

**Charity Registration No. 1126806 (England and Wales)**

**Charity Registration No. SC043054 (Scotland)**

**Company Registration No. 06607389 (England and Wales)**

**THE READER ORGANISATION**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

# THE READER ORGANISATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mrs A S Marsland (Chair) Ms R Hawley ME JP DL Mr H Biddell Dr R M Hussey Mr P L Davies Mr P K Sood Mrs Sarah Fletcher (Appointed 14 September 2020)
<b>Secretary</b>	Ms J Martin
<b>Founder and Director</b>	Ms J Davis
<b>Chief Operating Officer</b>	Ms A Horne
<b>Director of Finance</b>	Ms V Hopton
<b>Charity number (England and Wales)</b>	1126806
<b>Charity number (Scotland)</b>	SC043054
<b>Company number</b>	06607389
<b>Registered office</b>	The Mansion House Calderstones Park Liverpool Merseyside L18 3JB
<b>Auditor</b>	McLintocks (NW) Limited 46 Hamilton Square Birkenhead Wirral Merseyside CH41 5AR
<b>Bankers</b>	Santander UK Plc Bridle Road Bootle Merseyside L30 4GB

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# THE READER ORGANISATION

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# THE READER ORGANISATION

## CHAIR'S STATEMENT

**FOR THE YEAR ENDED 31 MARCH 2021**

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### Chair & Director's Statement

There is nothing  
to do but learn and wait, return to work  
on what remains. Seed will sprout in the scar. Though death is in the healing, it will heal.

From 'The Slip', Wendell Berry

The Reader's plans for the financial year 2020/21 were thrown into disarray as we – like everyone else – faced the enormous challenge of navigating a global pandemic emergency.

We began the year having already made the decision to suspend all in-person activity at our organizational headquarters, Calderstones, and across GB in March 2020. For the safety and wellbeing of the movement, Shared Reading groups and 1:1s were put on hold as we asked more than 1200 volunteers to temporarily stand down.

In April, as the chaos and uncertainty wrought by Covid-19 gained momentum, our ability to perform large strands of our work fell away. But as the words of the poem tell us, 'seed will sprout in the scar' and we soon found an urgency and impetus to innovate in order to respond to the three most pressing needs that were arising from communities; the need for food; wellbeing support and for social connection.

We reacted quickly to evolve our work where we could in order to meet these needs, and our Trustees approved a temporary change to our mission in response to the National Emergency.

### Our Adapted Mission

We aim to help humans survive and live well by providing two services – food to keep body alive for those in most need, and literature for the spirit of all.

In the words of the early female unionists of the US, who recognised that life was not only about basic breadline necessities but also about the ineffable beauty of the world, 'give us bread but give us roses'.

For the duration of the emergency, we worked under the banner: Bread and Roses.

### Bread

We secured emergency local funding to be able to use our kitchens at the Mansion House to produce frozen, nutritious soup and cooked meals for those who needed them in the Liverpool City Region.

From April to July, we cooked up over 4,000 portions of vegan soup which were distributed with the help of our partners at Crisis Merseyside, The Whitechapel Centre, L6 Community Association and Granby and Toxteth Trust, Woolton Food Bank, West Everton Community Centre, Torus Housing, South Liverpool Foodbank and Local Solutions Liverpool.

In December, the project relaunched to provide an extra 1,000 portions of Mansion House Lamb Scouse and vegan soup, bringing the total number of meals provided to over 5,000.

Each portion of soup or scouse went out into the world with information about our coronavirus support line, online Shared Reading services, and a piece of literature offering a message of unity, hope, and love.

Throughout this time of changing restrictions, our social enterprises at Calderstones continued to serve the local community when they could in recognition that simply being open was a helpful service for the public.

# THE READER ORGANISATION

## CHAIR'S STATEMENT

**FOR THE YEAR ENDED 31 MARCH 2021**

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### Roses

The roses of life include human company and feeling connected as well as the enjoyment of literature, and that is what we worked on for all our group members, volunteers, volunteer Reader Leaders and staff.

We transformed the way we deliver Shared Reading wherever possible – using internet, telephone and social media. We reached people both inside and outside the movement in new ways, such as online volunteer support sessions to printed reading packs and radio programmes for prisons and Shared Reading over the phone.

### Impact

It has been heartening to hear how, with and without our support, our fantastic volunteer base found new ways of keeping in touch with their group members and each other using Zoom, social media, email, WhatsApp and other means as they continued to read and be together.

And while groups continued at a distance, the inspiring accounts from more of our volunteers and staff members provided us with a picture of communities continuing to embrace Shared Reading in its new format, from care homes to libraries, with young readers and those trying it out for the first time, including...

The 93-year-old using Zoom to join her regular group; a bed-bound individual joining a Calderstones session online; a homeless individual reading over the phone from a hotel who told us: 'After the call I feel good, I'm thinking about the poem and that you phoned. There's no pressure and I get speak my mind – it helps.' And the occupational therapist who used Shared Reading to 'read with people at the end of their life and it made a big difference. It helped to create a calming atmosphere as well as maintain that bond with our patients – it was so meaningful.'

On behalf of the trustees, we would like to give thanks to all our wonderful volunteers, group members and colleagues who have worked so hard to continue to bring us through this difficult time.

We are also grateful to our core funders – Arts Council England, players of People's Postcode Lottery and The National Lottery Community Fund – who have supported us through the uncertainty. In 2020-21, we added the Steve Morgan Foundation to this list in recognition of a funding award from the Foundation and DCMS Community Match Challenge – part of government's £750m support package for charities.

Core funder support, along with that of a wide range of generous funders, supporters, partners, commissioners, customers and individual donors, has helped to reshape our activity in ways we'd never imagined in 2020 – approximately 35% of our original provision is now running in an alternative way and 50% of our volunteers remain active and engaged.

Finally, this year we engaged all our staff in open conversations about how we can strengthen our approach to Equity, Diversity and Inclusion (EDI). Whilst inclusion is integral to our work, we know that we can do more to make our belief that Shared Reading can be for everyone a reality and to show how the power of Shared Reading can help build connections and understanding between people from different backgrounds. A stronger approach to EDI will underpin our next strategic plan (to be developed in 2021/22), with a priority focus on racial equality and anti-racism.

# THE READER ORGANISATION

## CHAIR'S STATEMENT

### FOR THE YEAR ENDED 31 MARCH 2021

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In 2021, our challenge now is to get ourselves on a strong footing so we can do more.

Like many charities we're concerned about participants who haven't been able to access our support during this time when we know that the pandemic has taken a toll on mental health and wellbeing, the effects of which will continue long after restrictions are lifted.

We know that there is much work to do if we are to rebuild the reading revolution and reach full capacity once again, but what is also certain and clear to us is the importance of our mission. As Toni Morrison writes:

This is precisely the time when artists go to work. There is no time for despair, no place for self-pity, no need for silence, no room for fear. We speak, we write, we do language. That is how civilizations heal.

Jane Davis, Founder and Director

  
Anita Marsland, Chair of Trustees

Dated: 13 September 2021

## THE READER ORGANISATION

### TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT)

**FOR THE YEAR ENDED 31 MARCH 2021**

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The trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document (Memorandum and Articles of Association), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)".

#### **Objectives and activities**

##### **Objects of the charity**

The charity's objects are to promote any charitable purposes for the benefit of citizens and inhabitants of the United Kingdom and other countries, in particular the advancement of education, the furtherance of health, the relief of poverty, distress and sickness, the promotion of social inclusion and furtherance of community especially through reading and literature based activities.

##### **Our Vision**

A world in which everyone has 'something real to carry home when day is done'.

##### **Our Mission**

The Reader is bringing about a reading revolution so that everyone can experience and enjoy great literature, which we believe is a tool for helping humans survive and to live well.

Everything we do – from our Shared Reading groups to our social enterprises, from our publications to The Storybarn at Calderstones – brings people together and books to life to make this happen.

For the duration of the pandemic, we adapted our mission as follows:

We aim to help humans survive and live well by providing two services – food to keep body alive for those in most need, and literature for the spirit of all.

In the words of the early female unionists of the US, who recognised that life was not only about basic breadline necessities but also about the ineffable beauty of the world, 'give us bread but give us roses'.

*"Literary reading is reading at its most intense, moving, and imaginatively speculative. It is the best way to feel, imagine and think about life – your life."*

**From Reading, Philip Davis and Fiona Magee, 2020**

# THE READER ORGANISATION

## TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **Shared Reading and Great Literature: Needed More Than Ever**

As we adapt to living with the new post-pandemic normal, literature's life-supporting benefits are needed more than ever. Great novels, poems and plays offer connection, comfort, wellness and meaning – all of which will help our society to heal.

Connecting with rich and complex literature gives us access to our deepest thoughts, emotions and experiences – it touches us and makes us say 'I never knew anyone but me felt that'. For The Reader, this is where 'great' starts. A great book might be Anna Karenina or I Know Why The Caged Bird Sings, or Not Now Bernard or Millions.

We actively look for literature that ignites feeling, emotional recognition, and while recognizing that each individual will have their own centres of feeling, we seek out literature that will speak to the feelings of a range of people and help to meet the understanding of diverse people with diverse experience.

### **What Shared Reading Does**

#### **Peter's Reader Story**

'I joined an online Shared Reading group via Zoom. It has become my one opening to the world. During the lockdown, I have had very limited contact with other human beings. You have no idea how valuable these online Friday sessions have been to me.'

People who took part in Shared Reading activities in 2020 told us that it...

'Makes me feel better' – 94%

'Gives me something different to think about' – 95%

'Helps me to connect with others in a different way' – 89%

'Has made me feel more connected to other people' – 89%

### **Our strategic goals for 2017 – 2022**

Thanks to our volunteers, staff and supporters, we continued to make strong progress during 2020/21 despite the major challenges faced as a result of COVID. Inevitably we have made changes to the way we deliver our work. We anticipate that many new products developed in response to urgent needs will continue during 21/22.

Our three main ambitions remain;

- Grow Shared Reading so that great literature can help more people to survive and live well in their own communities.
- Successfully establish our organisational home – The Reader at Calderstones – as a new kind of community based on Shared Reading.
- Be a strong, learning organisation that is values-driven and a pioneering place to work, volunteer or participate.

<sup>1</sup> Feedback from our Community Survey, September 2020 – 351 individuals surveyed, response rate 84%



# THE READER ORGANISATION

## TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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### Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the trustees to present a strategic report.

### Achievements and performance

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

In 2020-21, we continued to make strong progress despite the major challenges faced as a result of COVID.

Highlight achievements are;

- Launch of The Reader at Home – a range of new digital products for adults as a fast response to the COVID situation.
- 5,000+ soups and hot meals provided with a poem to those in need.
- Produced and distributed a four-part anthology, specifically curated to provide comfort through testing times.
- Developed new digital products to provide an offer for children and their parents.
- Transferred as much activity from our Shared Reading projects for Adults and Children online as possible.
- Increased the support available to our volunteers and improved our working practices to provide as much flexibility and support for our staff as possible.
- Produced and broadcast 16 programmes on the National Prison Radio Service.
- Launched and worked with partners to distribute our new 'Lifelines' activity pack for our group members without internet access including those in prisons. 25 editions have been produced so far.
- Launched our new Shared Reading on the phone service with a specific focus on homeless people in London (working in partnership with Cardboard Citizens) and isolated people living close to Calderstones.
- First edition of the relaunched Reader Magazine was released in March, hitting letterboxes just as the pandemic took hold, providing much needed pleasure and comfort. The second edition was published in September.
- Achieved Investors in Volunteers Kitemark in July.
- Piloted (and are now rolling out) an online version of our flagship training course (Read to Lead) and our training those Reading one-to-one with vulnerable children (A Little Aloud for Children).
- Led a piece of work with a consortium of primary care, VCSE and wider partners to complete a report looking at Social Prescribing in South Liverpool. Initial response has been positive with the CCG and the University of Liverpool showing interest in the recommendations, inviting further discussion with researchers within their National Institution Health Research social prescribing work. We are now in discussions with Capacity, LCVS and PSS regarding the longer term legacy of the work.
- Continued to develop International Development Partnership with Belgium's Het Lezerscollectief, working closely with Laserinengforen Denmark and with Leserne in Norway.
- Continued work on our digital transformation programme. Following the launch of the new public facing website in September 2019, there was a soft launch of the Online Community Hub (a new platform giving our volunteer access to a wide variety of resources and an easy way to claim expenses and report on their activities) in August, and work continues on the new CRM roll out.
- Our first ever People Strategy was finalised and launched setting out our key priorities for the next three years.
- Progress on our work towards the Creative Case for Diversity: continued focus on our Diversity action plan, recruited a cohort of staff Diversity and Inclusion Advocates, prioritised diversification of our Reader Library and held The Big Diversity and Inclusion Think Day for staff Nov 2020, with visiting speaker Ruth Ibegbuna. Our Equity, Diversity and Inclusion – Belonging at The Reader – strategy to be completed by end of March 2022.

## THE READER ORGANISATION

### TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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- Through funding from DCMS and the Steve Morgan Foundation we began piloting a menu of options for primary and secondary schools to create an embedded model of Shared Reading. This year we have engaged 446 primary and 114 secondary school pupils across the Liverpool area and we look forward to continuing and developing this work in 2021/22.
- Created a new outdoor area at the Storybarn that will enhance our offer for years to come.
- Developed and launched our own e-learning platform which will be used to improve the delivery of our online training and to provide a better experience for group members attending online Shared Reading groups
- Developed 'Tales and Trails' a new outdoor digital heritage experience for families
- Funded by the DCMS/Steve Morgan Foundation and working alongside partners such as the Liverpool City Council Care Leavers team, Kuumba Imani Centre/L8 and the Salvation Army at Strawberry Fields, we have started to pilot an exciting long-term project offering young people wide-ranging training and meaningful personal development, boosting employability. Three young people, referred from the Leaving Care team, have started their exciting employment journey at Calderstones.

#### 2020-21 Operational highlights

##### 1. Growing Shared Reading ...

*'This is probably the most rewarding thing I've ever done. The connectedness you get with other human beings is quite incredible. Remarkable - just through one story or one poem.'*

**Volunteer Reader Leader**

#### National Shared Reading

During the year

- Over 18,000 adults engaged with our new portfolio of Shared Reading activities in person and online – over 5,500 of these either volunteering or participating in a Shared Reading group or 1-to-1.
- We onboarded and trained 73 new volunteers despite the pandemic and 46 volunteers took on a new role to help deliver new activities.
- New online reading material developed to support people through the crisis has been accessed over 10,700 times.
- We tripled the number of practical and wellbeing support sessions we offered volunteers.
- Every week we sent reading activity packs out to 256 partners, including care homes and charities
- We developed 7 new products to keep adults reading together - including weekly readings on Facebook Live, new digital anthologies, audio and video readings and a series of radio programmes broadcast in prisons.
- 69 socially isolated people from across GB read with us over the phone every week.
- We developed our own e-learning platform allowing us to upgrade our online training experience, and host our online Shared Reading groups
- We piloted a new product for Care Home residents ready for wider roll out in 2021/22
- We launched The Reader Podcast - a regular, audible magazine to offer existing and new supporters a taste of what the Reading Revolution's all about.

*'I remember one week we read a poem about a tree and it kind of triggered nature to me... It's inspired me to look at my surroundings a bit closer and really see the things I just took for granted and appreciate them more.'*

**Shared Reading Group Member**

Feedback on our alternative provision during the year showed that

- 94% of participants surveyed reported that the activity they engaged in makes them feel better
  - 95% of participants surveyed reported that the activity they engaged with gave them with something different to think about
  - 89% reported that Shared Reading helped them feel more connected to other people.
  - 72% of participants surveyed felt that our alternative provision was an important activity to help them during lockdown.
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## THE READER ORGANISATION

### TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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Our work in Criminal Justice

*'There are so many times, when you're in custody, that you're just going through the motions almost like a zombie, just to make it to the next day. It's very easy to drift into that. I think what these poems do is bring you back to reality. It reminds you that after that period of incarceration - there is something else.'*

**Tassie, contributor, National Prison Radio**

Through a collaboration with our PIPEs funder, and with funding from the Steve Morgan Foundation and DCMS Community Match Challenge – part of government's £750m support package for charities #CommunitiesCan, we were delighted to be able to produce and broadcast 16 programmes on National Prison Radio throughout the year.

Developed with Prison Radio Association, the programmes offered residents in 120 UK prisons a vital opportunity for meaningful connection and wellbeing support at a time when additional restrictions in place because of Covid were having a profound impact on the mental and physical wellbeing of many.

We also continued to reach participants in the Health and Justice Sector throughout the pandemic with a new reading activity pack that was distributed within all the settings we usually work in and did not rely on the use of digital solutions.

#### **Growing Shared Reading**

We are now supporting eight active International Partners, with a new partnership in Region Varmland, Sweden recently coming on line. In-person visits from our international partners were of course not possible this year. However, the move to online training and support has benefited our International audiences in terms of convenience. During the pandemic, our International Reader Leaders joined our UK Reader Leaders for online support sessions for the first time. There are new relationships in Sweden currently in the pipeline.

#### **Our work with Children and Young People**

As you will know, our children have frequently suffered trauma, neglect and sometimes abuse. This of course affects their ability to focus, their ability to trust and their ability to self calm and regulate. Reading Heroes has offered them all these things in bucketfuls and more. One particular young person has been out of school for some time, not being able to have his very complex needs met by even some of our more specialist provisions. This has, in turn, put pressure on his home life where his behaviour continues to challenge. He has responded so well to Reading Heroes and thoroughly enjoys his slot (as does his nan).

*If only just this child was affected, it makes the service successful in impacting on the lives of very vulnerable young people. But there are so many more besides him and for all of them, I thank you whole heartedly for your kindness, consideration, time and patience. You are wonderful.*

**Virtual Schools Headteacher, Wirral Childrens and Young People Services**

- We developed 6 new digital products to keep children reading and engaged during the pandemic including Storybarn Live on Facebook, Hijacked: digital schools offer, Online Birthday Parties, Books & Babies: weekly parent and child sessions for our First Page Partner families, Eerie Ears- an immersive reading experience available for download and Bedtime Reading via You Tube.
- Shared Reading with Looked After Children has translated brilliantly online and continues to engage vulnerable children. We have seen wider engagement from volunteers nation-wide with over 87 active pairings for reading via Zoom. Reading Heroes will continue to offer both online and in person reading to support ongoing engagement going forward.
- Our First Page Project has been challenging this year, with many partner organisations closing their doors due to Covid. We were delighted to maintain contact with many of our partners, sending out resource packs to support alternative delivery and we were delighted to welcome 17 new partners. We look forward to rebuilding and nurturing our partners connections over the coming year.

## THE READER ORGANISATION

### TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2021

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- We provided an outdoor Christmas activity for children and families through Santa Post, a story based adventure in the park, offered in partnership with a leading independent publisher, Walker Books, that attracted over 900 visitors to the site during December 2020.
- In partnership with Calderstones School we are transforming a container in our courtyard into a creative space for reading activities for teenagers.
- The Storybarn became the North West Partner for Cheltenham Literary Festivals' programme Reading Teachers = Reading Pupils. This programme nurtures reading for pleasure for our local teaching community and we are excited to continue this relationship into the 21/22 academic year.

Feedback on our work with Children and Young People during the year showed that:

- 80% of teachers participating in our schools project strongly agree that Shared Reading encourages students to share thoughts and ideas.
- 85% of young people that we read with on our Reading Heros project showed significant improvements in confidence and self-esteem.
- After engaging with our Santa Post trail, 87% of respondents agreed with the statement 'This visit made me want to spend more time sharing stories with my child(ren)'.
- 100% of partner staff and volunteers participating in training for our First Page project reported that they feel more confident choosing stories and poems to read.

#### 2. Successfully establishing The Reader at Calderstones

*'Although not on official shielding list I have a chronic health problem which requires me to take immunosuppressant medication. I was virtually housebound for 5 months and remain isolated to some degree. The Reader has been a lifeline and I am very grateful to have been able to lead and participate in Shared Reading and Knit and Natter activities.'*

##### A Calderstones Volunteer

The Calderstones programme this year has included a range of outdoors, phone, print and online activity – from a community common place book and digital poetry park trails, to Shared Reading on Zoom and the Finding Connection volunteer-led telephone service

- These efforts, combined with our soup and poetry distribution across Liverpool City Region, have reached a total of 4,275 children and adults, providing 54,639\* participant experiences (\*figure includes 15% of total engaged in wider Reader at Home digital provision).
- Even in difficult circumstances, the Mansion House continued to be an important asset for the local community. In September, we welcomed new tenants, Our Liverpool - a Liverpool City Council initiative that provides educational classes to asylum seekers and refugees.
- Over 2,000 bookings made with an estimated 4,926 tickets sold.
- 95% of participants who took part in activities at Calderstones felt it improved their wellbeing with 54% reporting that it reduced their social isolation.
- Co-creation and launch of a vibrant community programme which, before Covid, consisted of 40+ weekly activities: an expanded schedule of 23 weekly Shared Reading groups and 17 wider wellbeing activities – from gardening, heritage, nature, families and crafts.
- 80 volunteers remained active throughout the year despite circumstances. Volunteer welfare has been an immediate priority, with monthly calls and weekly wellbeing sessions.
- Of Calderstones volunteer respondents (31 respondents, census Dec 2020), 90% reported that volunteering had improved their wellbeing, 93% reported an improved sense of achievement, 90% reported feeling more connected to others and 57% reported feeling more able to deal with difficult times.
- We're delighted to have been able to offer a number of employment opportunities at Calderstones and to have recruited new staff members from a diverse range of backgrounds. Greg, our Young Person Mentor said, 'I am excited to utilise every area of our site and to also engage each department so that the project holds real value across the organisation. As a team we can create real meaningful opportunities for young people in this city and create an inclusive nurturing environment for the foreseeable future.'

## THE READER ORGANISATION

### TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2021

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- Working around restrictions, volunteers and group members took part in several filming opportunities that helped to broaden support for Shared Reading and raise the profile of Calderstones, including films featured on BBC1 and ITV.
- Over 130 volunteers have been recruited and trained in a range of roles such as activity group leaders, welcome volunteers, heritage guides, gift shop assistants, library support and evaluators, putting local people at the heart of the visitor experience at the Mansion House.
- We completed planning for the April 2021 launch of The Reader Bookshelf - an annual programme of carefully curated literature to support all of our reading-based work and the wider Reading Revolution.
- Due to lockdown, we were unable to deliver our 'Big Days Out' outreach model with our ten identified partners but we've adapted our approach to provide new and novel ways of support.
- We have deepened and instigated new partner relationships – from CRISIS, to Everton in the Community, to Mersey Care NHS Life Rooms. Inspired by a telephone Shared Reading pilot with Cardboard Citizens, we were able to offer this service locally.
- We also co-curated weekly poetry-inspired 'Art for All' packs alongside Whitechapel homeless services, since shared with 85 families they support. For Sheltered Housing 'South Liverpool Homes', this has provided a gateway to further engagement – we've since held resident Shared Reading sessions using the literature included in the packs. This presents an embedded outreach offer we'd like to explore.

*"If you don't understand, ask questions. If you're uncomfortable about asking questions, say you are uncomfortable about asking questions and then ask anyway. It's easy to tell when a question is coming from a good place. Then listen some more. Sometimes people just want to feel heard. Here's to possibilities of friendship and connection and understanding."*

From *Americanah* by Chimamanda Ngozi Adichie

#### 3. Being a strong, learning organisation

- We achieved the Investing in Volunteers Kitemark
- We undertook a restructure in two phases to streamline the organisation in response to Covid and to ensure we have the right people in the right roles moving forward to position ourselves to re-engage and rebuild during 2021/22.
- As a result, a new Literature Directorate has been formed to oversee quality and diversity of content and curation, across all aspects of our work. Calderstones programming has been repositioned as part of this Directorate, from where our wider literary content and activity now flows. This department will work closely alongside our Services Directorate who will focus on ensuring this content reaching the children and adults who need it most, through targeted, collaborative work with volunteers and partners and greater emphasis on co-design.
- We supported our workforce throughout furlough and the transition to homeworking during the pandemic by offering flexibility as and when required, by launching a set of effective working practices and by offering Shared Reading and Yoga sessions.
- Work continued on our digital transformation programme as we progressed projects to develop a new dedicated digital space that will support our volunteers on their Reader journey and upgrade our CRM system.
- Whilst inclusion is at the heart of The Reader's mission, we are committed to a more explicit focus on Equity, Diversity and Inclusion (EDI) in our next strategic plan from 2022/23. As we work towards this, in 2020/21 we:
- Held two virtual Think Days for all staff in November and February respectively. Both were focused on discussions around Equity, Diversity and Inclusion and ways to strengthen our approach across all aspects of our delivery, reach and how The Reader is run.
- Commissioned an external review of our recruitment literature and a session on supporting "diversity in recruitment" for senior staff and our People team.
- Took advice from a leading black third sector figure on the best way to build our EDI thinking, and engaged a Director-level coach to help with EDI thought leadership, and to advise on EDI / literary practicalities.

## THE READER ORGANISATION

### TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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- Set up a Diversity and Inclusion Advocates staff group who support the organisation's thinking around EDI, partly by researching best practice examples from other organisations. This group includes one of our Trustees, Pranav Sood, who has been appointed as our Diversity Advocate on the Board.
- Ran an open Trustee recruitment process in Q4 with an emphasis on attracting a greater diversity of trustees – a new cohort of trustees was appointed in May 2021 which has added to the depth and diversity of background, experience and thinking on our Board.
- We explored how Shared Reading of literature by black writers could help us to better understand our own and others' experience and understanding of racism, and in the process to help spark conversations that could lead to change. We will start an organisational-wide learning project in this area in 2021/22.

#### **Plans for future periods**

There is no certainty about what the 21/22 financial year will look like. Progress with the vaccine is positive but the extent of the damage to the economy, and the scale of the resulting mental health and socio-economic problems all remain unclear. We anticipate that many of the new delivery mechanisms and products developed in 2020/21 in response to urgent needs will continue during 21/22.

We will also be undertaking a number of strategic planning exercises as part of the development of the next five-year business plan for 2022 onwards. Whilst that work is underway, at the time of writing our key priorities for 2021/22 are:

- Rebuild our Shared Reading activities across the UK ensuring we collaborate with key partners working with those who will benefit the most from our service.
- Rebuild our Calderstones programme.
- Continue to grow our Children and Young people work.
- Re-engage participants and volunteers.
- Develop our e-learning offer for volunteers.
- Improve our ability to evaluate our variety of new products, particularly our new digital products.
- Embed new CRM and new online community hub ensuring an improved experience for volunteers and improved data returns for the organization.
- Deliver a blended programme offer from our 'virtual' mansion house.
- Start our Coach House refurbishment programme offering opportunities to disadvantaged Young People.
- Continue to develop model for delivery in the Criminal Justice Sector.
- Develop 'Belonging at The Reader – our Equity, Diversity and Inclusion Strategy' and Action Plan by December 2021.
- Complete, test and learn from, then reassess organizational restructure in light of Founder's succession plan.

## THE READER ORGANISATION

### TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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#### Financial review

The total income in 2020/21 was £3,646,527, a decrease from £4,048,009 in 2019/20. This decrease was a result of a reduction in capital grant income as we reached completion of the Mansion House build, and the impact of the pandemic on our ability to deliver on-site activity at Calderstones.

#### Principal income sources

During 2020/21 The Reader Organisation's income was split across the following sources:

- 30% grants and donations for core activities
- 5% capital grants and donations
- 52% grant and commissioned delivery of Shared Reading (our principal charitable activity) and training of individuals to undertake Shared Reading
- 13 % trading income from our subsidiary, Calderstones Mansion House Community Interest Company
- <1% event income (principally from the Storybarn)
- <1% Investment income

The net income for the year is £179,894. This includes £187,920 grant funding towards the Mansion House project and £48,353 grant funding towards fixtures which have been capitalised and transferred to designated funds. Capital grants are held in designated reserves to be matched against future depreciation costs.

The charity incurred depreciation costs of £245,964 in relation to the Storybarn and Mansion House in 2020/21 and after the associated movement in funds, the Group realised a surplus of £189,585 which is inclusive of a £54,181 donation from Calderstones Mansion House Community Interest Company, bringing the Charity's year-end surplus to £135,404.

#### Reserves

The Reserves now stand at £6,663,165.

This includes £5,235,560 of restricted funds that relate to Calderstones Mansion House which, following completion of the build and grant imposed restrictions will transfer to a designated fund and be reduced by associated depreciation charge each year.

The unrestricted funds total £1,427,605. This includes £663,308 of designated funds as detailed in note 22 to the financial statements.

The remaining unrestricted funds £764,297 represents our unrestricted free reserves.

#### Reserves policy

The charity's reserves policy is to build up unrestricted reserves sufficient to enable the charity's core running costs to be continued for a period of three months, but where possible six months, in the event of regular funding becoming unobtainable. Three months core running costs equates to around £472,236. At the end of financial year 2020/21 the level of unrestricted, undesignated reserves amounts to £764,297, 5 months core running costs.

#### Public Benefit

The majority of activities provided by The Reader are funded by third parties, principally public sector bodies but additionally, from charitable trusts and partner organisations. There is an annual programme of activities, with some activities carrying a charge, however the majority of the programme, both nationally and at Calderstones, is free at the point of entry. The trustees have had due regard to the guidance published by the Charity Commission on public benefit.

## **THE READER ORGANISATION**

### **TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2021**

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#### **Funders and Commissioners**

Age UK Bristol – Bristol Ageing Better  
Arts Council England  
BBC Children in Need  
Berkshire Healthcare NHS Foundation Trust  
Bournemouth, Christchurch & Poole Council  
Cheltenham Festivals  
Cheshire Community Foundation  
Cheshire West and Chester Council and The Westminster Foundation  
City Bridge Trust  
Department of Digital Culture Media & Sport  
Doncaster Metropolitan Borough Council  
Dorset Council  
EPIC Private Equity LLP  
Esmée Fairbairn Foundation  
Greater Manchester Mental Health NHS Foundation Trust  
Hackney Council  
Hammersmith and Fulham Council  
Hampshire Cultural Trust  
Haringey Council  
Her Majesty's Prison and Probation Service  
HMP Frankland  
HMP Low Newton  
HMP Swansea  
HMP Wakefield  
HMP Whitemoor  
Jewish Care  
Knowsley Clinical Commissioning Group  
Liverpool Charity and Voluntary Services (LCVS)  
Liverpool City Council  
Liverpool University Hospitals NHS Trust  
New Writing North  
NHS Cheshire Clinical Commissioning Group  
North West Boroughs Healthcare NHS Foundation Trust  
Northern Ireland Public Health Agency  
Notting Hill Genesis Wellbeing Fund  
People's Postcode Lottery  
Rotherham Metropolitan Borough Council  
Salford CVS  
Sefton Council  
Sheffield City Council  
Somerset County Council  
Steve Morgan Foundation  
Suffolk Community Foundation through The Hopkins Charitable Trust  
Suffolk Community Foundation through Maurken Fund  
Suffolk Community Foundation through Suffolk Police & Crime Commissioners Fund  
Suffolk Community Foundation through The New Anglia LEP Community Challenge Fund  
Suffolk Community Foundation through Vestey Holdings  
The Charity of Sir Richard Whittington  
The Community Foundation for Merseyside  
The Evan Comish Foundation  
The Granada Foundation

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## THE READER ORGANISATION

### TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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The National Lottery Community Fund  
The National Lottery Heritage Fund  
The National Lottery Wales  
The Prince of Wales's Charitable Fund  
The Tudor Trust  
The Limbourne Trust  
Whittard of Chelsea  
Wigan Borough Clinical Commissioning Group  
Wirral Council  
Woodchurch High School

#### **Investment Power and Policy**

Under the Memorandum and Articles of Association, the charity has the power to invest in any lawful way the trustees wish, after having obtained such advice from a financial expert as the trustees consider necessary having regard to the suitability of investments and the need for diversification. All reserves are held in deposit accounts and no investments were made during the year.

#### **Risk Review**

The Reader is committed to sound business practice and the embedding of risk management into the organisation's culture. Both the Reader and the Calderstones Mansion House CIC have risk registers that are used to gain a comprehensive view of the work of the organisations, and reveals strengths and opportunities as well as weaknesses. Risk assessments involve staff from across the organisation and the formal risk registers are reviewed by the Audit Committee at each meeting, with high level risks being reviewed by the Board. The register details the steps and procedures in place to mitigate the risks.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### **Payment of creditors**

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU). The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the company at the year end were equivalent to 38 day's purchases, based on the average daily amount invoiced by suppliers during the year.

## THE READER ORGANISATION

### TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2021

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##### Structure, governance and management

The Reader Organisation is a registered charity and also a company limited by guarantee. It is governed by its Memorandum and Articles of Association that were updated and adopted on the 13th November 2017.

The charity is governed by a Board of Trustees which must be made up of between three and twelve individuals. The board meets four times a year.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs A S Marsland (Chair)	
Ms R Hawley ME JP DL	
Mr G Brand	(Resigned 17 November 2020)
Mr H Biddell	
Ms G Rabindrakumar	(Resigned 17 November 2020)
Dr R M Hussey	
Mr P L Davies	
Mr P K Sood	
Mrs Sarah Fletcher	(Appointed 14 September 2020)

##### Trustees Recruitment, Induction and Training

When a trustee vacancy arises a recruitment process including advertisement, application and interview as necessary is overseen by the nominations committee in line with good practice guidance. The Reader has designed a comprehensive induction for new Trustees that includes but is not limited to:

- A briefing from the Chair
- Meeting with other Trustees
- Meeting with each of the Directors' Group
- Shared Reading with Directors' Group
- Meeting as many Reader staff as possible at the first opportunity

This programme of meetings is accompanied by an induction pack that includes useful papers such as:

- The Reader's Business Plan
- Copies of previous Board minutes
- The Reader's Memorandum and Articles of Association
- Charity Commission guidance 'Being a Trustee' and 'The Essential Trustee: What you need to know'
- A welcome letter from the Chair
- Trustee role description
- Latest annual report and final accounts
- Vision, mission and key facts
- Information on conflict of interests

A Committee structure is in place to support the Trustees in ensuring good governance. During the financial year there have been three Committees in operation: (i) the Audit Committee, which oversees governance and risk (ii) the Capital Committee, which oversaw the refurbishment of the Mansion House and which was disbanded following its meeting on 9th September 2019 upon completion of the Mansion House refurbishment and (iii) the Nominations Committee which oversees Trustee appointments.

The Calderstones Mansion House CIC has its own Board of 6 Directors. There are four members of The Reader Board who sit on the Calderstones CIC Board of Directors. Minutes of the CIC are submitted to The Reader Board as parent company. Both the Audit Committee and Capital Committee are Group Committees that oversee the work of the CIC as well as The Reader.

The Trustees have appointed a Director to manage the day-to-day operations of the charity.

## THE READER ORGANISATION

### TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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#### Senior Staff Remuneration

The Reader pays salaries according to a salary band system. Banding is based on the responsibilities attached to roles. One member of staff received remuneration over £60,000 in the financial year.

#### Staff and Volunteers

The trustees acknowledge the commitment and dedication of the charity's staff and volunteers which has been critical to the success of the organisation over the course of the year. Without the generosity of these people, who regularly go above and beyond what is asked of them, The Reader would not have reached as many people or helped change as many lives.

#### Disclosure of Information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report report, including the strategic report, was approved by the Board of Trustees.



Mrs A S Marsland (Chair)

Dated: 13 September 2021

## **THE READER ORGANISATION**

### **STATEMENT OF TRUSTEES' REPORT RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 MARCH 2021***

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The trustees, who are also the directors of The Reader Organisation for the purpose of company law, are responsible for preparing the Trustees' Report 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 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 charity will continue in operation.

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

# THE READER ORGANISATION

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF THE READER ORGANISATION

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#### Opinion

We have audited the financial statements of The Reader Organisation (the 'charity') and its subsidiary for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheet, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 (as amended).

#### 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' report 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 financial statements are 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

# THE READER ORGANISATION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF THE READER ORGANISATION

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#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and charity and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate and proper 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' report responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, is 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 is responsible for assessing the group and 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 charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

## THE READER ORGANISATION

### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

#### TO THE TRUSTEES OF THE READER ORGANISATION

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##### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussions with trustees and other management, and from our knowledge and experience of charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group, including the Companies Act 2006, Charities Act 2011, data protection, anti-bribery, employment, food hygiene and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management team and inspecting legal correspondence; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management team as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and relevant regulators.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## THE READER ORGANISATION

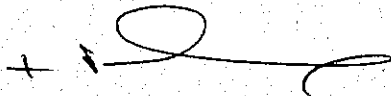
### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

#### TO THE TRUSTEES OF THE READER ORGANISATION

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##### Use of our report

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 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 and trustees 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, the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Helen Furlong FCCA (Senior Statutory Auditor)**  
for and on behalf of McIntocks (NW) Limited

21.09.21

**Chartered Accountants**  
**Statutory Auditor**

46 Hamilton Square  
Birkenhead  
Wirral  
Merseyside  
CH41 5AR



## THE READER ORGANISATION

### CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<b>Income from:</b>							
Donations and legacies	3	1,079,948	188,100	1,268,048	896,651	600,954	1,497,605
Charitable activities	4	677,646	1,216,918	1,894,564	857,360	902,058	1,759,418
Other trading activities	5	483,173	-	483,173	785,867	-	785,867
Investments	6	742	-	742	5,119	-	5,119
<b>Total income</b>		<b>2,241,509</b>	<b>1,405,018</b>	<b>3,646,527</b>	<b>2,544,997</b>	<b>1,503,012</b>	<b>4,048,009</b>
<b>Expenditure on:</b>							
Raising funds	7	582,689	-	582,689	766,807	-	766,807
Charitable activities	8	1,515,934	1,368,010	2,883,944	1,670,706	1,035,941	2,706,647
<b>Total resources expended</b>		<b>2,098,623</b>	<b>1,368,010</b>	<b>3,466,633</b>	<b>2,437,513</b>	<b>1,035,941</b>	<b>3,473,454</b>
<b>Net incoming resources before transfers</b>		<b>142,886</b>	<b>37,008</b>	<b>179,894</b>	<b>107,484</b>	<b>467,071</b>	<b>574,555</b>
Gross transfers between funds		48,353	(48,353)	-	-	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>191,239</b>	<b>(11,345)</b>	<b>179,894</b>	<b>107,484</b>	<b>467,071</b>	<b>574,555</b>
Fund balances at 1 April 2020		1,236,366	5,246,905	6,483,271	1,128,882	4,779,834	5,908,716
<b>Fund balances at 31 March 2021</b>		<b>1,427,605</b>	<b>5,235,560</b>	<b>6,663,165</b>	<b>1,236,366</b>	<b>5,246,905</b>	<b>6,483,271</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**THE READER ORGANISATION**  
**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	13		5,595,561		5,563,899
<b>Current assets</b>					
Stocks	15	17,156		19,348	
Debtors	16	278,060		213,984	
Cash at bank and in hand		2,507,103		2,156,080	
		2,802,319		2,389,412	
<b>Creditors: amounts falling due within one year</b>	18	(1,734,715)		(1,470,040)	
<b>Net current assets</b>			1,067,604		919,372
<b>Total assets less current liabilities</b>			6,663,165		6,483,271
<b>Income funds</b>					
Restricted funds	21	5,235,560		5,246,905	
Unrestricted funds	22	1,427,605		1,236,366	
		6,663,165		6,483,271	

The financial statements were approved by the Trustees on 13 September 2021

*A. S. Marsland*

Mrs A S Marsland (Chair)  
Trustee

Company Registration No. 06607389

**THE READER ORGANISATION**  
**CHARITY BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	13	5,595,561		5,563,899	
Investments	14		1		1
		<u>5,595,562</u>		<u>5,563,900</u>	
<b>Current assets</b>					
Debtors falling due within one year	17	332,921		205,875	
Cash at bank and in hand		<u>2,409,078</u>		<u>2,108,450</u>	
		2,741,999		2,314,325	
<b>Creditors: amounts falling due within one year</b>	19	<u>(1,674,396)</u>		<u>(1,391,468)</u>	
Net current assets			<u>1,067,603</u>		<u>922,857</u>
<b>Total assets less current liabilities</b>			<u>6,663,165</u>		<u>6,486,757</u>
<b>Income funds</b>					
Restricted funds	21	5,235,560		5,246,905	
Unrestricted funds	23	<u>1,427,605</u>		<u>1,239,852</u>	
		<u>6,663,165</u>		<u>6,486,757</u>	

The financial statements were approved by the Trustees on 13 September 2021

*A. S. Marsland*

Mrs A S Marsland (Chair)  
Trustee

Company Registration No. 06607389

**THE READER ORGANISATION**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	30		638,998		(1,177)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(288,717)		(1,031,891)	
Interest received		742		5,119	
<b>Net cash used in investing activities</b>			(287,975)		(1,026,772)
<b>Financing activities</b>					
Repayment of bank loans				(17,108)	
<b>Net cash used in financing activities</b>			-		(17,108)
<b>Net increase/(decrease) in cash and cash equivalents</b>			351,023		(1,045,057)
Cash and cash equivalents at beginning of year			2,156,080		3,201,137
<b>Cash and cash equivalents at end of year</b>			2,507,103		2,156,080

# THE READER ORGANISATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2021

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#### 1 Accounting policies

##### Charity information

The Reader Organisation is a private company limited by guarantee incorporated in England and Wales. The registered office is The Mansion House, Calderstones Park, Liverpool, Merseyside, L18 3JB.

##### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### 1.2 Going concern

The trustees have reviewed the principle risks and uncertainties as a result of the covid-19 pandemic on the group. Although the impact of the covid-19 pandemic could well have a medium term effect, the trustees are confident that the group has adequate resources and support to continue as a going concern in the long term.

##### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The purposes and uses of the restricted funds are set out in the notes to the accounts.

##### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Voluntary income includes donations which are accounted for as received by the charity.

These items are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting years; or
- The donor has imposed conditions which must be met before the charity has unconditional settlement.

Investment income relates to bank interest receivable.

# THE READER ORGANISATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned as the related goods or services are provided. Grant income included within this category provides funding to advance the education of the public in reading and the appreciation of literature.

Grants received in advance of the period in which the funder requires the expenditure to be applied will be reflected in deferred income within the balance sheet.

Income from the trading subsidiary turnover represents amounts received and receivable for goods supplied (excluding value added tax and voluntary gratuities left by customers for the benefit of employees) and is recognised at the point of sale.

#### 1.5 Expenditure

Expenditure is recognised when a liability is incurred.

Charitable activities expenditure includes both direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activities on a basis consistent with the use of resources.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over a period of 10 years. Mansion house refurbishment over 50 years
Fixtures and fittings	Over a period of 3 years. Leasehold fit out over 10 years
Computers	Over a period of 3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

All assets costing more than £750 are capitalised at cost.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

# THE READER ORGANISATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.11 Financial Instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

# THE READER ORGANISATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

#### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

#### 1.15 Consolidation

The group financial statements consolidated the results of The Reader Organisation and its subsidiary undertaking, Calderstones Mansion House CIC, on a line buy line basis.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.



# THE READER ORGANISATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Donations and gifts	16,592	180	16,772	71,651	28,675	100,326
Grants receivable for core activities	1,063,356	-	1,063,356	825,000	18,333	843,333
Grants receivable for capital projects	-	187,920	187,920	-	553,946	553,946
	<u>1,079,948</u>	<u>188,100</u>	<u>1,268,048</u>	<u>896,651</u>	<u>600,954</u>	<u>1,697,605</u>

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
<b>Grants receivable for core activities</b>						
AB Charitable Trust	-	-	-	-	18,333	18,333
Arts Council England National Portfolio Office	178,220	-	178,220	175,000	-	175,000
People's Postcode Lottery	625,840	-	625,840	650,000	-	650,000
CJRS grant	257,853	-	257,853	-	-	-
Tudor Trust	1,443	-	1,443	-	-	-
	<u>1,063,356</u>	<u>-</u>	<u>1,063,356</u>	<u>825,000</u>	<u>18,333</u>	<u>843,333</u>

# THE READER ORGANISATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 4 Charitable activities

	Shared reading 2021 £	Storybarn 2021 £	Total 2021 £	Shared reading 2020 £	Storybarn 2020 £	Total 2020 £
Commissions & Training	670,453	-	670,453	768,613	-	768,613
Grants	1,216,918	-	1,216,918	902,058	-	902,058
Events income	952	6,241	7,193	6,466	82,281	88,747
	<u>1,888,323</u>	<u>6,241</u>	<u>1,894,564</u>	<u>1,677,137</u>	<u>82,281</u>	<u>1,759,418</u>
Analysis by fund						
Unrestricted funds	671,405	6,241	677,646	775,079	82,281	857,360
Restricted funds	1,216,918	-	1,216,918	902,058	-	902,058
	<u>1,888,323</u>	<u>6,241</u>	<u>1,894,564</u>	<u>1,677,137</u>	<u>82,281</u>	<u>1,759,418</u>
<b>Grants related to charitable activities</b>						
Age UK Brightlife	-	-	-	19,781	-	19,781
Knowsley CCG	17,617	-	17,617	-	-	-
National Lottery Community Fund	247,326	-	247,326	377,792	-	377,792
National Lottery Fund Wales	56,811	-	56,811	102,667	-	102,667
Age UK Bristol Ageing Better	14,357	-	14,357	60,154	-	60,154
City Bridge	6,050	-	6,050	18,150	-	18,150
BBC Children In Need	39,878	-	39,878	37,036	-	37,036
Esmée Fairbairn Foundation	51,863	-	51,863	51,863	-	51,863
Steve Morgan Foundation and the Department for Digital, Culture, Media & Sport	462,300	-	462,300	-	-	-
Lottery Coronavirus Community Support Fund	34,554	-	34,554	-	-	-
Somerset County Council	9,048	-	9,048	22,720	-	22,720
Steve Morgan Foundation	140,729	-	140,729	96,036	-	96,036
Prince of Wales Trust	47,290	-	47,290	35,827	-	35,827
Mercers	21,543	-	21,543	-	-	-
Others	67,552	-	67,552	72,737	-	72,737
	<u>1,216,918</u>	<u>-</u>	<u>1,216,918</u>	<u>902,058</u>	<u>-</u>	<u>902,058</u>

# THE READER ORGANISATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Cafe, ice-cream parlour and other income	483,173	785,867

### 6 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	742	5,119

### 7 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Trading costs		
Operating costs	248,577	381,445
Other staff costs	287	900
Staff costs	333,825	384,462
Trading costs	582,689	766,807

# THE READER ORGANISATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 8 Charitable activities

	Shared reading 2021 £	Storybarn 2021 £	Total 2021 £	Shared reading 2020 £	Storybarn 2020 £	Total 2020 £
Staff costs	1,576,787	20,185	1,596,972	1,372,235	84,860	1,457,095
Depreciation and impairment	-	44,528	44,528	-	46,037	46,037
Other expenditure	537,112	52	537,164	540,867	17,187	558,054
	<u>2,113,899</u>	<u>64,765</u>	<u>2,178,664</u>	<u>1,913,102</u>	<u>148,084</u>	<u>2,061,186</u>
Share of support costs (see note 9)	683,801	2,259	686,060	588,423	46,338	634,761
Share of governance costs (see note 9)	19,157	63	19,220	9,919	781	10,700
	<u>2,816,857</u>	<u>67,087</u>	<u>2,883,944</u>	<u>2,511,444</u>	<u>195,203</u>	<u>2,706,647</u>
<b>Analysis by fund</b>						
Unrestricted funds	1,448,847	67,087	1,515,934	1,475,503	195,203	1,670,706
Restricted funds	1,368,010	-	1,368,010	1,035,941	-	1,035,941
	<u>2,816,857</u>	<u>67,087</u>	<u>2,883,944</u>	<u>2,511,444</u>	<u>195,203</u>	<u>2,706,647</u>

### 9 Support costs

	Support costs £	Governance costs £	2021 Support costs £	Governance costs £	2020 £
Staff costs	330,658	-	330,658	365,402	365,402
Depreciation	208,966	-	208,966	126,073	126,073
Other costs	146,436	-	146,436	143,286	143,286
Audit fees	-	9,000	9,000	-	6,000
Accountancy	-	10,220	10,220	-	4,700
	<u>686,060</u>	<u>19,220</u>	<u>705,280</u>	<u>634,761</u>	<u>645,461</u>
Analysed between Charitable activities	686,060	19,220	705,280	634,761	645,461

## THE READER ORGANISATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

#### 10 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Shared Reading	79	79
Support Services	12	12
Storybarn	13	13
Calderstones Mansion House CIC	30	37
Total	134	141

#### Employment costs

	2021 £	2020 £
Wages and salaries	2,018,551	1,960,813
Social security costs	133,249	141,232
Other pension costs	109,655	104,914
	2,261,455	2,206,959

#### Remuneration of key management personnel

Total remuneration received during the year by key management personnel amounted to £310,708 (2020: £300,487).

#### Retirement benefit schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to the statement of financial activities in respect of defined contribution schemes was £109,655 (2020: £104,914).

There were outstanding contributions in respect of defined contribution schemes at 31 March 2021 of nil (2020: £10,681).

The number of employees whose annual remuneration was £60,000 or more were:

	2021 Number	2020 Number
£60,000 - £70,000	1	-

# THE READER ORGANISATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 11 Trustees

None of the trustees received any remuneration during either the current or previous year, and no trustees were reimbursed for travelling expenses (2020: £1,850).

#### 12 Calderstones Mansion House CIC

A summary of the results of the subsidiary is shown below:

	2021 £	2020 £
Income	465,792	757,566
Expenditure	(462,306)	(761,052)
	<u>3,486</u>	<u>(3,486)</u>
<b>Aggregate assets and liabilities</b>		
Current assets	134,345	78,236
Current liabilities	(134,344)	(81,721)
	<u>1</u>	<u>(3,485)</u>

#### 13 Tangible fixed assets - Group and Company

	Leasehold Improvements £	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>				
At 1 April 2020	4,691,505	1,240,038	30,700	5,962,243
Additions	233,467	49,970	5,280	288,717
Disposals	-	(10,600)	-	(10,600)
At 31 March 2021	<u>4,924,972</u>	<u>1,279,408</u>	<u>35,980</u>	<u>6,240,360</u>
<b>Depreciation and impairment</b>				
At 1 April 2020	247,934	138,038	12,371	398,343
Depreciation charged in the year	129,655	120,221	7,180	257,056
Eliminated in respect of disposals	-	(10,600)	-	(10,600)
At 31 March 2021	<u>377,589</u>	<u>247,659</u>	<u>19,551</u>	<u>644,799</u>
<b>Carrying amount</b>				
At 31 March 2021	<u>4,547,383</u>	<u>1,031,749</u>	<u>16,429</u>	<u>5,595,561</u>
At 31 March 2020	<u>4,443,569</u>	<u>1,102,000</u>	<u>18,330</u>	<u>5,563,899</u>

# THE READER ORGANISATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 14 Fixed asset investments - Group undertakings

The charity owns the whole of the issued share capital of the following subsidiary undertaking which is registered in England and has the same registered office as the charity.

<u>Subsidiary</u>	<u>Principal activity</u>
Calderstones Mansion House CIC	Restaurants and cafes

The carrying value of the investment in the financial statements is £1 (2020:£1).

### 15 Stocks - Group

	2021 £	2020 £
Goods for resale	17,156	19,348

### 16 Debtors - Group

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	21,076	200,072
Other debtors	194,784	870
Prepayments and accrued income	62,200	13,042
	<u>278,060</u>	<u>213,984</u>

### 17 Debtors - Charity

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	8,858	192,833
Amounts owed by subsidiary undertakings	74,025	-
Other debtors	187,920	-
Prepayments and accrued income	62,118	13,042
	<u>332,921</u>	<u>205,875</u>

# THE READER ORGANISATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 18 Creditors: amounts falling due within one year - Group

	Notes	2021 £	2020 £
Other taxation and social security		1,085	45,596
Deferred Income	20	1,111,043	984,832
Trade creditors		223,311	99,782
Other creditors		360,655	286,440
Accruals		38,621	53,391
		<u>1,734,715</u>	<u>1,470,041</u>

#### 20 Creditors: amounts falling due within one year - Charity

	Notes	2021 £	2020 £
Other taxation and social security		-	23,512
Deferred Income	20	1,085,090	984,832
Trade creditors		201,513	69,731
Amounts owed to subsidiary undertakings		-	3,183
Other creditors		359,196	265,159
Accruals and deferred income		28,597	45,051
		<u>1,674,396</u>	<u>1,391,468</u>

#### 20 Deferred income - Group & Charity

	2021 £	2020 £
Other deferred income	<u>1,111,043</u>	<u>984,832</u>

Deferred income is included in the financial statements as follows:

	2021 £	2020 £
Balance at 1 April 2020	984,832	1,066,080
Amounts received in year	2,242,887	1,165,043
Amounts credited to statement of financial activities	(2,116,676)	(1,246,291)
Balance at 31 March 2021	<u>1,111,043</u>	<u>984,832</u>



## THE READER ORGANISATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

#### 21 Restricted funds - Group & Charity

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement In funds			Movement In funds				
	Balance at 1 April 2019	Incoming resources	Resources expended	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£	£	£	£
Shared Reading	-	920,391	(920,391)	-	1,217,098	(1,168,745)	(48,353)	-
Calderstones Mansion House	4,779,834	582,621	(115,550)	5,246,905	187,920	(199,265)	-	5,235,560
	<u>4,779,833</u>	<u>1,503,012</u>	<u>(1,035,941)</u>	<u>5,246,905</u>	<u>1,405,018</u>	<u>(1,368,010)</u>	<u>(48,353)</u>	<u>5,235,560</u>

#### Shared Reading

Shared Reading includes our core work of delivering shared reading groups. This is funded through grants and commissions (please refer to notes 3 and 4 for further information).

#### Calderstones Mansion House

The Calderstones Mansion House is the charity's headquarters based at our site within Calderstones Park. Grants have been received from Heritage Lottery, Liverpool City Council, Tudor Trust and other funders to refurbish the building. The money for this project has been split between restricted funds and a designated unrestricted fund depending on the nature of the income received. Following the completion of the building works and satisfaction of the restrictions within the grants, the restricted fund will be transferred to the designated unrestricted fund where it will be reduced by an associated depreciation charge each year.

## THE READER ORGANISATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

#### 22 Unrestricted funds - Group

The unrestricted funds of the charity also include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			Movement in funds			Transfers	Balance at 31 March 2021
	Balance at 1 April 2019	Incoming resources	Resources expended	Balance at 1 April 2020	Incoming resources	Resources expended		
	£	£	£	£	£	£	£	£
General unrestricted	574,706	2,544,997	(2,392,985)	726,718	2,241,509	(2,052,440)	(151,490)	764,297
Storybarn Building	307,247	-	(44,528)	262,719	-	(44,528)	-	218,191
Calderstones Mansion House	246,929	-	-	246,929	-	(1,655)	(159,691)	85,583
Grant funded fixtures	-	-	-	-	-	-	48,353	48,353
Mansion House support fund	-	-	-	-	-	-	54,181	54,181
Personnel investment fund	-	-	-	-	-	-	143,000	143,000
IT re-structure and Infrastructure fund	-	-	-	-	-	-	93,000	93,000
Calderstones Mansion House sinking fund	-	-	-	-	-	-	21,000	21,000
	<u>1,128,882</u>	<u>2,544,997</u>	<u>(2,437,513)</u>	<u>1,236,366</u>	<u>2,241,509</u>	<u>(2,098,623)</u>	<u>48,353</u>	<u>1,427,605</u>

## THE READER ORGANISATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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#### 22 Unrestricted funds - Group

##### **Storybarn Building**

The Storybarn represents the capital cost of the building. This fund will be reduced by the associated depreciation charge each year.

##### **Calderstones Mansion House**

The Calderstones Mansion House is the charity's headquarters based at our site within Calderstones Park. Grants have been received from Heritage Lottery, Liverpool City Council, Tudor Trust and other funders to refurbish the building. The money for this project has been split between restricted funds and a designated unrestricted fund depending on the nature of the income received. Following the completion of the building works and satisfaction of the restrictions within the grants, the restricted fund will be transferred to the designated unrestricted fund where it will be reduced by an associated depreciation charge each year.

##### **Mansion House support fund**

This represents a re-investment of a charitable donation from the Charity's subsidiary, Calderstones Mansion House Community Interest Company, towards the site and operations that underpin our charitable work during the first full operational year at Calderstones and in the aftermath of the pandemic.

##### **Personnel investment fund**

The Trustees have designated a Personnel Investment Fund to facilitate growth by aligning workforce planning to strategic plans. This fund will enable the organisation to invest in the future through the implementation of a new reward and recognition programme for staff and enablement of succession planning.

##### **IT re-structure and infrastructure fund**

The Board of Trustees recognise technology's strategic importance as a critical component of the Charity's activities and have designated an IT re-structure and infrastructure fund to invest in the Charity's technology capabilities.

##### **Calderstones Mansion House sinking fund**

The sinking fund is set up to provide a provision for future major repairs to Calderstones Mansion House. The agreed amount to be transferred each year from the general reserves is £21,000.

## THE READER ORGANISATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

#### 23 Unrestricted funds - Charity

The unrestricted funds of the charity also include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				Movement in funds				
	Balance at 1 April 2019	Incoming resources	Resources expended	Revaluations, gains and losses	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Balance at 31 March 2021
	£	£	£	£	£	£	£	£	£
General unrestricted	574,706	1,787,431	(1,631,933)	-	730,204	1,612,080	(1,426,497)	(151,480)	764,297
Storybarn Building	307,247	-	(44,528)	-	262,719	-	(44,528)	-	218,191
Calderstones Mansion House	246,929	-	-	-	246,929	-	(1,655)	(159,691)	85,583
Grant funded fixtures	-	-	-	-	-	-	-	48,353	48,353
Mansion House support fund	-	-	-	-	-	-	-	54,181	54,181
Personnel Investment fund	-	-	-	-	-	-	-	143,000	143,000
IT re-structure and infrastructure fund	-	-	-	-	-	-	-	93,000	93,000
Calderstones Mansion House sinking fund	-	-	-	-	-	-	-	21,000	21,000
	<u>1,128,882</u>	<u>1,787,431</u>	<u>(1,676,461)</u>		<u>1,239,852</u>	<u>1,612,080</u>	<u>1,472,680</u>	<u>48,353</u>	<u>1,427,605</u>

## THE READER ORGANISATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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#### 23 Unrestricted funds - Charity

##### Storybarn Building

The Storybarn represents the capital cost of the building. This fund will be reduced by the associated depreciation charge each year.

##### Calderstones Mansion House

The Calderstones Mansion House is the charity's headquarters based at our site within Calderstones Park. Grants have been received from Heritage Lottery, Liverpool City Council, Tudor Trust and other funders to refurbish the building. The money for this project has been split between restricted funds and a designated unrestricted fund depending on the nature of the income received. Following the completion of the building works and satisfaction of the restrictions within the grants, the restricted fund will be transferred to the designated unrestricted fund where it will be reduced by an associated depreciation charge each year.

##### Mansion House support fund

This represents a re-investment of a charitable donation from the Charity's subsidiary, Calderstones Mansion House Community Interest Company, towards the site and operations that underpin our charitable work during the first full operational year at Calderstones and in the aftermath of the pandemic.

##### Personnel Investment fund

The Trustees have designated a Personnel Investment Fund to facilitate growth by aligning workforce planning to strategic plans. This fund will enable the organisation to invest in the future through the implementation of a new reward and recognition programme for staff and enablement of succession planning.

##### IT re-structure and infrastructure fund

The Board of Trustees recognise technology's strategic importance as a critical component of the Charity's activities and have designated an IT re-structure and infrastructure fund to invest in the Charity's technology capabilities.

##### Calderstones Mansion House sinking fund

The sinking fund is set up to provide a provision for future major repairs to Calderstones Mansion House. The agreed amount to be transferred each year from the general reserves is £21,000.

## THE READER ORGANISATION

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2021

#### 24 Related party transactions

No guarantees have been given or received.

J Davis (Founder and Director) is a director for the Calderstones Mansion House Community Interest Company and does not receive any additional remuneration for this role.

S Fletcher is a director for the Calderstones Mansion House Community Interest Company and resigned from her position as Chief Operating Officer and Director of Finance in May 2021. During her time as Chief Operating Officer and Director of Finance Sarah Fletcher received no additional remuneration for her role as a Director of Calderstones Mansion House Community Interest Company.

#### 25 Analysis of net assets between funds - Group

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:						
Tangible assets	360,001	5,235,560	5,595,561	275,304	5,288,595	5,563,899
Current assets/(liabilities)	1,067,603	-	1,067,604	961,062	(41,691)	919,371
	<u>1,427,604</u>	<u>5,235,560</u>	<u>6,663,165</u>	<u>1,236,366</u>	<u>5,246,904</u>	<u>6,483,270</u>

#### 27 Analysis of net assets between funds - Charity

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Fund balances at 31 March 2021 are represented by:						
Tangible assets	360,001	5,235,560	5,595,561	275,304	5,288,595	5,563,899
Investments	1	-	1	1	-	1
Current assets/(liabilities)	1,067,603	-	1,067,603	964,547	(41,690)	922,857
	<u>1,427,605</u>	<u>5,235,560</u>	<u>6,663,165</u>	<u>1,239,852</u>	<u>5,246,905</u>	<u>6,486,757</u>

#### 27 Company limited by guarantee

The charitable company is limited by guarantee and has no share capital. Every member of the charity undertakes to contribute to the assets of the charity in the event of being wound up while he or she is a member or within one year of ceasing to be a member for debts and liabilities of the charity contracted before he or she ceases to be a member, such amounts as may be required not exceeding £10.

# THE READER ORGANISATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 28 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	30,838	9,562
Between two and five years	117,961	82,926
In over five years	3,317,040	3,367,717
	<u>3,465,839</u>	<u>3,460,205</u>

### 29 Analysis of changes in net funds

The charity had no debt during the year.

### 30 Cash generated from operations

	2021 £	2020 £
Surplus for the year	179,894	574,555
Adjustments for:		
Investment income recognised in statement of financial activities	(742)	(5,119)
Depreciation and impairment of tangible fixed assets	257,056	172,111
Movements in working capital:		
Decrease/(increase) in stocks	2,192	(15,668)
(Increase) in debtors	(64,076)	(25,536)
Increase/(decrease) in creditors	138,463	(620,272)
Increase/(decrease) in deferred income	126,211	(81,248)
<b>Cash generated from/(absorbed by) operations</b>	<u>638,998</u>	<u>(1,177)</u>