

Potential Plus UK Annual Review and Report 2012/2013



Page Number

3	Report from Potential Plus UK's Chairman
4	Chief Executive's Report
6	Why we exist
7	Our unique role
8	Our work
10	Our successes and achievements this year
11	What we want to achieve in 2012-2013
12	Report of the Board of Trustees
22	Financial statements

Report from Potential Plus UK's Chairman

In my Report for 2011/2012 I started by saying that the Board was at the point of making a decision concerning whether to change the operating name of the charity and, as you will already know, we decided that Potential Plus UK would be a more appropriate name to take us forward. The change occurred in February 2013 and we believe that not only will it more accurately reflect our vision and mission, but it will also help us in our fundraising bids. Feedback so far has been very positive and I would like to thank Branches and members for their support in publicising the name change.

Once again finance was a major consideration for the Board. We needed to ensure that we had sufficient funds to meet our obligations but we also had to consider developments needed to ensure a more secure future. Two developments were crucial to our future: to develop and market an Assessment Service and to start the redesign of the website. The Assessment Service has been launched and demand for it is very high, indeed we need to consider how we can increase the resource available for the service. The redesign of the website is under way and I hope members like the changes made so far (we welcome feedback, positive or negative), however the key area for development is the Children's Area and we hope to undertake this in the current year. The Board decided that this development work needed to go ahead in order to try and secure our long term future, even though it would mean ending 2012/2013 in deficit. The financial goal for 2013/2014 is to break even and currently we are on course to do so.

2011/2012 was a very challenging year and I would like to thank Denise and her team for all their work and support, and also for remaining so positive and cheerful. I have very much appreciated the work, guidance and support I have received from Denise and my fellow Board members. I would also like to thank all our members, partners and funders for their support over the past year.

The coming year will also be very challenging but I believe the name change and the development of our services will help to bring in funding and enable us to enhance the essential service we provide to children with high potential and to their parents and carers.

Chris Parsons
Chairman Potential Plus UK

Chief Executive's Report

If 2011-2 was the year for being pessimistic, 2012-2013 was the year for being fiercely driven; absolutely determined to invest in the high level service needed by both parents and professionals for the high potential learners of this country.

It has not been easy. There is still a great deal of misunderstanding about the children and young people we support and their needs and this has hardly changed at all in forty six years. As with many charities this has had a knock on effect on our fundraising and the support we receive from the wider community and also on our cash flow.

However, this year, for the first time, I sense that things are beginning to change. Through the determination of our members, volunteers, Trustees and staff along with support from organisations such as The Raine Foundation, The Waterloo Foundation, The Eranda Foundation, The Comino Foundation and Potential Trust and others, we have been able to start building for a future where children with high learning potential are supported and their needs are met. Thank you.

The beginnings of this optimism have been facilitated by the change of our operating name, after forty six years of discussion and debate, to Potential Plus UK in February 2013. Along with our strapline:

- Discover.
- Nurture.
- Succeed.

This is a more accurate reflection of the work we do and has sent a very positive message to all our stakeholders. Along with our adoption two years ago of the term 'high learning potential' instead of gifted and talented (or as the Department for Education now calls them 'academically more able') children we laid the foundation for our future work in this arena.

Last year I said that we wanted to invest in an Assessment Service for children and young people. This came out of a strategy session where parents and carers present said they wanted an action plan or road map for every child with high learning potential in this country, not to define or restrict these children but to enable those who work with them to have a greater understanding about the best way to support their needs.

I am pleased to report that we have worked extremely hard to develop this service and since its launch in September following an extensive pilot, we have conducted more than one hundred one day assessments. Not only have these assessments been extremely beneficial to parents and professionals alike but eventually they will provide a wealth of research data from which we can draw.

Our strategic aims for the coming year include building on this assessment service to meet demand.

Potential Plus UK (the operating name of The National Association for Gifted Children)
Annual Review and Report 2012-2013.

We have also been absolutely determined to ensure that no family with a child with high potential, no matter what income level, is denied the opportunity to benefit from

this unique approach. To this end, this year we launched a Scholarship Fund to enable low and lower income families to benefit from our services and we will build on this in the coming years through a targeted donations campaign.

We would also like to rebuild the children's area of our website to make it more interactive, fun and challenging for children everywhere but particularly for those with high learning potential and to bring together some of the excellent activities that exist out there as well as create some of our own.

Finally, we would like to look again at our strategy for local support for families and professionals to ensure that the excellent work being done in some areas by our Branches is replicated in some form and we will exploring what we can do in the coming year.

The challenge for Potential Plus UK remains exactly the same; how can we meet the demand for our services and deliver everything expected of us when we are a small organisation with little funding. As I said at the beginning, drive, initiative and real determination has already helped to transform our work; let's hope it leads us forward over the next twelve months.

Denise Yates
Chief Executive

"This is a personal note of immense and immeasurable gratitude for the work of Potential Plus UK."

Parent

"Potential Plus UK has greatly assisted with all legs of that journey, recognition, in help with your fact sheets and helping via the forum to get an assessment, with advice on advocacy, and supporting us whilst we supported our daughter. Our daughter's life will forever be positively impacted by your work."

Parent

"We would like to pass on our sincere thanks for all your help in assessing our son at Potential Plus UK. There can be no doubt that your comprehensive and methodical examination of the matter and the findings have led to a turning point in his education. We are profoundly grateful..."

Parent

Why we exist

“Every child with high learning potential is born with that spark. Call it what you will, intelligence, ability to learn, motivation to succeed. We need to discover that potential and then nurture it to ensure the child thrives and achieves personal success. To do this we all need to provide opportunities for that child or young person to develop, the right inspiration, self confidence, motivation and hard work. Unless we all do this that child will not become the adult they were meant to be. Parents and carers are critical to this whole process and Potential Plus UK is the catalyst that can bring the whole process to life.”

Denise Yates, Chief Executive, Potential Plus

Every year, hundreds of thousands of children with high learning potential are born in the UK.

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.

Yet with the right support, many may grow up to be whoever they want to be; whether that is the doctors and philosophers, musicians and physicists, artists, entrepreneurs and the leaders of tomorrow or something entirely different. More importantly, they will be happy and make friends. They will thrive and be fulfilled. They will achieve social mobility and maximise their potential.

Potential Plus UK is here to help every child with high learning potential to thrive so that they can grow in confidence and achieve fulfilment.

“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

'We would have never been able to offer the sorts of activities that Potential Plus UK laid on for us from our own school resources. We only had to provide the rooms and refreshments – Potential Plus UK organised everything else. Our students had great fun working with enthusiastic, knowledgeable and energetic activity leaders. It was an overwhelming success!'

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 academically more able, those with potential who may be underachieving, those who are dual and multiple exceptional and those who are exceptionally gifted.

For forty six years we have continued to provide 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, 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

Potential Plus UK (the operating name of The National Association for Gifted Children)
Annual Review and Report 2012-2013.

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

Potential Plus UK was established in 1967 as The National Association for Gifted Children (NAGC) and has forty six 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, which this year has included:

- **an Information and Advice Service**, providing telephone, email, website and face to face support to:
 - parents and carers of children with high learning potential
 - those organisations and professionals that work with them
- **an Assessment Service**, providing an in-depth evaluation of individual children's high learning potential and the factors that can impact on their learning success including working memory and sensitivity. This service provides a practical action plan for parents to support their child at home and, where requested, a similar action plan for professionals to enable them to support the high potential learners in the educational environment
- **local Services** including our:
 - Branch network of children's Explorer Clubs;
 - work with parents and schools in Peterborough with the Peterborough Learning Partnership;
 - work with parents and professionals in London
- **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.
- **Our training and workshops** including:
 - termly BIG Family Weekends and 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;

Potential Plus UK (the operating name of The National Association for Gifted Children)
Annual Review and Report 2012-2013.

- G&T Learning Matters training for schools.

- **Initiatives to raise the profile of issues related to high learning potential** including our:
 - “It’s Alright to be Bright!” Awareness campaign
- **The launch of a Scholarship Fund** to provide financial support to enable low and lower income families to better support their child with high learning potential
- **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
 - with the media and others to raise awareness of the needs of high ability children





Our key achievements this year

This year we have:

- rebranded and re-launched NAGC as Potential Plus UK
- had more than 160,000 different engagements with children, parents/carers and professionals through our information and advice work, assessment service, training and events; an increase of over 6% on last year;
- increased the number of days we were able to run our free Information and Advice Line and taken 1541 telephone calls on a range of issues
- supported 546 families with our “Is your child gifted?” initial screening questionnaire;
- piloted and launched a new assessment service, which has supported 74 families since September with action plans for how to support their child at home and a further 23 professionals in how to help the high potential learner succeed within the school environment;
- run workshops and training courses for 1663 children and parents and a further 761 professionals; a 167% increase in the number of professionals trained;
- run a project supporting both parents and teachers in London to enable them to improve the support they give to children with high learning potential;
- launched a new professional category of membership;
- continued working on the Department of Health’s Information Standard;

Potential Plus UK (the operating name of The National Association for Gifted Children)
Annual Review and Report 2012-2013.

- completed the Centre 4 Creativity evaluation report and used this as a blue print for our local work;
- run more than 150 workshops for children, parents and professionals around the country;
- run two Big Family Weekends and one Big Adventure Weekend on a national basis;
- worked with the Branches on a local development strategy;
- revitalised the schools' area of our website, launched a new professionals' area and also changed the look and feel of the website as a whole;
- launched a Scholarship Fund to provide financial support to low income families to enable them to access our paid services;
- run 'It's Alright to be Bright!' week in October with the theme Science –Fiction.

What we want to achieve in 2013-2014

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 free Information and Advice Line for four days a week;
- To engage with at least 170,000 parents and carers a year, through the telephone, email and website
- To provide in-depth assessments and action plans to at least 150 families and also 50 professionals
- 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 deliver 500 funded courses to parents and professionals both face to face and through the development of webinars and other platforms
- To continue to run a minimum of one large national event a term (eg Big Family Weekend) for families

Development work

- To launch a new children's area on the website
- To launch a new members' area on the website
- To improve our online training programme for both parents and professionals
- To launch a professional category of membership
- To pilot a professionals' training programme linked to Potential Plus membership
- To pilot events for parents of Dual and Multiple Exceptional children (high ability children who have one or more special needs)
- To launch a strategy to support profoundly gifted children and their professionals;

Potential Plus UK (the operating name of The National Association for Gifted Children)
Annual Review and Report 2012-2013.

- To work with the Branches on our local development and marketing strategy
- To outline the changes to national policy which would like to see which we believe would be of real benefit to children and young people with high learning potential

Potential Plus UK's Aspirations

1. Every UK child with high learning potential is successful in his/her own terms and thrives at home and in education.

2. A clear support plan is available for all parents/carers of children with high learning potential aged 5-18 so that they can discover their child's potential and help them succeed.

3. All parents/carers of high potential learners are equal and respected partners in their children's learning.

4. The UK Government is encouraged to understand the wider impact of its policies on high potential learners and what it can do to optimise challenge and support for them.

We aim to ensure our work meets these aspirations, particularly for disadvantaged families.

Report of the Board of Trustees

1. Company information

<p>Incorporated In England on 1 September 1967</p> <p>Company Number 905037</p> <p>Charity Number 313182</p> <p>Registered Office Suite 1.2 Challenge House Sherwood Drive Bletchley Milton Keynes MK3 6DP Tel: 0845 450 0295 E-mail: amazingchildren@nagcbritain.org.uk Website: www.nagcbritain.org.uk</p> <p>Trustees Timothy Peter Dracup Peter Flannery Stephen Decourcy Kemp-King Laura McKoy Lorraine Mosley Christopher Laurence Parsons (Chair from November 2010) Pamela Anne Powell (Vice Chair) Wenda Sheard Peter John Trevelyan Nina Woodcock</p> <p>Coopted Stuart Bailey</p>	<p>Patron Vacancy</p> <p>Vice Patron Lord Robert Balchin</p> <p>President Christopher Martin</p> <p>Our Key Ambassadors Professor Deborah Ayre Professor Jeff Forshaw Professor A.C.Grayling Professor Barry Hymer Lord Robert Winston The Baroness Morris of Yardley</p> <p>Chief Executive and Company Secretary Denise Yates</p> <p>Principal Professional Advisers</p> <p>Bankers</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>Solicitors Davies Wallis Foster Harvester House 37 Peter Street Manchester M2 5GB</p> <p>Auditors Keens Shay Keens MK LLP 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
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2. Introduction

The Board of Trustees for Potential Plus UK the operating name of The National Association for Gifted Children (NAGC)) presents its annual report for the year ended 30th April 2013 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 the 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;
- ensuring that our services meet the needs of the families we seek to support by maintaining an active engagement programme e.g. through membership;
- 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 an assessment service for high learning potential;
- providing support at a local level;

- supporting members;
- delivering training, activities and workshops;
- raising the profile of issues related to high learning potential;
- campaigning for more equal treatment and support children with high learning potential and their families.

Our achievements in each of these areas and our plans for 2013 - 2014 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 professionals 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

Potential Plus UK is the operating name of The National Association for Gifted Children which 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 the 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 Potential Plus UK. 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 stand for re-election up to three times in any consecutive period. 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 although they may seek re-election for a further two terms of office.

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 12 of this report, together with the name of the Chief Executive and Potential Plus UK's Vice Patron and Ambassadors. Details of our bankers and auditors are also shown on this page.

The Youth Board comprises up to 15 members aged between 10 and 16 years and this is the third 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. This year, these Board meetings have all been held at a weekend to ensure that those 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, Fundraising Trustee 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

Other Trustee-led pieces of work which have been initiated this year include fundraising, strategic, blue-sky thinking work and communications.

Finally, to enable close monitoring of the finances, every week Potential Plus UK sends a breakdown of the cash balances held by Potential Plus UK 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 as well as our society as a whole. 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 Stuart Bailey representing the commercial sector onto the Board prior to his standing for election in October 2013, and the Board approved the recommendation. In addition, wider recruitment of new Trustees was recommended and the Chair and Chief Executive have been working together on how to take this strategy forward.

Trustee Induction and Training

Prior to appointment, Trustees meet the Chief Executive and Chair and attend a formal interview with a panel of Trustees. They are also invited to a meeting of the Board of Trustees as an observer. If they are suitable they are only then appointed as a Trustee. Their induction process includes spending half a day at Central Office to be briefed about the work of the organisation 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 Potential Plus UK 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 Potential Plus UK are based at its Central Office in Bletchley, Milton Keynes. In addition to the Chief Executive, they cover the following areas of work:

- Information and Advice Service
- Assessment 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, 2013 Potential Plus UK employed six members of staff, with three on a full-time and three on a part-time basis.

To support this work on a national basis we have high quality, trained Associates in certain roles as well as volunteers from the local community.

At a local level, 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 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:

- Peterborough Learning Partnership
- Futurewise
- The Fashion and Textile Children's Trust
- Mensa Ltd
- Tute
- Asdan

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

- TLC
- IGGY
- Glowinkowski Institute

In addition, we have continued to be involved in the development of GT Voice, a national network for all those in the G&T arena to work together proactively and positively which was set up as a grass roots organisation in 2010 when the national support for these children ended. Following elections in 2011, Potential Plus UK's Chief Executive was elected onto the GT Voice Board and was subsequently appointed its chairman. We believe it is essential that as many organisations as possible which support children with high learning potential come together to learn from each other, provide mutual support and raise the profile of what they are each doing so that we can all benefit.

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 to ensure the quality does not fall short of our exacting standards.

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 continued to focus 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 economic climate on funding, including membership.

One thing we have noticed is the increase in the number of low and lower income families using our free services and also the growth in the number of requests we have for concessionary membership. Whilst we would not turn anyone away who needed our support, this situation is having a major impact on our finances and needs to be reviewed constantly.

Our aim still remains to be self sufficient by the end of the financial year 2015 and this is one of the reasons we have invested so heavily in our new Assessment Service and in developing the Scholarship Fund for low and lower income families. We hope that both of these initiatives will contribute towards our long term aim of self-sufficiency.

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
- 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 regulations

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 Companies Act. Notwithstanding, it has made the decision again this year 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 we have spent time and money investing for the future and we believe this is essential but it has had an impact on our financial position. As a result of this, we have not come to a positive balance on our income and expenditure at year end but we are satisfied we have appropriate plans in place to enable us to break even in 2013/2014. Two factors have contributed to the loss we have made this year:

- The investment we made in the development of our new assessment service
- The growth in the number of low and lower income families accessing our free services or applying for concessionary rates of membership (which at present are £24 less than the full rate).

We recognised when we lost our government funding in 2011 at the same time that the economic climate worsened that we needed to do everything we could to ensure the organisation's survival in the long term, whilst at the same time ensuring that low income families were supported. We have therefore made every effort this year to ensure that in future years we will be able to cover all our expenditure, including concessionary fees, through our income making activities.

The net incoming resources for the year (before transfers) amounted to (£55,528) (£14,893 2011/12)

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

This year, our funding have comes from four principal sources:

- Membership
- Grants and donations
- The Assessment Service
- Other Services

Income from members

In 2012/13, income derived from individuals, families and others who joined us amounted to £45,587 which represents an increase on the previous year (2011/12 £35,589) reflecting the greater number of families including low income families supported in the organisation.

Grants and 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 and others associated with Potential Plus UK are greatly appreciated.

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

- ▲ G.M Morrison Charitable Trust
- ▲ The Raine Foundation
- ▲ Peter Samuel Charitable Trust
- ▲ Joseph Strong Frazer Trust
- ▲ The Potential Trust
- ▲ The Eranda Foundation
- ▲ The Mercers Foundation
- ▲ Mensa Children's Foundation
- ▲ The Comino Foundation
- ▲ Awards for All
- ▲ The Waterloo Foundation
- ▲ The Sobell Foundation

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 continued to look at every aspect of our fundraising; from generating income though recycling to selling books through Amazon and being a nominated charity on easyfundraising.com to making sure we make the most from Gift Aid. 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 continued to generate more than £5,000 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 £60,000 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 £137,000. Such levels of reserves are not possible in the current climate. However, given the current climate, the Trustees have accepted £60,000 this year as the minimum requirement and have been monitoring this closely 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

Auditors

The auditors, Keens Shay Keens MK LLP, 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
22/10/2013

FINANCIAL STATEMENTS

for the year ended 30th April 2013

THE NATIONAL ASSOCIATION FOR GIFTED CHILDREN
trading as
Potential Plus UK
(A Company Limited by Guarantee)

THE NATIONAL ASSOCIATION FOR GIFTED CHILDREN

Independent Auditors' Report to the Members

For the year ended 30 April 2013

We have audited the financial statements of The National Association for Gifted Children for the year ended 30 April 2013 on pages 25 to 32. 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 members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 members 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' Annual Report, 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 the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the reports and financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2013 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' Annual 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 2013

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

SIMON GILL FCCA
(Senior Statutory Auditor)
For and on behalf of
KEENS SHAY KEENS MK LLP
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 2013

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 2013 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 2013 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.

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.

THE NATIONAL ASSOCIATION FOR GIFTED CHILDREN

Notes to the Financial Statements

For the year ended 30th April 2013

Principal Accounting Policies (cont'd)

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

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.