

Company registration number: 06895421
Charity registration number: 1130309 and SC041036

Read for Good

(A company limited by guarantee)

Annual Report and Financial Statements
for the Year Ended 31 August 2021

Read for Good

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 8
Statement of Trustees' Responsibilities	9
Independent Auditors' Report	10 to 12
Statement of Financial Activities	13
Balance Sheet	14
Statement of Cash Flows	15
Notes to the Financial Statements	16 to 26

Read for Good

Reference and Administrative Details

Chief Executive Officer	Ms Justine Daniels
Trustees	Ms Anne Everall Mr Stephen Morgan Mr Michael Walker Ms Helen West Ms Rachel Bolton
Principal Office	26 Nailsworth Mills Avening Road Nailsworth Gloucestershire GL6 0BS The charity is incorporated in United Kingdom.
Company Registration Number	06895421
Charity Registration Number	1130309 and SC041036
Bankers	Co-Operative Bank 1 Balloon Street Manchester M60 4EP
Auditor	Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX

Read for Good

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2021.

Trustees

Ms Anne Overall

Mr Stephen Morgan

Mr Michael Walker

Ms Helen West

Ms Rachel Bolton

In shaping our objectives for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit.

Reading - why our work matters

Reading is nothing short of life changing.

"Reading can achieve something teachers and policymakers have been attempting for decades: to lessen or even eliminate the impact of early life disadvantage."
Department for Education, 2021

Children who read for pleasure are more likely to do well in school, have a professional, better paying job, and better health and wellbeing. For children living in poverty or at risk of adverse childhood experiences, reading can be a literal escape route: offering both immediate relief and alternative pathways in life.

A disadvantaged child who reads will outperform an advantaged child who doesn't.

Reading for pleasure serves more than academic and professional success. It can play a significant role in tackling our burgeoning mental health crisis. Research shows the positive benefits reading for pleasure has on the emotional health of people of all ages, especially children, alleviating symptoms of stress, isolation and depression and enhancing social engagement and personal development.

However, reading for pleasure is being squeezed out of our children's lives: the school day is busy (and sure to get busier post-pandemic), and 'downtime' is often dominated by technology and social media. Children and young people are reading less than before, with fewer than a quarter of 0-17 year olds reading nearly every day, and 21% never or rarely reading for pleasure.

Read for Good

Trustees' Report

Reading is especially important for post-pandemic recovery

For decades, Read for Good has been making a difference to children's future lives by helping them to develop a love of reading at a young age and throughout school.

In recent years, we have been building on Readathon's long heritage to develop alternative ways to reach children and stimulate a love of reading - from citywide initiatives to providing Brilliant Boxes of Books, from the launch of Track My Read to an accessible storytelling training programme for medical and other professionals to improve their clinical encounters working with children.

These initiatives were already vital prior to the pandemic, but the impact of COVID-19 means that for millions of children, their health, wellbeing, and educational attainment have worsened:

- "The loss of learning, which is more likely to affect the most disadvantaged children, is likely to have significant long-term effects, both at the individual and societal level."
- "Addressing the challenge of language and reading skills is essential in order to prevent short-term impacts becoming long-term problems."
- "The burden of the indirect consequences of the pandemic will fall disproportionately on children, but we are alarmed at how little attention their needs are receiving."

There is an urgent need for our work to aid children's recovery by helping them to develop a love of reading. With disadvantaged pupils experiencing up to a seven-month dip in achievement as a result of the pandemic, and a widening gap with their more advantaged counterparts, it will be the activities that children and young people choose to do in their free time that will make the difference between catching up and remaining behind.

Read for Good's post-pandemic response

As schools are facing an ever growing burden to achieve more and more each day, and children's out-of-school hours are increasingly absorbed by their digital worlds, the space available to read for pleasure, or support children to do so, has shrunk. Read for Good is therefore adapting and working harder to ensure our programmes and initiatives are compelling and accessible.

Read for Good

Trustees' Report

Read for Good's activities for achieving objectives

In schools

Supporting children and young people to love reading is at the heart of Read for Good. Our tried and tested Readathon harnesses children's empathetic nature, to motivate them to read as much as they can, with sponsorship money used to buy new books and storyteller visits for children in hospital. Combined with free resources for teachers, amazing author and illustrator events, and brand new books for the school library, Readathon offers schools a complete package of support for children to develop a positive reading habit. In a normal year, around 2,000 schools and up to half a million children get involved in Readathon.

In 2020/21, many schools were forced to cancel, delay or disrupt their planned Readathons. In response, to support schools, Read for Good:

- Curated and maintained first class reading content and resources for schools and pupils at home;
- Launched a book recommendations webpage to support book reading choices;
- Hosted an exclusive, personal thank you to schools who ran Readathon during the pandemic from Children's Laureate and best-selling author Cressida Cowell, reaching around 8,000 pupils;
- Provided books and comics to 150 schools in dire need including via our partner charities in Liverpool, Gloucestershire and Manchester;
- Developed and launched Track My Read (TM) - a web-based app designed to motivate pupils to read daily, while providing essential reading behaviour insights and choices for teachers, librarians, schools and parents;
- Promoted free access to a wide range of author and illustrator events and films to support reading for pleasure at home.

Our experience from 37 years of Readathon is that children read more when they read what they love. Research from Scholastic UK shows that they're also five times more likely to finish a book they've chosen themselves. However, in May 2021 our research revealed an urgent need for high-quality, up-to-date reading material in school libraries across the UK, decimated by the pandemic. With school libraries still not statutory, book budgets needed to replace lost reading schemes/textbooks and PTA funds diminished or diverted, replacing and replenishing lost reading for pleasure stock has become impossible for many.

Our Brilliant Box of Books programme supplies books and comics to schools in need, as well as medical settings outside of our hospital programme. In 2021 we used substantial publisher donations to get book boxes to 181 settings with support from trusts and foundations to cover our delivery and operational costs. We'll continue to do this while we receive quality donations, and we're also seeking funding for a sustainable and scalable programme.

In hospitals

Our hospital programme, funded in part by Readathon, normally provides 27,000 brand new books and 224 storyteller visits throughout the year, to around 150,000 of the UK's most seriously ill children in all 30 of the UK's major children's hospitals. Our storytellers give the magic of stories to these children, bringing books to life.

COVID-19 has posed an even greater challenge than normal for children and their families requiring hospital admissions and outpatient appointments.

COVID restrictions continue to affect already disadvantaged children in hospital:

- Visitors restricted to one parent only, often only for an hour at a time (no siblings or grandparents allowed)
- Children restricted to bed and bathroom - no outside play or use of the playroom
- Increased anxiety due to invasive COVID-19 checks
- Increased use of personal protective equipment (PPE) with masks, gloves, gowns and more impeding the child-clinician relationship
- Parents unable to accompany children to theatre
- Toys and books removed to minimise infection risk

With few COVID-compliant resources available to children in hospitals, and almost all non-essential services being cancelled or curtailed, our books have provided a much-needed escape from the four walls of the hospital and the long empty days, helping to reduce feelings of isolation and anxiety that have only been heightened during the pandemic.

Our highly valued storytelling sessions have necessarily been on pause due to the restrictions placed on us by COVID-19, but we are hopeful that we will deliver a combination of live and remote storytelling sessions in the coming year.

In the meantime, we have developed a training programme made purposefully short and freely accessible, to train any professionals working with children in the secrets of storytelling - empowering them to readily weave storytelling into their work with children, improving the clinical or educational encounter.

Read for Good

Trustees' Report

In communities

Our citywide programmes bring the best of both Readathon and the hospital programme together: harnessing the enthusiasm of whole communities around a major children's hospital, to inspire children and young people to read for pleasure. Local partner organisations are engaged, resources are tailored to the localised need, and special author and illustrator events are provided to those in school, in home and in hospital, to create a real buzz about reading, and inspiring children to read for pleasure across whole communities.

We launched READ Gloucestershire! In January 2021, just as schools went into another sudden lockdown. We quickly pivoted plans and created resources and events to support schools in encouraging reading for pleasure. Supported by a great range of authors including Konnie Huq, Sarah McIntyre and M.G. Leonard, tailored events were created for pupils in school and at home. We partnered with World Book Day to get their £1 books directly into the hands of disadvantaged children.

We were unable to run the Liverpool Readathon as planned in March 2021 (our fourth in the city) and instead pivoted to encourage 12,359 children from schools across the city to Drop Everything and Read on World Book Day at 10am (mainly via Zoom) uniting pupils in lockdown through reading.

Looking ahead

Today, the founding principles of Read for Good - building a love of reading through choice, freedom and motivation - remain as relevant as ever. Read for Good is well positioned to build upon our expertise in reading for pleasure, to reach even more children and young people with pragmatic and effective programmes.

Read for Good's programmes contribute to six of the UN Sustainable Development Goals, which acknowledge that ending poverty goes "hand-in-hand with strategies that improve health and education, [and] reduce inequality". Our mission for every child in the UK to fulfill their potential through the many benefits of reading for pleasure has become even more urgent; success will in turn improve economic stability and social equality.

This is why at Read for Good we are emerging from the pandemic determined to champion the importance of reading for pleasure, working harder than ever to ensure we give our children the very best chances in life, at a time when they have sacrificed so much.

With thanks to our supporters

Read for Good seeks collaborations with partners (other charities, funders, corporates) who want to join us in investing in the future of our young people.

We acknowledge and thank our larger donors who have supported us throughout the year including:

Addenbrooke's Charitable Trust	Eleanor Rathbone Charitable Trust	The Lawson Trust
Alan Boswell Group Charitable Trust	Enkalon Foundation	Meikle Foundation
Ann Watson's Trust	Gapper Charitable Trust	The Notgrove Trust
Anton Jurgens Charitable Trust	Geoff & Fiona Squire Foundation	Peter & Teresa Harris Charitable Trust
Barbour Foundation	The George A Moore Charitable Trust	Peter Harrison Foundation
Barrack Charitable Trust	Gibbons Family Trust	Peter Sowerby Foundation
Blackwood Engineering Trust	Gloucestershire Community Foundation	PF Charitable Trust
The Canbrick Charitable Trust	Gloucestershire County Council Growing Our Communities Fund	Postcode Community Trust
Catherine Rayner Trading Ltd.	Halbard Charitable Trust	The Rainford Trust
Charles S. French Charitable Trust	Hitchins Family Trust	Reading Dispensary Trust
Children in Need (BBC)	Hospital Saturday Fund	Rowlands Trust
Childwick Trust	Hugh Fraser Foundation	Siobhan Dowd Trust
Coral Samuel Charitable Trust	Jennifer Hayward and Richard Waite	Souter Charitable Trust

Read for Good

Trustees' Report

The DMF Ellis Charitable Trust	John Lewis & Partners, Cheltenham	Sovereign Health Care Community Programme
Donald Forrester Trust	The Jones 1986 Charitable Trust	Unum Community Fund
D'Oyly Carte Charitable Trust	J Venn Foundation	Unwin Charitable Trust
Edward Gostling Foundation	Katie Bradford Arts Trust	Victoria Wood Foundation W M Mann Foundation

Read for Good has also been long supported by National Book Tokens who provide £10 worth of National Book Tokens for participating Readathon schools.

Free book vouchers to the face value of £36,260 were given to schools in the UK to spend on books. The cost of these vouchers was shared equally with Scholastic Book Clubs. The value of this year's vouchers has been included in the Statement of Financial Activities as a donation in and out.

We continue to be incredibly proud of our long-standing partnerships, helping us reach more children, with greater impact. We are thankful to our partners, in particular Scholastic Book Clubs, National Book Tokens and World Book Day for their continued support.

Financial review

Policy on reserves

Total reserves at 31 August 2021 were £774,557, of which £66,894 related to intangible and tangible fixed assets, leaving reserves available for designation to specific projects and activities of £707,663. Of these reserves, £100,000 has been designated to projects and activities in the coming financial year, leaving free reserves (or General Funds) of £607,663.

The Trustees review the level of reserves at least annually. Because the charity relies entirely on donations, and given the continuing impact of the pandemic and the uncertain economic climate, the Trustees felt it was prudent to increase the level of free reserves held to a minimum of £600,000, which will represent approximately 8 months' worth of operating costs in 2021-22.

Principal funding sources

The principal funding source is voluntary income from a combination of donations from members of the public, primarily through Readathon, and grants from trusts and foundations.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Structure, governance and management

Nature of governing document

Read for Good 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.

Recruitment and appointment 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.

Read for Good

Trustees' Report

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.

Organisational structure

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.

Pay policy for senior staff

The pay of the senior staff is reviewed annually, along with that of all employees, and normally increased in accordance with inflation and annual earnings.

Pay benchmarking is carried out as part of the recruitment of new posts through internet searching for similar posts and discussion with sector specialists.

Fundraising approach

Donors can be assured that Read for Good complies with the regulatory standards for fundraising. We are registered with the Fundraising Regulator and are committed to the Fundraising Promise and adherence to the Code of Fundraising Practice.

Over the last five years, we have pursued a strategy to diversify our sources of income, reducing our reliance on the sponsored read in schools. As a result, our income is now more equally split between sponsorship money generated by pupils taking part in our sponsored Readathon, and grants from Trusts and Foundations. In the coming years, we aim to increase our fundraising from individual donors and corporate supporters.

We remain incredibly grateful to the schools, families and friends, Trusts and Foundations, organisations and individuals who support our work financially.

During the year, we did not use third-party suppliers for the purposes of raising funds.

Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received zero complaints relating to fundraising in the financial year (2020: Nil).

We acknowledge all complaints within two working days and respond in full within four weeks. Complaints are dealt with in-line with our Complaints Policy. The most serious complaints are escalated to CEO or Chair of the Board of Trustees.

Our Safeguarding Policy is available on our website and reviewed annually. Safeguarding is discussed at each Board meeting.

Volunteers

We are enormously grateful to the team of regular volunteers who support our work. In addition to the service provided by our Trustees, during 20/21 our volunteers donated 438 hours of time across the year, despite Read for Good's offices being closed for several months because of the lockdowns. We have around ten volunteers, with half of them giving their time regularly at our office in Nailsworth.

Major risks and management of those risks

Financial risk

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.

Read for Good

Trustees' Report

Plans for future periods

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 to ensure it is equipped to tackle these challenges head on, and continues to thrive. In addition, Read for Good continues to diversify its sources of income to reduce the financial reliance on the sponsored read, through a greater investment in trust, corporate and individual fundraising.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

The auditors, Hazlewoods LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The annual report was approved by the trustees of the charity on and signed on its behalf by:

.....
Mr Michael Walker
Trustee

Read for Good

Statement of Trustees' Responsibilities

The trustees (who are also the 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 the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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. 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.

Approved by the trustees of the charity on and signed on its behalf by:

.....
Mr Michael Walker
Trustee

Read for Good

Independent Auditor's Report to the Members of Read for Good

Opinion

We have audited the financial statements of Read for Good (the 'charity') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2021 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 auditor's 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.

Read for Good

Independent Auditor's Report to the Members of Read for Good

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 the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 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 where the 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 9), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Read for Good

Independent Auditor's Report to the Members of Read for Good

- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

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 auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Scott Lawrence (Senior Statutory Auditor)
For and on behalf of Hazlewoods LLP, Statutory Auditor

Staverton Court
Staverton
Cheltenham
GL51 0UX

Date:.....

Read for Good

Statement of Financial Activities for the Year Ended 31 August 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	388,822	360,838	749,660
Investment income	4	<u>4,505</u>	<u>-</u>	<u>4,505</u>
Total income		<u>393,327</u>	<u>360,838</u>	<u>754,165</u>
Expenditure on:				
Raising funds	5	(37,454)	-	(37,454)
Charitable activities	6	<u>(241,076)</u>	<u>(360,838)</u>	<u>(601,914)</u>
Total expenditure		<u>(278,530)</u>	<u>(360,838)</u>	<u>(639,368)</u>
Net income		114,797	-	114,797
Other recognised gains and losses				
Other gains/losses		<u>68</u>	<u>-</u>	<u>68</u>
Net movement in funds		114,865	-	114,865
Reconciliation of funds				
Total funds brought forward		<u>659,692</u>	<u>-</u>	<u>659,692</u>
Total funds carried forward	18	<u><u>774,557</u></u>	<u><u>-</u></u>	<u><u>774,557</u></u>

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	467,542	199,817	667,359
Investment income	4	<u>1,444</u>	<u>-</u>	<u>1,444</u>
Total income		<u>468,986</u>	<u>199,817</u>	<u>668,803</u>
Expenditure on:				
Raising funds	5	(41,483)	-	(41,483)
Charitable activities	6	<u>(570,220)</u>	<u>(199,817)</u>	<u>(770,037)</u>
Total expenditure		<u>(611,703)</u>	<u>(199,817)</u>	<u>(811,520)</u>
Net expenditure		(142,717)	-	(142,717)
Other recognised gains and losses				
Other gains/losses		<u>(49,066)</u>	<u>-</u>	<u>(49,066)</u>
Net movement in funds		(191,783)	-	(191,783)
Reconciliation of funds				
Total funds brought forward		<u>851,475</u>	<u>-</u>	<u>851,475</u>
Total funds carried forward	18	<u><u>659,692</u></u>	<u><u>-</u></u>	<u><u>659,692</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 18.

Read for Good

(Registration number: 06895421) Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	66,894	80,168
Investments	13	<u>391</u>	<u>323</u>
		<u>67,285</u>	<u>80,491</u>
Current assets			
Debtors	14	42,143	47,342
Cash at bank and in hand	15	<u>821,214</u>	<u>683,764</u>
		863,357	731,106
Creditors: Amounts falling due within one year	16	<u>(156,085)</u>	<u>(151,905)</u>
Net current assets		<u>707,272</u>	<u>579,201</u>
Net assets		<u>774,557</u>	<u>659,692</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>774,557</u>	<u>659,692</u>
Total funds	18	<u>774,557</u>	<u>659,692</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements on pages 13 to 26 were approved by the trustees, and authorised for issue on and signed on their behalf by:

.....
Mr Michael Walker
Trustee

Read for Good

Statement of Cash Flows for the Year Ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income/(expenditure)		114,865	(191,783)
Adjustments to cash flows from non-cash items			
Depreciation	5	13,274	15,563
Amortisation	5	-	98,070
Investment income	4	(4,505)	(1,444)
Revaluation of investments		(68)	49,066
		<u>123,566</u>	<u>(30,528)</u>
Working capital adjustments			
Decrease/(increase) in debtors	14	5,199	(346)
Increase in creditors	16	<u>4,180</u>	<u>50,029</u>
Net cash flows from operating activities		<u>132,945</u>	<u>19,155</u>
Cash flows from investing activities			
Interest receivable and similar income	4	4,505	1,444
Sale of investments		<u>-</u>	<u>303,641</u>
Net cash flows from investing activities		<u>4,505</u>	<u>305,085</u>
Net increase in cash and cash equivalents		137,450	324,240
Cash and cash equivalents at 1 September		<u>683,764</u>	<u>359,524</u>
Cash and cash equivalents at 31 August		<u><u>821,214</u></u>	<u><u>683,764</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The Charity has no external debt.

Read for Good

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Charity status

The charity is limited by guarantee, incorporated in United Kingdom, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The principal place of business is:

26 Nailsworth Mills
Avening Road
Nailsworth
Gloucestershire
GL6 0BS

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

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 notes.

Going concern

The financial statements have been prepared on a going concern basis.

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 one year from the date of approval of the financial statements.

Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income and endowments

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 the income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Donated goods and services are included at fair value and the income is recognised within income from donations and legacies.

Read for Good

Notes to the Financial Statements for the Year Ended 31 August 2021

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £1,000.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Short term leasehold property improvements	10 years straight line
Office equipment	3 years straight line
Computer equipment	3 years straight line

Read for Good

Notes to the Financial Statements for the Year Ended 31 August 2021

Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Prior period restatements

The prior period balances have been restated to recognise the value of the investments (£323) as at 31 August 2020. An element of unrestricted expenditure (£41,483) has been reclassified from expenditure on charitable activities to correctly present it as expenditure on raising funds.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and legacies;				
Donations from companies, trusts and similar proceeds	358,369	360,838	719,207	594,779
Grants, including capital grants;				
Government grants	30,453	-	30,453	72,580
	<u>388,822</u>	<u>360,838</u>	<u>749,660</u>	<u>667,359</u>

Read for Good

Notes to the Financial Statements for the Year Ended 31 August 2021

Government grant income of £30,453 (2020: £72,580) is all in relation to the Coronavirus Job Retention Scheme (CJRS) Grant.

Of the income received from donations and legacies £360,838 (2020: £199,817) was restricted.

4 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Other investment income	4,505	4,505	1,444

5 Expenditure on raising funds

	Direct costs £	Total 2021 £	Total 2020 £
Costs of generating donations and legacies	37,454	37,454	41,483

6 Expenditure on charitable activities

	Note	Unrestricted funds		Restricted funds £	Total 2021 £	Total 2020 £
		Designated £	General £			
Staff costs		-	172,240	95,105	267,345	252,014
Depreciation and amortisation		13,274	-	-	13,274	113,633
Other costs		-	55,562	265,733	321,295	404,390
		<u>13,274</u>	<u>227,802</u>	<u>360,838</u>	<u>601,914</u>	<u>770,037</u>

	Activity undertaken directly £	2021 £	2020 £
Staff costs	267,345	267,345	252,014
Depreciation and amortisation	13,274	13,274	113,633
Hospital Reading Programme excluding staff costs and overheads	115,732	115,732	173,718
Schools Reading Programme excluding staff costs and overheads	138,552	138,552	150,680
Consultancy	377	377	4,128
Travel costs	-	-	76
Storage	1,944	1,944	1,944
Bank charges	137	137	138
Office costs	34,095	34,095	40,791
Direct costs	25,006	25,006	26,424
Auditors remuneration	5,000	5,000	5,780
Other governance costs	452	452	711
	<u>601,914</u>	<u>601,914</u>	<u>770,037</u>

Read for Good

Notes to the Financial Statements for the Year Ended 31 August 2021

7 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2021 £	2020 £
Depreciation of fixed assets	<u>13,274</u>	<u>113,633</u>

8 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

During the year ended 31 August 2021, expenses totalling £389 (2020: £711) were reimbursed or paid directly to 1 Trustee (2020: 1 Trustee). The expenses reimbursed were mileage claims for Trustees attending Board meetings

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

9 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	266,734	261,457
Social security costs	25,844	20,992
Pension costs	<u>6,295</u>	<u>5,933</u>
	<u>298,873</u>	<u>288,382</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2021 No	2020 No
	<u>9</u>	<u>10</u>

No employee received emoluments of more than £60,000 during the year.

10 Auditors' remuneration

	2021 £	2020 £
Other fees to auditors		
Audit-related assurance services	<u>5,000</u>	<u>5,780</u>

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Read for Good

Notes to the Financial Statements for the Year Ended 31 August 2021

12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2020	156,799	4,059	8,183	169,041
At 31 August 2021	156,799	4,059	8,183	169,041
Depreciation				
At 1 September 2020	76,631	4,059	8,183	88,873
Charge for the year	13,274	-	-	13,274
At 31 August 2021	89,905	4,059	8,183	102,147
Net book value				
At 31 August 2021	66,894	-	-	66,894
At 31 August 2020	80,168	-	-	80,168

Included within the net book value of land and buildings above is £Nil (2020 - £Nil) in respect of freehold land and buildings and £66,894 (2020 - £80,168) in respect of leaseholds.

13 Fixed asset investments

	2021 £	2020 £
Other investments	391	323

Read for Good

Notes to the Financial Statements for the Year Ended 31 August 2021

Other investments

	Listed investments £	Total £
Cost or Valuation		
At 1 September 2020	323	323
Revaluation	68	68
At 31 August 2021	391	391
Net book value		
At 31 August 2021	391	391
At 31 August 2020	323	323

14 Debtors

	2021 £	2020 £
Prepayments	29,386	29,907
Other debtors	12,757	17,435
	42,143	47,342

15 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	821,214	683,764

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	40,152	30,898
Other taxation and social security	6,669	4,991
Other creditors	1,742	2,382
Accruals	107,522	113,634
	156,085	151,905

17 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Other		
Within one year	15,794	15,794
Between one and five years	57,468	58,736
After five years	21,408	36,869
	94,670	111,399

Read for Good

Notes to the Financial Statements for the Year Ended 31 August 2021

18 Summary of Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General	535,524	393,327	(265,256)	(56,000)	68	607,663
Designated	<u>124,168</u>	<u>-</u>	<u>(13,274)</u>	<u>56,000</u>	<u>-</u>	<u>166,894</u>
Total unrestricted funds	659,692	393,327	(278,530)	-	68	774,557
Restricted funds	<u>-</u>	<u>360,838</u>	<u>(360,838)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u><u>659,692</u></u>	<u><u>754,165</u></u>	<u><u>(639,368)</u></u>	<u><u>-</u></u>	<u><u>68</u></u>	<u><u>774,557</u></u>

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General	507,674	468,986	(478,070)	86,000	(49,066)	535,524
Designated	<u>343,801</u>	<u>-</u>	<u>(133,633)</u>	<u>(86,000)</u>	<u>-</u>	<u>124,168</u>
Total unrestricted funds	851,475	468,986	(611,703)	-	(49,066)	659,692
Restricted funds	<u>-</u>	<u>199,817</u>	<u>(199,817)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total funds	<u><u>851,475</u></u>	<u><u>668,803</u></u>	<u><u>(811,520)</u></u>	<u><u>-</u></u>	<u><u>(49,066)</u></u>	<u><u>659,692</u></u>

Read for Good

Notes to the Financial Statements for the Year Ended 31 August 2021

19 Statement of Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General						
General funds	535,524	393,327	(265,256)	(56,000)	68	607,663
Designated						
Fixed assets	80,168	-	(13,274)	-	-	66,894
Projects	44,000	-	-	56,000	-	100,000
	<u>124,168</u>	<u>-</u>	<u>(13,274)</u>	<u>56,000</u>	<u>-</u>	<u>166,894</u>
Total unrestricted funds	659,692	393,327	(278,530)	-	68	774,557
Restricted funds						
Hospital programme - specified	-	360,838	(360,838)	-	-	-
Total funds	<u>659,692</u>	<u>754,165</u>	<u>(639,368)</u>	<u>-</u>	<u>68</u>	<u>774,557</u>
	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General						
General funds	507,674	468,986	(478,070)	86,000	(49,066)	535,524
Designated						
Trademark	98,070	-	(98,070)	-	-	-
Fixed assets	95,731	-	(15,563)	-	-	80,168
Projects	150,000	-	(20,000)	(86,000)	-	44,000
	<u>343,801</u>	<u>-</u>	<u>(133,633)</u>	<u>(86,000)</u>	<u>-</u>	<u>124,168</u>
Total unrestricted funds	<u>851,475</u>	<u>468,986</u>	<u>(611,703)</u>	<u>-</u>	<u>(49,066)</u>	<u>659,692</u>

Read for Good

Notes to the Financial Statements for the Year Ended 31 August 2021

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 August 2020 £
Restricted						
Hospital programme - non-specified	-	88,700	(88,700)	-	-	-
Hospital programme - specified	-	111,117	(111,117)	-	-	-
Total restricted funds	-	199,817	(199,817)	-	-	-
Total funds	851,475	668,803	(811,520)	-	(49,066)	659,692

Read for Good

Notes to the Financial Statements for the Year Ended 31 August 2021

Designated funds

Fixed assets

Funds have been designated for the purchase of fixed assets which has now taken place. The designated funds represents the net book value of fixed assets and is reduced each year by the depreciation of those fixed assets.

Projects

£32,000 of designated funds were spent in 2020/2021 to help fund the charity's hospital programme. £12,000 funded the initial development of Track My Read, which enabled us to fund raise for Version 2 of Track My Read to launch at the end of 2021.

In 2021/22, up to £100,000 will be required to:

1. Supplement income from grant-making trusts to fund the hospital programme up to the value of £32,000;
2. Enable Read for Good's book box programme, in which we collate a range of children's books for schools and medical settings in need up to the value of £15,000. We hope to fundraise for this programme, but this designation allows us to progress the programme immediately.
3. Up to £13,000 to underwrite the cost of our citywide programme and to develop a more accessible version of Stories for Schools.
4. Up to £40,000 to develop Track My Read to become a more robust and function-rich solution.

Restricted funds

Hospital programme is an initiative started in 2010 which provides books and storytellers to children in hospital.

Grants received

Readathon in hospitals has received specific donations towards the costs of running Readathon in hospitals. Some of the donors are detailed in the Trustees' Report.

20 Analysis of net assets between funds

	Unrestricted funds General	Total funds at 31 August 2021
	£	£
Tangible fixed assets	66,894	66,894
Fixed asset investments	391	391
Current assets	863,357	863,357
Current liabilities	<u>(156,085)</u>	<u>(156,085)</u>
Total net assets	<u>774,557</u>	<u>774,557</u>

	Unrestricted funds General	Total funds at 31 August 2020
	£	£
Tangible fixed assets	80,168	80,168
Fixed asset investments	323	323
Current assets	731,106	731,106
Current liabilities	<u>(151,905)</u>	<u>(151,905)</u>
Total net assets	<u>659,692</u>	<u>659,692</u>

21 Related party transactions

There were no related party transactions in the year.