

# **NAGC Annual Review and Report 2011/2012**



**For gifted children & their families**

NAGC Annual Review and Report 2011/12.

**Page Number**

<b>3</b>	<b>Report from NAGC's Chairman</b>
<b>5</b>	<b>Chief Executive's Report</b>
<b>6</b>	<b>Why NAGC exists</b>
<b>7</b>	<b>Our unique role</b>
<b>8</b>	<b>Our work</b>
<b>9</b>	<b>Our successes and achievements this year</b>
<b>10</b>	<b>What we want to achieve in 2012-2013</b>
<b>11</b>	<b>Report of the Council of Management</b>
<b>22</b>	<b>Financial statements</b>

## **Report from NAGC's Chairman**

In my Report last year I ended by saying that 2011/2012 would be a challenging year but the need for our services would be as strong as ever and we had to find new ways to deliver services which reflected our reduced resources.

It has been a very difficult year but we have achieved this objective and I think this will give us a basis on which to build in the next few years. However there is no doubt that establishing a secure financial basis is going to take time and a lot of hard work. One issue has been our name. The Board has spent considerable time considering whether to change the name, and we will shortly be announcing the outcome of our deliberations.

Details of our work and achievements are provided in the following sections but I would like to draw out below some issues either as achievements or as concerns for the future.

In spite of our reduced staffing and financial resources we have engaged with almost 130,000 children, parents/carers and professionals in the past year. We have also responded to more than 3,500 calls to the Information and Advice Service; this is an increase of 15% on the previous year in spite of the fact that we reduced the number of days on which the service was offered. I believe these figures are a real testimony to the need for our services and to the quality of the support we offer.

Our membership has also increased and this not only affirms the need we meet but also gives us greater strength when campaigning for changes needed to ensure that gifted children receive the same opportunities as other children. Government no longer has a strategy to support gifted and talented children; our increasing membership provides us with strength when we talk to Government, Opposition and schools.

One issue which does give me some concern for the future is that in the past year there has been a big reduction in the number of workshops and training courses we have delivered in schools. Although we recognise that we are not unique in this both as schools get to grip with new funding environments and as they redefine their strategies for working with high ability children; this reduction has occurred because demand from schools and other organisations has diminished significantly. We believe our training work with schools and others is vital in ensuring the needs of gifted children are understood. We have to consider how we can re-establish this training element particularly with schools and the Board will be doing so in the coming year.

The Youth Board has continued to develop and is ensuring that we receive views, thoughts and ideas from those we are seeking to help. We can and should take advantage of the tremendous energy and ideas of our young members: they can make a significant contribution to our immediate strategy and also some may well move into leadership positions with us in the future.

NAGC Annual Review and Report 2011/12.

Looking to the future, it is going to be ever more important that we have an effective website: we have started making the necessary changes and improvements and this will continue in the coming year.

The coming years are going to be very difficult but I am convinced we will rise to the challenges. I would like to thank Denise for her leadership in this past year, and all the staff for their hard work as we have repositioned ourselves to continue to provide quality services on reduced resource. I would also like to thank our partners, funders and members for their continued support. I have also very much appreciated the work and support of my fellow Board members.

Chris Parsons  
Chairman NAGC.

***“I try to do the best I can in all subjects but if I get one of the lowest levels in the class I feel like a complete and utter failure.”***

Child quoted in NAGC research on Dual and Multiple Exceptional Children

***“I can't begin to imagine what our lives would be like without the NAGC. It's a scary thought.”***

Extract from a letter received from a parent

***I would like to thank the NAGC for the help and advice given to me in order to help my daughter***

Parent

***We were at our wit's end a year ago and then someone mentioned your website. I had been told that my son was disruptive and didn't 'fit'. I looked at it with tears pouring down my face as I read more and more descriptions that could be applied to my son who was a miserable, suppressed 6 year old little boy at school and up all night at home! It gave me the courage to do something about it... So I wanted to write and say thank you for everything you are doing for us – even those of us who just check the website occasionally. It is worth it!***

Parent

## Chief Executive's Report

If you had asked me at the beginning of this financial year whether we would still be here at the end, I may have been forgiven for sounding pessimistic. Not only had we lost half of our funding but the government had effectively wiped away the national strategy for supporting gifted and talented children in this country.

However, negative though the world seemed, it made each and every one of us involved with NAGC more determined than ever to support our work to ensure it continued and I feel both humbled and overwhelmed by the strength of that support coupled with our ability to think outside the box in the face of adversity.

That struggle is far from over. We have reached the top of the mountain and have successfully got to the end of this financial year with our services mostly intact; but we can see the mountain range in front of us.

We continue to need the help of all those with an interest in supporting children with high learning potential and their families so that we can move towards a self-supporting organisation in the future and we are not quite there yet. Any donations, however small; any recommendation you can pass on about us, any parent you can invite to join us is support we would welcome.

Following our review of this year's strategy, I believe that the time is now right to finally look at rebranding the organisation and we will be doing this with a real passion in 2012/2013. We believe that every child with high learning potential, no matter who they are or where they live should be able to benefit from our services and we want to ensure that our name is not a barrier to parents seeking help or advice.

One other issue which came out from our review was the need amongst parents and professionals for a child-centred support service which meets the needs of children with high learning potential, their families and eventually also the professionals that work with them. Nothing for families exists like this and parents can either spend a lot of money or travel miles in different directions to get the services they want, often to receive support which does not understand or recognise the needs of the more able child.

At the end of this year, we have been piloting three new services which offer this child-centred approach and I am pleased to be able to launch these to families in the future.

We have a very clear strategy for our work over the next twelve months which is exciting, vibrant and makes sure that every child with high learning potential and their families can be supported. I hope that you will join with me in making it happen.

Denise Yates  
Chief Executive

## Why NAGC exists

*“Every child with high learning potential is born with that spark. Call it what you will, intelligence, ability to learn, motivation to succeed. It is what happens next that counts. Without nurturing, opportunities to develop, the right inspiration, self confidence, motivation and hard work that spark will die. Taking that spark and giving that child, no matter where they come from, the chance to bring it to life is real equality of opportunity and is what social mobility is made of. Parents and carers are critical to this process and NAGC is right at the heart of this debate.”*

**Denise Yates, Chief Executive, NAGC**

Every year, at least 35,000 children with high learning potential are born in the UK.

With the right support, many may grow up to be the doctors and philosophers, musicians and physicists, artists, entrepreneurs and the leaders of tomorrow. They will be happy and make friends. They will thrive and be fulfilled. They will achieve social mobility and maximise their potential.

Without the right support, the gifts and talents of many of these children will disappear and they may never become the adults they were destined to be.

Without the right support these children will not be stimulated, may be bullied and may have social and emotional problems. They may also fail in the education system and have behavioural and mental health problems which can make their childhoods lonely and miserable.

**NAGC helps every child with high learning potential to thrive so that they can grow in confidence and achieve fulfilment.**

*I had to write to say thank you to you and your team for organising such a wonderful weekend. I for one am very grateful for all the hard work that went into it*

Parent

*I honestly think I would be going crackers if I hadn't found out about NAGC*

Parent

*I just wanted to write a note to say a huge thank you for organising the PGL weekend. Our daughter and I had a fantastic time; she talked non-stop about the weekend, the activities, her new friends and her need to go again.*

*Once again, many thanks for setting the weekend up, we'll be booking again for next year as soon as we can.*

Parent

## **Our unique role**

We are the only national organisation in the UK which supports the social, emotional and learning needs of children with high learning potential and their families. Children with high learning potential include those children who are gifted and talented, those with potential who may be underachieving, those who are dual and multiple exceptional and those who are exceptionally gifted.

For forty five years we have provided a vital lifeline which ensures that all children with high learning potential, no matter who they are or where they come from, thrive in the education system, at home and in the world in general. We have done this with little or no funding and often in spite of the constraints of, and changes to, government policy and the need to respond to constantly changing political initiatives and priorities.

### **Our vision for society**

Our vision is for a society where there is a universal awareness, understanding, acceptance and value placed on all children with high learning potential regardless of who they are, where they come from or how they are educated. It is also a vision of a society where there is equality of access to the support and learning these children need, all within a system which is adequately resourced for that purpose.

### **Our mission**

Our mission is to enable every child with high learning potential to grow in confidence, thrive and achieve fulfilment.

### **What makes us unique**

We are the only organisation that works positively and specifically with parents, carers and the whole family of children with high learning potential.

### **Our values**

We believe in:

1. the importance of an appropriate and challenging education for every child and young person including those with high learning potential
2. the need to support every child with high learning potential and their families to ensure that their needs are met
3. the importance of children and parents as full partners in the child's education, with the skills and confidence to be able to play this equal role
4. the importance of raising awareness about and advocating for the needs of children with high learning potential and their families
5. the positive process of learning for everyone
6. the importance of constructive partnerships that serve the best interests of children with high learning potential
7. retaining our independent voice representing parents and carers of children with high learning potential
8. positively supporting professionals to meet the needs of children with high learning potential and their families

## Our work

The National Association for Gifted Children (NAGC) was established in 1967 and has forty five years' experience of supporting the social, emotional and learning needs of children with high learning potential, and their families.

We provide a range of support activities including:

- **An Information and Advice Service** providing telephone, email, website and face to face support to:
  - parents and carers children with high learning potential
  - those organisations and professionals that work with them
- **Local Services** including our:
  - branch network of children's Explorer Clubs
  - work with parents and schools in Peterborough with the Peterborough Learning Partnership
  - Work in Swindon and Hastings in partnership with Villiers Park Educational Trust
  - work with families in Bedford
- **Membership Services** including:
  - monthly e-letters to parents
  - a termly family magazine
  - a termly children's e-zine
  - parents' and children's forums on the website
  - monthly e-letters to schools and professionals
- **Our training and workshops** including:
  - BIG Family Weekends
  - BIG Adventure Weekends
  - Let's Explore! creative and critical thinking skills activities for children
  - 'The Enigma Challenge', a day's activity workshop for older children
  - Masterclasses for parents and children on issues such as revision skills and organising for excellence
  - Family learning sessions for parents with younger children
  - Parent Matters workshops
  - G&T Learning Matters training for schools
- **Initiatives to raise the profile of gifted and talented issues** including our:
  - "It's Alright to be Bright!" Awareness campaign
  - "Celebrating Gifts and Talents" Awards Ceremony
- **Our campaigning work** to change attitudes about children with high learning potential and their families, including our work:
  - to support GT Voice; the national network of those supporting gifted and talented issues
  - to research young offenders with high learning potential
  - with the media and others to raise awareness of the needs of high ability children

## **Our key achievements this year**

This year we have:

- engaged with more than 129,000 children, parents/carers and professionals through our information and advice work; our website, our email and fact sheet service and our Advice line, an increase of more than 37% on last year in spite of reduced funding.
- taken 3509 telephone calls on the Information and Advice Line. This is an increase of 15% at a time when we reduced the number of staff providing the service and also the number of days in which it was open.
- supported more than 600 families with our “Is your child gifted?” initial screening questionnaire, a reduction from the previous year but still an achievement given our reductions in staff and funding.
- run workshops and training courses for 2696 people – a 60% reduction in numbers. Part of this was due to a reduced capacity in the organisation to deliver the courses needed but most was due to reduced demand from schools and other organisations to pay for the courses. This is a concern for the future if demand remains low.
- increased our number of members including the number of low income families offered free or reduced membership either directly or through schools. This increased from 20% in 2010/11 to 51% in 2011/12. Whilst this is excellent in terms of our engagement strategies, it does have a knock on effect on the finances of the organisation and we need to manage this.
- obtained the Department of Health’s Information Standards Award
- run more than 141 workshops for children, parents and professionals around the country
- run two Big Family Weekends and one Big Adventure Weekend on a national basis
- piloted and evaluated a regional programme of family events
- revitalised the parents’ area of our website to make it more accessible
- developed and delivered a training weekend for our Youth Board and helped them deliver their strategy for the year
- developed a Youth Board-led training programme funded by Awards for All for young people at Branch level
- The Chief Executive and also one of our Board members were elected onto the Board of GT Voice, a national network for individuals and organisations working with children with high learning potential

## **What we want to achieve in 2012-2013**

**With sufficient funding, in the next financial year we would like to undertake an ambitious programme of work, including:**

### **Ongoing work**

- To continue to run our Information and Advice Service for three days a week; more days if we can obtain funding
- To engage with at least 100,000 parents and carers a year, through the telephone, email and website
- To undertake at least termly quality and impact monitoring reviews of our telephone service, email service and Fact Sheets
- To identify a range of partner organisations who share our values and to develop these partnerships, links and reciprocal arrangements in a formal way
- To complete a feasibility study on the development of a Centre 4 Creativity and to explore how this could be taken forward
- To deliver paid courses to parents and professionals both face to face and through the development of webinars and other platforms
- To run a minimum of one large national event a term (eg Big Family Weekend) for families
- To build a database of links of relevance to NAGC

### **Development work**

- To launch a new schools area on the website
- To launch a new professionals area on the website
- To launch a new children's area on the website
- To pilot and launch a new enhanced telephone service for parents/professionals
- To pilot with a view to launching a new face to face service for families
- To pilot and launch an online training programme
- To launch a professional category of membership
- To launch a professionals training programme linked to NAGC membership
- launch a webinar training programme
- To pilot events for parents of Dual and Multiple Exceptional children (high ability children who have one or more special needs)
- To successfully relaunch NAGC's brand and ensure that it is taken through the organisation
- To set up a 'Blue Sky Thinking' group and input its findings into NAGC's work
- To work with the Branches on our local development strategy

NAGC Annual Review and Report 2011/12.  
**Report of the Board of Trustees**

**1. Company information**

<p><b>Incorporated</b> In England on 1 September 1967</p> <p><b>Company Number</b> 905037</p> <p><b>Charity Number</b> 313182</p> <p><b>Registered Office</b> Suite 1.2 Challenge House Sherwood Drive Bletchley Milton Keynes MK3 6DP</p> <p>Tel: 0845 450 0295 E-mail: <a href="mailto:amazingchildren@nagcbritain.org.uk">amazingchildren@nagcbritain.org.uk</a> Website: <a href="http://www.nagcbritain.org.uk">www.nagcbritain.org.uk</a></p> <p><b>Trustees</b> John Carter (resigned 22<sup>nd</sup> December 2012) Timothy Peter Dracup Peter Flannery Stephen Decourcy Kemp-King Loraine Mosley Christopher Laurence Parsons (Chair from November 2010) Pamela Anne Powell (Vice Chair) Steven Ramsden (Chair until October 2010) Wenda Sheard Iain Simper (resigned 22<sup>nd</sup> December 2012) Peter John Trevelyan Nina Woodcock</p> <p><b>Coopted</b> Laura McKoy</p> <p><b>Shadow Board</b> Rhianna Burnage Tabitha Goldman Laura McKoy Ben Ramsden Ben Santhouse Jennifer Smith George Clark Samuel Clark Katherine Easton</p>	<p><b>Patron</b> Vacancy</p> <p><b>Vice Patron</b> Lord Robert Balchin</p> <p><b>President</b> Christopher Martin</p> <p><b>NAGC Ambassadors</b> Professor Deborah Eyre Professor Jeff Forshaw Professor Anthony Grayling The Baroness Morris of Yardley Sir Mike Tomlinson</p> <p><b>Chief Executive and Company Secretary</b> Denise Yates</p> <p><b>Principal Professional Advisers</b></p> <p><b>Bankers</b></p> <table><tr><td>CafBank Ltd Kings Hill West Malling Kent ME19 4JQ</td><td>Barclays Bank plc The Northampton Group PO Box 23 Northampton NN1 4YD</td></tr></table> <p>National Westminster Bank plc PO Box 2153 1-4 Berkeley Square House Berkeley Square London W1A 1SN</p> <p><b>Solicitors</b> Davies Wallis Foster Harvester House 37 Peter Street Manchester M2 5GB</p> <p><b>Auditors</b> Keens Shay Keens MK Chartered Accountants and Registered Auditors Sovereign Court 230 Upper Fifth Street Central Milton Keynes MK9 2HR</p>	CafBank Ltd Kings Hill West Malling Kent ME19 4JQ	Barclays Bank plc The Northampton Group PO Box 23 Northampton NN1 4YD
CafBank Ltd Kings Hill West Malling Kent ME19 4JQ	Barclays Bank plc The Northampton Group PO Box 23 Northampton NN1 4YD		

## **2. Introduction**

The Board of Trustees for the National Association for Gifted Children (NAGC) presents its annual report for the year ended 30<sup>th</sup> April 2012 and also its audited financial statements for that year. These comply with the Companies Act 2006 and the relevant Statement of Recommended Practice.

## **3. Objectives and activities**

### **i) Objectives**

Our core objective is to support the social, emotional and learning needs of children with high learning potential so that they grow in confidence, thrive and achieve fulfilment. We do this by supporting their whole family to give them the skills and confidence they need to support their child.

We believe that there is fundamental misunderstanding in our society about who children with high learning potential are and what they need. Our vision is of a world where there is a universal awareness, understanding, acceptance and value placed on all children of high learning potential regardless of who they are, where they come from or how they are educated.

It is also a vision of a society where there is equality of access to the support and learning these children need, all within a system which is adequately resourced for that purpose.

We aim to achieve this vision by:

- Providing information, advice and other services to the families of children with high learning potential and those who work with them so that they can more effectively support their child
- Providing support at a local level to children with high learning potential and their families who work with them
- Maintaining and increasing an active membership, thereby ensuring that our services meet the needs of the families we seek to support
- Training parents, carers and professionals to give them the skills and self-confidence to support their child with high learning potential
- Raising the profile of issues related to high learning potential
- Campaigning for changes to the way in which children with high learning potential and their families are viewed and supported

We seek to work in partnership with all those who share our vision.

### **ii) Activities**

We work to achieve these aims through a combination of:

- Providing information, advice and support nationally
- Providing local services
- Supporting members

## NAGC Annual Review and Report 2011/12.

- Delivering training, activities and workshops
- Raising the profile of gifted and talented issues
- Campaigning for more equal treatment and support for gifted and talented children and their families

Our achievements in each of these areas and our plans for 2012 - 2013 are reported in the separate sections provided in this report.

### **iii) How our activities deliver public benefit**

In each of our activity areas, we have clearly identified how we deliver public benefit. We achieve this in several ways, including:

- by helping to educate parents and the wider community on a range of issues relating to the social and emotional wellbeing of a child with high learning potential
- by providing support and guidance to parents/carers to increase their skills and self confidence on a range of social and emotional issues
- by providing parents/carers and teachers with the skills and confidence they need to support children with high learning potential. This can help to solve or reduce any social or emotional problems they might otherwise experience
- by helping to reduce, prevent or remove the escalation of issues at home and at school which could be potentially damaging to the child with high learning potential and his or her family – such issues include bullying, mental health issues, self harming or even thoughts of suicide
- by creating a sense of community amongst children with high learning potential and their families. This will reduce feelings of isolation, provide mutual support to overcome any issues and offer a range of identified benefits through the services provided. It will also provide social and emotional support at a local level to both children and parents/carers thus helping to alleviate or reduce any problems faced by these groups as a result of a child's high learning potential

## **4. Structure, Governance and Management**

### **i) Company information**

NAGC is a charitable company limited by guarantee (company number 905037), incorporated on 1 September 1967 and registered as a charity on 9 June 1967 (charity number 313182). The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In event of the company being wound up, members are required to contribute an amount not exceeding £0.50.

## **ii) The structure of the Board of Trustees**

We have a Board of Trustees of up to fifteen people all of whom are members of NAGC. The Trustees are also the Directors of the Association under charity and company law. The Chief Executive is a member of the Board but has no voting rights. The Board of Trustees is responsible for the overall governance, strategic direction and policies of the charity.

We are a membership organisation and Trustees are elected onto the Board once a year at the AGM for a term of up to three years although they may then stand for re-election. If they come onto the Board during the year they are co-opted until the next AGM when they are put forward for election by members. Every year one third of Trustees must stand down but may stand for re-election up to three times.

A full list of all the current members of the Board of Trustees and those who have served during the year may be found on Page 11 of this report, together with the names of the Youth Board, Chief Executive and NAGC Ambassadors. Details of NAGC's bankers and auditors are also shown on this page.

The Youth Board comprises 9 members aged between 10 and 16 years and this is the second year that they have been meeting virtually by teleconference. The Youth Board has a similar agenda to the main Board of Trustees but is responsible for helping to shape and direct our work with children and young people across the country.

The full Board of Trustees meets once a term. They also have one meeting a year with the Youth Board, staff, and Branch and other volunteers to discuss and determine NAGC's strategy for the coming year. These Board meetings are all held on a Saturday to ensure that Trustees in employment during the week can attend.

To ensure that appropriate strategic and other controls are in place, a smaller Executive Committee meets approximately every five weeks. This comprises the Chair, Vice Chair, Treasurer and Chief Executive. These meetings are also open to any Trustee who wants to attend and Minutes of the meetings are circulated to all Trustees following the meetings

In addition, a detailed report is sent regularly to the Trustees which summarises essential information including the management accounts and key performance indicators of the organisation. Finally, to enable close monitoring of the finances, every Monday the Finance Manager sends details of cash balances to all the Trustees.

## **iii) Trustee Recruitment**

It is important that the composition of the Board of Trustees fully reflects our membership and also the skill needs of the organisation. At present, an evaluation takes place each year of the Board's membership and the skills needed and the resulting recruitment strategy is determined accordingly.

Following this year's review, the Chair of Trustees recommended co-option of Laura McKoy onto the Board prior to her standing for election in October

2012, and the Board approved the recommendation. Laura is an ex Youth Board member and her membership of the Board will help us to improve our coordination between the Youth Board and the Board of Trustees as well, providing an invaluable contribution to NAGC's strategy.

### **Trustee Induction and Training**

Prior to appointment, Trustees meet the Chief Executive and Chair and attend a meeting of the Board of Trustees as an observer. Once appointed, Trustees receive an induction pack and spend half a day at Head Office being briefed about the work of the Association and the role and legal responsibilities of the Trustee.

Trustees are encouraged to attend external training events to improve their own skills and records of such attendance are maintained.

### **v) Organisation and Management**

Whilst the Board of Trustees is responsible for the strategic direction of the organisation, the Chief Executive is responsible for the management of the day to day affairs of NAGC and for implementing the policies agreed by the Board.

The Chief Executive is also responsible for ensuring that the charity delivers its objectives and that key performance indicators are met. She is also responsible for the day to day operation of the charity, individual supervision of the staff team and the development of the organisation.

The only staff employed within the organisation are based at Head Office in Bletchley. In addition to the Chief Executive, they cover the following areas of work:

- Information and Advice Service
- Branch support
- Volunteer recruitment and support
- Training, activities and workshops
- Child protection
- Membership services
- Design and publications
- Communications
- Website
- Finance
- Fundraising
- Quality and Systems

At the end of April, 2012 NAGC employed eight members of staff, with three on a full-time and five on a part-time basis.

We also have a Branch structure involving over 80 volunteers in locations around the country. These Branches run regular activities for children and provide support to parents and carers. Each of these Branches has a

## NAGC Annual Review and Report 2011/12.

committee to coordinate the work and is self-determining within our overall structure and charity number.

### **(vi) Wider links**

The partnerships we have with other organisations are extremely important to us and we are always looking to work with organisations that share our values of working together to support the child, family and professional.

This year, we are pleased to have been able to continue our work in partnership with:

- Villiers Park Educational Trust
- Peterborough Learning Partnership
- Futurewise
- The Fashion and Textile Children's Trust
- Mensa Ltd

We have also sought to develop new partnerships with organisations such as:

- Tute
- Asdan

In addition, we have been involved in the development of GT Voice, a network for all those in the G&T arena to work together proactively and positively. Following elections in 2011, NAGC's Chief Executive was elected onto the GT Voice Board. NAGC believes it is essential that as many organisations as possible which support children with high learning potential work together to strengthen all our work at a time when there is no government policy direction in this area.

### **vii) Internal controls**

We constantly review and refine our internal controls to improve their effectiveness and efficiency. We also monitor the impact of all our work and review its quality on a monthly basis, addressing areas of concern where the quality falls short of our exacting standards.

This year, we have worked hard to improve further the quality of our written Fact Sheets and the processes by which they are produced and were pleased when we were awarded the Department of Health's Information Standard in recognition of this work.

### **viii) Risk Assessment**

The Trustees have developed a formal risk management process to assess business risks and implement risk management strategies. This process identifies the major risks (actual and potential) facing the charity. Possible measures or controls to mitigate the risks are then determined and, where possible, put in place. This reduces the likelihood or severity of the issue.

A Risk Exposure and Controls Profile document has been compiled and is put on the agenda of every meeting of the Board of Trustees for exception reporting, as appropriate.

This year, discussions have focused on:

- the ongoing risks of the strategy to become more self-sufficient in the light of the removal of government funding
- the impact of the recession on NAGC's funding, including membership

The Board of Trustees takes extremely seriously the responsibility placed in its hands in ensuring we continue to operate in the midst of the global financial crisis and government cutbacks.

### **ix) The Responsibilities of the Board of Trustees**

The Trustees are responsible for the Annual Report and for the preparation of financial statements for each financial year, in accordance with the appropriate legal frameworks and standards of accounting practice. In preparing these financial statements, the Trustees are required to:

- ensure that suitable accounting policies are established and applied consistently
- make judgements and estimates which are reasonable and prudent
- state whether the applicable accounting standards and statement of recommended practice have been followed, are subject to any material departures, and are disclosed and explained in the financial statements and
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that we are able to continue in operation

The Trustees have overall responsibility for ensuring that the charity has appropriate systems and controls, both financial and otherwise. We are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time our financial position and which enable us to ensure that the financial statements comply with the appropriate Companies Act.

The Trustees are also responsible for safeguarding any assets and for their proper application as required by charity law and hence for taking reasonable steps to prevent fraud and detect other irregularities and to provide reasonable assurance that:

- the charity is operating efficiently and effectively
- any assets are safeguarded against unauthorised use or disposition and are properly applied
- proper records are maintained and financial information used internally or for publication is reliable, and
- the maintenance and integrity of the corporate and financial information in the website
- the charity complies with relevant laws and regulation

In drawing up these accounts and having them audited, the Board of Trustees is aware that, because of its size, it is exempt from the requirement to formally audit its accounts under the current Companies Act. Notwithstanding, it has made the decision that it wishes to do this to ensure that it complies with best practice and that its affairs are transparent.

As far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware. We have taken all the steps that we ought to have taken as Trustees to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

## **5. Business review**

### **i) Overview**

This year is the first year for approximately ten years that we have not received core funding from the Department for Education to fund our Helpline.

At the beginning of the financial year, we did not know what the actual impact of this loss of @50% of our funding would be. However we are pleased to report that, due to a combination of:

- severe reductions in expenditure
- staff voluntarily reducing their hours and donating time back to the organisation
- staff redundancies
- support from our members in the form of donations
- fundraising

we have come in with a positive balance at year end. This could not have been done without so many people contributing their support to keep NAGC open and it has not been easy. The strength of the belief that has been shown in ensuring the continuation of the only national organisation supporting the families of children with high learning potential has been overwhelming and for that we are grateful.

However, we recognised when we supported particularly the staff contributions to our continuation that it could not last at this unrealistic level for more than twelve months. Therefore this next year will be absolutely crucial to NAGC's survival and we are making every effort to ensure that we can cover all our expenditure through our income making activities..

The net incoming resources for the year (before transfers) amounted to £14,893 ( (£46,790) 2010/11)

Certain grants have been given for specific purposes and these are shown as restricted funds (see note 2). All other funds have been shown as unrestricted funds.

### **ii) Principal Funding Sources**

Our funding comes from four principal sources:

- Membership
- Grants
- Donations
- Services

### **Income from members**

In 2011/12, income derived from individuals, families and others who joined NAGC amounted to £35,589 which represents a reduction on the previous year (2010/11 £44,802) reflecting the greater number of low income families supported in the organisation.

### **Grants**

Following the removal of the grant from the Department of Education, no grant income from any source has been received this year.

### **Donations**

We are very grateful for the donations received from Trusts, companies and individuals over the past year and this support has been incredibly important to us. In particular, the many donations from individual members of NAGC are greatly appreciated.

This year, principal donations were made to the organisation by:

- ▲ G.M Morrison Charitable Trust
- ▲ Peter Samuel Charitable Trust
- ▲ Joseph Strong Frazer Trust
- ▲ The Potential Trust
- ▲ The Bedford Charity
- ▲ Wixamtree Trust
- ▲ The Eranda Foundation
- ▲ The Comino Foundation
- ▲ Awards for All
- ▲ The Waterloo Foundation
- ▲ The Sobell Foundation

In addition, this year, we have benefited greatly from a number of legacies which have gone directly into funding our core work with children and parents.

Without this support, we would have found it difficult to continue supporting parents in the same way and so we are doubly grateful for this belief in our work this year.

We have also received funds from The Mercers Foundation which will go towards our work in London in the coming year and a two year grant from The Rayne Foundation which will help to springboard a longer term strategy for our work with Dual and Multiple Exceptional children in the coming year.

We would also like to thank all those other individuals and organisations who made donations towards our work or remembered us in their wills and helped to ensure we continue to provide a high quality service to families of children with high learning potential.

In particular, gifts donated at Branch level are greatly valued by our members and volunteers and are reflected in the accounts.

This year, we have had to look at every aspect of our fundraising; from generating income through recycling to selling books through Amazon and being a nominated charity on easyfundraising.com to making sure we make the most from GiftAid. Between them they do not generate significant amounts

of income but in a situation where we need increasingly to become self sustaining, they are extremely valuable.

One item which has been surprisingly successful has been our online screening tool for parents. This has generated @£6000 in income for us this year and has helped us move a little closer towards self sufficiency.

### **iii) Reserves policy**

Reserves are needed to meet the working capital requirements of the charity. The Board of Trustees annually examines the charity's requirements for reserves in the light of the main risks to the charity. A detailed analysis has been conducted to calculate the costs which would need to be covered in the event of the closure of the organisation or to respond to emergency situations that may arise from time to time. As a result of the work done this year in terms of contingency planning, we have drawn up a detailed schedule for reserves. At present, this equates to a minimum of £40,000 and is reviewed on an annual basis to ensure accuracy.

However, in accordance with the Trustees' policy on reserves, which states that reserves should be at a level equivalent to 50% of expenditure in the year, the level of reserves in the organisation should be closer to £136,000. Such levels of reserves are not possible in the current climate. Therefore, the Trustees have taken £100,000 as the minimum requirement and will be monitoring this closely in the coming year to ensure that this level meets working capital and legal requirements. A decision on whether the charity can continue to operate will be required if the level of reserves reduces month on month and approaches the minimum acceptable level.

## **6. Small company exemptions**

This report is prepared in accordance with the special provisions of Part 2 of the Companies Act 2006 relating to small companies

## **7. Statement of disclosure of information to the auditors**

We, the Directors of the company who held office at the date of approval of these financial statements as set out above, each confirm that, as far as we are aware:

- There is no relevant audit information of which the company's auditors are unaware, and
- As the Directors of the company, we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

NAGC Annual Review and Report 2011/12.

**Auditors**

The auditors, Keens Shay Keens MK, Chartered Accountants and Registered Auditors, have indicated that they are willing to be reappointed at the forthcoming Annual General Meeting.

By order of the Board of Trustees:

\_\_\_\_\_

**Christopher Parsons**  
**Chair of the Board of Trustees**

\_\_\_\_\_ (date)

**THE NATIONAL ASSOCIATION FOR GIFTED CHILDREN**

**Independent Auditors' Report to the Members**

**For the year ended 30 April 2012**

We have audited the financial statements of The National Association for Gifted Children for the year ended 30 April 2012 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by directors; and the overall presentation of the financial statements.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 April 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**THE NATIONAL ASSOCIATION FOR GIFTED CHILDREN**  
**Independent Auditors' Report to the Members (continued)**  
**For the year ended 30 April 2012**

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the trustees' report.

S J GILL FCCA (Senior Statutory Auditor)  
For and on behalf of  
KEENS SHAY KEENS MK  
Chartered Accountants & Statutory Auditor

Sovereign Court  
230 Upper Fifth Street  
Central Milton Keynes  
MK9 2HR

**THE NATIONAL ASSOCIATION FOR GIFTED CHILDREN**

**Notes to the Financial Statements**

**For the year ended 30 April 2012**

**1. Principal Accounting Policies**

*a. Basis of preparation*

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006.

The directors 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.

The effect of events relating to 30 April 2012 which occurred before the date of approval of the financial statements by the Board of Directors, has been included in the statements to the extent required to show a true and fair view of the state of affairs at 30 April 2012 and of the results for the year ended on that date.

*b. Company status*

The charity is a company limited by guarantee. Every member of the company undertakes to contribute to the assets of the Council in the event of it being wound up while he or she is a member, or within one year after they cease to be a member. Such a charge would be made for payment of the debts and liabilities of the Council contracted before ceasing to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amounts as may be required not exceeding £0.50.

*c. Fund accounting*

Unrestricted funds are 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.

Designated funds are funds set aside by the trustees out of unrestricted funds for specific future purposes or projects. Any amounts not utilised are carried forward where the specific purpose or project remains part of the charity's objectives.

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 cost 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.

**THE NATIONAL ASSOCIATION FOR GIFTED CHILDREN**

**Notes to the Financial Statements**

**For the year ended 30<sup>th</sup> April 2012**

**Principal Accounting Policies (cont'd)**

*d. Incoming resources*

Income receivable for a specific restricted purpose is credited to a separate restricted fund which is shown in a note to the financial statements. Total incoming resources credited to restricted funds are disclosed in the Statement of Financial Activities, which also shows the incoming resources in respect of unrestricted funds.

Grants receivable, donations, legacies and income from subscriptions, stated net of value added tax, are credited on the Statement of Financial Activities in the year to which they relate with any relating to future years being shown in creditors.

Income from life membership subscriptions is credited in the Statement of Financial Activities on a straight-line basis over a period of 5 years with outstanding balances being included in creditors.

*e. Resources expended*

Resources expended are allocated to the particular activities to which they relate. The salary and administration costs, where necessary, are allocated between activities based on percentages calculated by the charity. These percentages are based on the time spent by the employees on those activities.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

*f. Branch results*

Branch income and expenditure is consolidated into the relevant categories of income and expenditure on the Statement of Financial Activities. The net surplus or deficit from branches is shown each year as a movement on the Branch Activities Fund which is an unrestricted fund.

*g. Operating leases*

Rentals paid under operating leases are charged to the income and expenditure account on a straight line basis over the period of the lease.

*h. Tangible fixed assets and depreciation*

All tangible assets are capitalised at cost.

Depreciation is calculated to write down the cost, less estimated residual value, of all tangible fixed assets, other than freehold land, over their expected useful lives. The rate generally applicable is 25% per annum.

*i. Pension costs*

NAGC Annual Review and Report 2011/12.

The charity operates a defined contribution scheme for the benefit of certain employees. The pension cost charge represents contributions payable by the organisation to the fund.

*j. Taxation*

The company is exempt from any corporation tax liability due to its charitable status.