of severe bullying, or by reason of other emotional or mental health trauma, are unable to attend mainstream schools. This is achieved by providing tuition and appropriate support for them in a safe learning environment until they are ready to return to mainstream education or enter employment. The Trustees confirm that they have given due regard to the guidance issued by the Charity Commission on public benefit.

Governance

The charity has a Board of Trustees who are responsible for the governance of the charity. The Board of Trustees has the power to appoint new trustees. People who come to the trustee's attention as having relevant experience, interest or expertise are asked if they would consider becoming a trustee, are interviewed by other trustees and, if it is considered appropriate, are introduced to all of the trustees. All trustees are subject to DBS checks.

The Board aims to meet 6 times per year and holds an AGM in the Spring Term. At each meeting student progress is reviewed and regular management accounts are provided for review by the Trustees. Safeguarding is also included as an agenda item at each meeting.

Management

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

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

Red Balloon Learner Centre Reading is part of the wider Red Balloon Group. This provides a forum for the Trustees and staff to share experiences, discuss common problems and make joint representations to the Board of Red Balloon Learner Centre Group.

Risk analysis

The trustees have examined the major strategic and operational risks which the charity faces. The two main areas of concern are:

1. Safeguarding and continued education of the students

Safeguarding of students is of the highest priority and is continually monitored. Ongoing staff training in Health & Safety and Child Protection is provided regularly. In addition, a full range of policies are regularly reviewed by staff and trustees.

2. Sourcing of funding for students

Staff, supported by Trustees, continue to make strenuous efforts building and maintaining good relationships with education establishments and local authorities. The Trustees and Head of Centre have developed a fee pricing structure that reflects the varying support and educational needs of each student.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

RED BALLOON LEARNER CENTRE READING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Achievements and Performance of the Charity

The trustees are satisfied with the performance of the charity for the year ending 31 August 2022. The objectives of the charity are only achieved through the skill, hard work and dedication of the staff and volunteers at Red Balloon and as Trustees we are indebted to the team.

The charity supported 25 students during the year. Of these students 14 were still with us at the start of the 2022/23 academic year. Of those who left, eight were year 11 or older, seven of whom transitioned to further education or training. Three younger students were supported to transition to provision more appropriate to their needs. Five students sat GCSE and/or Functional Skills exams in the summer of 2022. Although not all predicted grades were achieved, the results were very positive given this was the first traditional set of exams since the pandemic lockdowns.

During the year we received funding to support the development of our new speech and language therapy offer, to purchase new resources and instruments for art and music therapy, and to organise a special event for students.

Red Balloon is not just about academic results but about giving students a wider learning experience and focusing on wellbeing and personal development. Significant time, energy and expertise is given to ensuring this is achieved.

Wellbeing

Wellbeing provision is central to our support of students and this year in particular we worked to put more structure into the mentoring sessions by trialling a new role, the Pastoral Student Support Assistant (SSA). The pastoral team (Lead Therapist, Outreach Manager, SENCO and Pastoral SSA) met more regularly this year and completed a review of the therapeutic and well-being support being offered to students. This helped to identify gaps. We added Speech and Language Therapy (SALT) to our offer and this year have offered one-to-one and group sessions for those students who have SALT identified on their EHCP. We also started using the Warwick-Edinburgh Wellbeing Scale to track well-being progression.

The Outreach programme continued to develop with our Outreach Manager and Outreach Worker supporting 15 young people and their families over the year. To improve communication one of our Student Support Assistants has been identified to work in a liaison role between Outreach and the Centre.

We have continued to run Circle Time sessions and have involved students in community activities within the Centre. All students have a tutor and at the beginning of the day there is a tutor time session from 9-9.15 am. We also trialled a Friday Assembly which gave us an opportunity to come together as a community before lessons began. Eating together is another important part of our wellbeing and pastoral care and this aspect of the provision has changed since the first Covid-19 lockdown. A small number of students eat in the Community room with an equal number eating upstairs in the group space.

Wider learning and personal development

Following the lifting of restrictions we were able to offer a less limited range of enrichment activities for our students this year including trips to The Look Out Discovery Centre, The Base, Milestones, The Globe, Dinton Pastures, The Living Rainforest, Marwell Zoo and Thorpe Park, along with opportunities to try kayaking and rock climbing.

During the year we also had a range of cultural activities in the Centre and students took part in fundraising for Ukrainian refugees and in intergenerational work with Austen Care Home.

Future plans of the Charity

After discussion with several local authorities and the drafting of a business plan, in March of 2021 we began looking in earnest for a location for a second site. Continued upward trends in referrals and the limitations to broaden the curriculum at our current site, reinforced our understanding of the gap in provision in this locality. Working with a local estate agent, a site was identified. Unfortunately our application for change of use was rejected by the borough council. We remain committed to establishing a second centre and continue our search for a suitable site.

RED BALLOON LEARNER CENTRE READING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2022**

Financial review

Total unrestricted income during the period was £671,917 (2021 - £622,642) an increase of 7.9%. This consisted largely of income from the local authorities which was received to fund the education and wellbeing of the students whilst outside mainstream education. Total restricted donations in the year were £6,128 (2021 - £34,973), see note 13 for details of these funds.

Total expenditure was £630,569 (2021 - £546,319) and was incurred in performance of the charitable activities of the company, including staffing, direct student costs, rent, utilities and other general running costs.

An unrestricted surplus of £47,862 was recorded, bringing total unrestricted funds to £380,989 and within our targeted reserve policy.

We would like to thank all those that have fundraised, donated and volunteered time during the year.

The Trustees policy on financial reserves is to ensure a minimum of 3-6 months of reserves are held in the bank account, in addition to any specifically determined requirements.

Reserves policy

The Trustees policy on financial reserves is to ensure a minimum of 3-6 months of reserves are held in the bank account, in addition to any specifically determined requirements.

The investment policy and objectives

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

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:

Ms G T Godwin	(Resigned 30 November 2022)
Mr T Lake	
Mr G M McDonald	(Resigned 31 August 2022)
Dr J A Nicholsby	
Mr A D H Pearson	
Mr D R Whittle	
Ms L Preston	(Appointed 22 June 2022)
Ms C Billing	(Appointed 18 October 2022)
Ms A Gupta	(Appointed 14 September 2022)

RED BALLOON LEARNER CENTRE READING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Red Balloon Learner Centre Reading for the purposes of company law) are responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Standards and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements the Board is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practices: Accounting and Reporting by Charities (2015);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards, comprising FRS102, have been followed, subject to any material differences 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 business.

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

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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



.....
Mr A D H Pearson

Trustee

Dated: 26TH APRIL 2023

RED BALLOON LEARNER CENTRE READING

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF RED BALLOON LEARNER CENTRE READING

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 August 2022, which are set out on pages 6 to 17.

Responsibilities and basis of report

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

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

Independent examiner's report

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales 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:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those accounting records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts 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 accounts 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 accounts to be reached.



Edwin Smith

Chartered Accountants
32 Queens Road
Reading
RG1 4AU

12 May 2023

Dated:

RED BALLOON LEARNER CENTRE READING

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		26,145		26,617
Current assets					
Debtors	11	3,796		177,867	
Cash at bank and in hand		410,103		355,619	
		413,899		533,486	
Creditors: amounts falling due within one year	12	(29,380)		(196,915)	
Net current assets			384,519		336,571
Total assets less current liabilities			410,664		363,188
Income funds					
Restricted funds	13		29,675		30,061
<u>Unrestricted funds</u>					
Designated funds	14	168,187		178,560	
General unrestricted funds		212,802		154,567	
			380,989		333,127
			410,664		363,188

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 2022.

The director acknowledges her 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 26TH APRIL 2023



Mr A D H Pearson
Trustee

Company registration number 7150417

RED BALLOON LEARNER CENTRE READING

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	2	-	6,128	6,128	4,418	34,973	39,391
Charitable activities	3	671,757	-	671,757	618,197	-	618,197
Investments	4	160	-	160	27	-	27
Total income		<u>671,917</u>	<u>6,128</u>	<u>678,045</u>	<u>622,642</u>	<u>34,973</u>	<u>657,615</u>
Expenditure on:							
Charitable activities	5	<u>624,055</u>	<u>6,514</u>	<u>630,569</u>	<u>508,419</u>	<u>37,900</u>	<u>546,319</u>
Gross transfers between funds		-	-	-	(13,897)	13,897	-
Net income/(expenditure) for the year/							
Net movement in funds		47,862	(386)	47,476	100,326	10,970	111,296
Fund balances at 1 September 2021		<u>333,127</u>	<u>30,061</u>	<u>363,188</u>	<u>232,801</u>	<u>19,091</u>	<u>251,892</u>
Fund balances at 31 August 2022		<u><u>380,989</u></u>	<u><u>29,675</u></u>	<u><u>410,664</u></u>	<u><u>333,127</u></u>	<u><u>30,061</u></u>	<u><u>363,188</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

RED BALLOON LEARNER CENTRE READING

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	16		62,612		83,260
Investing activities					
Purchase of tangible fixed assets		(8,288)		(30,990)	
Investment income received		160		27	
Net cash used in investing activities			(8,128)		(30,963)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			54,484		52,297
Cash and cash equivalents at beginning of year			355,619		303,322
Cash and cash equivalents at end of year			410,103		355,619

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Charity information

Red Balloon Learner Centre Reading is a registered charity and a company limited by guarantee incorporated in England and Wales. The registered office is 220 Kings Road, Reading, RG1 4JJ.

1.1 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" ("FRS 102") 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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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 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.

1.4 Income

All income resources are included in the Statement of Financial Activities when the charity is entitled to, and sufficiently certain to receive, the income and the amount can be quantified with reasonable accuracy.

The following policies apply to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full when receivable.
- Incoming resources from charitable activities are accounted for when earned. Deferred income relates to student fees which relate to future accounting periods.

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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.

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

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.

Expenditure on fixed assets is only capitalised where it exceeds £1,000 and has an expected useful life greater than one year.

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:

Fixtures and fittings	7 years straight line
Computers	3 years straight line
Motor vehicles	5 years straight line

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 at bank and in hand includes cash and cash held at bank current accounts and short term highly liquid investments held on deposit accounts.

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transactions value and subsequently measured at their settlement value.

1.10 Leases

Operating leases are recognised over the period of which the lease falls due on a straight line basis.

1.11 Pension Schemes

Employees of the charity are automatically enrolled into a defined contribution scheme unless they have exercised their right to opt out. The charity contribution is restricted to the contributions disclosed in note 8. The costs of the defined contribution scheme are included within unrestricted funds.

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

1.12 Debtors

Debtors are recognised at the settlement amount due.

1.13 Creditors

Creditors and provisions are recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

2 Donations and legacies

	Restricted funds	Unrestricted funds	Restricted funds	Total
	2022	2021	2021	2021
	£	£	£	£
Donations	6,128	4,418	34,973	39,391

3 Charitable activities

	Charitable Activities 2022	Charitable Activities 2021
	£	£
Student fees	671,757	618,197

4 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	160	27

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

5 Charitable activities

	Charitable Activities 2022 £	Charitable Activities 2021 £
Staff costs	439,916	349,226
Depreciation and impairment	8,760	4,373
Travel and subsistence	2,949	5,402
Student operating costs	35,864	25,124
Red Balloon of the air costs	5,405	34,532
Other teaching resources	8,191	9,768
Accommodation, food and cleaning	6,801	6,407
Communication	1,052	4,012
Insurance	4,368	3,230
Red Balloon Educational Trust support fees	8,000	8,000
Consumables	10,048	11,255
Rent and rates	27,596	27,143
Training and recruitment	6,967	13,479
Repairs and maintenance	29,170	22,887
Office equipment	3,420	2,336
Utilities	6,496	5,849
Sundry operating expenditure	883	892
Other charitable expenditure	1,547	-
	<u>607,433</u>	<u>533,915</u>
Share of governance costs (see note 6)	23,136	12,404
	<u>630,569</u>	<u>546,319</u>
Analysis by fund		
Unrestricted funds	624,055	508,419
Restricted funds	6,514	37,900
	<u>630,569</u>	<u>546,319</u>

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

6 Support costs

There were no support costs during the year (2021: Nil). Governance costs were as follows:

	Governance costs 2022 £	Governance costs 2021 £
Independent examiners fee	835	720
Professional services	22,301	11,684
	<u>23,136</u>	<u>12,404</u>
Analysed between		
Charitable activities	<u>23,136</u>	<u>12,404</u>

7 Trustees

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

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

8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>21</u>	<u>19</u>
Employment costs	2022 £	2021 £
Wages and salaries	401,316	325,108
Social security costs	25,782	18,321
Other pension costs	7,800	5,797
	<u>434,898</u>	<u>349,226</u>

The key management personnel of the charity comprise the trustees, the Head of Centre and two Deputy Heads. The total employment benefits of the key management personnel of the Trust was £101,464 (2021 - £71,070 - previously only one Deputy Head)

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

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

9 Taxation

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

10 Tangible fixed assets

	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2021	-	10,590	20,400	30,990
Additions	1,752	6,536	-	8,288
At 31 August 2022	1,752	17,126	20,400	39,278
Depreciation and impairment				
At 1 September 2021	-	1,653	2,720	4,373
Depreciation charged in the year	188	4,492	4,080	8,760
At 31 August 2022	188	6,145	6,800	13,133
Carrying amount				
At 31 August 2022	1,564	10,981	13,600	26,145
At 31 August 2021	-	8,937	17,680	26,617

11 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	-	174,265
Prepayments and accrued income	3,796	3,602
	3,796	177,867

12 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	6,069	659
Trade creditors	19,057	14,284
Other creditors	1,519	1,191
Accruals and deferred income	2,735	180,781
	29,380	196,915

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 September 2020		Movement in funds		Transfers	Balance at 1 September 2021		Movement in funds		Balance at 31 August 2022
	£	£	Incoming resources	Resources expended		£	£	Incoming resources	Resources expended	
Bursary	7,704	-	-	-	13,897	21,600	-	-	-	21,600
Dark Room	134	-	-	-	-	134	-	-	-	134
Music Therapy	-	-	-	-	-	-	630	(224)	(2,858)	406
Student Therapy	8,548	2,520	(6,480)	-	-	4,588	-	-	(2,858)	1,730
Building work	2,705	3,570	(5,967)	-	-	308	-	-	-	308
Community	-	10,000	(9,333)	-	-	668	-	-	-	668
Minibus	-	15,000	(15,000)	-	-	-	-	-	-	-
Garden	-	2,488	(1,120)	-	-	1,368	-	(797)	(797)	571
3D Printer	-	1,095	-	-	-	1,095	-	(386)	(386)	709
SALT & Seymour Trust	-	300	-	-	-	300	4,698	(2,249)	(2,249)	2,749
Special Events	-	-	-	-	-	-	800	-	-	800
	19,091	34,973	(37,900)		13,897	30,061	6,128	(6,514)		29,675

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

13 Restricted funds

(Continued)

Purpose of the restricted funds

- Bursary - Funds to contribute to a Bursary for a student to attend Red Balloon Reading.
- Dark Room - Funds to develop a photography dark room at Red Balloon Reading.
- Music Therapy - Funds to cover the cost of a music therapist.
- Student Therapy - Funds to provide therapeutic provisions to our students, for example equine or canine therapy.
- Building work - Funds to enhance the learner centre to provide our students with the best learning and therapeutic environment.
- Community - Funds to enable the recruitment of an Outreach Worker.
- Minibus - Grant funding to purchase a vehicle for student trips and visits.
- Garden - Grant funding to enhance the outdoor areas of the Centre for students to enjoy.
- 3D Printer - Personal donation to purchase a 3D printer to support teaching and learning.
- SALT & Seymour Trust - Funds to support a newly implemented programme of speech and language therapy.
- Special Events - Funds raised to contribute towards a trip or sporting event.

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

14 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				
	Balance at 1 September 2020	Incoming resources	Resources expended	Balance at 1 September 2021	Resources expended
	£	£	£	£	£
Expansion	-	180,000	(1,440)	178,560	(10,373)
	-	180,000	(1,440)	178,560	(10,373)

Purpose of the designated funds

- Expansion - Funds to support the opening of a second centre in the Reading area.

15 Related party transactions

There were no related party transactions outside of those transactions with other Red Balloon entities.

The members of the Company comprise the trustees and Red Balloon Educational Trust (company number 05385341). Copies of its consolidated accounts, which include the Company, are available from its registered address Willow Lodge, 37 High Street, Milton, Cambridge, England, CB24 6DF.

16 Cash generated from operations	2022 £	2021 £
Surplus for the year	47,476	111,296
Adjustments for:		
Investment income recognised in statement of financial activities	(160)	(27)
Depreciation and impairment of tangible fixed assets	8,760	4,373
Movements in working capital:		
Decrease/(increase) in debtors	174,071	(66,601)
(Decrease)/increase in creditors	(167,535)	34,219
Cash generated from operations	62,612	83,260

Accounts

Charity Registration No. 1136446

Company Registration No. 7150417 (England and Wales)

**RED BALLOON LEARNER CENTRE READING
(A PRIVATE COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

RED BALLOON LEARNER CENTRE READING

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms G T Godwin Mr T Lake Mr G M McDonald Dr J A Nicholsby Mr A D H Pearson Mr D R Whittle
Head of centre	Ms C Pepper
Charity number	1136446
Company number	7150417
Registered office	220 Kings Road Reading RG1 4JJ
Independent examiner	Edwin Smith Chartered Accountants 32 Queens Road Reading RG1 4AU
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ

RED BALLOON LEARNER CENTRE READING

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Statement of financial activities	6
Balance sheet	7
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RED BALLOON LEARNER CENTRE READING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their report and financial statements for the year ended 31 August 2021.

Object of the Charity

The object of the charity is to advance the education of children aged 11 to 18 at the Red Balloon Learner Centre, being students who are victims of severe bullying, or by reason of other emotional or mental health trauma, are unable to attend mainstream schools. This is achieved by providing tuition and appropriate support for them in a safe learning environment until they are ready to return to mainstream education or enter employment.

Governance

The charity has a Board of Trustees who are responsible for the governance of the charity. The Board of Trustees has the power to appoint new trustees. People who come to the trustee's attention as having relevant experience, interest or expertise are asked if they would consider becoming a trustee, are interviewed by other trustees and, if it is considered appropriate, are introduced to all of the trustees. All trustees are subject to DBS checks.

The Board aims to meet 6 times per year and holds an AGM in the Spring Term. At each meeting student progress is reviewed and regular management accounts are provided for review by the Trustees. Safeguarding is also included as an agenda item at each meeting.

Management

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

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

Red Balloon Learner Centre Reading is part of the wider Red Balloon Educational Trust. This provides a forum for the Trustees and staff to share experiences and collaborate to find solutions to common problems.

Risk analysis

The trustees have examined the major strategic and operational risks which the charity faces. The two main areas of concern are:

1. Safeguarding and continued education of the students

Safeguarding of students is of the highest priority and is continually monitored. Ongoing staff training in Health & Safety and Child Protection is provided regularly. In addition, a full range of policies are regularly reviewed by staff and trustees.

2. Sourcing of funding for students

Staff, supported by Trustees, continue to make strenuous efforts building and maintaining good relationships with education establishments and local authorities. The Trustees and Head of Centre have developed a fee pricing structure that reflects the varying support and educational needs of each student.

Achievements and Performance of the Charity

The trustees are satisfied with the performance of the charity for the year ending 31 August 2021. The objectives of the charity are only achieved through the skill, hard work and dedication of the staff and volunteers at Red Balloon and as Trustees we are indebted to the team.

As was the case for most educational settings, the Centre has navigated the continuing uncertainties of the Covid-19 pandemic. Staff shortages due to isolation periods and illness, meant that in January 2021 the Centre had to close for 6 weeks and academic and well-being sessions took place via video conferencing and related online platforms. In the summer term, the Centre faced the addition of new protocols around Teacher Assessed Grades for exams qualifications.

RED BALLOON LEARNER CENTRE READING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2021**

The charity supported 25 students during the year. Of these students 18 were still with us at the start of the 2021/22 academic year and of those who left 7 moved on to further education or work. Seven of our students sat GCSE and/or Functional Skills exams in the summer of 2021 and the results were positive with students meeting their expected grades.

During the year we received funding to purchase a small minibus to enable a variety of trips for students, to develop the garden to make the outdoor space a more enjoyable environment for students, and to purchase a 3D printer to support science and design & technology teaching.

Red Balloon is not just about academic results but about giving students a wider learning experience and focusing on wellbeing and personal development. Significant time, energy and expertise is given to ensuring this is achieved.

Wellbeing

Our Art and Music therapists provide confidential counselling as well as individual and group well-being sessions for all students. This year we have continued to offer equine and canine therapy as we recognise the therapeutic benefits animals have on our students. Unfortunately, due to funding constraints these animal-based therapies will need to be discontinued until further funding is found. Friday afternoon's Challenge Time and Circle Time allows the community to come together to reflect, discuss our values and share our challenges and successes. We also celebrate the achievements of each student by handing out the house points that have been given across the week.

The team works closely with students to foster a sense of community at the Centre. This includes providing lunch where students and teachers eat together, celebrating birthdays & holidays, and discussing current news. Respect for each other and building trusting relationships is key to the work we do.

This extends to our Outreach programme which helps to support students who are not yet able to access the Centre to begin building a relationship with the Outreach team and coming in for visits to get to know other staff and students. In January, we recruited a part-time Outreach Worker to work with Centre students who needed support to come into the Centre consistently as well as housebound students looking to transition to coming into an educational provision.

Despite the constraints of our site, physical education continues to be a part of the curriculum and links closely to our well-being offer. With this in mind we recruited a new part-time PE lead to deliver one-to-one and small group PE lessons to provide a more structured and consistent offer. Due to Covid-19 our normal range of physical activity was curtailed for much of the year and PE activities were limited to what we could do onsite or at local parks.

Wider learning and personal development

A range of enrichment activities including trips to museums, theatre, and cultural events would in most years supplement the academic and well-being provided at the Centre. This year activities were once again limited due the pandemic. The new minibus allowed for a few trips in the Summer term to Dinton Pastures, Beale Park, Summer Barn and bowling. When planning activities for the year the trustees have considered the Charity Commission's guidance on public benefit.

Future plans of the Charity

After discussion with several local authorities and the drafting of a business plan, in March of 2021 we began looking in earnest for a location for a second site. Continued upward trends in referrals and the limitations to broaden the curriculum at our current site reinforced our understanding of the gap in provision. Working with a local estate agent, a number of potential sites were identified. The second site will allow us to support more students while also serve to broaden the curriculum we offer with additional subjects.

RED BALLOON LEARNER CENTRE READING

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

FOR THE YEAR ENDED 31 AUGUST 2021

Financial review

Total unrestricted income during the period was £622,642 (2020 - £563,831) an increase of 10.4%. This consisted largely of income from the local authorities which was received to fund the education and wellbeing of the students whilst outside mainstream education. Total restricted donations in the year were £34,973 (2020 - £24,125), see note 2 for details of these funds.

Total expenditure was £546,319 (2020 - £461,378) and was incurred in performance of the charitable activities of the company, including staffing, direct student costs, rent, utilities and other general running costs.

An unrestricted surplus of £114,223 was recorded, bringing total unrestricted funds to £333,127 and within our targeted reserve policy.

We would like to thank all those that have fundraised, donated and volunteered time during the year.

Reserves policy

The Trustees policy on financial reserves is to ensure a minimum of 3-6 months of reserves are held in the bank account, in addition to any specifically determined requirements. .

The investment policy and objectives

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

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

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:

Ms G T Godwin

Mr T Lake

Mr G M McDonald

Dr J A Nicholsby

Mr A D H Pearson

Mr D R Whittle

Mr C R M Gallimore

(Resigned 9 December 2020)

RED BALLOON LEARNER CENTRE READING

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Red Balloon Learner Centre Reading for the purposes of company law) are responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

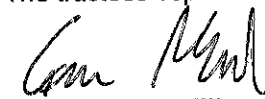
Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Standards and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements the Board is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practices: Accounting and Reporting by Charities (2015);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards, comprising FRS102, have been followed, subject to any material differences 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 business.

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

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

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



.....
Mr G M McDonald

Trustee

Dated:

27/4/22

RED BALLOON LEARNER CENTRE READING

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF RED BALLOON LEARNER CENTRE READING

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 August 2021, which are set out on pages 6 to 16.

Responsibilities and basis of report

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

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

Independent examiner's report

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales 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:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those accounting records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts 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 accounts 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 accounts to be reached.



Edwin Smith

Chartered Accountants
32 Queens Road
Reading
RG1 4AU

Dated: 4 May 2022.....

RED BALLOON LEARNER CENTRE READING

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:							
Donations and legacies	2	4,418	34,973	39,391	325	24,125	24,450
Charitable activities	3	618,197	-	618,197	563,347	-	563,347
Investments	4	27	-	27	159	-	159
Total income		622,642	34,973	657,615	563,831	24,125	587,956
Expenditure on:							
Charitable activities	5	508,419	37,900	546,319	444,937	16,441	461,378
Net incoming/ (outgoing) resources before transfers		114,223	(2,927)	111,296	118,894	7,684	126,578
Gross transfers between funds		(13,897)	13,897	-	-	-	-
Net income for the year/ Net movement in funds		100,326	10,970	111,296	118,894	7,684	126,578
Fund balances at 1 September 2020		232,801	19,091	251,892	113,907	11,407	125,314
Fund balances at 31 August 2021		333,127	30,061	363,188	232,801	19,091	251,892

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

RED BALLOON LEARNER CENTRE READING

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10		26,617		-
Current assets					
Debtors	11	177,867		111,266	
Cash at bank and in hand		355,619		303,322	
		533,486		414,588	
Creditors: amounts falling due within one year	12	(196,915)		(162,696)	
Net current assets			336,571		251,892
Total assets less current liabilities			363,188		251,892
Income funds					
Restricted funds	13		30,061		19,091
<u>Unrestricted funds</u>					
Designated funds	14	178,560		-	
General unrestricted funds		154,567		232,801	
			333,127		232,801
			363,188		251,892

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 2021.

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

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 27/4/22



Mr G M McDonald
Trustee

Company Registration No. 7150417

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

Red Balloon Learner Centre Reading is a registered charity and a company limited by guarantee incorporated in England and Wales. The registered office is 220 Kings Road, Reading, RG1 4JJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "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) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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 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.

1.4 Income

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

- Voluntary income is received by way of grants, donations and gifts and is included in full when receivable.
- Incoming resources from charitable activities are accounted for when earned. Deferred income relates to student fees which relate to future accounting periods.

1.5 Expenditure

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

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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.

Expenditure on fixed assets is only capitalised where it exceeds £1,000 and has an expected useful life greater than one year.

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:

Computers	3 years straight line
Motor vehicles	5 years straight line

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 net income/(expenditure) for the year.

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 at bank and in hand includes cash and cash held at bank current accounts and short term highly liquid investments held on deposit accounts.

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transactions value and subsequently measured at their settlement value.

1.10 Leases

Operating leases are recognised over the period of which the lease falls due on a straight line basis.

1.11 Pension Schemes

Employees of the charity are automatically enrolled into a defined contribution scheme unless they have exercised their right to opt out. The charity contribution is restricted to the contributions disclosed in note 8. The costs of the defined contribution scheme are included within unrestricted funds.

1.12 Debtors

Debtors are recognised at the settlement amount due.

1.13 Creditors

Creditors and provisions are recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

2 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations	4,418	34,973	39,391	325	24,125	24,450

3 Charitable activities

	Charitable Activities 2021 £	Charitable Activities 2020 £
Student fees	618,197	563,347

4 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	27	159

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

5 Charitable activities

	Charitable Activities 2021 £	Charitable Activities 2020 £
Staff costs	349,226	316,040
Depreciation and impairment	4,373	-
Travel and subsistence	5,402	2,445
Student operating costs	25,124	22,542
Red Balloon of the air costs	34,532	2,662
Other teaching resources	9,768	6,831
Accommodation, food and cleaning	6,407	4,152
Communication	4,012	1,513
Insurance	3,230	3,682
Red Balloon Educational Trust support fees	8,000	8,083
Consumables	11,255	454
Rent and rates	27,143	27,382
Training and recruitment	13,479	5,882
Repairs and maintenance	22,887	43,191
Office equipment	2,336	1,345
Utilities	5,849	4,086
Sundry operating expenditure	892	1,064
	<u>533,915</u>	<u>451,354</u>
Share of governance costs (see note 6)	12,404	10,024
	<u>546,319</u>	<u>461,378</u>
Analysis by fund		
Unrestricted funds	508,419	444,937
Restricted funds	37,900	16,441
	<u>546,319</u>	<u>461,378</u>

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

6 Support costs

There were no support costs during the year (2020: Nil). Governance costs were as follows:

	Governance costs 2021 £	Governance costs 2020 £
Independent examiners fee	720	1,176
Professional services	11,684	8,848
	<u>12,404</u>	<u>10,024</u>
Analysed between Charitable activities	<u>12,404</u>	<u>10,024</u>

7 Trustees

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

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

8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	19	18
	<u>19</u>	<u>18</u>
Employment costs	2021 £	2020 £
Wages and salaries	325,108	294,979
Social security costs	18,321	16,006
Other pension costs	5,797	5,055
	<u>349,226</u>	<u>316,040</u>

The key management personnel of the charity comprise the trustees, the Head of Centre and Deputy Head. The total employee benefits of the key management personnel of the Trust were £71,070 (2020 - £68,492)

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

9 Taxation

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

10 Tangible fixed assets

	Computers £	Motor vehicles £	Total £
Cost			
Additions	10,590	20,400	30,990
At 31 August 2021	10,590	20,400	30,990
Depreciation and impairment			
Depreciation charged in the year	1,653	2,720	4,373
At 31 August 2021	1,653	2,720	4,373
Carrying amount			
At 31 August 2021	8,937	17,680	26,617

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	174,265	104,997
Prepayments and accrued income	3,602	6,269
	177,867	111,266

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	659	3,804
Trade creditors	14,284	22,211
Other creditors	1,191	998
Accruals and deferred income	180,781	135,683
	196,915	162,696

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Transfers	Balance at 31 August 2021
	Balance at 1 September 2019	Incoming resources	Resources expended	Balance at 1 September 2020	Incoming resources	Resources expended		£
	£	£	£	£	£	£	£	£
Bursary	3,791	3,913	-	7,704	-	-	13,897	21,601
Dark Room	276	-	(142)	134	-	-	-	134
Music Therapy	7,256	-	(7,256)	-	-	-	-	-
Wellbeing room	84	54	(138)	-	-	-	-	-
Student Therapy	-	9,900	(1,352)	8,548	2,520	(6,480)	-	4,588
Building work	-	10,258	(7,553)	2,705	3,570	(5,967)	-	308
Community	-	-	-	-	10,000	(9,333)	-	667
Minibus	-	-	-	-	15,000	(15,000)	-	-
Garden	-	-	-	-	2,488	(1,120)	-	1,368
3D Printer	-	-	-	-	1,095	-	-	1,095
SALT	-	-	-	-	300	-	-	300
	11,407	24,125	(16,441)	19,091	34,973	(37,900)	13,897	30,061

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Restricted funds

Purpose of the restricted funds

- Bursary - Funds to contribute to a Bursary for a student to attend Red Balloon Reading.
- Dark Room - Funds to develop a photography dark room at Red Balloon Reading.
- Music Therapy - The Red Balloon Educational Trust provided funds to cover the cost of a music therapist.
- Wellbeing Room - Funds to develop a dedicated wellbeing room for our students and staff.
- Student Therapy - Funds to provide therapeutic provisions to our students, for example equine or canine therapy.
- Building work - Funds to enhance the learner centre to provide our students with the best learning and therapeutic environment.
- Community - Funds to enable the recruitment of an Outreach Worker.
- Minibus - Grant funding to purchase a vehicle for student trips and visits.
- Garden - Grant funding to enhance the outdoor areas of the Centre for students to enjoy.
- 3D Printer - Personal donation to purchase a 3D printer to support teaching and learning.
- SALT - Funds to support a newly implemented programme of speech and language therapy.

(Continued)

RED BALLOON LEARNER CENTRE READING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

14 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds		Balance at 31 August 2021
	Incoming resources	Resources expended	
	£	£	£
Expansion	180,000	(1,440)	178,560
	<u>180,000</u>	<u>(1,440)</u>	<u>178,560</u>

Purpose of the designated funds

- Expansion - Funds to support the opening of a second Centre in the Reading area.

15 Operating lease commitments

The Company leases property from Red Balloon Educational Trust. At 31 August 2021 the Company had the following total future minimum lease payments under non-cancellable operating leases:

	2021	2020
	£	£
Within one year	<u>1,875</u>	<u>1,875</u>

16 Related party transactions

There were no related party transactions outside of those transactions with other Red Balloon entities.

Until 19 May 2021, the sole member of the Company is Red Balloon Educational Trust (company number 05385341). Copies of its consolidated accounts, which include the Company, are available from its registered address Winship House, Winship Road, Milton, Cambridge, England, CB24 6AP.

Accounts

Charity Registration Number: 1136446
Company Registration Number: 7150417

RED BALLOON LEARNER CENTRE READING
(A PRIVATE COMPANY LIMITED BY GUARANTEE)
TRUSTEES REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

**Red Balloon Learner Centre Reading
Trustees Report and Financial Statements
For the year ended 31 August 2020**

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Red Balloon Learner Centre Reading
Charity Information
For the year ended 31 August 2020

Name	Red Balloon Learner Centre Reading (the “charity” or “company”)	
Registered Office	220 Kings Road, Reading, Berkshire, RG1 4JJ	
Company Registration Number	7150417	
Charity Registration Number	1136446	
Trustees	The Board of Trustees and Directors of the charity during the year ended 31 August 2020 and at the date that the report and accounts were approved were:	
	Alasdair Pearson (Chair)	Appointed 13 November 2019
	Gavin McDonald	
	Georga Godwin	
	Dr John Nicholsby	
	Dov Whittle	Appointed 13 November 2019
	Tony Lake	Appointed 12 February 2020
	Christopher Gallimore	Resigned 9 December 2020
Head of Centre	Christina Pepper	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill, West Malling Kent ME19 4JQ	
Independent Examiner	Edwin Smith Chartered Accountants 32 Queens Road Reading RG1 4AU	

**Red Balloon Learner Centre Reading
Report of the Trustees
For the year ended 31 August 2020**

Object of the Charity

The object of the charity is to advance the education of children aged 11 to 18 at the Red Balloon Learner Centre, being students who are victims of severe bullying, or by reason of other emotional or mental health trauma, are for the time being unable to attend mainstream schools. This is achieved by providing tuition and appropriate support for them in a safe learning environment until they are ready to return to mainstream education or enter employment.

Governance

The charity has a Board of Trustees who are responsible for the governance of the charity. The Board of Trustees has the power to appoint new trustees. People who come to the trustee's attention as having relevant experience, interest or expertise are asked if they would consider becoming a trustee, are interviewed by other trustees and, if it is considered appropriate, are introduced to all of the trustees. All trustees are subject to DBS checks.

The Board aims to meet 6 times per year and holds an AGM in the Spring Term. At each meeting student progress is reviewed and regular management accounts are provided for review by the Trustees. Safeguarding is also included as an agenda item at each meeting.

Management

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

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

Red Balloon Learner Centre Reading is part of the wider Red Balloon Group. This provides a forum for the Trustees and staff to share experiences, discuss common problems and make joint representations to the Board of Red Balloon Learner Centre Group

Risk analysis

The trustees have examined the major strategic and operational risks which the charity faces. The two main areas of concern are:

1. Safeguarding and continued education of the students

Safeguarding of students is of the highest priority and is continually monitored. Ongoing staff training in Health & Safety and Child Protection is provided regularly. In addition, a full range of policies are regularly reviewed by staff and trustees.

2. Sourcing of funding for students

Staff, supported by Trustees, continue to make strenuous efforts building and maintaining good relationships with education establishments and local authorities. The Trustees and Head of Centre have developed a fee pricing structure that reflects the varying support and educational needs of each student.

**Red Balloon Learner Centre Reading
Report of the Trustees (continued)
For the year ended 31 August 2020**

Achievements and Performance of the Charity

The trustees are satisfied with the performance of the charity for the year ending 31 August 2020. The objectives of the charity are only achieved through the skill, hard work and dedication of the staff and volunteers at Red Balloon and as Trustees we are indebted to the team.

This year found the Centre facing new challenges as the pandemic and resultant national lockdowns required staff and students to make the swift transition from face-to-face teaching and learning to online. New procedures, guidance and risk assessments were put into place to allow academic and well-being sessions to take place via video conferencing and related online platforms. While the Centre was eventually able to reopen on a limited basis after the May half term, the impact of the pandemic on young people's mental health was already beginning to show. In response to this we focussed on implementing our new Outreach programme which complements our other strategies to support more young people in our area.

The charity started the year supporting 18 students and by the end of the year were supporting 23 students. Of these students 15 were still with us at the start of the 2020/21 academic year and of those who left 7 moved on to further education and 1 transitioned to a different alternative provision.

Three of our students sat GCSE exams in the summer of 2020 and the results were positive.

During the year we received funding to enhance the centre to provide an even better environment for our students. This included improved the lighting (such as colour-changing lighting in the sensory room), building a new Food Tech teaching kitchen, internal restructuring to make better use of the space and significant investment in improving our IT infrastructure.

Red Balloon is not just about academic results but about giving students a wider learning experience and focusing on wellbeing and personal development. Significant time, energy and expertise is given to ensuring this is achieved.

Wellbeing

Our Art and Music therapists provide confidential counselling as well as individual and group well-being sessions for all students. In addition to this we have begun to offer equine and canine therapy as we recognise the therapeutic benefits animals have on our students. Circle Time allows the community to come together to reflect, discuss our values and share our challenges and successes. And the addition of Challenge Time is an opportunity for students to develop skills like teamwork, resilience, and critical thinking.

The team works closely with students to foster a sense of community at the Centre. This includes eating together, celebrating birthdays & holidays, and discussing current news. Respect for each other and building trusting relationships is key to the work we do.

Physical education continues to be an important part of our well-being offer with students having had the opportunity to take part in sports including basketball, kayaking, and boxing. Due to Covid-19 our normal range of physical activity was curtailed for much of the spring and summer terms. But during lockdown students were encouraged to go out for a daily walk and document their exercise through photographs or by collecting items of nature to form an art exhibition which is now displayed in the Centre.

**Red Balloon Learner Centre Reading
Report of the Trustees (continued)
For the year ended 31 August 2020**

Achievements and Performance of the Charity (continued)

Wider learning and personal development

In previous years academic lessons have been complimented by a range of enrichment activities including trips to museums, theatre, and cultural events. Unfortunately, this was limited this year by the Covid-19 related national lockdowns. These activities will resume as the country comes out of lockdown.

It is our hope that this offer of academic and therapeutic activities provides the students with a range of ways to increase self-esteem and develop emotional regulation as well as social and life skills. As at other Red Balloon Learner Centres, achievement and performance at Red Balloon Reading will be measured by the increase in self-esteem and confidence of each student, in their ability to hold their own in the wider world and in their understanding of themselves and others.

When planning activities for the year the trustees have considered the Charity Commission's guidance on public benefit.

Future plans of the Charity

Upward trends in referrals as well as the anticipated impact that Covid-19 will have on young peoples' mental health, has given us every indication that we should consider opening a second Centre in our locality. This will be investigated over the next year and a business plan will be developed to understand the need and financial feasibility for opening a second Centre.

Financial review

Total unrestricted income during the period was £563,831 (2019 - £408,181) an increase of 38.1%. This consisted largely of income from the local authorities which was received to fund the education and wellbeing of the students whilst outside mainstream education. Total restricted donations in the year were £24,125 (2019 - £9,875), see note 8 for details of these funds.

Total expenditure was £461,378 (2019 - £365,646) and was incurred in performance of the charitable activities of the company, including staffing, direct student costs, rent, utilities and other general running costs.

An unrestricted surplus of £118,894 was recorded, bringing total unrestricted funds to £232,801 and within our targeted reserve policy.

We would like to thank all those that have fundraised, donated and volunteered time during the year.

Reserves policy

The Trustees policy on financial reserves is to ensure a minimum of 3-6 months of reserves are held in the bank account, in addition to any specifically determined requirements.

The investment policy and objectives

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

**Red Balloon Learner Centre Reading
Report of the Trustees (continued)
For the year ended 31 August 2020**

Statement of Trustees' Responsibilities

The Trustees (who are also Directors of the Red Balloon Learner Centre Reading for the purposes of company law) are responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

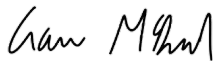
Company law requires the Trustees to prepare financial statements for each financial year. Under that law, the Trustees have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Standards and applicable law. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements the Board is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Statement of Recommended Practices: Accounting and Reporting by Charities (2015);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards, comprising FRS102, have been followed, subject to any material differences 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 business.

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

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

On behalf of the Trustees



Gavin McDonald
Trustee and Director
19 May 2021

Red Balloon Learner Centre Reading
Independent Examiner's report to the Trustees
For the year ended 31 August 2020

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 August 2020, which are set out on pages 9 to 14.

Responsibilities and basis of report

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

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

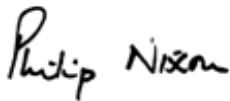
Independent examiner's report

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales 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:

- (1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those accounting records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- (4) the accounts 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 accounts 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 accounts to be reached.



Philip J Nixon FCA
EDWIN SMITH
Chartered Accountants
32 Queens Road
Reading RG1 4AU

19 May 2021

Red Balloon Learner Centre Reading
Statement of Financial Activities
For the year ended 31 August 2020

	Notes	Unrestricted Funds	Restricted Funds	31 August 2020 Total	31 August 2019 Total
		£	£	£	£
INCOME FROM:					
Donations		325	24,125	24,450	10,494
Charitable activities	4	563,347	-	563,347	407,542
Interest received	3	159	-	159	20
Total income		563,831	24,125	587,956	418,056
EXPENDITURE ON:					
Charitable Activities					
Red Balloon of the Air costs		2,662	-	2,662	75,436
Wages and salaries	11	308,784	7,256	316,040	212,661
Other teaching resources		5,053	1,778	6,831	4,170
Student operating costs		21,246	1,296	22,542	-
Training and recruitment		5,882	-	5,882	3,841
Travel and subsistence		2,445	-	2,445	1,097
Rent and rates		27,382	-	27,382	27,131
Utilities		4,086	-	4,086	3,581
Insurance		3,682	-	3,682	63
Repairs and maintenance		37,371	5,820	43,191	9,026
Communication		1,513	-	1,513	1,844
Accommodation, food and cleaning		4,033	119	4,152	6,310
Office equipment		1,315	30	1,345	889
Consumables		312	142	454	2,245
Professional services		8,848	-	8,848	5,752
Red Balloon Group support fees		8,083	-	8,083	8,083
Independent examiners fee		1,176	-	1,176	1,200
Sundry operating expenditure		1,064	-	1,064	2,317
Total expenditure		444,937	16,441	461,378	365,646
Net income for the year		118,894	7,684	126,578	52,410
Fund balances brought forward	8	113,907	11,407	125,314	72,904
TOTAL FUNDS CARRIED FORWARD	8	232,801	19,091	251,892	125,314

All amounts relate to continuing activities of the company.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 11 -14 form part of these financial statements.

Red Balloon Learner Centre Reading
Balance Sheet
At 31 August 2020

	Notes	31 August 2020 £	31 August 2019 £
Current Assets			
Debtors	6	111,266	65,519
Cash at bank and in hand		<u>303,322</u>	<u>210,103</u>
		414,588	275,622
 Creditors: Amounts falling due within one year	 7	 (162,696)	 (150,308)
 Total assets less current liabilities		 <u>251,892</u>	 <u>125,314</u>
Net assets		<u>251,892</u>	<u>125,314</u>
 Financed by:			
Unrestricted Funds	8	232,801	113,907
Restricted Funds	8	<u>19,091</u>	<u>11,407</u>
Total Funds		<u>251,892</u>	<u>125,314</u>

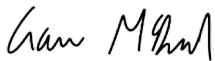
For the year ending 31 August 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of these financial statements under the requirements of section 476 of the Companies Act 2006.

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

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within part 15 of the Companies Act 2006 and with the Financial Reporting Standard 102 (FRS 102).

The notes on pages 11 – 14 form part of these financial statements.

The financial statements were approved by the Board of Trustees and Directors on 19 May 2021 and signed on their behalf by:



Gavin McDonald
Trustee and Director
19 May 2021

Company Registration Number: 7150417

Red Balloon Learner Centre Reading
Notes to the Accounts
For the year ended 31 August 2020

1. ACCOUNTING POLICIES

Company information

Red Balloon Learner Centre Reading is a registered charity and a company limited by guarantee incorporated in England and Wales on 9 February 2010. The registered office is 220 Kings Road, Reading, Berkshire, RG1 4JJ.

The charity constitutes a public benefit entity as defined by FRS 102.

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial reporting Standard in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The charity has taken advantage of the exemption for smaller charities to produce a cash flow statement.

Going concern

The Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they have therefore continued to adopt the going concern basis in preparing these financial statements.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

Income

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

- Voluntary income is received by way of grants, donations and gifts and is included in full when receivable.
- Incoming resources from charitable activities are accounted for when earned. Deferred income relates to student fees which relate to future accounting periods.

Expenditure

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

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Pension schemes

Employees of the charity are automatically enrolled into a defined contribution scheme unless they have exercised their right to opt out. The charity contribution is restricted to the contributions disclosed in note 11. The costs of the defined contribution scheme are included within unrestricted funds.

Fixed assets

Expenditure on fixed assets is only capitalised where it exceeds £1,000 and has an expected useful life greater than one year. There is currently no fixed asset expenditure capitalised in the accounts.

Debtors

Debtors are recognised at the settlement amount due.

Cash at bank and in hand

Cash at bank and in hand includes cash and cash held at bank current accounts and short term highly liquid investments held on deposit accounts.

Creditors

Creditors and provisions are recognised as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Operating leases

Operating leases are recognised over the period of which the lease falls due on a straight line basis.

3. INTEREST RECEIVED

	31 August 2020	31 August 2019
	£	£
Bank interest received	159	20

4. INCOME FROM CHARITABLE ACTIVITIES

	31 August 2020	31 August 2019
	£	£
Student fees	563,347	407,542

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5. TAXATION

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

6. DEBTORS

	31 August 2020	31 August 2019
	£	£
Trade debtors	104,997	65,090
Amounts owed by other Red Balloon Centres	-	429
Prepayments	6,269	-
	111,266	65,519

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 August 2020	31 August 2019
	£	£
Trade creditors	22,211	-
Amounts owed to other Red Balloon Centres	-	-
Taxes and social security	4,802	2,768
Deferred income	134,323	144,948
Other creditors and accruals	1,360	2,592
	162,696	150,308

8. MOVEMENT IN FUNDS

	Balance at 31 August 2019 £	Incoming resources £	Resources expended £	Balance at 31 August 2020 £
<u>Unrestricted Funds:</u>				
General Funds	113,907	563,831	(444,937)	232,801
Total Unrestricted Funds	113,907	563,831	(444,937)	232,801
<u>Restricted Funds:</u>				
Bursary	3,791	3,913	-	7,704
Dark Room	276	-	(142)	134
Music Therapy	7,256	-	(7,256)	-
Wellbeing Room	84	54	(138)	-
Student Therapy	-	9,900	(1,352)	8,548
Building Work	-	10,258	(7,553)	2,705
Total Restricted Funds	11,407	24,125	(16,441)	19,091
Total:	125,314	587,956	(461,378)	251,892

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8. MOVEMENT IN FUNDS (CONTINUED)

Purpose of the restricted funds

- Bursary - Funds to contribute to a Bursary for a student to attend Red Balloon Reading.
- Dark Room - Funds to develop a photography dark room at Red Balloon Reading.
- Music Therapy - The Red Balloon Group provided funds to cover the cost of a music therapist.
- Wellbeing Room - Funds to develop a dedicated wellbeing room for our students and staff.
- Student Therapy - Funds to provide therapeutic provisions to our students, for example equine or canine therapy.
- Building Work - Funds to enhance the learner centre to provide our students with the best learning and therapeutic environment

9. SHARE CAPITAL

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

10. LEASE COMMITMENTS

The Company leases a property from Red Balloon Learner Centre Group. At 31 August 2020 the Company had the following total future minimum lease payments under non-cancellable operating leases:

	31 August 2020	31 August 2019
	£	£
Operating lease which expires:		
Not later than one year	1,875	1,875
Later than one year but not later than 5 years.	-	-
	<u>1,875</u>	<u>1,875</u>

11. STAFF COSTS

- Wages and salaries for employees (excluding employers National Insurance Contributions) for the year amounted to £294,403 (2019 - £197,118). No employee earned £60,000 p.a. or more.
- Social security costs for the year amounted to £16,006 (2019 - £9,940).
- Employer's pension costs for the year amounted to £5,055 (2019 - £2,722).
- There was an average of 18 staff (2019 - 14 staff) paid during the year.
- The key management personnel of the charity comprise the trustees, the Head of Centre and Deputy Head. The total employee benefits of the key management personnel of the Trust were £68,492 (2019 - £66,325).

12. TRUSTEE REMUNERATION AND RELATED PARTY TRANSACTIONS

No members of the Board of Trustees and Directors received any remuneration during the year or prior year and no expenses were reimbursed. No trustee or other person related to the charity has any personal interest in any contract or transaction entered into by the charity during the year or prior year.

There were no related party transactions outside of those transactions with other Red Balloon entities.

The sole member of the Company is Red Balloon Learner Centre Group (company number 05385341). Copies of its consolidated accounts, which include the Company, are available from its registered address Winship House, Winship Road, Milton, Cambridge, England, CB24 6AP.