

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

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
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


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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
	<u>6,600</u>	<u>28,489</u>	<u>20,400</u>	<u>55,489</u>
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
	<u>2,728</u>	<u>20,046</u>	<u>19,040</u>	<u>41,814</u>
At 31 August 2025	2,728	20,046	19,040	41,814
Carrying amount				
At 31 August 2025	<u>3,872</u>	<u>8,443</u>	<u>1,360</u>	<u>13,675</u>
At 31 August 2024	<u>4,815</u>	<u>6,396</u>	<u>5,440</u>	<u>16,651</u>

12 Debtors

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

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	(21,812)	55,859
