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**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
(A company limited by guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
**(A company limited by guarantee)**

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**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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<b>Trustees</b>	Mr Ian Swain, Chair (appointed 19 January 2022) Ms Janine Alli-Balogun (appointed 24 January 2022, resigned 20 July 2022) Ms Lauren Allin (resigned 20 September 2022) Dr Deborah Brown (resigned 26 June 2022) Mrs Lynne Harries Mrs Judith Haste (appointed 17 November 2021, resigned 6 June 2022) Mr Richard Howitt (resigned 16 September 2022) Ms Lucy Johnstone (resigned 28 November 2022) Ms Ruth Loshak (resigned 13 December 2021) Mrs Kathleen McGuire (appointed 23 January 2023) Mr Mark Patterson (appointed 20 March 2023) Ms Lesley Steinitz (appointed 29 November 2022)
<b>Company registered number</b>	10978174
<b>Charity registered number</b>	1175826
<b>Registered office</b>	Herbert House 57 Warkworth Terrace Cambridge CB1 1EE
<b>Coordinator</b>	Ms Jessica Lechner
<b>Independent examiner</b>	C P J Dougherty FCA Lakin Rose Limited Chartered Accountants Pioneer House Vision Park Histon Cambridge CB24 9NL

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**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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The Trustees present their annual report together with the financial statements of the charity for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charity qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

**Objectives and activities**

**a. Policies and objectives**

The objects of the charity are set out in the Articles of Association registered at Companies House on 23rd September 2017.

'To advance the education of children aged 7 to 19 at the Red Balloon Learner Centre, being students who are the victims of bullying, or by reason of other emotional trauma or illness, are for the time being are unable to attend mainstream schools, including, but not limited to, providing them with tuition and appropriate face-to-face and on-line support in a safe learning environment until they are ready to return to mainstream education or take up training or employment.'

We achieve our objects through the provision of an 'intensive care' full time education and support programme. Therapy and counselling are offered to students and families. Continuing use is made of volunteers to work with students. All volunteers have enhanced DBS checks.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

**b. Main activities undertaken to further the charity's purposes for the public benefit**

The charity provides full-time education for children who self-exclude from school. There is no other purpose-made scheme to support the recovery of this group of children and to give them their 'life' back. Another important aspect of the work that the charity does is to offer support to the parents and carers of these children.

The Trustees have had regard to the Charity Commission guidance on public benefit.

**c. Management**

The trustees, in consultation with the Coordinator(s), make decisions about staffing, budgeting and performance reviews. Trustees, directors and consultants of Red Balloon Educational Trust with specialist knowledge may be consulted about employment and other human resource issues.

Trustees work to raise local awareness of the needs of children who have been so badly bullied or suffer from severe emotional trauma or mental health issues 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.

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**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Achievements and performance**

**a. Main achievements of the charity**

The Trustees are satisfied with the performance of the charity during the year ended 31st 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. Achievement and performance at Red Balloon are measured by the increase in self-esteem and confidence of each of the students, their ability to hold their own in the wider world and their understanding of themselves and others, as well as through academic progress and results.

The previous school year (2020/21) was a very exciting time for Red Balloon Learner Centre, Cambridge as despite the pandemic situation, we were able to open a new, second centre in Cambridge. The successful opening of this second centre doubled the amount of places that we are able to offer to students each year. During the school year 2021/22 we were able to continue with this success as the second centre became established and welcomed its second year intake of students. During this year, focus was given to the aim of the two centres having a 'one centre' approach. As well as many staff working across both centres, students from each centre have opportunities to take some shared lessons together and attend joint excursions. This approach has worked very well and provided a sense of belonging and cohesion.

For the school year 2021/22, we also had the objective of expanding our offering of support to parents and families of our young learners. We were able to set up a new programme of Family Therapy which has much expanded our offering. We are now able to offer parents a series of therapy sessions to support them as well as their child. We are finding that this is of great benefit to many of the families of the young people that we support. We were also able to extend a new programme of group therapeutic supervision for staff. Building on our previous provision, this has given staff additional opportunities to feel supported in the work that they do.

During the year ended 31st August 2022, the charity supported thirty nine students, including some who were part-time. Of these students, twenty six were still with us at the start of the academic year 2022/23. The majority of leavers went onto further education or training and/or to take up work placements. One of these students moved onto a performing arts course of study and is now taking part in regular public theatre productions as part of this. We also supported some former students through our One Step Beyond programme (OSB). We are very proud of the progress of all of our students.

We are strongly committed to offering a wide range of curriculum subjects to all students. These include English, Maths, Science, Humanities, Art, Music, Media, Drama, Languages (including British Sign Language), PE, ICT, Life Skills and Citizenship. In addition to offering GCSEs, we have a range of qualifications, including Unit Awards, to motivate and recognise those students who thrive in vocational and practical areas. During this year we were able to expand our offering of LAMDA, ASDAN and project qualifications. We were also able to introduce a Music Theory qualification.

The current and future school development plans will continue to be based on a full review of our progress in all areas, particularly using the Independent Schools Association's own Self Evaluation Process.

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

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**Achievements and performance (continued)**

**b. Exams**

In the school year 2021/22, eleven students took a total of twenty-three GCSE/IGCSE qualifications. Subjects included Maths, English Literature and English Language, Science, Art, MFL and History. In addition some students also undertook Project Awards, Entry Level and Functional Skills certificates as well as LAMDA.

This school year marked a return to students sitting exams in-person rather than results being based on teacher assessed grading as during the pandemic. We supported our learners to prepare for these exams so that they could do their best. We are very proud that the overall percentage of 9-4 grades was 83% which compares favourably to previous years in which there were in -person exams.

**c. Activities, trips and excursions**

Red Balloon does not just care about academic results, and significant time, energy and expertise are given to ensuring that the students have a wider learning experience through regular activities and special events such as cooking, museum trips, board games, dog-walking, DIY, swimming, circle time, Life Skills sessions and day trips. These activities promote increased self-esteem, emotional regulation, enhanced social skills and a level of confidence that cannot always be developed in a classroom. In addition, many of our students benefit from weekly therapy or counselling sessions. We also work collaboratively with other schools and local groups to develop partnerships across different organisations.

With the restrictions of the pandemic easing in the school year 2021/22, we were able to offer students a range of educational visits and excursions throughout the year. These included visits to the Tower of London and also The Globe theatre, London to see a performance of MacBeth. In addition, a group of Art students attended a workshop at a printwork studio and another group of students visited some alpacas. We had excursions to the Imperial War Museum, Duxford and the National Space Centre in Leicester. In the summer term, students also visited Thorpe Park. The excursions enhance the student experience and provide opportunities for the young people to widen their view of the world.

We were also very pleased to be able to return to offer students the opportunity to take part in a residential trip to Ormside Mill in the Lake District. We have traditionally run an annual visit to Ormside Mill each summer term. Unfortunately, during the pandemic in 2020 and 2021 these visits could not go ahead. However, in 2022, for the first time, we were able to offer two visits so that as many students as possible from both centres could participate.

We have found over the years that this residential trip has a range of benefits for students. Being on a residential excursion moves them outside of their comfort zone and gives opportunities to develop self-esteem. In many cases, it is perhaps the only time they have been away from home in this way. For this reason the visit helps to build confidence and their own sense of self. The students develop both camaraderie within the group and at the same time independence.

The special relationship that Red Balloon has with schools and local authorities in Cambridgeshire and beyond, and organisations and individuals who provide many types of support (such as the Leys school), all contribute to providing the best possible education and care for those children that need our help.

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**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Financial review**

**a. Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

**b. Reserves policy**

The Trustees have decided that unrestricted reserves should be equivalent to five months' worth of expenditure. At the level of expenditure for 2021/22, this should equal around £348,000 (2021: £333k). At 31 August 2022, unrestricted reserves defined as unrestricted funds less fixed assets was £481,451 (2021: £355,208).

At 31 August 2022 the unrestricted reserves are higher than the reserves policy. The trustees plan to use these excess reserves towards the costs of improving the school's premises.

**c. Financial review**

Total unrestricted income during the year was £955,004 (2021: £925,443). Of this, £917,695 (2021: £876,953) came from fees or bursaries. Total restricted donations and grants income in the year was £19,764 (2021: £8,614), see note 15 for details of these funds.

Total expenditure was £849,356 (2021: £754,955) and was incurred in the performance of the charitable activities of the company including staffing, rent, utilities and other general running costs. £835,359 (2021: £745,122) was spent from unrestricted funds and £13,997 (2021: £9,833) spent from restricted funds.

An unrestricted surplus of £119,645 (2021: £180,923) was recorded, bringing total unrestricted funds to £518,406 (2021: £398,761).

**d. Material investments policy**

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

**e. Principal risks and uncertainties**

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

- Sourcing of funding for students
- Safeguarding of students

The trustees and the Coordinators have developed a fee pricing structure that reflects the varying support and educational needs of each student.

Safeguarding of students is of the highest priority. Ongoing staff training in Child Protection and Health & Safety is provided regularly and all trustees complete Level 1 Safeguarding when appointed. In addition, a full range of policies are regularly reviewed by staff and trustees together.

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**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Structure, governance and management**

**a. Constitution**

Red Balloon Learner Centre Cambridge is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 23rd September 2017.

The sole Member of the Company prior to 11th May 2021 was Red Balloon Learner Centre Group, Company Number 05385341.

From 11th May 2021, the Trustees adopted Membership Rules in accordance with Article 58 of the charity's Memorandum and Articles of Association and subsequently a number of individuals have been recruited to membership.

**b. Governance**

The Board of Trustees has the power to appoint new trustees by resolution at a special meeting. An open and transparent recruitment process is undertaken. People who come to the trustees' 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 enhanced DBS checks and must provide a Declaration of Interests and confirm that they are 'fit' to serve as a charity trustee.

The Board aims to meet twice per term and holds an AGM in the Spring. At each meeting student progress is reviewed along with progress on the School Improvement Plan. Regular management accounts are also provided for each meeting.

**Plans for future periods**

We continue to work on enhancing the 'one centre approach' and having as much collaboration between students at both centres wherever possible. This continues into the school year 2022/23 with joint projects.

During 2021/22 a group of staff undertook training activities and courses to enable us to offer the Duke of Edinburgh's Award. As a result, in summer term 2023, we will undertake the first expedition with a number of students taking part. We hope that this will be a very positive experience for them and that we will continue to expand the Duke of Edinburgh's Award offering to our young people.

**Members' liability**

The Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up.

**With Special Thanks**

We are notably grateful to all the organisations and individual donors who have generously supported the work that we do. Thanks goes to DG Marshall of Cambridge Trust and Marshall of Cambridge (Holdings) Ltd, Qualcomm, The Betty Lawes Foundation, The National Lottery, The Patricia Routledge Charitable Trust, The Pye Foundation and The Rotary Club Cambridge South. We are also very appreciative of continued support from a Children in Need Curiosity Grant towards Science activities and excursions.



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**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees 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 charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees on 30th May 2023 and signed on their behalf by:

*Ian Swain*

**Mr Ian Swain**  
Chair of trustees

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**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
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**INDEPENDENT EXAMINER'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**Independent Examiner's Report to the Trustees of Red Balloon Learner Centre Cambridge ('the charity')**

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 August 2022.

**Responsibilities and Basis of Report**

As the Trustees of the charity (and 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 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 accounts 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 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. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those 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.

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**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
**(A company limited by guarantee)**

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**INDEPENDENT EXAMINER'S REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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This report is made solely to the charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's Trustees as a body, for my work or for this report.

Signed:

Dated: 30 May 2023

C P J Dougherty, FCA

**Lakin Rose Limited**  
Chartered Accountants  
Pioneer House  
Vision Park  
Histon  
Cambridge  
CB24 9NL

**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2022**

	<b>Note</b>	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
<b>Income from:</b>					
Donations and grants	3	19,764	25,562	45,326	49,949
Charitable activities	4	-	917,695	917,695	877,544
Investments	5	-	161	161	15
Other income	6	-	11,586	11,586	6,549
<b>Total income</b>		<b>19,764</b>	<b>955,004</b>	<b>974,768</b>	<b>934,057</b>
<b>Expenditure on:</b>					
Charitable activities	7	13,997	835,359	849,356	754,955
<b>Total expenditure</b>		<b>13,997</b>	<b>835,359</b>	<b>849,356</b>	<b>754,955</b>
<b>Net movement in funds</b>		<b>5,767</b>	<b>119,645</b>	<b>125,412</b>	<b>179,102</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		22,042	398,761	420,803	241,701
Net movement in funds		5,767	119,645	125,412	179,102
<b>Total funds carried forward</b>		<b>27,809</b>	<b>518,406</b>	<b>546,215</b>	<b>420,803</b>

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

The notes on pages 13 to 29 form part of these financial statements.

**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 10978174**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	36,955	43,553
		<u>36,955</u>	<u>43,553</u>
<b>Current assets</b>			
Debtors	13	15,609	32,111
Cash at bank and in hand		515,889	378,358
		<u>531,498</u>	<u>410,469</u>
Creditors: amounts falling due within one year	14	(22,238)	(33,219)
<b>Net current assets</b>		509,260	377,250
<b>Total net assets</b>		<u>546,215</u>	<u>420,803</u>
<b>Charity funds</b>			
Restricted funds	15	27,809	22,042
Unrestricted funds	15	518,406	398,761
<b>Total funds</b>		<u>546,215</u>	<u>420,803</u>

The charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

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

The financial statements were approved and authorised for issue by the Trustees on 30th May 2023 and signed on their behalf by:

*Ian Swain*

**Mr Ian Swain**  
Chair of trustees

The notes on pages 13 to 29 form part of these financial statements.

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**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Cash flows from operating activities</b>		
Net cash generated by operating activities	<b>138,789</b>	<b>195,428</b>
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	<b>(1,258)</b>	<b>(7,313)</b>
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(1,258)</b>	<b>(7,313)</b>
	<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>	<b>137,531</b>	<b>188,115</b>
Cash and cash equivalents at the beginning of the year	<b>378,358</b>	<b>190,243</b>
	<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	<b>515,889</b>	<b>378,358</b>
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The notes on pages 13 to 29 form part of these financial statements

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**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**1. General information**

The charity is a private charitable company limited by guarantee and is incorporated in England and Wales. The address of the registered office is Herbert House, 57 Warkworth Terrace, Cambridge CB1 1EE.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Red Balloon Learner Centre Cambridge meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they have adopted the going concern basis in preparing the financial statements.

**2.3 Legal status of the charity**

There is no share capital as the company is limited by guarantee. Each member has guaranteed an amount, not exceeding £10, towards the company's liabilities in the event of a winding up, provided that a member has not ceased to be a member one year prior to any winding up order.

**2.4 Income**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**2. Accounting policies (continued)**

**2.4 Income (continued)**

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**2.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

**2.6 Tangible fixed assets and depreciation**

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	-	10% straight line
Office equipment	-	33% straight line
Computer equipment	-	50% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

**2.7 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.



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**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**2. Accounting policies (continued)**

**2.8 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**2.9 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

**2.10 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2.11 Pensions**

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

**2.12 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
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**3. Income from donations and grants**

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Donations	-	15,562	<b>15,562</b>	26,335
Grants	19,764	10,000	<b>29,764</b>	23,614
	<u>19,764</u>	<u>25,562</u>	<u><b>45,326</b></u>	<u>49,949</u>
<i>Total 2021</i>	<u>8,614</u>	<u>41,335</u>	<u>49,949</u>	

**4. Income from charitable activities**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Teaching and support of bullied children	917,695	<b>917,695</b>	876,953
Administration fees and recharges to Red Balloon Learner Centres	-	-	591
	<u>917,695</u>	<u><b>917,695</b></u>	<u>877,544</u>
<i>Total 2021</i>	<u>877,544</u>	<u>877,544</u>	

**5. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Deposit account interest	161	<b>161</b>	15
	<u>161</u>	<u>161</u>	<u>15</u>
<i>Total 2021</i>	<u>15</u>	<u>15</u>	

**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
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**6. Other incoming resources**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
School lunches	6,758	<b>6,758</b>	5,183
Miscellaneous income	4,828	<b>4,828</b>	1,366
	<u>11,586</u>	<u><b>11,586</b></u>	<u>6,549</u>
<i>Total 2021</i>	<u>6,549</u>	<u>6,549</u>	

**7. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total 2022 £</b>	<i>Total 2021 £</i>
Teaching and support of bullied children	13,997	835,359	<b>849,356</b>	754,955
<i>Total 2021</i>	<u>9,833</u>	<u>745,122</u>	<u>754,955</u>	

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Teaching and support of bullied children	792,796	56,560	<b>849,356</b>	754,955
<i>Total 2021</i>	<u>705,275</u>	<u>49,680</u>	<u>754,955</u>	

**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Activities 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Staff costs	634,200	<b>634,200</b>	594,802
Depreciation	7,621	<b>7,621</b>	10,595
Red Balloon of the Air	20,660	<b>20,660</b>	4,045
Therapy	2,160	<b>2,160</b>	614
General resources	3,209	<b>3,209</b>	2,151
Food	10,173	<b>10,173</b>	7,867
Student travel	15,158	<b>15,158</b>	36
Examination fees	2,236	<b>2,236</b>	3,648
Special activities	5,393	<b>5,393</b>	2,762
Educational resources	7,525	<b>7,525</b>	7,537
Tuition	3,055	<b>3,055</b>	3,169
Well-being	265	<b>265</b>	360
Careers and college transition	2,246	<b>2,246</b>	400
Rates and utilities	7,286	<b>7,286</b>	6,221
Staff welfare	712	<b>712</b>	416
Rent	65,335	<b>65,335</b>	59,639
Staff and volunteer travel	543	<b>543</b>	33
Educational grants	4,507	<b>4,507</b>	330
Miscellaneous	512	<b>512</b>	650
	<u>792,796</u>	<u><b>792,796</b></u>	<u>705,275</u>
<i>Total 2021</i>	<u>705,275</u>	<u>705,275</u>	

**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Activities 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Legal and professional	8,156	<b>8,156</b>	3,764
Support fee (Red Balloon Group)	8,000	<b>8,000</b>	8,000
Training costs	1,997	<b>1,997</b>	3,157
Insurance	5,941	<b>5,941</b>	4,342
Renewals and repairs	8,895	<b>8,895</b>	16,341
Office costs	13,357	<b>13,357</b>	5,668
Bank fees	93	<b>93</b>	96
Profit on disposal of fixed assets	(469)	<b>(469)</b>	-
Governance costs	10,590	<b>10,590</b>	8,312
	<u>56,560</u>	<u><b>56,560</b></u>	<u>49,680</u>
<i>Total 2021</i>	<u>49,680</u>	<u>49,680</u>	

**9. Independent examiner's remuneration**

The independent examiner's remuneration amounts to an independent examiner fee of £1,800 (2021 - £530), and accountancy services of £3,600 (2021 - £530).

**10. Staff costs**

	<b>2022 £</b>	<i>2021 £</i>
Wages and salaries	<b>569,098</b>	536,845
Social security costs	<b>43,780</b>	39,074
Contribution to defined contribution pension schemes	<b>21,322</b>	18,883
	<u><b>634,200</b></u>	<u>594,802</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**10. Staff costs (continued)**

The average number of persons employed by the charity during the year was as follows:

	<b>2022</b>	<i>2021</i>
	<b>No.</b>	<i>No.</i>
Employees	<b>32</b>	<i>31</i>

No employee received remuneration amounting to more than £60,000 in either year.

The Trustees consider the key management personnel to comprise 4 people being the Coordinator and three Deputy Coordinators. The aggregate cost of remuneration of key management personnel during the year was £120,730 (*2021: £124,722*).

**11. Trustees' remuneration and expenses**

During the year ended 31 August 2022, no Trustees received any remuneration or other benefits (*2021 - £NIL*).

During the year ended 31 August 2022, no Trustee expenses have been incurred (*2021 - £NIL*).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**12. Tangible fixed assets**

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 September 2021	54,343	10,870	8,167	73,380
Additions	-	689	569	1,258
Disposals	-	(704)	-	(704)
At 31 August 2022	54,343	10,855	8,736	73,934
<b>Depreciation</b>				
At 1 September 2021	13,197	9,665	6,965	29,827
Charge for the year	5,434	833	1,354	7,621
On disposals	-	(469)	-	(469)
At 31 August 2022	18,631	10,029	8,319	36,979
<b>Net book value</b>				
At 31 August 2022	35,712	826	417	36,955
At 31 August 2021	41,146	1,205	1,202	43,553

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**13. Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Due after more than one year</b>		
Other debtors	<b>10,732</b>	10,732
	<b>10,732</b>	10,732
<b>Due within one year</b>		
Trade debtors	<b>2,186</b>	7,199
Other debtors	<b>13</b>	8,710
Prepayments and accrued income	<b>2,678</b>	5,470
	<b>15,609</b>	32,111

Included in other debtors due after more than one year is an interest free loan to Red Balloon Learner Centre Group of £10,732 (2021: £10,732) which is repayable at over 12 months' notice (i.e. 366 days).

**14. Creditors: Amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>4,139</b>	4,570
Other taxation and social security	<b>11,654</b>	10,655
Other creditors	<b>-</b>	3,405
Accruals and deferred income	<b>6,445</b>	14,589
	<b>22,238</b>	33,219



**RED BALLOON LEARNER CENTRE CAMBRIDGE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**15. Statement of funds**

**Statement of funds - current year**

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>				
General Funds	398,761	955,004	(835,508)	518,257
Unallocated amounts	-	-	149	149
	<u>398,761</u>	<u>955,004</u>	<u>(835,359)</u>	<u>518,406</u>
<b>Restricted funds</b>				
Refurbishment & resources fund	240	-	(240)	-
Funding for garden studio	1,012	-	(526)	486
Parent support fund	5,163	-	(224)	4,939
16+ provision fund	1,873	-	(777)	1,096
BBC Children in Need Curiosity fund	3,879	6,706	(2,023)	8,562
Erasmus project fund	8,973	2,258	(4,539)	6,692
Funding for Covid-19 support	-	8,800	(2,766)	6,034
Funding for remote learning	902	-	(902)	-
Duke of Edinburgh Awards	-	2,000	(2,000)	-
	<u>22,042</u>	<u>19,764</u>	<u>(13,997)</u>	<u>27,809</u>
<b>Total of funds</b>	<u><u>420,803</u></u>	<u><u>974,768</u></u>	<u><u>(849,356)</u></u>	<u><u>546,215</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**15. Statement of funds (continued)**

Refurbishment & resources fund – Grant received from Qualcomm for the refurbishment of the art room and the purchasing of art materials.

Funding for garden studio - Funding received from Qualcomm to build, decorate and equip a garden office studio.

Parent support fund – Donations received from Co-op to support parents via parent support group and Family therapy.

16+ provision fund – Grant received from Qualcomm to provide transition support to former students as they move into further education, training and employment.

BBC Children in Need Curiosity fund – Grant received to fund Science based learning activities.

Erasmus project fund - Funding for a collaborative project between a group of schools in the UK, Cyprus and Poland.

Funding for Covid-19 support - Funding from the National Lottery to support students and their families through the pandemic and beyond. This includes Family therapy.

Funding for remote learning - Funding from The Leys School, Cambridge to support remote learning with IT equipment.

Duke of Edinburgh Awards - Funding towards costs of students participating in the Duke of Edinburgh Awards Scheme.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**15. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2021 £</i>
<b>Unrestricted funds</b>					
General Funds	217,838	925,443	(745,122)	602	398,761
<b>Restricted funds</b>					
Refurbishment & resources fund	1,337	-	(1,097)	-	240
Funding for garden studio	1,777	-	(163)	(602)	1,012
Parent support fund	5,351	-	(188)	-	5,163
16+ provision fund	6,323	-	(4,450)	-	1,873
Funding for holiday club	440	-	(440)	-	-
BBC Children in Need Curiosity fund	6,258	157	(2,536)	-	3,879
Erasmus project fund	2,377	6,675	(79)	-	8,973
Funding for Covid-19 support	-	880	(880)	-	-
Funding for remote learning	-	902	-	-	902
	23,863	8,614	(9,833)	(602)	22,042
<b>Total of funds</b>	241,701	934,057	(754,955)	-	420,803

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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**15. Statement of funds (continued)**

Refurbishment & resources fund – Grant received for the refurbishment of the art room and the purchasing of art materials and donations received for the refurbishment and equipment of the kitchen.

Funding for garden studio - Funding received to build, decorate and equip a garden office studio.

Parent support fund – Donations received to support parents through, for example, parent support groups.

16+ provision fund – Grant received to provide transition support to ex-students.

Funding for Holiday club – Grants received for funding a youth worker and for other costs for holiday activity groups.

BBC Children in Need Curiosity fund – Grant received to fund an after school and holiday science club.

Erasmus project fund - Funds awarded to participate in an international project on well-being.

Funding for Covid-19 support - Funding to support students and their families through the pandemic and beyond. This includes Family therapy.

Funding for remote learning - Funding to support remote learning with IT equipment.

**16. Summary of funds**

**Summary of funds - current year**

	Balance at 1 September 2021 £	Income £	Expenditure £	Balance at 31 August 2022 £
General funds	398,761	955,004	(835,359)	518,406
Restricted funds	22,042	19,764	(13,997)	27,809
	<u>420,803</u>	<u>974,768</u>	<u>(849,356)</u>	<u>546,215</u>

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**16. Summary of funds (continued)**

**Summary of funds - prior year**

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 August 2021 £</i>
General funds	217,838	925,443	(745,122)	602	398,761
Restricted funds	23,863	8,614	(9,833)	(602)	22,042
	<u>241,701</u>	<u>934,057</u>	<u>(754,955)</u>	<u>-</u>	<u>420,803</u>

**17. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Tangible fixed assets	-	36,955	<b>36,955</b>
Debtors due after more than one year	-	10,732	<b>10,732</b>
Current assets	27,809	492,957	<b>520,766</b>
Creditors due within one year	-	(22,238)	<b>(22,238)</b>
<b>Total</b>	<u>27,809</u>	<u>518,406</u>	<u><b>546,215</b></u>

**Analysis of net assets between funds - prior year**

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	43,553	43,553
Debtors due after more than one year	-	10,732	10,732
Current assets	22,042	377,695	399,737
Creditors due within one year	-	(33,219)	(33,219)
<b>Total</b>	<u>22,042</u>	<u>398,761</u>	<u>420,803</u>

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**18. Reconciliation of net movement in funds to net cash flow from operating activities**

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	125,412	179,102
<b>Adjustments for:</b>		
Depreciation charges	7,621	10,595
Loss on the sale of fixed assets	235	-
Decrease/(increase) in debtors	16,502	(10,371)
Increase/(decrease) in creditors	(10,981)	16,102
<b>Net cash generated by operating activities</b>	<b>138,789</b>	<b>195,428</b>

**19. Analysis of cash and cash equivalents**

	2022 £	2021 £
Cash in hand	515,889	378,358
<b>Total cash and cash equivalents</b>	<b>515,889</b>	<b>378,358</b>

**20. Analysis of changes in net debt**

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	378,358	137,531	515,889
	<b>378,358</b>	<b>137,531</b>	<b>515,889</b>

**21. Pension commitments**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £21,322 (2021 - £18,883). Contributions of £nil (2021 - £3,405) were payable to the fund at the balance sheet date and are included in creditors.

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**22. Operating lease commitments**

At 31 August 2022 the charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	23,365	-

**23. Related party transactions**

There is no overall controlling party.

The charity was previously under the control of Red Balloon Educational Trust (previously known as Red Balloon Learner Centre Group), Company Number 05385341, until 11th May 2021.

Included in debtors due after more than one year is a loan to Red Balloon Educational Trust. The balance due on this loan on 11th May 2021 when the related party relationship ceased was £10,732.