

READ FOR GOOD
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

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

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

**TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2015**

Trustees

Mr Andrew King (resigned 1 September 2014)
Mrs Josephine Leppard
Ms Judith Willetts (resigned 11 March 2015)
Mr Richard Fowler
Mrs Gail Girling (resigned 21 December 2014)
Mrs Deborah Paproska-Cole

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Company registered number	06895421
Charity registered numbers	1130309 and SC041036
Registered office	Unit 26, Nailsworth Mills Estate Avening Road Nailsworth Stroud Gloucestershire GL6 0BS
Company secretary	Mr Richard Fowler
Chief Executive	Ms Justine Daniels
Independent auditors	Bishop Fleming LLP Chartered Accountants 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 2015**

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 2015. 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 Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

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 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 quantified objectives, 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 in place adequate control systems to provide reasonable assurance against misstatement or loss. These include a strategic business plan reviewed by the Trustees annually, 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 Trustees' meetings and any appropriate action implemented.

OBJECTIVES AND ACTIVITIES

a. POLICIES AND OBJECTIVES

Read for Good's primary objective is to promote reading and literacy in 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 supporting other charities, a key driver to encourage children to read.

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 in just 5 years, the service is now in 29 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 tailormade 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 that we provide 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 provide 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 2014-2015 were to continue the steady growth of Readathon's sponsored read in schools, extend our reach to 30 hospitals and to continue to nurture the organisation and its people ensuring long-term stability and enabling growth. In addition, with planned changes to the trustee board due to take place, 2014-2015 was a chance to review our overall positioning and business planning in the short and long term.

b. PERFORMANCE AGAINST OBJECTIVES

Organisation

Strategy and branding

In autumn 2014, a full review of our ongoing strategy and business plan was undertaken including an assessment of our overall brand strategy. One of the outcomes of this process was the decision that these schools and hospital programmes should fall under the single brand name Readathon and that the name ReadWell should be phased out. This not only reduces complexity, it more importantly enables us to better communicate the powerful synergies between our schools and hospitals programme – reinforcing the unique message that children in schools are reading to help children in hospitals access books and stories. The board agreed this change in November 2014, with the new branding going live in September 2015.

As a result of the broader strategy review, the updated business plan restated our long-term goals:

- Doubling participation in Readathon's sponsored read
- Reaching more children through the expansion and development of the schools and hospital programmes into broader areas
- Identifying new opportunities to reach those disadvantaged children most in need of reading support and encouragement

Facilitated and underpinned by:

- Processes in place to enable new idea generation, development and application
- A well-run, well-structured, high performing organisation where people enjoy driving growth
- An organisation with a clear place and voice in the marketplace as passionate experts in children's leisure reading

To deliver some of the above goals, as well as implementing a total rebrand, it was necessary to invest in other infrastructure including the database of schools and the website.

Sponsored read

The sponsored read continues to prove popular amongst schools as an engaging way to encourage children to read for pleasure. One of the benefits of Readathon is its flexibility with schools being able to run Readathon at any time of year, for any length of time and with any number of children – from a reading group to the whole school. Pupils are also free to choose whatever they want to read – from comics to classics – and get sponsored to do so. They are motivated by the fact that the money they raise by reading helps seriously ill children and gets books to children in hospital. Parents tend to be supportive of Readathon because they love to see their children motivated to read.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Whilst we invested resource into the website and database – both driving forces behind the schools campaign – it has been inevitable that performance was affected. Fewer schools have enrolled to take part in Readathon this year, although the donation per school has remained steady and our conversion rate has increased (number of schools donating compared to the number of schools who request a pack). The fall in registrations has led to a downturn in income from the school sponsored read, an inevitable result of resources being directed to brand, strategy and operational improvements.

A vital development facilitated by the new database is enabling sponsors of children taking part in Readathon to be able to sponsor their child on line. This is a complex project which went live in September 2015.

The new branding, website and database went live in September 2015 and we are confident benefits will be reaped from the improvements that have been made.

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.

Readathon provides hospitals with a tailor-made, mobile bookcase which can move 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 books from a wide range of picture books and novels, fact and fiction books. 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. By August 2015 Readathon was in 29 hospitals, with the thirtieth due to open in autumn 2015. Now reaching an estimated 100,000 children in hospital, and their families, Readathon will be giving 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.

Readathon's books and storytellers do a fantastic job of cheering children up, comforting and reassuring them whilst at the same time encouraging new reading habits in many of the children. Here's a snapshot from our surveys.

- 97% of the children said the storyteller cheered them up and took their mind off of being in hospital
- 84% of parents said the books helped ease the boredom for their child
- 72% of parents said the books made their child feel a bit better/happier
- 50% of parents with children who are in hospital for more than two weeks or visit regularly due to an ongoing condition feel the books have helped their child keep up with schooling

And 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 times in hospital.

**READ FOR GOOD
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

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

Westcliffe on Sea Rotary Club
Barbour Foundation
Tribal Foundation
The Norman Family Trust
Ernest Cook Trust
The Bernard Piggott Charitable Trust
Sir James Knott Trust
Lillie C Johnson Charitable Trust
Persula Foundation
Leathersellers Company
Burgess Salmon Trust
Ammco Trust
Gibbons Family Trust
Hadleigh Castle Rotary Club
Chapman Charitable Trust
Lord Faringdon Charitable Trust
Oakdale Trust
Edward and Dorothy Cadbury Trust
JR and SA Brooks Charitable Trust

Grants of £5,000 - £10,000

Siobhan Dowd Trust
David Thomas Charitable Trust
D'Oyly Carte Charitable Trust
Liz and Terry Bramall Foundation
Ashley Family Foundation
Metropolitan Masonic Charity
Taylor Family Foundation
The Gyde Charity

Grants over £10,000

The Arts Council England
Barbara Ward Children's Foundation
BBC Children in Need

c. MAJOR DONATIONS

A total of £245,000 has been committed to charities supporting seriously ill children. This comprises charitable gifts of £175,000 committed to Roald Dahl's Marvellous Children's Charity (Registered Charity No.1137409), £50,000 to CLIC Sargent (Registered Charity No. 1107328) and £20,000 committed to Together for Short Lives (Registered Charity No.1144022). £75,000 was paid in the year to Roald Dahl's Marvellous Children's Charity and £170,000 is included in creditors.

In addition, free book vouchers to the retail value of £130,916 were given to schools in the UK to spend on books for their school. The cost of these vouchers was shared equally with Scholastic Book Clubs; Read for Good incurred 50% of the costs involved with these gifts. Read for Good is very grateful to the on-going and generous support of Scholastic Books. This value has been included in the Statement of Financial Activities as a donation in and out.

Through its regular operations, Readathon has given away approximately 20,000 books with a retail value of £120,000 to children in hospital in 2014/2015.

FINANCIAL REVIEW

The accounts on pages 12 - 22 set out the details of the Statement of Financial Activities for the year ended 31 August 2015 and the balance sheet as at that date.

There were net outgoing resources for the year of £29,022 giving a net decrease in funds of the same amount.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

a. RESERVES POLICY

The Trustees' policy is to hold sufficient reserves as cash which will enable the charity to meet its annual expenditure, as outlined in the Charity's budgets, including grants and donations.

b. PRINCIPAL FUNDING

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

PLANS FOR THE FUTURE

a. FUTURE DEVELOPMENTS

With an ambitious plan to double the number of schools involved in Readathon's sponsored read in the coming years, the focus for 15/16 will be to grow the sponsored read. Leveraging our new branding, database, online payment facility and website as well as forging partnerships with key organisations including publishers, literary festivals and other reading organisations we hope to engage more schools in Readathon.

Readathon in hospitals will continue in 30 hospitals across the UK and 15/16 will be a year to consolidate operations, continue trust fundraising and to start to build a fundraising pipeline from individuals.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

TRUSTEES' RESPONSIBILITIES STATEMENT

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).

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 in 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. 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.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

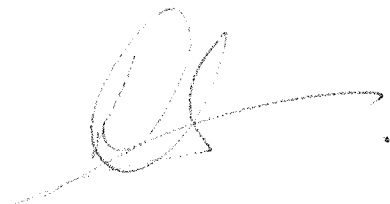
- So far as that Trustee are aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- That Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

AUDITOR

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

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 20/1/2016 and signed on their behalf by:


Mrs Deborah Paproska-Cole
Trustee

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF READ FOR GOOD

We have audited the financial statements of Read for Good for the year ended 31 August 2015 set out on pages 12 to 22. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 2015 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 applicable to Smaller Entities; 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.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF READ FOR GOOD

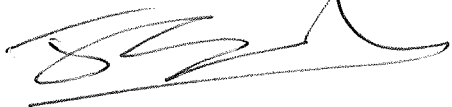
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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 have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Trustees' 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: 26/1/16

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 2015

	Note	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income/donations		107,860	904,418	1,012,278	1,204,967
Investment income		-	1,422	1,422	9,686
TOTAL INCOMING RESOURCES		107,860	905,840	1,013,700	1,214,653
RESOURCES EXPENDED					
Costs of generating funds:					
Fundraising expenses	2	-	22,882	22,882	18,831
Charitable activities		104,423	910,475	1,014,898	978,721
Governance costs	7	-	4,942	4,942	5,399
TOTAL RESOURCES EXPENDED	3	104,423	938,299	1,042,722	1,002,951
MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME/(EXPENDITURE) FOR THE YEAR		3,437	(32,459)	(29,022)	211,702
Total funds at 1 September 2014		27,063	795,914	822,977	611,275
TOTAL FUNDS AT 31 AUGUST 2015		30,500	763,455	793,955	822,977

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

The Statement of Finance 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 2015**

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	10		49,088		54,796
Investments	11		256,520		256,406
			<u>305,608</u>		<u>311,202</u>
CURRENT ASSETS					
Debtors	12	140,073		175,041	
Cash at bank and in hand		693,038		791,583	
		<u>833,111</u>		<u>966,624</u>	
CREDITORS: amounts falling due within one year	13	(344,764)		(454,849)	
NET CURRENT ASSETS			<u>488,347</u>		<u>511,775</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>793,955</u></u>		<u><u>822,977</u></u>
CHARITY FUNDS					
Restricted funds	14		30,500		27,063
Unrestricted funds	14		763,455		795,914
TOTAL FUNDS			<u><u>793,955</u></u>		<u><u>822,977</u></u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Trustees on 20/1/2016 and signed on their behalf, by:



Mrs Josephine Leppard

Trustee

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, applicable accounting standards and the Companies Act 2006.

1.2 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.

1.3 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.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 INCOMING RESOURCES

All incoming resources are included in the Statement of Financial Activities when the company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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

1.5 RESOURCES EXPENDED

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

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

Tangible fixed assets are stated at cost less depreciation. 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

1.7 INVESTMENTS

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

1.8 OPERATING LEASES

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

2. FUNDRAISING ACTIVITIES

	Total funds 2015 £	Total funds 2014 £
FUNDRAISING EXPENSES		
Consultancy	22,882	18,831

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

3. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2015 £	Depreciation 2015 £	Other costs 2015 £	Total 2015 £	Total 2014 £
COSTS OF GENERATING FUNDS:					
Fundraising expenses	-	-	22,882	22,882	18,831
	<u>-</u>	<u>-</u>	<u>22,882</u>	<u>22,882</u>	<u>18,831</u>
CHARITABLE ACTIVITIES:					
Promoting reading	136,283	9,317	558,750	704,350	632,048
Grants and donations	-	-	310,548	310,548	346,673
	<u>136,283</u>	<u>9,317</u>	<u>869,298</u>	<u>1,014,898</u>	<u>978,721</u>
GOVERNANCE	-	-	4,942	4,942	5,399
	<u>-</u>	<u>-</u>	<u>4,942</u>	<u>4,942</u>	<u>5,399</u>
	<u>136,283</u>	<u>9,317</u>	<u>897,122</u>	<u>1,042,722</u>	<u>1,002,951</u>

4. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2015 £	Grants and donations 2015 £	Support costs 2015 £	Total 2015 £	Total 2014 £
Promoting reading	667,467	-	36,883	704,350	632,048
Grants and donations	-	310,548	-	310,548	346,673
	<u>667,467</u>	<u>310,548</u>	<u>36,883</u>	<u>1,014,898</u>	<u>978,721</u>
Total	<u>667,467</u>	<u>310,548</u>	<u>36,883</u>	<u>1,014,898</u>	<u>978,721</u>

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5. DIRECT COSTS

	Total 2015 £	Total 2014 £
Hospital reading programme	209,604	196,015
Schools reading programme	247,121	206,476
Consultancy	12,984	25,700
Royalty	39,105	48,761
Travel costs	1,629	2,209
Storage	1,620	3,217
Bank charges	3,571	2,886
Direct costs	15,550	1,527
Wages and salaries	126,581	107,200
National insurance	9,702	7,578
	<u>667,467</u>	<u>601,569</u>

6. SUPPORT COSTS

	Total 2015 £	Total 2014 £
Office costs	27,566	22,575
Depreciation	9,317	7,904
	<u>36,883</u>	<u>30,479</u>

7. GOVERNANCE COSTS

	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors remuneration	-	4,680	4,680	4,860
Other governance costs	-	262	262	539
	<u>-</u>	<u>4,942</u>	<u>4,942</u>	<u>5,399</u>

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8. NET INCOME / (EXPENDITURE)

This is stated after charging:

	2015	2014
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	9,317	7,904
Auditors' remuneration	4,680	4,860
	<u><u>14,000</u></u>	<u><u>12,764</u></u>

During the year, no Trustees received any remuneration (2014: £NIL).

During the year, no Trustees received any benefits in kind (2014: £NIL).

2 Trustees received reimbursement of expenses amounting to £262 in the current year, (2014: 2 Trustees - £622).

9. STAFF COSTS

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	126,581	107,200
Social security costs	9,702	7,578
	<u><u>136,283</u></u>	<u><u>114,778</u></u>

The average monthly number of employees during the year was as follows:

	2015	2014
	No.	No.
	6	5
	<u><u>6</u></u>	<u><u>5</u></u>

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

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10. TANGIBLE FIXED ASSETS

	S/Term Leasehold Property Improvement £	Office equipment £	Computer equipment £	Total £
COST				
At 1 September 2014	66,982	3,617	5,598	76,197
Additions	3,167	442	-	3,609
At 31 August 2015	<u>70,149</u>	<u>4,059</u>	<u>5,598</u>	<u>79,806</u>
DEPRECIATION				
At 1 September 2014	17,445	1,206	2,750	21,401
Charge for the year	7,015	1,353	949	9,317
At 31 August 2015	<u>24,460</u>	<u>2,559</u>	<u>3,699</u>	<u>30,718</u>
NET BOOK VALUE				
At 31 August 2015	<u>45,689</u>	<u>1,500</u>	<u>1,899</u>	<u>49,088</u>
At 31 August 2014	<u>49,537</u>	<u>2,411</u>	<u>2,848</u>	<u>54,796</u>

11. FIXED ASSET INVESTMENTS

	Listed securities £
MARKET VALUE	
At 1 September 2014	256,406
Gains	114
At 31 August 2015	<u>256,520</u>
HISTORICAL COST	
	<u>250,000</u>

INVESTMENTS AT MARKET VALUE COMPRISE:

	2015 £	2014 £
Listed investments	<u>256,520</u>	<u>256,406</u>

All the fixed asset investments are held in the UK

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12. DEBTORS

	2015 £	2014 £
Other debtors	104,188	148,976
Prepayments and accrued income	35,885	26,065
	<u>140,073</u>	<u>175,041</u>

13. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade creditors	8,187	9,952
Other taxation and social security	2,177	-
Accruals and deferred income	334,400	444,897
	<u>344,764</u>	<u>454,849</u>

DEFERRED INCOME

Resources deferred during the year	<u>4,500</u>
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14. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
UNRESTRICTED FUNDS				
General Funds	795,914	905,840	(938,299)	763,455
RESTRICTED FUNDS				
	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
Readathon in residence	-	15,588	(6,588)	9,000
Readathon in hospitals - non-specified	20,000	-	(10,000)	10,000
Readathon in hospitals - specified	7,063	77,110	(72,673)	11,500
Other Readathon in hospitals grants	-	15,162	(15,162)	-
	<u>27,063</u>	<u>107,860</u>	<u>(104,423)</u>	<u>30,500</u>
Total of funds	<u>822,977</u>	<u>1,013,700</u>	<u>(1,042,722)</u>	<u>793,955</u>

Readathon in hospitals (formerly: ReadWell) is a initiative started in 2012 which provides books and storytellers to children in hospital.

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NOTES TO THE FINANCIAL STATEMENTS
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14. STATEMENT OF FUNDS (continued)

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

The Gyde Charity; Gloucester hospital.
 The Siobhan Dowd Trust; Belfast hospital.
 The Notgrove Trust; Gloucester hospital.
 Children in Need; Exeter, Truro & Brighton hospitals.
 The David Thomas Charitable Trust; Gloucester hospital.
 Taylor Family Foundation; Evelina Childrens hospital.
 The Liz and Terry Bramall Foundation; Hull hospital.
 Metropolitan Masonic Charity; Greater London hospital.
 D'Oyly Carte Charitable Trust; Morriston hospital.
 Ashley Family Foundation; Bangor hospital.
 Ernest Cook Trust; Oxford hospital.
 Tribal Foundation; Sheffield hospital.
 The Barbour Foundation; Newcastle hospital.
 Sir James Knott Trust; Newcastle hospital.

Readathon in hospitals has received donations not restricted to a specific hospital from Barbara Ward Children's Foundation and donations restricted to the Readathon in Residence scheme from The Arts Council and Persula Foundation.

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.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2015 £	Unrestricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	49,088	49,088	54,796
Fixed asset investments	-	256,520	256,520	256,406
Current assets	30,500	802,610	833,110	966,623
Creditors due within one year	-	(344,763)	(344,763)	(454,848)
	<u>30,500</u>	<u>763,455</u>	<u>793,955</u>	<u>822,977</u>

16. OPERATING LEASE COMMITMENTS

At 31 August 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2015 £	2014 £	2015 £	2014 £
EXPIRY DATE:				
Between 2 and 5 years	<u>10,800</u>	<u>10,800</u>	<u>1,464</u>	<u>1,166</u>

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17. 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 year Readathon Promotions Limited charged £39,105 (2014: £48,667) in royalty fees to Read for Good. At the year end £3,105 (2014: £13,148) was owed to Readathon Promotions Limited, this amount is shown in accruals.

During the year, Readathon Promotions Limited also charged £Nil (2014: £6,240) in consultancy fees to Read for Good for work performed by Mr and Mrs Girling.

During the year, Mr Girling claimed £Nil (2014: £537) in expenses relating to his consultancy work for Read for Good.