

READ FOR GOOD
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

**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 2017**

Trustees Mrs Josephine Leppard (retired 27 February 2017)
Mrs Deborah Paproska-Cole
Mr Stephen Morgan
Dr Terri Passenger (appointed 17 August 2017)
Mr Michael Walker

**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 2017**

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 2017. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the 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 is a national charity with the mission to get the UK's children reading for fun.

Reading for pleasure is one of the best pathways out of poverty; those who read for fun as a child are more likely to be successful in life - academically, socially and emotionally. However, reading for pleasure has to compete with many other activities in today's world. Our aim is to provide children with the desire and purpose to read, combined with the freedom to choose how they accomplish this. This enables them to discover their own pleasure in reading.

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

b. ACTIVITIES FOR ACHIEVING OBJECTIVES

We meet our aims through our long-standing sponsored read in schools, our free books for schools scheme and our unique hospital programme that provides books and storytellers for children in hospital.

Our sponsored read in schools aims to galvanise the whole school community. By creating a buzz about reading, ensuring parents and school colleagues get behind it, pupils are motivated to get involved. They especially enjoy the competitive element.

Most importantly, pupils are motivated to read because they know the money they raise helps to provide brand new books and storyteller visits to children in hospital all over the UK. This cause resonates with young people, providing purpose to a child's reading.

School leaders also love our sponsored read. They see classrooms full of readers, and they also receive free books worth 20% of their school sponsorship total to boost their own libraries. Furthermore, independent research reveals that schools who run our sponsored read are more likely to achieve better results, especially if they run the scheme year after year. We provide a free kit to those schools who want to take part, packing it full of useful resources - sponsor cards, bookmarks for pupils, posters, a DVD to launch their sponsored read and much, much more.

In 30 UK hospitals, Read for Good provides a unique service that enables children in an infection-controlled environment to choose a book to borrow or take home from our specially designed, colourful mobile bookcase that can move right up to a child's bedside. Every six weeks we refill it with the very best new books for children and young adults, and we send in a professional storyteller to entertain and delight children and their exhausted families.

c. GRANT MAKING POLICIES

Because children respond positively when raising money for other seriously ill children, Read for Good sometimes supports other charities with donations collected from Readathon's sponsored reading campaign.

ACHIEVEMENTS AND PERFORMANCE

a. OBJECTIVES

In 2016/17 Read for Good reinvigorated the sponsored read programme and maintained our first-class service in children's hospitals. This year, the strategic decision was made to move all of our work under our charity name Read for Good, a better reflection of all of our work with schools and hospitals.

b. PERFORMANCE AGAINST OBJECTIVES

Encouraging children to read for pleasure through our sponsored read

Aided by the Ambassadorships of Julia Donaldson and Axel Scheffler, creators of treasured favourites such as *The Gruffalo* and *Room on a Broom*, interest in our sponsored read gathered momentum. Schools had the chance to win a visit from the creative pair when they pledged to do a sponsored read. This generated unprecedented interest, and orders for our free resource kits reached over 1.2 million school children.

"Readathon is such a positive way to promote literacy in school, so easy to set up thanks to the package we received from the organisation and for such a great cause!" (Teacher, Suffolk)

"We found that even reluctant readers got the reading bug." (Teacher, Carmarthenshire)

"The sponsored read is such a brilliant idea, it got all three of ours reading loads." (Parent, Gloucestershire)

"Chloe is not really a book worm. However... in the weeks since Readathon, she now always has a book on the go at bedtime, so I feel the event has been a real 'win win'." (Parent, Hertfordshire)

"It's important to get away from technology for a bit and have a good old read. It's really fun to do, once you get into it you don't want to stop." (Pupil aged 13, Leicestershire)

The response from schools to the move to operate under our charity name Read for Good has been very positive. As part of this process, we successfully acquired the trademark Readathon, enabling us to continue to use the name and its legacy. We continue to use the name Readathon when promoting the sponsored read itself.

Providing books and stories to children in hospitals

Our service in hospitals continues to be highly valued by all involved – the hospital staff, staff from the hospital's on-site school, parents, siblings and of course, children in hospital. The regular supply of new books and the 6-weekly storyteller visits provide a welcome distraction, comfort and entertainment at a difficult time in a challenging environment. Feedback reveals that not only are we providing children in hospital with access to the very best new books, these books and the storyteller visits can reduce the anxiety felt by young patients, and their families.

We were pleased to increase our presence in Scotland with the addition of Edinburgh's Royal Hospital for Sick Children to our service. We now reach over 100,000 children across 31 hospitals in the UK, giving away approximately 27,000 books and delivering over 224 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;
- 98% of the children who responded said the books and storytellers cheered them up

Parents also confirmed the children's views with 75% of the 2520 parents who responded to our survey saying that the books and storytellers had made their child feel a bit happier during their hospital stay. In addition, our research reveals that most children are encouraged to read more when they get home as a result of enjoying our

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

books and stories in hospitals. 75% of the children thought that they would read more when they left hospital.

"When I have a chance to read I forget about the fact that I am hooked up to the dialysis machine." (11 year old in hospital)

"It made me very happy to get a book; it took my mind off the scary surgery." (9 year old in hospital)

"The storyteller was amazing while having my chemotherapy and made me laugh a lot." (11 year old in hospital)

"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 of a child in hospital)

"Thank you so much!!!! I was getting concerned all my son wanted to do was watch DVD's and play electronic games. Now he wants to read." (Parent of a child in hospital)

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

Grants of £1,000 up to £5,000	Grants of £5,000 up to £10,000	Grants exceeding £10,000
The Russell Trust	Gerald Micklem Charitable Trust	Siobhan Dowd Trust
JR & SA Brooks Charitable Trust	Shanly Foundation	
Hull and East Riding Charitable Trust	Colwinston Charitable Trust	
Tesco Stores	David Thomas Charitable Trust	
Oxford University Community Fund	Liz and Terry Bramall Foundation	
Harry Bottom Charitable Trust	Taylor Family Foundation	
The George A Moore Foundation		
Lord Austin Trust		
GJW Turner Trust		
Clara E Burgess		
Michael Marsh Charitable Trust		
The Lord Cozens-Hardy Trust		
Gyde Charity		
The Richard Davies Charitable Foundation		

c. MAJOR DONATIONS

Free book vouchers to the face value of £136,044 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 £957,274 - 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 26,040 books with a retail value of approximately £91,140 to children in hospital across the UK in 2016-17.

FINANCIAL REVIEW

The accounts on pages 11 - 26 set out the details of the Statement of Financial Activities for the year ended 31 August 2017 and the balance sheet as at that date.

The Charity reported net income for the year of £167,993, giving an increase in funds of the same amount.

a. RESERVES POLICY

Total reserves at 31 August 2017 were £1,012,654, of which free reserves (total reserves less intangible and tangible fixed assets) were £783,453. The trustees' policy is to hold sufficient reserves as cash and readily realisable investments to meet its annual expenditure based on growth forecasts of £500,000.

This year £300,000 has been designated to specific projects as detailed below:

- Infrastructure improvements required for our growing organisation
- Development and evaluation of storytelling programmes for the most disadvantaged children - delivered through schools and hospitals
- Investment in our digital expertise and solutions to optimise participation for children, sponsors and schools
- To diversify our sources of income, so that we rely far less on the sponsored read
- To expand the team to deliver multi-academy and city-wide Readathons
- To increase storytelling and book donations to schools and hospitals.

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.

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 16 March 2018 and signed on their behalf by:

Mrs Deborah Paproska-Cole
Trustee

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2017**

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;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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

OPINION

We have audited the financial statements of Read for Good (the 'Charitable Company') for the year ended 31 August 2017 which comprise the Statement of Financial Activities Incorporating the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies. 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 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 opinions we have formed.

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 2017 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.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF READ FOR GOOD

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 and the Charities Accounts (Scotland) Regulations 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' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

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. and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF READ FOR GOOD

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, section 144 of the Charities Act 2011 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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

21 March 2018

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

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STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:					
Donations and legacies	2	90,580	1,057,202	1,147,782	810,250
Investments	3	-	495	495	2,214
TOTAL INCOME		90,580	1,057,697	1,148,277	812,464
EXPENDITURE ON:					
Charitable activities		95,580	896,811	992,391	806,668
TOTAL EXPENDITURE	4	95,580	896,811	992,391	806,668
NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS					
Net gains on investments	10	(5,000)	160,886	155,886	5,796
		-	12,107	12,107	44,910
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		(5,000)	172,993	167,993	50,706
NET MOVEMENT IN FUNDS		(5,000)	172,993	167,993	50,706
RECONCILIATION OF FUNDS:					
Total funds brought forward		5,000	839,661	844,661	793,955
TOTAL FUNDS CARRIED FORWARD		-	1,012,654	1,012,654	844,661

The notes on pages 14 to 26 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 2017**

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Intangible assets	8		196,140		-
Tangible assets	9		33,061		40,414
Investments	10		313,537		301,430
			<u>542,738</u>		<u>341,844</u>
CURRENT ASSETS					
Debtors	11	34,088		81,551	
Cash at bank and in hand		469,406		579,516	
		<u>503,494</u>		<u>661,067</u>	
CREDITORS: amounts falling due within one year	12	(33,578)		(158,250)	
NET CURRENT ASSETS			<u>469,916</u>		<u>502,817</u>
NET ASSETS			<u><u>1,012,654</u></u>		<u><u>844,661</u></u>
CHARITY FUNDS					
Restricted funds	14		-		5,000
Unrestricted funds	14		1,012,654		839,661
TOTAL FUNDS			<u><u>1,012,654</u></u>		<u><u>844,661</u></u>

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

The financial statements were approved and authorised for issue by the Trustees on 16 March 2018 and signed on their behalf, by:

Mrs Deborah Paproska-Cole

Trustee

The notes on pages 14 to 26 form part of these financial statements.

READ FOR GOOD
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	16	<u>136,190</u>	<u>(114,771)</u>
Cash flows from investing activities:			
Interest received		495	2,214
Purchase of tangible fixed assets		(1,620)	(965)
Purchase of intangible fixed assets		<u>(245,175)</u>	<u>-</u>
Net cash (used in)/provided by investing activities		<u>(246,300)</u>	<u>1,249</u>
Change in cash and cash equivalents in the year		(110,110)	(113,522)
Cash and cash equivalents brought forward		<u>579,516</u>	<u>693,038</u>
Cash and cash equivalents carried forward	17	<u><u>469,406</u></u>	<u><u>579,516</u></u>

The notes on pages 14 to 26 form part of these financial statements.

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 COMPANY STATUS

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

1.3 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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 Charity and which have not been designated for other purposes.

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

1.5 INCOME

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

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 2017**

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.

Charitable activities and Governance costs are costs incurred on the Charity's charitable operations, including support costs and costs relating to the governance of the Charity apportioned to charitable activities.

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 INTANGIBLE FIXED ASSETS AND AMORTISATION

During the year Read for Good purchased the share capital of Readathon Promotions Limited and hence acquired the Readathon trademark. The only substantial asset owned by Readathon Promotions Limited was the Readathon Trademark. Therefore a substance over legal form treatment has been adopted and the purchase has been treated as a purchase of an intangible asset.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Trademarks	-	5 years straight line
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1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.9 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 incorporating Income and Expenditure Account.

1.10 OPERATING LEASES

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

1.11 INTEREST RECEIVABLE

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

1.12 DEBTORS

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

1.13 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.

1.14 LIABILITIES AND PROVISIONS

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

1.15 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.16 PENSIONS

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

2. INCOME FROM DONATIONS AND LEGACIES

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	90,580	1,057,202	1,147,782	810,250
<i>Total 2016</i>	<u>102,625</u>	<u>707,625</u>	<u>810,250</u>	

3. INVESTMENT INCOME

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	-	495	495	2,214
<i>Total 2016</i>	<u>-</u>	<u>2,214</u>	<u>2,214</u>	

4. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE

	Staff costs 2017 £	Depreciation 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Promoting reading	139,635	8,973	843,783	992,391	706,668
Grants and donations	-	-	-	-	100,000
	<u>139,635</u>	<u>8,973</u>	<u>843,783</u>	<u>992,391</u>	<u>806,668</u>
<i>Total 2016</i>	<u>135,679</u>	<u>9,639</u>	<u>661,350</u>	<u>806,668</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

5. CHARITABLE ACTIVITIES

	Total 2017 £	Total 2016 £
Hospital reading programme	267,882	200,259
Schools reading programme	373,478	253,771
Consultancy	24,101	15,718
Royalty	25,689	29,999
Travel costs	4,712	874
Storage	1,762	1,944
Bank charges	744	670
Office costs	37,186	24,888
Direct costs	18,796	13,219
Legal fees	34,908	15,315
Auditors remuneration	5,400	4,680
Other governance costs	90	13
Amortisation	49,035	-
Wages and salaries	129,515	126,881
National insurance	9,127	8,700
Pension cost	993	98
Depreciation	8,973	9,639
	<u>992,391</u>	<u>706,668</u>
<i>At 31 August 2016</i>	<u>706,668</u>	

6. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Amortisation of intangible fixed assets	49,035	-
Depreciation of tangible fixed assets:		
- owned by the Charity	8,973	9,639
Auditors' remuneration - audit	5,400	4,680
	<u> </u>	<u> </u>

During the year, no Trustees received any remuneration (2016: £NIL).

During the year, no Trustees received any benefits in kind (2016: £NIL).

1 Trustee received reimbursement of expenses amounting to £90 in the current year, (2016: 1 Trustee - £13).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

7. STAFF COSTS

Staff costs were as follows:

	2017	2016
	£	£
Wages and salaries	129,515	126,881
Social security costs	9,127	8,700
Other pension costs	993	98
	<u>139,635</u>	<u>135,679</u>

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

2017	2016
No.	No.
6	6

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

8. INTANGIBLE FIXED ASSETS

	Trademarks
	£
COST	
At 1 September 2016	-
Additions	245,175
At 31 August 2017	<u>245,175</u>
AMORTISATION	
Charge for the year	49,035
At 31 August 2017	<u>49,035</u>
CARRYING AMOUNT	
At 31 August 2017	<u>196,140</u>
At 31 August 2016	<u><u>-</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

9. TANGIBLE FIXED ASSETS

	Short Term Leasehold Property Improvement £	Office equipment £	Computer equipment £	Total £
COST				
At 1 September 2016	70,149	4,059	6,563	80,771
Additions	-	-	1,620	1,620
	<u>70,149</u>	<u>4,059</u>	<u>8,183</u>	<u>82,391</u>
At 31 August 2017	<u>70,149</u>	<u>4,059</u>	<u>8,183</u>	<u>82,391</u>
DEPRECIATION				
At 1 September 2016	31,475	3,912	4,970	40,357
Charge for the year	7,015	147	1,811	8,973
	<u>38,490</u>	<u>4,059</u>	<u>6,781</u>	<u>49,330</u>
At 31 August 2017	<u>38,490</u>	<u>4,059</u>	<u>6,781</u>	<u>49,330</u>
NET BOOK VALUE				
At 31 August 2017	<u>31,659</u>	-	<u>1,402</u>	<u>33,061</u>
At 31 August 2016	<u>38,674</u>	147	<u>1,593</u>	<u>40,414</u>

10. FIXED ASSET INVESTMENTS

	Listed securities £
MARKET VALUE	
At 1 September 2016	301,430
Gains	12,107
	<u>313,537</u>
At 31 August 2017	<u>313,537</u>
HISTORICAL COST	
	<u>250,000</u>

11. DEBTORS

	2017 £	2016 £
Other debtors	32,738	64,697
Prepayments and accrued income	1,350	16,854
	<u>34,088</u>	<u>81,551</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade creditors	11,598	10,023
Other taxation and social security	2,023	3,203
Accruals	19,957	145,024
	<u>33,578</u>	<u>158,250</u>

13. FINANCIAL INSTRUMENTS

	2017	2016
	£	£
Financial assets measured at amortised cost	<u>502,144</u>	<u>654,213</u>
Financial liabilities measured at amortised cost	<u>(31,238)</u>	<u>(154,336)</u>

Financial assets measured at amortised cost comprise other debtors, accrued income and cash at bank and in hand.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

14. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
DESIGNATED FUNDS						
Trademark	-	-	(49,035)	245,175	-	196,140
Projects	-	-	-	300,000	-	300,000
	<u>-</u>	<u>-</u>	<u>(49,035)</u>	<u>545,175</u>	<u>-</u>	<u>496,140</u>
GENERAL FUNDS						
General Funds	839,661	1,057,697	(847,776)	(545,175)	12,107	516,514
Total Unrestricted funds	<u>839,661</u>	<u>1,057,697</u>	<u>(896,811)</u>	<u>-</u>	<u>12,107</u>	<u>1,012,654</u>
RESTRICTED FUNDS						
	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Readathon in residence	5,000	-	(5,000)	-	-	-
Readathon in hospitals - non-specified	-	17,540	(17,540)	-	-	-
Readathon in hospitals - specified	-	73,040	(73,040)	-	-	-
	<u>5,000</u>	<u>90,580</u>	<u>(95,580)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total of funds	<u>844,661</u>	<u>1,148,277</u>	<u>(992,391)</u>	<u>-</u>	<u>12,107</u>	<u>1,012,654</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

14. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
DESIGNATED FUNDS						
	-	-	-	-	-	-
GENERAL FUNDS						
General Funds	763,455	709,839	(678,543)	-	44,910	839,661
	763,455	709,839	(678,543)	-	44,910	839,661
Total Unrestricted funds	763,455	709,839	(678,543)	-	44,910	839,661
RESTRICTED FUNDS						
	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
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)	-	-	-
	30,500	102,625	(128,125)	-	-	5,000
Total of funds	793,955	812,464	(806,668)	-	44,910	844,661

DESIGNATED FUNDS

Trademark

Funds have been designated during the year for the purchase of the Readathon trademark. The trademark was purchased in May 2017 and the associated asset is recorded on the Balance Sheet as detailed in accounting policy 1.7. The designated fund will be utilised over the intangible assets useful economic life.

Projects

Funds have been designated for the following specific projects:

- For infrastructure improvements required for growing the organisation
- For the development and evaluation of storytelling programmes for the most disadvantaged children - delivered through schools and hospitals

14. STATEMENT OF FUNDS (continued)

- To invest in the organisation's digital expertise and solutions to optimise participation for children, sponsors and schools
- To diversify sources of income, so that the organisation relies far less on the sponsored read
- To expand the team to deliver multi-academy and city-wide Readathons
- To increase in storytelling and book donations to schools and hospitals.

RESTRICTED FUNDS

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 Richard Davies Charitable Foundation; Bristol Royal Children's Hospital.
Colwinston Charitable Trust; Swansea hospital.
The Lord Austin Trust, Birmingham hospital.
The Siobhan Dowd Trust; Belfast and Manchester hospitals.
The David Thomas Charitable Trust; Gloucester hospital.
The Michael Marsh Charitable Trust; Birmingham hospital.
The Shanly Foundation; Oxford and Reading hospitals.
The Gyde Charity; Gloucester hospital.
The Liz & Terry Bramall Foundation; Hull, Leeds and Sheffield hospitals.
The Gerald Micklem Charitable Trust; Southampton hospital.
The Lord Cozens-Hardy Trust; Norwich hospital.
GJW Turner Trust; Birmingham hospital.
The George A Moore Foundation; Sheffield hospital.
The Taylor Family Foundation; Evelina London Children's Hospital.

Readathon in hospitals has received significant donations not restricted to a specific hospital from The Clara E Burgess Charity, Marjorie Viggars Charitable Trust and The Invigorate Charitable Trust.

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 2017

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2017 £	Unrestricted funds 2017 £	Total funds 2017 £
Intangible fixed assets	-	196,140	196,140
Tangible fixed assets	-	33,061	33,061
Fixed asset investments	-	313,537	313,537
Current assets	-	503,494	503,494
Creditors due within one year	-	(33,578)	(33,578)
	<u>-</u>	<u>1,012,654</u>	<u>1,012,654</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2016 £	Unrestricted funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	40,414	40,414
Fixed asset investments	-	301,430	301,430
Current assets	5,000	656,067	661,067
Creditors due within one year	-	(158,250)	(158,250)
	<u>5,000</u>	<u>839,661</u>	<u>844,661</u>

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

	2017 £	2016 £
Net income for the year (as per Statement of Financial Activities)	167,993	50,706
Adjustment for:		
Gain on investments	(12,107)	(44,910)
Interest received	(495)	(2,214)
Depreciation	8,973	9,639
Amortisation	49,035	-
Decrease in debtors	47,463	58,522
Decrease in creditors	(124,672)	(186,514)
Net cash provided by/(used in) operating activities	136,190	(114,771)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

17. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017	2016
	£	£
Cash in hand	469,406	579,516
Total	469,406	579,516

18. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	Land and buildings			Other
	2017	2016	2017	2016
			£	£
AMOUNTS PAYABLE:				
Within 1 year	10,800	10,800	1,464	1,464
Between 1 and 5 years	29,700	40,500	2,196	3,660
Total	40,500	51,300	3,660	5,124