

**THE RED BALLOON LEARNER CENTRE NW LONDON
(A COMPANY LIMITED BY GUARANTEE)
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

**THE RED BALLOON LEARNER CENTRE NW LONDON
INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

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COMPANY REGISTRATION NUMBER

5385733

REGISTERED OFFICE

13 Kenton Road
Harrow
Middlesex
HA1 2BW

REGISTERED CHARITY NUMBER

1109947

BANK

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill, West Malling
Kent, ME19 4JQ

INDEPENDENT EXAMINER

M.J. Ruffles FCA
Mark J. Ruffles & Co.
4 Baron Court
Peterborough
PE4 7ZE

**THE RED BALLOON LEARNER CENTRE NW LONDON
REPORT OF THE TRUSTEES AND DIRECTORS
FOR THE YEAR ENDED 31ST AUGUST 2020**

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TRUSTEES AND DIRECTORS

O. Adebayo	(Appointed 28 May 2020)
E Bouchard	(Resigned 28 th May 2020)
R. Evans	
S. Fishburn	
M. Holmes	(Appointed 6 th January 2020)
G. Norris	(Appointed Chair 6 th September 2018)
Rev. J. Power	(Resigned 1 st January 2020)
M. Richards	(Appointed as Deputy Chair 6 th September 2018)

HEADTEACHER

C Taylor BSc (Hons), PGCE, MSc

OBJECTS

The objects of the charity as set out in the governing document is '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 schools, by providing tuition and appropriate support for them in a safe learning environment until they are ready to return to mainstream education or employment'.

The aim of the charity is the recovery of bullied children who have self excluded from school because of severe bullying and/or who have suffered extreme emotional or mental health trauma. We provide an 'intensive care' full time education and support programme. Therapy and counselling are offered to students and families.

STATUS

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

ACCOUNTS

The trustees and directors have pleasure in submitting their report, together with the unaudited financial statements for the year ended 31st August 2020.

TRUSTEES' AND DIRECTORS' RESPONSIBILITIES

The trustees and directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether the applicable accounting standards 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 trust will continue in business

The trustees and directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the trust and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the trust 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.

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REPORT OF THE TRUSTEES AND DIRECTORS
FOR THE YEAR ENDED 31ST AUGUST 2020**

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Chairman's report

STRUCTURE GOVERNANCE & MANAGEMENT

1. CONSTITUTION

Red Balloon Learner Centre NW London is a registered private company limited by guarantee. Company Number 5385733

The Company is constituted under a Memorandum of Association dated 8th March 2005 and Articles of Association dated 9th February 2005.

Red Balloon Learner Centre NW London is also a standard charity. Charity Number 1109947

The Charity is governed by the same Memorandum and Articles of Association incorporated on 8th March 2005. The charity was registered on 9th June 2005.

2. RED BALLOON LEARNER CENTRE GROUP AND THE ASSOCIATION OF RED BALLOON LEARNER CENTRES

All Red Balloons are obliged to become members of the Association of Red Balloon Learner Centres, which entitles them to use the name "Red Balloon" and the logo. In addition, the Association provides a forum for the Trustees and officers of member Red Balloon (each of which is an independent registered charity) to share experiences, discuss common problems and make joint representations to the Board of Red Balloon Learner Centre Group. The aims of the latter are to raise awareness of the issue of children who are not receiving an education because of severe bullying, to provide quality assurance with respect to the provision offered by each Red Balloon, to ensure that it accords with Red Balloon Philosophy and Practice, and to raise funds to establish new Red Balloons and carry out training.

3. PROPERTY

The property used by Red Balloon Learner Centre NW London has been purchased by Red Balloon Learner Centre Group and leased back to Red Balloon Learner Centre NW London. Group holds the risk attached to the property.

4. MEMBERSHIP OF RED BALLOON LEARNER CENTRE NW LONDON

The Articles of Association state that to hold the role of a Director all current directors are also Members.

During the 2017/18 financial year, the Trustees agreed that Red Balloon Learner Centre Group, Company Number 05385341 become a Member from 21 February 2017. Group resigned its Membership on 2nd July 2020.

Three Members are required for a quorum. Every Member - person or organisation - only has one vote. Any organisation who is a member may nominate a representative and provide written notice to the charity providing evidence that they have the authority to vote on behalf of the organisation.

5. TRUSTEE RESPONSIBILITIES

The Trustees (who are also Directors of Red Balloon Learner Centre NW London 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.

**RED BALLOON LEARNER CENTRE NW LONDON
REPORT OF THE TRUSTEES AND DIRECTORS
FOR THE YEAR ENDED 31ST AUGUST 2020**

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Charity Law required the Trustees to prepare financial statements for each 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 charitable company for that period.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and to 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 and to observe the methods and principles in the Charities SORP.

6. METHOD OF APPOINTMENT AND ELECTION OF TRUSTEES

The management of Red Balloon NW London is the responsibility of the Trustees who are elected under the terms of the Articles of Association.

The Board seeks potential Trustees whose relevant experience such as human resources, finance or education is required using an external agency. In some cases a person will approach the organisation expressing an interest to become a Trustee. Potential Trustees are invited to interview with at least two Trustees and the Headteacher who will then make a recommendation about the appointment at a full Trustee meeting, which is asked to approve the recommendation. No person, company or external body other than the Trustees is entitled to appoint a Trustee.

7. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Charity operates from 13 Kenton Road in Harrow, NW London. The Headteacher oversees staff with responsibility for education, wellbeing, administration and housekeeping.

Day-to-day decisions are made by the Headteacher, who will refer to the Chair of Trustees, the Finance Trustee, the Safeguarding Trustee or other Trustees for advice and guidance if necessary

The Board of Trustees meet formally approximately every six - eight weeks, when they receive and discuss written reports from the Headteacher, Finance Trustee and other Trustees responsible for matters of compliance. Strategy and major project proposals are brought to the attention of the Trustees, discussed and decisions made.

At each meeting the Chair asks the Trustees to identify any potential conflict of interest.

8. PAY POLICY, PERFORMANCE REVIEWS AND PROFESSIONAL DEVELOPMENT

The Trustees have developed a pay policy that identifies a set of pay bands taking into account level of responsibility, qualifications and experience. Pay is set with respect to prevailing market rates for education and charities; thereafter the Trustees decide on pay change taking into account performance of the individual and of the charity, inflation levels, London living and any changes in their responsibility or in their working week.

Performance reviews take place for all staff every year and areas of professional development agreed and subsequently implemented.

9. MANAGEMENT

The Board of Trustees, in consultation with the Headteacher, make decisions on staffing, budgeting and professional development.

Trustees and staff participate in fundraising with the annual aim of raising between £10K to £20K per year, with any monies raised being used to support the provision of ex-curricular activities, to buy resources, equipment and to cover the cost of essential repairs and maintenance.

**RED BALLOON LEARNER CENTRE NW LONDON
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FOR THE YEAR ENDED 31ST AUGUST 2020**

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Trustees and staff need to raise local awareness of the need for 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 engaging with local authorities, schools, businesses and through volunteers who fundraise for us.

This year the school has been full - our capacity is 20 full-time equivalent students. The Trustees have identified three areas of concern and for these reasons the Headteacher and Trustees are exploring how to expand the provision of the Centre:

- i) The Centre is currently full and demand for places is significant.
The Headteacher, with the support of the Trustee Board, has introduced an Outreach Home Tuition Service in June 2019. A Lead Outreach Teacher joined the Centre in June 2019. The Headteacher presented a business plan to the Trustees for the creation of a second Centre and with Trustee approval a suitable property was identified in September 2019. Work has progressed on securing a lease and obtaining estimates for refurbishment. The global Covid-19 pandemic has delayed this project.
- ii) Provision during Covid-19:
This year 17 students were on roll at the start of the academic year, with 13 attending the Centre at 13 Kenton Road and 4 students supported via outreach. The Covid-19 lockdown resulted in closure of the Centre. Online educational and therapeutic provision was offered to all students who were able to return to the Centre in May 2020.
- iii) Department for Education application for increase in student numbers.
The Headteacher, with the support of the Trustee Board, has submitted a request for a 'Material Change' to the Department of Education so that Red Balloon NW London can support 40 students. This inspection is expected in the 2020/21 academic year.

The Headteacher is responsible for all aspects of the Centre's work. She is supported by a deputy with responsibility for curriculum, a deputy with pastoral responsibility, a lead outreach teacher, an administrator and a team of teachers, therapists, and support staff. This provision is continuously reviewed to ensure the level of staffing is appropriate for the number of students.

All roles including Trustees and volunteers are DBS checked.

10. ACHIEVEMENTS AND PERFORMANCE

Achievement and performance at Red Balloon Learner Centre NW London is measured by the increase in self-esteem and confidence of each student, in their understanding of themselves and others and in their recovery and return to mainstream or further education or employment.

The Learner Centre operates from 08.30am - 4.30pm each day for 36 weeks of the year for students. Overall attendance has improved considerably during 2019/20 to 86%. Several students have very fragile mental health and have struggled with attendance however all these students have shown significantly higher attendance figures than when they began attending the Centre and are now progressing towards full time attendance.

During the year the charity supported 26 students (10 boys and 16 girls) one Yr7, two Yr 8, four Yr9, sixteen Yr10 and three Yr11. One student struggled to attend full-time and some students attended part-time. From these students 22 have remained with us for the 2020/21 academic year, three students were successfully placed in further education provisions and one student, whose placement in a Mainstream Secondary education school has been cancelled due to Covid-19.

Despite the Covid-19 challenges, three students took GCSE examinations in up to five subjects gaining; one 3, three 4s, four 5s, two 6s, one 6:5 and one 8:8 in combined science. Two out of three students achieved 5 or more GCSEs at 4-9. Most students achieved their predicted grades with three students exceeding their predicted grades in GCSE Maths, two students exceeding their predicted

**RED BALLOON LEARNER CENTRE NW LONDON
REPORT OF THE TRUSTEES AND DIRECTORS
FOR THE YEAR ENDED 31ST AUGUST 2020**

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grades in GCSE English Literature and GCSE Combined Science and one student exceeding their predicted grade in GCSE English Language. One student achieved their predicted grade in GCSE Japanese.

Two students achieved predicted grades in NCFE Photography (one Level 1, one Level 2), one student achieved predicted grade in NCFE Art and Design (Level 2), two students achieved predicted grades in NCFE Employability (L1). Two students achieved predicted grades in BTEC Home Cooking (Pass).

Red Balloon is not just about academic results and we provide a wide range of activities to encourage exercise, creativity and well-being. We offer a range of therapeutic interventions including art, music and equine therapy. Students benefit from the opportunity to access these therapies with their confidence and self-esteem improving as a result. Equine therapy is particularly good for students who have a diagnosis of ASD and high levels of anxiety. This year we have introduced additional wellbeing sessions including yoga, meditation and taught social skills interventions.

Another recent addition to our offer is explicitly timetabled weekly careers sessions with a Transition Lead, who supports students with their transition to further education.

Our PE activities last year included, boxing, football, badminton, walking and athletics.

Building on the success of our introduction of the Duke of Edinburgh Award Scheme in the 2018/19 academic year we were delighted that six students completed their Silver Award despite restrictions in place due to COVID-19. These students carried out various activities including supporting younger students at Red Balloon, visiting external youth groups acting as young leaders supporting younger people in community activities. For the skills section, students study subjects as varied as history and Japanese. The final expedition involved kayaking 21 miles on the River Thames and camping for a total of four nights.. For the next academic year, all six students want to go on and complete their Gold Award, which will be a first for Red Balloon.

When able, we also organised visits to museums, art exhibitions and the theatre.

The success in achieving our aims can be attributed to the excellent leadership of the Headteacher and the outstanding teaching and support given by the staff.

11. DONATIONS AND FUNDRAISING

Red Balloon Learner Centre NW London is grateful to all those organisations and individuals who have donated and volunteered time during the year. We would like to thank all those who have donated funds to the benefit of the Centre and to organisations based in the area who have helped us by allowing us to use their facilities.

Finally we would like to thank our funders and supporters without whom we would not have been able to deliver our activities and develop the Centre. In particular we would like to thank:

Felix Project
Harrow Arts Centre
Sport England
The Alex Roberts Miller Trust
The City Bridge Trust
The Duke of Edinburgh Award Diamond Fund
The Leri Foundation
The Lottery Fund
St Mary's Church, Harrow on the Hill
The John Lyon's Foundation

**RED BALLOON LEARNER CENTRE NW LONDON
REPORT OF THE TRUSTEES AND DIRECTORS
FOR THE YEAR ENDED 31ST AUGUST 2020**

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FINANCIAL REVIEW

Trading income £677,114. comprises fees received from Local Authorities, schools and parents to fund those students out of mainstream education.

Total unrestricted donations received in the period were £0.

Total restricted donations in the year were £49,095.

RESERVES POLICY

The policy of Red Balloon NW London is to maintain a cash reserve of three - six months operating costs. This year we have achieved a reserve of four months and provision has been made to increase this amount in the 2020/21 financial year.

INVESTMENT POLICY

The Trustees' policy on investment is to retain the reserves in an interest bearing bank deposit account.


12. PUBLIC BENEFIT

Red Balloon Learner Centre NW London provides an 'intensive care' full-time education for children (9 to 18) who have been so traumatised by severe bullying, physical violence, family breakdown, bereavement, rape etc.) that they exclude themselves from school. There is no other purpose-made scheme to recover this group of children. More than half of the students at Red Balloon have attempted or 'seriously considered' suicide. At Red Balloon they are provided with a safe environment with clear boundaries of behaviour and an individual full-time academic, pastoral and therapeutic programme.

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

Once established, each Red Balloon can take up to 20 children at any one time. Each Centre is self funding. Red Balloon improves the skills and life opportunities of a group of socially isolated, confidence-lacking and ignored children. Red Balloon contributes to stronger communities by identifying and addressing the problem of seriously bullied children with the help of the community and for the benefit of the community

On behalf of the Trustees and Directors



G Norris
3rd December, 2020

**THE RED BALLOON LEARNER CENTRE NW LONDON
INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES
FOR THE YEAR ENDED 31ST AUGUST 2020**

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I report on the accounts of the company for the year ended 31st August, 2020, which are set out on pages 9 to 12.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 144 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act, as amended); and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

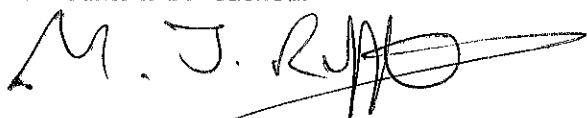
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



M.J. Ruffles F.C.A.
Mark J. Ruffles & Co.
Accountants
3rd December, 2020

4 Blarion Court
Werrington
Peterborough

**THE RED BALLOON LEARNER CENTRE NW LONDON
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST AUGUST 2020**

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	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
<u>INCOMING RESOURCES:</u>				
Donations and grants received	-	49,095	49,095	49,054
Tuition fees	677,114	-	677,114	549,583
Interest receivable	303	-	303	167
Other income	1,211	-	1,210	389
	-----	-----	-----	-----
Total incoming resources	678,628	49,095	727,723	599,193
	=====	=====	=====	=====
<u>RESOURCES EXPENDED:</u>				
Costs of generating funds	-	-	-	-
	--	--	--	--
Direct charitable expenditure	548,745	72,595	621,340	489,768
	-----	-----	-----	-----
Other expenditure				
Training and recruitment	8,335	-	8,335	14,583
Bank charges	60	-	60	60
Sundry expenses	-	-	-	-
Depreciation of equipment	2,896	-	2,896	4,104
Accountancy	230	-	2130	2,695
	-----	-----	-----	-----
	11,521	-	11,521	21,442
	-----	-----	-----	-----
Total resources expended	560,266	72,595	632,861	511,210
	=====	=====	=====	=====
Net movement in funds	118,362	(23,500)	94,862	87,983
Funds brought forward	303,070	23,500	326,570	238,587
	-----	-----	-----	-----
FUNDS CARRIED FORWARD	£421,432	£-	£421,432	£326,570
	=====	=	=====	=====

The notes on pages 10 to 12 form part of these financial statements.

**THE RED BALLOON LEARNER CENTRE NW LONDON
BALANCE SHEET
AS AT 31ST AUGUST 2020**

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	Notes		2020		2019
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	4		2,115		5,011
CURRENT ASSETS					
Cash at bank and in hand			701,233		380,039
Trade debtors			122,106		137,866
			-----		-----
			823,339		517,905
CREDITORS: amounts due within one year	5		404,022		196,346
			-----		-----
			419,317		321,559
			-----		-----
NET ASSETS			£421,432		£326,570
			=====		=====
 FINANCED BY:					
RESERVES					
Restricted funds	6		-		23,500
Unrestricted funds	7		421,432		303,070
			-----		-----
			£421,432		£326,570
			=====		=====

For the year ended 31st August, 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

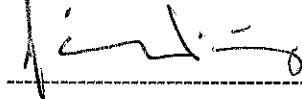
Directors' responsibilities:

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts,

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

On behalf of the board



R. Evans

3rd December, 2020

**THE RED BALLOON LEARNER CENTRE NW LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

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1 ACCOUNTING POLICIES

Accounting convention

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements were drawn up under the historical cost convention.

Grants and voluntary income

All grants and voluntary income are accounted for gross in the period to which they relate.

Expenditure

All expenditure is accounted for gross in the period to which it relates.

Direct charitable expenses

The directors consider that direct charitable expenditure includes all direct costs associated with the objects of the trust.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment - 25% on cost

2 EMPLOYEES AND DIRECTORS

The average number of employees during the year was 17 (2019 – 13).

	2020	2019
	£	£
3 NET MOVEMENT IN FUNDS		
This is stated after charging:		
Directors' remuneration	-	-
Depreciation of owned assets	2,896	4,104
	====	====

**THE RED BALLOON LEARNER CENTRE NW LONDON
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST AUGUST 2020**

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4 FIXED ASSETS

	Equipment £	
Cost		
At 1 st September, 2019	23,906	
Additions	-	

At 31 st August, 2020	23,906	

Depreciation		
At 1 st September, 2019	18,895	
Charge for the year	2,896	

At 31 st August, 2020	21,791	

Net book value		
At 31 st August, 2020	£2,115	
	=====	
At 31 st August, 2019	£5,011	
	=====	
	2020	2019
	£	£

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

Trade creditors	11,170	-
Accruals	2,169	2,544
Deferred income - Autumn term fees received in advance	380,324	184,829
Other taxes and social security costs	10,359	8,973
	-----	-----
	£404,022	£196,346
	=====	=====

6 RESTRICTED FUNDS

	Balance at 01/09/19 £	Incoming Resources £	Resources Expended £	Balance at 31/08/20 £
Restricted funds	23,500	49,095	72,595	-
	=====	=====	=====	=

7 UNRESTRICTED FUNDS

General purpose funds	303,070	678,628	560,266	421,432
	=====	=====	=====	=====