

**READ FOR GOOD**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2016**

**READ FOR GOOD  
(A COMPANY LIMITED BY GUARANTEE)**

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**READ FOR GOOD  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**Trustees** Mrs Josephine Leppard  
Mr Richard Fowler (resigned 23 May 2016)  
Mrs Deborah Paproska-Cole  
Mr Stephen Morgan (appointed 23 May 2016)  
Dr Terri Passenger (appointed 23 May 2016)  
Mr Michael Walker (appointed 25 May 2016)

**Company registered  
number** 06895421

**Charity registered  
numbers** 1130309 and SC041036

**Registered office** Unit 26, Nailsworth Mills Estate  
Avening Road  
Nailsworth  
Stroud  
Gloucestershire  
GL6 0BS

**Chief Executive** Ms Justine Daniels

**Independent auditors** Bishop Fleming LLP  
Chartered Accountants  
Statutory Auditors  
16 Queen Square  
Bristol  
BS1 4NT

**Bankers** Co-Operative Bank  
1 Balloon Street  
Manchester  
M60 4EP

**READ FOR GOOD  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2016**

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The Trustees (who are also directors of the Charity for the purposes of the Companies Act) present their Annual Report together with the audited financial statements of Read For Good (the Charity) for the year ended 31 August 2016. The Trustees confirm that the Annual Report and financial statements of the Company comply with the current statutory requirements, the requirements of the Company's governing document and the provisions of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Finance Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Since the Company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**a. CONSTITUTION**

The Charity is registered as a Charitable Company limited by guarantee and was set up by a Memorandum and Articles of Association on 5 May 2009, as amended by a special resolution on 11 June 2009.

The Charity registered with the Charity Commission on 24 June 2009 and with the Office of the Scottish Charity Regulator (OSCR) on 17 November 2009.

The name of the Charity was changed from Readathon to Read for Good by a resolution on 11 November 2010.

**b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

**c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

The Board of Trustees constantly reviews the number of Trustees and recruits when required. Any new Trustees will have their responsibilities explained by the existing Trustees and other professional advisors as appropriate.

**d. ORGANISATIONAL STRUCTURE AND DECISION MAKING**

As previously stated, the business of the Charity is conducted by the Board of Trustees which has legal responsibility for the organisation. Decisions are made collectively by the Board of Trustees which meets at least four times per annum. The day-to-day management of the Charity is delegated to the Chief Executive Officer and through her, the members of the staff team. The team works to deliver Read for Good's agreed strategic plan and targets, which are aligned to its core aims and objectives ensuring its current activities have maximum relevance and impact.

**e. RISK MANAGEMENT**

The Trustees are satisfied that there are adequate control systems in place to provide reasonable assurance against misstatement or loss. These include a strategic business plan reviewed by the Trustees regularly, monthly reviews of performance against targets, monthly budget reconciliations, delegation of authority to spend within defined limits, and segregation of duties where appropriate. Other external risks to which the Charity may be exposed are identified and discussed at regular Trustee meetings and any appropriate actions implemented.

## **OBJECTIVES AND ACTIVITIES**

### **a. POLICIES AND OBJECTIVES**

Read for Good's primary objective is to promote reading and literacy among children throughout the United Kingdom with a particular emphasis on reading for pleasure.

Read for Good strives to help children discover the joys and benefits of reading for pleasure, by stimulating, helping and motivating children to read. The Charity benefits the public by encouraging reading and literacy skills to improve the quality of life of the participants. Independent studies consistently support Read for Good's belief that a love of reading can transform a child's prospects for success in school, and the world beyond, in a positive and rewarding manner. The Charity's secondary objective is to help disadvantaged children in the UK through its own projects and by distributing money raised in the form of grants.

The Trustees review Read for Good's objectives and activities to ensure they continue to reflect the aims of the Charity. In carrying out this review, the Trustees have considered the Charity Commission's general guidance on public benefit.

### **b. ACTIVITIES FOR ACHIEVING OBJECTIVES**

Read for Good currently runs two main activities under the name of Readathon: a school sponsored read and a hospital programme providing books and storytellers to children in hospital, as well as making sizeable donations to other charities.

Readathon's sponsored read is the reading campaign promoted to primary, secondary and special schools within the United Kingdom in which school children, through the guidance of a teacher or school librarian, undertake to read books (or other literacy-based activities) in return for pledges of money to the Charity. Through Readathon, young people gain a sense of awareness and social responsibility towards those less fortunate than themselves, as well as enjoying the many short and long term benefits of leisure reading.

Some of the money raised in Readathon's sponsored read is used to provide a regular supply of books and storytelling for children in hospitals across the UK. This initiative was first piloted in November 2010 and is now in 31 of the UK's largest hospitals. Provision of good quality books in children's hospitals can be poor. Further, having a regular supply of brand new, popular fiction and non-fiction books and visiting storytellers provides many benefits to children in hospital and their visitors. Books and stories entertain, distract, comfort and soothe children in hospital. Working with the hospital schools and play departments, Readathon gives each hospital a tailor-made bookcase which can move to a child's bedside, and fills it with approximately 120 new books each six weeks. This is further supported by a regular professional storyteller visit. The books and stories provided can comfort and distract young patients and their visitors, and may even help to speed recovery.

As well as supporting and providing a unique service for all children in hospital and their visitors, Readathon's hospital programme can have particular benefit for:

- Children at high risk of infection who can read only new, clean books (e.g. chemotherapy patients, children with severe burns and transplant patients);
- Siblings of young patients, who can be uprooted from home and school during their brother or sister's hospital treatment;
- Children with little or no access to books in the home.

Readathon's hospital programme is funded by donations from the school sponsored read as well as from donations made directly by trusts, other charities, individuals and corporate donors.

### **c. GRANT MAKING POLICIES**

Because children respond positively when raising money for other seriously ill children, Read for Good supports other charities with donations collected from Readathon's sponsored reading campaign. As well as funding our hospital programme, we support CLIC Sargent, Roald Dahl's Marvellous Children's Charity and Together for Short Lives who together undertake a broad range of projects supporting a diverse mix of seriously ill children throughout the UK.

### **ACHIEVEMENTS AND PERFORMANCE**

#### **a. OBJECTIVES**

Read for Good's priorities in 2015-2016 were for steady growth of Readathon's sponsored read in schools, to reach the target of 30 hospital partners and to continue to nurture the organisation and its people ensuring long-term stability and enabling growth.

#### **b. PERFORMANCE AGAINST OBJECTIVES**

##### *Sponsored read*

The sponsored read continues to prove popular amongst schools as an engaging way to encourage children to read for pleasure. Readathon's flexibility enables schools to run Readathon whenever they like, and to fit in with existing plans; it works well with a class, year group or the whole school. Readathon works because it offers choice, motivation and reward:

- Choice – pupils are sponsored to read whatever they like - from comics to classics, books to blogs. They can be sponsored per page, per book or for time spent reading;
- Motivation – Children read all the more because the money they raise helps buy much-needed books and storyteller visits for their nearest children's hospital;
- Rewards – Readathon helps schools to achieve literacy targets, improve citizenship and it gets free books for taking part.

Independent research commissioned this year shows that schools who run Readathon have higher attainment levels than those who don't, with schools who run it year after year having the highest levels of attainment. In addition, teachers tell us Readathon really works:

- 80% find reluctant readers read more;
- 82% say it motivates the whole class or school to read; and
- 98% want to run Readathon again.

Following a period of change and investment, 2015 saw the launch of our new branding, bringing the hospital programme under the same identity as the school sponsored read, Readathon. This has created powerful synergies between the two campaigns, better demonstrating that children in reading are being sponsored to read to help children in hospital get brand new books and storyteller visits.

A vital development facilitated by the new database enables sponsors of children taking part in Readathon to sponsor their child on line. This complex digital project went live in September 2015, making use of 10 free licences granted to Read for Good by global CRM giant, Salesforce. The online payment system allows pupils to be sponsored directly by friends and family, with all the individual donations being allocated to the school's fundraising total. It has proved a highly effective solution that has seen an individual's average donation amount increase significantly.

##### *Readathon in Hospitals*

Books are vital for children in hospitals, providing comfort, distraction and entertainment at a highly anxious time. As well as comforting young patients, Readathon's books are also incredibly beneficial for their brothers and sisters, parents and wider family as they find themselves in a highly distressing environment for long periods of time.

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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Readathon provides hospitals with a tailor-made, mobile bookcase which can be wheeled right up to a child's bedside. Every six weeks we send each hospital 120 brand new books to restock their bookcases. With books facing out, children can easily choose from a wide range of picture books and novels, fact and fiction. While the bookcase acts as a library, some children keep their Readathon book forever. In addition, we provide a visit from a professional storyteller twice termly; the storytellers tend to work with groups of children in the school rooms and then visit wards and isolation rooms spending time with children and their families, telling stories and encouraging children to make full use of the bookcase.

Having piloted the scheme, we began the roll out of our hospital programme in 2013. Readathon now reaches an estimated 100,000 children across 31 hospitals in the UK, giving away approximately 25,000 books and over 200 storytelling days to children in hospital.

The impact of Readathon's work in hospitals is assessed through parent, child and hospital staff questionnaires. Overwhelmingly responses are very positive.

- 96% of children say that the books helped take their mind off being in hospital;
- 100% of children say that the storytellers cheered them up.

*"When I read the book I felt like I was at home."* (4-year-old)

*"When I have a chance to read and spend time with the teacher I forget about the fact that I am hooked up to the dialysis machine."* (11-year-old)

*"It's good for people who don't like hospital so it takes their mind away from the pain."* (10-year-old)

*"The Storytellers are fantastic for children whilst in hospital. Tristan has chronic underlying health conditions, pain is very hard to manage and the Storyteller helped cheer him up so much. We appreciated it more than words can say."* (parent)

*"The storyteller was amazing while having my chemotherapy administered and made me laugh a lot. Michael was his name and he was utterly fantastic!"* (age 12)

Hospital staff have also highlighted other potential benefits that we might not have first envisaged as evidenced by this member of staff.

*"The more comfortable our patients, the less anxious our visiting families, the more time staff have to carry out other duties. Happier children attending theatres will spend less time in the anaesthetic room and will then wake up relaxed in recovery. There is significant impact throughout the hospital and a patient's journey from admission to discharge."*

Follow up research reveals that experiencing Readathon in hospital encourages over half of all children to read more up to six months after their time in hospital. For those who keep their Readathon book, it becomes a treasured and positive keepsake from their time in hospital.

**READ FOR GOOD  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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We would like to acknowledge and thank some of our larger donors who have supported us throughout the year including:

**Grants of up to £5,000**

The Elizabeth Rathbone Charitable Trust  
David Thomas Charitable Trust  
D'Oyly Carte Charitable Trust  
Simon Gibson Charitable Trust  
4 Brits Book Festival  
The Rowlands Trust  
Lord Austin Trust  
The Zochonis Charitable Trust  
Reading Dispensary Trust  
The Persula Foundation  
The Arts Council

**Grants of £5,000 - £10,000**

Authors' licensing and collecting society

**Grants over £10,000**

Tesco  
BBC Children in Need  
The Siobhan Dowd Trust

**c. MAJOR DONATIONS**

A total of £100,000 has been committed to charities supporting seriously ill children. This comprises charitable gifts of £60,000 committed to Roald Dahl's Marvellous Children's Charity (Registered Charity No.1137409), £20,000 to CLIC Sargent (Registered Charity No. 1107328) and £20,000 committed to Together for Short Lives (Registered Charity No.1144022). £100,000 is included in creditors.

Free book vouchers to the face value of £83,207 were given to schools in the UK to spend on books. The cost of these vouchers was shared equally with Scholastic Book Clubs. Read for Good is grateful for the on-going and generous support of Scholastic Book Clubs. The vouchers issued this year to schools taking part in Readathon brings the grand total of free book vouchers issued to schools to £787,441 - providing a tremendous boost to school libraries across the UK.

The value of this year's vouchers has been included in the Statement of Financial Activities as a donation in and out.

Read for Good has given away approximately 29,000 books with a retail value of approximately £185,178 to children in hospital across the UK in 2015-2016.

**FINANCIAL REVIEW**

The accounts on pages 11 - 22 set out the details of the Statement of Financial Activities for the year ended 31 August 2016 and the balance sheet as at that date.

The Company reported net income for the year of £50,706, giving an increase in funds of the same amount.

**a. RESERVES POLICY**

The trustees' policy is to hold sufficient reserves as cash and readily realisable investments to meet its annual expenditure of about £800,000, as outlined in the Charity's budgets, including grants and donations. At the year end the Charity held £880,946 in cash and readily realisable investments. At the year end the Charity held restricted funds of £5,000 and unrestricted funds of £839,661.

**b. PRINCIPAL FUNDING**

The principal funding source is voluntary income, primarily sponsorship from members of the public. Additional grant funding has been awarded to the hospital programme.



**READ FOR GOOD  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**PLANS FOR THE FUTURE**

**a. FUTURE DEVELOPMENTS**

Reaching schools at a time when teachers and heads are facing an unprecedented amount of change continues to prove challenging. Read for Good has invested in the infrastructure and Readathon brand to ensure it is equipped to tackle these challenges head on, and continues to thrive.

**DISCLOSURE OF INFORMATION TO AUDITOR**

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITOR**

The auditors, Bishop Fleming LLP, year indicated the willingness to continue in office. The Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by the Trustees on \_\_\_\_\_ and signed on their behalf by:

**Mrs Deborah Paproska-Cole**  
Trustee

**TRUSTEES' RESPONSIBILITIES STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2016**

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The Trustees (who are also directors of Read For Good for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charitable Company's transactions and disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Charitable Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF READ FOR GOOD**

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We have audited the financial statements of Read for Good for the year ended 31 August 2016 which comprise the Statement of Financial Activities Incorporating the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable Company's Trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an Auditors' 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 Charitable Company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

### **RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Trustees' responsibilities statement, 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.

We have been appointed auditors under the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with those Acts.

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 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 Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 31 August 2016 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF READ FOR GOOD**

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

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

**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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the Company has not kept proper and adequate accounting records, 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 take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Joseph Scaife FCA DChA (Senior Statutory Auditor)

for and on behalf of

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

16 Queen Square

Bristol

BS1 4NT

Date:

Bishop Fleming LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**READ FOR GOOD  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOME FROM:</b>					
Donations and legacies		102,625	707,625	810,250	1,012,278
Investments		-	2,214	2,214	1,308
<b>TOTAL INCOME</b>		<b>102,625</b>	<b>709,839</b>	<b>812,464</b>	<b>1,013,586</b>
<b>EXPENDITURE ON:</b>					
Raising funds		-	7,472	7,472	22,882
Charitable activities		128,125	671,071	799,196	1,019,840
<b>TOTAL EXPENDITURE</b>	2	<b>128,125</b>	<b>678,543</b>	<b>806,668</b>	<b>1,042,722</b>
<b>NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS</b>					
Net gains on investments	8	(25,500)	31,296	5,796	(29,136)
		-	44,910	44,910	114
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>					
		(25,500)	76,206	50,706	(29,022)
<b>NET MOVEMENT IN FUNDS</b>		<b>(25,500)</b>	<b>76,206</b>	<b>50,706</b>	<b>(29,022)</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		30,500	763,455	793,955	822,977
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>5,000</b>	<b>839,661</b>	<b>844,661</b>	<b>793,955</b>

All activities relate to continuing operations.

The notes on pages 14 to 22 form part of these financial statements.

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

All of the Charity's activities relate to continuing operations during the current and prior year.

**READ FOR GOOD  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER: 06895421**

**BALANCE SHEET  
AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	7		<b>40,414</b>		49,088
Investments	8		<b>301,430</b>		256,520
			<u><b>341,844</b></u>		<u>305,608</u>
<b>CURRENT ASSETS</b>					
Debtors	9	<b>81,551</b>		140,073	
Cash at bank and in hand	14	<b>579,516</b>		693,038	
		<u><b>661,067</b></u>		<u>833,111</u>	
<b>CREDITORS:</b> amounts falling due within one year	10	<b>(158,250)</b>		(344,764)	
			<u><b>502,817</b></u>		<u>488,347</u>
<b>NET CURRENT ASSETS</b>			<u><b>502,817</b></u>		<u>488,347</u>
<b>NET ASSETS</b>			<u><b>844,661</b></u>		<u>793,955</u>
<b>CHARITY FUNDS</b>					
Restricted funds	11		<b>5,000</b>		30,500
Unrestricted funds	11		<b>839,661</b>		763,455
			<u><b>844,661</b></u>		<u>793,955</u>
<b>TOTAL FUNDS</b>			<u><b>844,661</b></u>		<u>793,955</u>

The financial statements were approved by the Trustees on

and signed on their behalf, by:

**Mrs Josephine Leppard**

**Trustee**

The notes on pages 14 to 22 form part of these financial statements.

**READ FOR GOOD  
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2016**

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	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	13	<u>(114,771)</u>	<u>(96,244)</u>
<b>Cash flows from investing activities:</b>			
Interest received		<b>2,214</b>	1,308
Purchase of tangible fixed assets		<b>(965)</b>	(3,609)
<b>Net cash provided by/(used in) investing activities</b>		<u><b>1,249</b></u>	<u>(2,301)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>(113,522)</b>	(98,545)
Cash and cash equivalents brought forward		<u><b>693,038</b></u>	<u>791,583</u>
<b>Cash and cash equivalents carried forward</b>	14	<u><u><b>579,516</b></u></u>	<u><u>693,038</u></u>

## **1. ACCOUNTING POLICIES**

### **1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006

Read for Good meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

### **1.2 RECONCILIATION WITH PREVIOUSLY GENERALLY ACCEPTED ACCOUNTING PRACTICE**

In preparing these accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

No restatements were required.

### **1.3 COMPANY STATUS**

The Company is a Company limited by guarantee. The members of the Company are the Trustees named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £10 per member of the Company. The Company is incorporated in England and Wales and its registered office is: Unit 26, Nailsworth Mills Estate, Avening Road, Nailsworth, Stroud, Gloucestershire, GL6 0BS.

### **1.4 FUND ACCOUNTING**

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

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

### **1.5 INCOME**

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**1. ACCOUNTING POLICIES (continued)**

**1.6 EXPENDITURE**

Raising funds costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the Company and include project management carried out at Headquarters.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Resources expended are recognised in the period in which they are incurred on an accruals basis. Resources expended (including irrecoverable VAT) are allocated to a particular activity where the cost relates directly to that activity.

**1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Short term leasehold property improvements	-	10 years straight line
Office equipment	-	3 years straight line
Computer equipment	-	3 years straight line

**1.8 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

**1.9 OPERATING LEASES**

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**1.10 INTEREST RECEIVABLE**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the Bank.

**1.11 DEBTORS**

Other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**1. ACCOUNTING POLICIES (continued)**

**1.12 CASH AT BANK AND IN HAND**

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

**1.13 LIABILITIES AND PROVISIONS**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.14 FINANCIAL INSTRUMENTS**

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**1.15 PENSIONS**

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

**2. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	Staff costs 2016 £	Depreciation 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
<b>COSTS OF RAISING FUNDS:</b>					
Consultancy	-	-	7,472	7,472	22,882
	<u>-</u>	<u>-</u>	<u>7,472</u>	<u>7,472</u>	<u>22,882</u>
<b>CHARITABLE ACTIVITIES:</b>					
Promoting reading	135,679	9,639	505,090	650,408	709,292
Grants and donations	-	-	148,788	148,788	310,548
	<u>135,679</u>	<u>9,639</u>	<u>653,878</u>	<u>799,196</u>	<u>1,019,840</u>
	<u>135,679</u>	<u>9,639</u>	<u>661,350</u>	<u>806,668</u>	<u>1,042,722</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**3. DIRECT COSTS**

	<b>Total 2016 £</b>	Total 2015 £
Hospital reading programme	<b>201,039</b>	209,604
Schools reading programme	<b>204,983</b>	247,121
Consultancy	<b>8,246</b>	12,984
Royalty	<b>29,999</b>	39,105
Travel costs	<b>874</b>	1,629
Storage	<b>1,944</b>	1,620
Bank charges	<b>670</b>	3,571
Direct costs	<b>12,439</b>	15,550
Wages and salaries	<b>126,881</b>	126,581
National insurance	<b>8,700</b>	9,702
Pension cost	<b>98</b>	-
	<b>595,873</b>	667,467

**4. SUPPORT COSTS**

	<b>Total 2016 £</b>	Total 2015 £
Office costs	<b>24,888</b>	27,566
Legal fees	<b>15,315</b>	-
Auditors remuneration	<b>4,680</b>	4,680
Other governance costs	<b>13</b>	262
Depreciation	<b>9,639</b>	9,317
	<b>54,535</b>	41,825

**5. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

This is stated after charging:

	<b>2016 £</b>	2015 £
Depreciation of tangible fixed assets: - owned by the Charity	<b>9,639</b>	9,317
Auditors' remuneration - audit	<b>4,680</b>	4,680

During the year, no Trustees received any remuneration (2015: £NIL).

During the year, no Trustees received any benefits in kind (2015: £NIL).

1 Trustee received reimbursement of expenses amounting to £13 in the current year, (2015: 2 Trustees - £262).

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**6. STAFF COSTS**

Staff costs were as follows:

	<b>2016</b>	2015
	<b>£</b>	£
Wages and salaries	<b>126,881</b>	126,581
Social security costs	<b>8,700</b>	9,702
Other pension costs	<b>98</b>	-
	<b>135,679</b>	136,283

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

<b>2016</b>	2015
<b>No.</b>	No.
<b>6</b>	6

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

**7. TANGIBLE FIXED ASSETS**

	<b>Short Term Leasehold Property Improvement £</b>	<b>Office equipment £</b>	<b>Computer equipment £</b>	<b>Total £</b>
<b>COST</b>				
At 1 September 2015	<b>70,149</b>	<b>4,059</b>	<b>5,598</b>	<b>79,806</b>
Additions	-	-	<b>965</b>	<b>965</b>
At 31 August 2016	<b>70,149</b>	<b>4,059</b>	<b>6,563</b>	<b>80,771</b>
<b>DEPRECIATION</b>				
At 1 September 2015	<b>24,460</b>	<b>2,559</b>	<b>3,699</b>	<b>30,718</b>
Charge for the year	<b>7,015</b>	<b>1,353</b>	<b>1,271</b>	<b>9,639</b>
At 31 August 2016	<b>31,475</b>	<b>3,912</b>	<b>4,970</b>	<b>40,357</b>
<b>NET BOOK VALUE</b>				
At 31 August 2016	<b>38,674</b>	<b>147</b>	<b>1,593</b>	<b>40,414</b>
At 31 August 2015	45,689	1,500	1,899	49,088

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**8. FIXED ASSET INVESTMENTS**

	<b>Listed securities £</b>
<b>MARKET VALUE</b>	
At 1 September 2015	<b>256,520</b>
Gains	<b>44,910</b>
	<hr/>
At 31 August 2016	<b>301,430</b>
	<hr/> <hr/>

**9. DEBTORS**

	<b>2016 £</b>	2015 £
Other debtors	<b>64,697</b>	104,188
Prepayments and accrued income	<b>16,854</b>	35,885
	<hr/>	<hr/>
	<b>81,551</b>	140,073
	<hr/> <hr/>	<hr/> <hr/>

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2016 £</b>	2015 £
Trade creditors	<b>10,023</b>	8,187
Other taxation and social security	<b>3,203</b>	2,177
Accruals and deferred income	<b>145,024</b>	334,400
	<hr/>	<hr/>
	<b>158,250</b>	344,764
	<hr/> <hr/>	<hr/> <hr/>

**DEFERRED INCOME**

	<b>£</b>
Deferred income at 1 September 2015	<b>4,500</b>
Amounts released from previous years	<b>(4,500)</b>
	<hr/>
Deferred income at 31 August 2016	<b>-</b>
	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**11. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
<b>UNRESTRICTED FUNDS</b>					
General Funds	763,455	709,839	(678,543)	44,910	839,661
<b>RESTRICTED FUNDS</b>					
	Brought Forward £	Income £	Expenditure £	Gains/ (Losses) £	Carried Forward £
Readathon in residence	9,000	7,898	(11,898)	-	5,000
Readathon in hospitals - non- specified	10,000	41,263	(51,263)	-	-
Readathon in hospitals - specified	11,500	53,464	(64,964)	-	-
	<u>30,500</u>	<u>102,625</u>	<u>(128,125)</u>	<u>-</u>	<u>5,000</u>
Total of funds	<u><u>793,955</u></u>	<u><u>812,464</u></u>	<u><u>(806,668)</u></u>	<u><u>44,910</u></u>	<u><u>844,661</u></u>

Readathon in Residence scheme has received restricted income from The Arts Council, Persula Foundation and the Authors' Licensing and Collecting Society.

Readathon in hospitals (formerly: ReadWell) is a initiative started in 2010 which provides books and storytellers to children in hospital.

Readathon in hospitals has received specific donations towards the cost of running Readathon in hospitals from the following:

The Gyde Charity; Gloucester hospital.  
The Rowlands Trust, Birmingham hospital.  
The Lord Austin Trust, Birmingham hospital.  
The Elizabeth Rathbone Charitable Trust, Liverpool hospital.  
The Zochonis Charitable Trust, Manchester hospitals.  
The Siobhan Dowd Trust; Norwich and Manchester hospitals.  
Reading Dispensary Trust, Royal Berkshire hospital..  
BBC Children in Need, Exeter, Truro and Brighton hospitals.  
The David Thomas Charitable Trust; Gloucester hospital.  
D'Oyly Carte Charitable Trust; Morrision hospital.

Readathon in hospitals has received donations not restricted to a specific hospital from Tesco, Simon Gibson Charitable Trust, Barbara Ward Children's Foundation and 4 Brits Book Festival.

Other Readathon in hospitals grants below £2,000 have been received during the year and restricted for use by Readathon in hospitals but is not deemed necessary to list these individually above.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

**12. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	40,414	40,414	49,088
Fixed asset investments	-	301,430	301,430	256,520
Current assets	5,000	656,067	661,067	833,110
Creditors due within one year	-	(158,250)	(158,250)	(344,763)
	<u>5,000</u>	<u>839,661</u>	<u>844,661</u>	<u>793,955</u>

**13. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Net income/(expenditure) for the year (as per Statement of financial activities)	50,706	(29,022)
<b>Adjustment for:</b>		
Depreciation charges	9,639	9,317
Gain on investments	(44,910)	(114)
Interest received	(2,214)	(1,308)
Decrease in debtors	58,522	34,968
Decrease in creditors	(186,514)	(110,085)
<b>Net cash used in operating activities</b>	<u>(114,771)</u>	<u>(96,244)</u>

**14. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £	2015 £
Cash in hand	579,516	693,038
Total	<u>579,516</u>	<u>693,038</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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**15. OPERATING LEASE COMMITMENTS**

At 31 August 2016 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	<b>Land and buildings</b>			<b>Other</b>
	<b>2016</b>	2015	<b>2016</b>	2015
			<b>£</b>	<b>£</b>
<b>AMOUNTS PAYABLE:</b>				
Within 1 year	<b>10,800</b>	10,800	<b>1,464</b>	1,464
Between 1 and 5 years	<b>40,500</b>	43,200	<b>3,660</b>	5,124
After more than 5 years	-	8,100	-	-
Total	<b>51,300</b>	62,100	<b>5,124</b>	6,588

**16. RELATED PARTY TRANSACTIONS**

Mrs Girling, who formerly acted as Chief Executive Officer of Read for Good, became a trustee on 5 July 2014 and resigned 24 December 2014. Mr and Mrs Girling are 100% shareholders of Readathon Promotions Limited. During the prior year Readathon Promotions Limited charged £39,105 in royalty fees to Read for Good. At the 2014-2015 year end, £3,105 was owed to Readathon Promotions Limited.

**17. COMPARATIVE AMOUNTS**

In 2015, of the total donations and legacies income £107,860 was restricted and £904,418 was unrestricted.

In 2015 all of the investment income was unrestricted.

In 2015, all of the raising funds expenditure was unrestricted.

In 2015, of the total expenditure on charitable activities £104,423 was restricted and £915,417 was unrestricted.

**18. FIRST TIME ADOPTION OF FRS 102**

It is the first year that the Company has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the Company's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.