

Charity registration number 1126806 (England and Wales)

Charity registration number SC043054 (Scotland)

Company registration number 06607389 (England and Wales)

THE READER ORGANISATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022



McLintocks

Xeinadin Group

THE READER ORGANISATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs A S Marsland MBE (Chair) Mr H Biddell Dr R M Hussey CB,OBE,DL Mr P L Davies Mr P K Sood Mrs S Fletcher Dr J Hamilton (Appointed 17 May 2021) Dr H Willows (Appointed 17 May 2021) Mr O Alake (Appointed 17 May 2021) Mr NI Atkinson (Appointed 17 May 2021)
Secretary	Ms J Martin
Founder and Director	Ms J Davis
Chief Operating Officer	Ms A Horne
Director of Finance	Ms V Hopton
Charity number (England and Wales)	1126806
Charity number (Scotland)	SC043054
Company number	06607389
Registered office	The Mansion House Calderstones Park Liverpool Merseyside L18 3JB
Auditor	Xeinadin Audit Limited 2 Hilliards Court Chester Business Park Chester Cheshire CH4 9QP
Bankers	Santander UK Plc Bridle Road Bootle Merseyside L30 4GB

THE READER ORGANISATION

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THE READER ORGANISATION

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2022

Chair & Director's Statement

A Note from the Chair, Anita Marsland and the Founder Director, Jane Davis

The Sycamore

In the place that is my own place, whose earth
I am shaped in and must bear, there is an old tree growing,
a great sycamore that is a wondrous healer of itself.
Fences have been tied to it, nails driven into it,
hacks and whittles cut in it, the lightning has burned it.
There is no year it has flourished in
that has not harmed it. There is a hollow in it
that is its death, though its living brims whitely
at the lip of the darkness and flows outward.
Over all its scars has come the seamless white
of the bark. It bears the gnarls of its history
healed over. It has risen to a strange perfection
in the warp and bending of its long growth.
It has gathered all accidents into its purpose.
It has become the intention and radiance of its dark fate.
It is a fact, sublime, mystical and unassailable.
In all the country there is no other like it.
I recognize in it a principle, an indwelling
the same as itself, and greater, that I would be ruled by.
I see that it stands in its place and feeds upon it,
and is fed upon, and is native, and maker.

Wendell Berry

This was a year of gradual readjustment to a re-set normal life: a scarring over and some healing took place. Of course, there is much further to go, but we have come some way from the darkest, painful days of the Coronavirus pandemic in our last annual report.

As we sit down to write, it is hard to recall what life was like at the beginning of this reporting period in April 2021. But reading through the organisational reports it is clear to see that, during this time, The Reader has, as the poem says 'gathered all accidents into its purpose.'

We began our year with the continued development of the Literature Directorate and the beginning of the search for a Director of Literature, as part of the Founder's succession plan. The Literature Directorate is key to enabling the Founder to retire, and was developed with these aims:

1. Ensure Succession
2. Be the Golden Thread of Literature running through the organisation's entire programme of work
3. Curate Great and Diverse Literature
4. Model and Develop Quality Practice
5. Know Who We Are and What We Do

A new development during this period was our 'Just Us' project. This piece of work began with a group of volunteers who are people of colour meeting to read *Native Son* with Founder Jane Davis and Director of Impact, Geetha Rabindrakumar. This was developed by Geetha into a major initiative which has involved people from across the organisation. This work will continue to help us develop our Equity, Diversity and Inclusion practice into the future. To support the thinking about reading accompanying this work, we appointed Tomiwa Owolade as a consultant in Literature and Race, and we were pleased to have both him and our coach in thinking about race, Rebekah Del Sol, in conversation at our bi-annual staff awayday to share thoughts on *Native Son*.

We were also lucky enough to receive Covid recovery funding that allowed us to invest in the creation of our own e-learning platform. This year, Dr Clare Ellis, Head of Teaching and Learning, and her team have built on that investment and are now offering all our courses on this interactive platform. This has proved to be a game-changing achievement (and another previously unimaginable development and outcome of Covid) which has helped us to provide a more flexible training offer both at home and internationally.

THE READER ORGANISATION

CHAIRMAN'S STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

As we look back over the 2021-2022 period, we especially want to celebrate the tenacious hard work and commitment from all our Operations, Facilities and Programmes staff. It was so cheering when, with great trepidation, we were able to begin our programme work again, often masked and out of doors. Through the Storybarn we provided outdoor summer and festive activities for children and families with two story trail adventures in the park, continuing our successful partnership with leading independent publisher, Walker Books.

And it was moving, in the autumn, when we were able to launch Gravity – a festival which fuses great writing and serious conversation. Cautiously, but very excitedly, hundreds of people attended in-person events at the Mansion, and, with tech confidence gained during Covid, we were able to live-stream many of the events to a national and international audience. Some of our international partners actually visited – in real life – and it was a delight to host the Danish Reading Society and share – face to face, in a room! - our experiences as part of the festival.

We hosted BBC Radio 5 Live's Drive Show at Calderstones for a special programme on the benefits of reading aloud. During the show, Greg Harwood-Jenkins, our young people's mentor, talked with Jack from our Young People's Programme about the benefits of reading. It was so inspiring to hear these two young men talking about the personal impact of our work, alongside members of the Broadgreen Hospital Chronic Pain group – very different demographics united in their ability to speak inspiringly about what Shared Reading gives them. In March 2022, we were delighted to win the 'Outstanding Contribution to Culture Peoples' Choice Award' – voted for by the public – at the Liverpool City Region Culture & Creativity Awards, and it was great that Greg was able to join Director of Transformation, Jemma Guerrier in attending the awards ceremony.

Over 500 volunteers continued to donate their time, energy and commitment to helping us get Shared Reading into the hands of those who need it most, and to support our programme at Calderstones. Thanks to The National Lottery Heritage Fund we have also been able to offer five new heritage focussed volunteer roles at the Mansion House. We are so grateful to our Volunteer Support team, who tripled the number of practical and wellbeing support sessions offered to volunteers during this period. That's a short thing to write, but it was a big piece of work at a time of great need, and was a much-valued achievement.

Our People team worked hard to support staff and volunteers during a further year of continued change and uncertainty, and also delivered a significant Reward and Recognition project, which resulted in a step-change in the way The Reader's pay and reward is structured. This work represented a major investment in our workforce. Congratulations and thanks to the team, and to all who helped with this important project.

The early part of this period also saw us recruit new Trustees as well as new Directors for the Calderstones CIC Board. That was a heartening and inspiring process as we were fortunate enough to meet good people who were generous with their time and have become tremendously committed to The Reader. Joining the Board were:

Jennifer Hamilton
Neil Atkinson
Olu Alake
Helen Willows

In the same recruitment round, Kelly Spells and Pauline Hughes were appointed as Directors of the Calderstones Mansion House CIC Board.

The organisation is enormously grateful to all its funders and loyal supporters, but children and young people suffered disproportionately during the pandemic, so we were especially grateful to the Steve Morgan Foundation for a grant of £120,000 towards a two-year continuation of our Children and Young Person's First Page project.

We were also extremely fortunate to be granted an additional one-off award of £600,000 from the People's Postcode Lottery and its players, which has supported our long-term strategic plan as we continued to rebuild post-Covid. This allowed us to make our training available to more partner organisations and to support the implementation of our Equity, Diversity and Inclusion strategy. People's Postcode Lottery continues to be a loyal and highly flexible core funder: we're extremely grateful to all players.

THE READER ORGANISATION

CHAIRMAN'S STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Finally, 2021-22 was a year in which all colleagues and members of our movement continued to flex organisational thinking, creativity and delivery of work. As with the previous 'lockdown' year, the amount the organisation has done, and done with courage, commitment and tenacity, is, frankly, remarkable. We want to thank all our readers and group members, volunteers and supporters, colleagues and trustees for their ongoing and encouraging support and challenge.

Jane Davis, Founder and Director

Anita Marsland, Chair of Trustees



Chairman

Date: 12 September 2022

THE READER ORGANISATION

TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

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.

During the reporting period, we continued to work to an adapted mission in response to the pandemic:

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'

THE READER ORGANISATION

TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Shared Reading and Great Literature: Needed More Than Ever

"Without literature everything felt so dry, I didn't feel rich."
Shared Reading Group Member

The pandemic has had a huge impact on all communities and will continue to shape the environment we work in for some time to come.

In this delicate period of recovery and gradual healing, connecting with rich and complex literature gives us access to our deepest thoughts, emotions and experiences. It provides us with a powerful and shared language that helps us better understand ourselves, each-other and the complex world around us.

Shared Reading Impact: What Our Community Groups Say

- 95% – 'This activity makes me feel better'
- 94% – 'Hearing other people's views helps me think differently about things'
- 95% – 'I look forward to the group as an important event in my week'
- 81% – 'This activity helps me to connect with others in a deeper way'

"It is ...literally...a vital part of my life and wellbeing"
"The opportunity to have a very special kind of conversation, not available to me in any other of my activities."
"Being able to attend online is crucial to me as I am severely immuno compromised and could not attend a face-to-face session. It has been an amazing support to me during our various lockdowns and my long and continuing period of effectively shielding."

Shared Reading Impact: What Our Volunteers Say

- 91% – 'Hearing other people's views helps me think differently about things'
- 74% – 'I now get more from reading'
- 72% – 'What we've read helps me to understand myself better'

"I enjoy being part of a nationwide organisation with an exciting mission and proven evidence that shared reading aloud really helps wellbeing. Every week I enjoy researching new poems and anticipating how they will excite and engage my group of care home residents. Holding the sessions and seeing how much they are appreciated and getting a really good discussion going really lifts my day."

"A feeling of purpose, a recognition that talents and abilities I have are important and can impact people positively. A sense of unity, a chance to practice being calm and open for the shared benefit of myself and the group"

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.

THE READER ORGANISATION

TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

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

With Covid restrictions still in place between April and May 2021, the year was one of challenges, re-growth and re-engagement. The Reader remained flexible throughout, continuing to offer activities online and over the phone while we were pleased to expand delivery of in person activities as the year progressed.

Highlight achievements are;

- Reaching over 19,500 adults and children with our Shared Reading activities either in person, by phone and / or online.
- As part of our anti-racism commitment, we started our organisation wide project to use Shared Reading of black literature to start to deepen our consciousness of matters linked to race and racism (we called this "Just Us", named after Claudia Rankine's book of poems and essays which challenges us to enter into conversation with each other and find a way through divisions and silences). Around 160 staff, trustees and volunteers who are people of colour attended sessions focused on reading about race during the year. The responses have been profound for many people, and we intend to continue this work next year, which is supporting development of our Shared Reading and EDI practice.
- A focus on reward and recognition this year resulting in a full articulation of our employee value proposition (The Reader Reward Package) alongside the launch and roll out of a new salary scale more closely aligned to market rates.
- Our first ever commission for reading with children and young people. Liverpool and Sefton Virtual Schools Headteachers have both commissioned our Reading Heroes programme (previously grant funded by BBC Children in Need).
- Securing £243K of grant funding from The National Lottery Heritage Fund for 'Making Meaning at Calderstones' a 2-year project.
- Launch of The Reader Bookshelf, a diverse set of poems, stories and non fiction texts spanning ages, cultures and genres. The Bookshelf connects our supporters, volunteers, staff and readers – existing and new – with a special programme of events and activities, and Shared Reading groups that explore a new theme each year. In its first year, the theme for the Bookshelf was 'Walking the Earth'.
- Hosting BBC Radio 5 Live's Drive Show at Calderstones for a special programme highlighting the benefits of reading aloud.
- Winning the 'Outstanding Contribution to Culture Peoples' Choice Award' at the Liverpool City Region Culture & Creativity Awards in March 2022.
- The inaugural Gravity Festival – headline talks, panel discussions, Shared Reading groups and wellbeing workshops where the serious problems of life were spoken about, cried over and laughed at.
- Roll out of the Online Community Hub – a dedicated website for our volunteers providing support and reading resources.

THE READER ORGANISATION

TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Our strategic goals for 2017 – 2022

In FY21/22, we continued to work towards our three strategic ambitions:

- 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.

We are proud of the way that The Reader innovated and changed when the pandemic hit, developing new services and continuing to reach those who need us most. The pace of change, resilience and innovation needed during the pandemic has confirmed what we at the Reader have known for a number of years; that strong values and entrepreneurial spirit are just as important as a detailed business plan.

With that in mind, and an uncertain global landscape, we conducted a series of strategic planning exercises throughout the year. Each one was an opportunity for us to consider carefully how we will be working with others, working in new ways, working flexibly, working with communities, working boldly, and being clear on who we are. But we also know that being able to respond, learn, grow and continue in difficult and changing times requires lots of flexibility as well as a very strong core. During the year, staff, trustees and volunteers worked together on developing the strategy through a programme of workshops. We produced a transitional business plan for the FY22/23 year, aligning with the Arts Council England extension of the current National Portfolio Organisation (NPO) period for another year. We also started to look further ahead, producing a new ten-year strategy 'Inns on Roads' and a draft three-year business plan to start in FY2023.

2021-22 Operational highlights

1. Growing Shared Reading

"Through reading with others as part of my Shared Reading group I have been able to see a way ahead and it has given me the confidence to start to live my life again. I owe my life to that group and Shared Reading."

Volunteer Reader Leader

During the year over 19,500 adults and children engaged with our Shared Reading activities which were delivered in person, by phone and online.

Our work with Adults

We saw Shared Reading groups begin to resume in person as Covid restrictions lifted. Developments were slow moving and quickly retracted back as the landscape changed with infection rates. Some venues, such as libraries and justice services, remained closed to us throughout the year. Our alternative 'Reader at Home' services, developed during the pandemic enabled us to adapt as required while continuing to support our reading communities.

Over the year, 510 volunteers supported 358 regular weekly activities. We enhanced this offer by sending Lifelines, weekly Shared Reading activity packs, to 340 partners and volunteers so they share it in their community or service. Supported by Steve Morgan Foundation, we launched Life Letters; a new way for our volunteers to share poetry with care home residents when it was impossible to visit them. This new initiative had reached over 300 people by March 2022.

THE READER ORGANISATION

TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

"This group is healing for me – the reading, the other group members, the warmth, the stimulus and spontaneous laughter. It's a time when I can be me"

Volunteer Reader Leader, celebrating 10 years of Shared Reading

"It's like a therapy. It's helpful. I find it more helpful than physio as that's a physical thing and this is a mental thing. Even when that couple of hours is over, you go away thinking about it – for the next hours, day, week. Then you have the next one to look forward to. And that's all keeping your mind occupied and distracted. It's a massive help, it really is. I think all hospitals should have a group. It should be a proper therapy, like CBT."

Group member living with chronic pain

We are hugely grateful for the wonderful network of 270 partners with whom we worked during the year to spread the Reading Revolution to their communities. As part of our EDI strategy, we gave particular focus this year to developing relationships with organisations working in communities with whom we haven't worked before. Support from People's Postcode Lottery enabled us to work with the Afro-Caribbean Carers Centre in Manchester, Croydon BAME centre, Nilari in Bristol and an LGBT friendly housing association in London amongst others.

We were delighted to receive multi-year recommissions from a number of partners, including Wigan Clinical Commissioning Group, Somerset Public Health and Prospect Park Hospital in Berkshire, which enables us to plan longer term for the Shared Reading support we are developing and providing to their communities.

The establishment of our partnerships and volunteer support teams has helped this department to make strides in both elements of our work. Our first 'community' events were very popular at Christmas, despite us having to revert to online delivery in light of the Omicron variant, providing a foundation to rebuild volunteer relationships as restrictions lifted. This has paved the way for 2022-23 plans, when we hope to begin community reengagement in earnest, combining both our now established online support programme and the return of in person events.

Our work in Criminal Justice

"I'll tell you exactly what it brought out in me – I'm an introvert, I'm not an outgoing person, I'm really not. And I don't like groups, I thought I was gonna embarrass myself. The thing I enjoyed the most was the reading. I absolutely loved that reading. It's a massive sense of achievement for me – I'm like a little schoolkid – like I can do this new thing. I was such a Mr. Negative going on the course, and what I got out of it was amazing."

Trained prison officer

During the pandemic and over the course of this year it was challenging to run Shared Reading groups with our Readers in the criminal justice system as we normally would. However, our alternative provision remained largely in place over the year, so we could be flexible to changing public health guidance and changes to prison circumstances. For example, we continued to share the radio programmes we created with Prison Radio Association. Each set of programmes was offered to justice settings on CD, as well as being added to the recently rolled out digital hub menu available to prison residents in an ever-growing number of settings.

We were delighted that despite the challenges to our traditional delivery due to the pandemic, the impact of our work was acknowledged through a new two-year recommission from Her Majesty's Prison and Probation Service with a view to expanding the number of prisons in which we work next year. We forged a new relationship with Resettle, a Liverpool based probation service, delivering taster sessions in preparation to expand weekly delivery into their Speke premises come 2022-23. Our work also continued with Northern Ireland Public Health Authority which brings Shared Reading to four prisons in the country, reaching residents in the male, female and juvenile estates.

THE READER ORGANISATION

TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

International Shared Reading

We are now supporting 20 active international partners, with a much larger reach through our Train the Trainer model (approx. 60 Reader Leaders trained in Sweden alone). This activity generates income for The Reader and supports new partners to bring Shared Reading to their countries. Thanks to the increased adoption of technology as a result of the pandemic, we have been able to provide a range of training and support for international partners, and bring them together with the UK Shared Reading community through workshops and networking events.

In Autumn 2021, The Reader hosted an 'inspiration day' for our partners from Laeseforeningen in Denmark who also stayed on to participate in the inaugural Gravity Festival at Calderstones.

Our work with Children and Young People

"One session I was having an awful day and yet I felt listened to, like my baby had some valuable reading time and to feel less alone. Struggling with my mental health means I'm not reading as much as I would like to with my baby so these sessions were so special for us."

Parent, Books & Babies group member

We were delighted to be able to open the doors to the Storybarn fully post-covid in September 2021. Through our weekly engagements of Books & Brambles, Tiny Acorns, Incy Wincy Rhymers, birthday parties, school holiday programming, family fun days and school trips we have provided Storybarn experiences for over 13,000 children and adults. The Storybarn also entered its second year as the North West Partner for Cheltenham Literary Festivals' programme Reading Teachers = Reading Pupils. We have welcomed 14 teachers throughout the year and look forward to continuing and expanding this work in 22/23.

Thanks to support from the National Lottery Heritage Fund, we developed both an education and family heritage engagement offer providing meaningful experiences for over 350 children and adults to learn about the history of Calderstones Park and the Neolithic Calder Stones. This has been jointly delivered with our Heritage volunteer and programming team.

Shared Reading with Looked After Children has continued to flourish and we are delighted to have transitioned from Children in Need grant funding to commissions from both Liverpool and Sefton Virtual School. This is a real celebration of the impact of this work and paves the way for future growth and expansion of our Reading Heroes Project.

Our First Page Project began to rebuild momentum following a difficult few years due to Covid-19. We are delighted to have trained 42 partner staff to deliver Shared Reading in their communities and welcomed 12 new partner organisations onto the project.

We provided outdoor summer and festive activities for children and families through two story trail adventure in the park, continuing our successful partnership with a leading independent publisher, Walker Books.

Our Shared Reading in schools has developed from strength to strength with 17 schools engaged across the year, over 150 pupils benefitting from Reading Revolutionaries (peer to peer Shared Reading) and 146 children benefitting from a regular weekly Shared Reading group. We have also developed a teacher training model alongside additional support for those schools delivering Shared Reading with EAL pupils.

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

- *"We all thoroughly enjoyed [Books & Brambles]. Jade dragon and her team were amazing, especially with my little boy who has Down syndrome and communicates in Makaton. They were so inclusive and it was so lovely to see."* Storybarn Books & Brambles group member
- 81% of families who attended our Storybarn festive story trail, in partnership with Walker Books, agreed that the experience was good for their family's wellbeing.
- 92% of young people that we read with as part of Reading Heroes said they enjoyed taking part.

THE READER ORGANISATION

TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

- 84% of young people engaged in Reading Heroes said 'it was good to talk about my thoughts and feelings.'
- 94% of partner staff and volunteers feel more confident in helping children and parents stay involved during Shared Reading sessions.
- 100% of parents reported they had learnt new ways to make sharing stories fun for both themselves and their child. 8% pupils taking part in our Open Book Project enjoy reading more since taking part in Shared Reading
- 89% of pupils engaged in Shared Reading on our Open Book Project found the experience relaxing.

2. Successfully establishing The Reader at Calderstones

"I enjoy the lovely friendly atmosphere at the Mansion House. All the people I have met here both staff and volunteers are all caring and interesting people. The staff who manage the volunteers make us feel valued.

Volunteering has been especially good for me as when I moved into my flat in March 2020, I didn't know anyone in the area apart from my son and his family. I have now made some good friends - some are volunteers but also from my Shared Reading group. Coming to the Mansion house three times a week has really enhanced my life."

Calderstones Volunteer

"I didn't have any work experience before The Reader but now I'm in a full-time role. I've got responsibility, independence and a chance to progress professionally. For the first time in my life, I've got structure and I'm surrounded by people who support me."

Jack, formerly on the Young People's Project, now Facilities Assistant at Calderstones

- A total of 7,469 adults and children have taken part in more than 30,000 visitor experiences at Calderstones.
- 581 tickets were sold to the first ever Gravity Festival - 59% of ticket bookers were new to The Reader. Programme highlights included events with Jimmy McGovern, Maxine Peake and authors Erwin James and Pragya Agarwal.
- A total of 13 weekly Shared Reading groups are up and running in the Mansion House. Thanks to the addition of video screens and teleconferencing, people who couldn't previously attend in-person groups are also able to take part.
- People attending Shared Reading groups at Calderstones agree that 'This activity makes me feel better' (98%) and 'It helps me to connect with others in a deeper way' (89%).
- Since August 2021, the poems and stories brought to life by the Trails & Tales digital park map have been accessed by visitors on over 3,000 unique devices.
- Growth in attendees to our monthly 'Make' craft sessions have grown in popularity, with attendance rising from 4 per session to 47.
- Volunteer retention has remained high at 75%, with 155 volunteers overall.
- 80% of Calderstones volunteers originally recruited in 2019 are active and remain engaged despite the challenges faced by the pandemic.
- A partnership with Hope University has seen 21 international students take up placements at the Mansion House, facilitating intergenerational exchange and supporting students to become familiar with their community.
- Set up of a new young people's employment initiative for those aged 18-25 facing barriers and / or NEET (Not in Education, Employment or Training) or at risk of being NEET. 100% of young people on the project said that the 'feel more confident about interacting with people at work and in daily life' as a result.
- Work is ongoing to diversify our volunteer base as part of our wider Equity, Diversity and Inclusion strategy.
- Successful partnerships with local organisations have helped us to deepen our engagement with communities in need of support, such as men in recovery from addiction (Vitality Homes), young adults facing barriers (Strawberry Fields) and women out of employment (Include-IT).

THE READER ORGANISATION

TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

31 respondents, census Dec 2020

"The murkiness as we exist alongside each other calls us forward. I don't want to forget that I am here; at any given moment we are, each of us, next to any other capable of both the best and the worst our democracy has to offer."

From Just Us: An American Conversation by Claudia Rankine

3. Being a strong, learning organisation

- As part of our continued commitment to Equity, Diversity and Inclusion, we established Equalities Networks this year. In response to employee suggestions, networks were launched for staff from ethnic minority backgrounds, staff who identify as neuro diverse, LGBTQIA+ staff and staff with chronic illnesses or disabilities, as well as a group focused on discussing gender.
- We appointed journalist Tomiwa Owolade as a literature and race advisor to support our EDI priorities this year and were pleased to have both him and Rebekah Del Sol in conversation at Think Day to discuss learnings from our Just Us project
- At the beginning of the year, we were still making use of the furlough scheme in our social enterprise arm. The scheme allowed us to retain good staff and respond flexibly to the different stages of the pandemic, protecting the income the social enterprises generate for our charitable activities.
- We emerged from the pandemic an even more flexible organisation. Hybrid working is now the norm for many of our staff whose role does not require them to be site based, allowing us to give them more flexibility and autonomy. We continue to have a proportion of the workforce who work completely remotely and have worked hard to ensure they feel connected to each other and the organisation. We are now operating a remote first policy when it comes to meetings.
- Following a period of consultation with staff, we have clearly articulated our Employee Value Proposition – The Reader Reward Package. As part of that work, we've introduced a holiday buy and sell scheme for staff, a more competitive salary scale and internal policies and processes that provide more consistency and transparency when it comes to setting salaries.
- We strengthened our safeguarding processes this year and have increased resilience across the organisation by training and involving more of our senior leadership team in day-to-day safeguarding concerns on site and across our Shared Reading services.
- We continued to make use of the Office Vibe employee engagement platform, an important tool to ensure we were alert and responsive to the employee experience during the period of ongoing change 2021/22 brought with it.
- Thanks to funding from the National Lottery Heritage Fund, we have taken the first steps to improve our organisational resilience by embedding our literary heritage, and the rich heritage of the Mansion House into a variety of organisational activities. We started by making heritage a mandatory part of our induction for site-based staff, and we devoted a day of our organisational Think Day to talking about and learning about our heritage.
- We established a Volunteer Experience Group to ensure we are providing a consistent volunteer experience for all regardless of role and location.
- In data gathered as part of our Feedback Week survey, our volunteers told us that being part of The Reader has:

90% – 'Given me a sense of achievement'

87% – 'Helped me feel more connected to other people'

85% – 'Given me a sense of purpose'

82% – 'Improved my wellbeing'

"I feel a real sense of achievement and it gives me confidence."

"I enjoy meeting people, making friends and feeling useful."

THE READER ORGANISATION

TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods

During 21/22 The Reader embarked on a strategic planning round to start developing our new long term strategy. This involved:

- Expert external consultancy on wider trend and sector analysis
- A series of facilitated Board sessions and workshops with staff
- Several sessions with a range of volunteers involved in different aspects of our work. We were grateful for all the input received, demonstrating again our volunteers' commitment to the Reader's work.

In parallel the Directors and executive team for the Community Interest Company have been undertaking a similar exercise to develop our enterprise business model and set targets for its future.

The development of a new ten year strategy, entitled 'Inns on Roads' was led by the Founder and developed as a key part of her succession planning. This strategy provides a fresh articulation of The Reader's purpose and sets out three strategic goals for the future:

- 1) Opening the treasure house of great literature for everyone
- 2) Develop Shared Reading in places where it's most needed
- 3) Understand and talk about the change literature and Shared Reading can make in the world

As we look ahead to FY22/23, it's clear that due to Covid, continued flexibility and adaptability will be needed – life has not returned to normal for many of our partners, volunteers and participants. Our priorities, set out in our one year transitional business plan for the year include:

- Continue to rebuild the network of Shared Reading activities for adults. We will prioritise in-person groups where possible but will maintain a hybrid delivery model because we know digital sessions enable us to reach new people and to adapt if and when public health situation requires.
- Continue to collaborate with partners who can help us reach a diverse range of participants who will benefit the most from our services.
- Consult with library services on how we can scale Shared Reading in services most effectively and sustainably
- Continue to provide wonderful reading experiences for children and young people at The Storybarn and through Shared Reading projects with looked after children and families experiencing disadvantage.
- Enhance our volunteer experience through strengthening recruitment and increasing engagement with our volunteer support programme, working closely with volunteers to ensure we are listening and responding to their needs.
- Continue to develop our publications, including The Reader Magazine and Podcast to attract new audiences, support our volunteers and gather better insight and feedback on them.
- Launch a new Teaching Associate Pathway to provide staff and volunteers with a way to improve and strengthen their literary skills so they can deliver Shared Reading training and support to others.
- Launch our Bookshelf theme for the year - Light and Darkness - which will underpin our programme, Bookshelf and reading experiences across the movement during the year.
- Continue to re-establish Calderstones as a flagship North West cultural attraction, with the aim of delivering ambitious programming based on the Bookshelf and building creative partnerships and a well-supported network of volunteers.
- Continue to develop our young person's employment project at Calderstones, where we offer paid roles and work experience placements to young people facing disadvantage.
- Accelerate our 'Heritage at Calderstones' programme through a new 2-year project "Making Meaning at Calderstones", supported by the National Lottery Heritage Fund
- Launch a new digital roadmap to ensure we continue our digital transformation programme, embedding our new platforms and using data effectively
- Continue our 'Just Us' project, using the Shared Reading model to open conversations about race and racism, as part of our wider Equity, Diversity and Inclusion plan which has a priority focus on increasing the racial diversity of our staff and volunteers.

THE READER ORGANISATION

TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Financial review

The total income in 2021/22 was £4,064,045, an increase from £3,646,527 in 2020/21 brought about by a strong revival of our activities at Calderstones after the easing of Coronavirus restrictions.

The net deficit ("net expenditure") for the year is £133,447. This is inclusive of £265,513 depreciation costs incurred by the charity for which funds are held in reserves. These depreciation costs relate to the Storybarn, Mansion House and grant funded fixtures, and an associated transfer from restricted and designated funds has been applied. Following the fund transfers relating to depreciation, we arrive at a net surplus on charitable activities of £132,066 inclusive of a donation in the sum of £124,829 from Calderstones Mansion House Community Interest Company. The net movement on free reserves after other designated fund movements is £78,422.

Principal income sources

During 2021/22 The Reader Organisation's income was split across the following sources:

- 28% grants and donations for core activities
- 41% grant and commissioned delivery of Shared Reading (our principal charitable activity) and training of individuals to undertake Shared Reading
- 29% trading income from our subsidiary, Calderstones Mansion House Community Interest Company
- 2% event income (principally from the Storybarn)
- <1% Investment income

Reserves

The Reserves now stand at £6,529,718.

Reserves include £5,030,753 of restricted funds relating to Calderstones Mansion House which is reduced by an associated depreciation charge each year and will transfer to a designated fund upon satisfaction of restrictions within the grants.

The Group unrestricted funds total £1,498,965. This includes £656,246 of designated funds. The remaining £842,719 general unrestricted funds represents our free reserves.

Designated funds include:

- £173,663 that represents expenditure on the Storybarn building which is being released over a 10-year period (the useful economic life of the refurbishments undertaken within the building)
- £85,583 of designated funds that represents expenditure on the Mansion House building which is being released over 50 years (the useful economic life of the refurbishments undertaken within the building)
- £32,175 grant funded fixtures which is being released over a 3-year period (the useful economic life of the capitalised fixtures)
- £179,010 Mansion House support fund for investment in the facilities infrastructure that underpins our charitable work
- £86,000 Personnel investment fund which represents an investment for the future, aligning our workforce planning to strategic plans
- £57,801 IT re-structure and infrastructure fund to invest in the Charity's technology capabilities
- £42,014 Calderstones Mansion House sinking fund, a provision for future major repairs to the building

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 £543,830. At the end of financial year 2021/22 the level of unrestricted, undesignated reserves amounts to £842,719, 5 months core running costs.

THE READER ORGANISATION

TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

Public Benefit

The majority of activities provided by The Reader are funded by third parties, 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) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Funders and Commissioners

Arts Council England
Barton Moss Secure Care Centre
BDB Pitmans Charitable Trust
Berkshire Healthcare NHS Foundation Trust
Cheltenham Festivals
Cheshire Clinical Commissioning Group
Children In Need
City Bridge Trust
Conwy Libraries
Doncaster Public Health
Dorset County Council Library Service
Eleanor Rathbone Charitable Trust
Elizabeth L Rathbone Charitable Trust
Esmée Fairbairn Foundation
Forward Arts
Garfield Weston Foundation
Greater Manchester Mental Health NHS Foundation Trust
Hackney Libraries
Hammersmith and Fulham Libraries
Haringey Libraries
Her Majesty's Prison and Probation Service
Ideas Store Tower Hamlets
Jewish Care
King's College London
Knowsley Clinical Commissioning Group
Liverpool Charity and Voluntary Services
Liverpool City Council
Mayoral Inclusive Growth Fund
Mercers The Charity of Sir Richard Whittington
Mersey Care NHS Foundation Trust
Mo Siewcharran Memorial Fund
NHS Cheshire Clinical Commissioning Group
NHS Wigan Borough Clinical Commissioning Group
Notting Hill Genesis
Players of People's Postcode Lottery
Public Health Agency Northern Ireland
Q Charitable Trust
Royal Liverpool and Broadgreen University Hospital Trust
Sefton Council
Somerset County Council
St Giles
St John's Waterloo
St Monica Trust Community Impact
Steve Morgan Foundation
Steve Morgan Foundation/DCMS Community Match Challenge
Suffolk Community Foundation
The Evan Cornish Foundation
The Granada Foundation
The Limbourne Trust
The Mercers' Company (The Charity of Sir Richard Whittington)
The National Lottery Heritage Fund
The National Trust
Tudor Trust
Warrington and Halton Hospitals NHS Foundation Trust
Wigan Clinical Commissioning Group
Wirral Metropolitan Borough Council
Woodchurch High School

THE READER ORGANISATION

TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

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.

THE READER ORGANISATION

TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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 MBE (Chair)	
Ms R Hawley MBE	(Retired 22 November 2021)
Mr H Biddell	
Dr R M Hussey CB,OBE,DL	
Mr P L Davies	
Mr P K Sood	
Mrs S Fletcher	
Dr J Hamilton	(Appointed 17 May 2021)
Dr H Willows	(Appointed 17 May 2021)
Mr O Alake	(Appointed 17 May 2021)
Mr NI Atkinson	(Appointed 17 May 2021)

The company secretary is Jennifer Martin.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute the sum not exceeding £10 in the event of a winding up.

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

THE READER ORGANISATION

TRUSTEES' REPORT REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

A Committee structure is in place to support the Trustees in ensuring good governance. During the financial year there have been two Committees in operation: (i) the Audit Committee, which oversees governance and risk (ii) the Nominations Committee which oversees Trustee appointments.

The Calderstones Mansion House CIC has its own Board of 7 Directors. There are four members of The Reader Board who sit on the Calderstones CIC Board of Directors. Minutes of the CIC Board are submitted to The Reader Board as parent company. The Audit Committee oversees the work of Calderstones Mansion House CIC as well as The Reader.

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

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.

Auditor

At the Annual General Meeting in November 2016 it was agreed that a tender exercise should be undertaken for the appointment of Auditors to ensure value for money was being achieved for the Charity. This resulted in McLintocks (now Xeinadin Audit Limited) being appointed by special resolution of the Board of Directors in May 2017. The Board undertook a further tender exercise in 2021 which resulted in McLintocks (now Xeinadin Audit Limited) being re-appointed at the meeting in September 2021 for a three year period with review by the Audit Committee each year and option to extend to a five year period.

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 was approved by the Board of Trustees.



Mrs A S Marsland MBE (Chair)

Dated: 12 September 2022

THE READER ORGANISATION

STATEMENT OF TRUSTEES' REPORT RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors of The Reader Organisation for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year 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; 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 MEMBERS AND TRUSTEES OF THE READER ORGANISATION

Opinion

We have audited the financial statements of The Reader Organisation (the 'charity') and its subsidiary for the year ended 31 March 2022 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 2022 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 MEMBERS AND TRUSTEES OF THE READER ORGANISATION

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

Matters on which we are required to report by exception

In the light of 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 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of Trustees' report responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

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 MEMBERS AND TRUSTEES OF THE READER ORGANISATION

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 MEMBERS AND TRUSTEES OF THE READER ORGANISATION

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, 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 Xeinaidin Audit Limited

20 September 2022

Accountants
Statutory Auditor

2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9QP

THE READER ORGANISATION

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	1,152,633	-	1,152,633	1,079,948	188,100	1,268,048
Charitable activities	4	847,779	901,618	1,749,397	677,646	1,216,918	1,894,564
Other trading activities	5	1,161,356	-	1,161,356	483,173	-	483,173
Investments	6	659	-	659	742	-	742
Total income		3,162,427	901,618	4,064,045	2,241,509	1,405,018	3,646,527
Expenditure on:							
Raising funds	7	995,118	-	995,118	582,689	-	582,689
Charitable activities	8	2,300,756	901,618	3,202,374	1,515,934	1,368,010	2,883,944
Total resources expended		3,295,874	901,618	4,197,492	2,098,623	1,368,010	3,466,633
Net (outgoing)/incoming resources before transfers		(133,447)	-	(133,447)	142,886	37,008	179,894
Gross transfers between funds		204,807	(204,807)	-	48,353	(48,353)	-
Net income/(expenditure) for the year/ Net movement in funds		71,360	(204,807)	(133,447)	191,239	(11,345)	179,894
Fund balances at 1 April 2021		1,427,605	5,235,560	6,663,165	1,236,366	5,246,905	6,483,271
Fund balances at 31 March 2022		1,498,965	5,030,753	6,529,718	1,427,605	5,235,560	6,663,165

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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13		5,338,789		5,595,561
Current assets					
Stocks	15	22,048		17,156	
Debtors	16	466,171		278,060	
Cash at bank and in hand		1,688,965		2,507,103	
		<u>2,177,184</u>		<u>2,802,319</u>	
Creditors: amounts falling due within one year	18	<u>(986,255)</u>		<u>(1,734,715)</u>	
Net current assets			1,190,929		1,067,604
Total assets less current liabilities			<u>6,529,718</u>		<u>6,663,165</u>
Income funds					
Restricted funds	22		5,030,753		5,235,560
Unrestricted funds	24		1,498,965		1,427,605
			<u>6,529,718</u>		<u>6,663,165</u>

The financial statements were approved by the Trustees on 12 September 2022

A. S. Marsland

Mrs A S Marsland MBE (Chair)
Trustee

Company Registration No. 06607389

THE READER ORGANISATION

CHARITY BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13	5,338,789		5,595,561	
Investments	14		1		1
		<u>5,338,790</u>		<u>5,595,562</u>	
Current assets					
Debtors falling due within one year	17	663,937		332,921	
Cash at bank and in hand		<u>1,384,099</u>		<u>2,409,078</u>	
		2,048,036		2,741,999	
Creditors: amounts falling due within one year	19	<u>(857,108)</u>		<u>(1,674,396)</u>	
Net current assets		1,190,928		1,067,603	
Total assets less current liabilities		<u>6,529,718</u>		<u>6,486,757</u>	
Income funds					
Restricted funds	22	5,030,753		5,235,560	
Unrestricted funds	25	<u>1,498,965</u>		<u>1,427,605</u>	
		<u>6,529,718</u>		<u>6,663,165</u>	

The financial statements were approved by the Trustees on 12 September 2022

A S Marsland

Mrs A S Marsland MBE (Chair)
Trustee

Company Registration No. 06607389

THE READER ORGANISATION

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	31		(794,407)		638,998
Investing activities					
Purchase of tangible fixed assets		(29,818)		(288,717)	
Proceeds on disposal of tangible fixed assets		5,428		-	
Interest received		659		742	
Net cash used in investing activities			(23,731)		(287,975)
Financing activities					
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(818,138)		351,023
Cash and cash equivalents at beginning of year			2,507,103		2,156,080
Cash and cash equivalents at end of year			<u>1,688,965</u>		<u>2,507,103</u>

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 include 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 2022

1 Accounting policies

(Continued)

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 once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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 the statement of financial activities.

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

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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.

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.

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

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.

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 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 2022

3 Donations and legacies

	Unrestricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	28,940	28,940	16,592	180	16,772
Grants receivable for core activities	1,123,693	1,123,693	1,063,356	-	1,063,356
Grants receivable for capital projects	-	-	-	187,920	187,920
	<u>1,152,633</u>	<u>1,152,633</u>	<u>1,079,948</u>	<u>188,100</u>	<u>1,268,048</u>
	Unrestricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2021 £	2021 £	2021 £
Grants receivable for core activities					
Esmee Fairbairn Foundation	25,933	25,933	-	-	-
Arts Council England National Portfolio Office	178,220	178,220	178,200	-	178,200
People's Postcode Lottery	879,072	879,072	625,840	-	625,840
CJRS grant	468	468	257,853	-	257,853
Tudor Trust	40,000	40,000	1,443	-	1,443
	<u>1,123,693</u>	<u>1,123,693</u>	<u>1,063,336</u>	<u>-</u>	<u>1,063,336</u>

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	Shared reading 2022 £	Storybarn 2022 £	Total 2022 £	Shared reading 2021 £	Storybarn 2021 £	Total 2021 £
Commissions & Training	751,144	-	751,144	670,453	-	670,453
Grants	901,618	-	901,618	1,216,918	-	1,216,918
Events income	20,682	75,953	96,635	952	6,241	7,193
	<u>1,673,444</u>	<u>75,953</u>	<u>1,749,397</u>	<u>1,888,323</u>	<u>6,241</u>	<u>1,894,564</u>
Analysis by fund						
Unrestricted funds	771,826	75,953	847,779	671,405	6,241	677,646
Restricted funds	901,618	-	901,618	1,216,918	-	1,216,918
	<u>1,673,444</u>	<u>75,953</u>	<u>1,749,397</u>	<u>1,888,323</u>	<u>6,241</u>	<u>1,894,564</u>
Grants related to charitable activities						
The Garfield Weston Foundation	143,776	-	143,776	-	-	-
Knowsley CCG	17,729	-	17,729	17,617	-	17,617
National Lottery Community Fund	48,635	-	48,635	247,326	-	247,326
National Lottery Fund Wales	-	-	-	56,811	-	56,811
Age UK Bristol Ageing Better	-	-	-	14,357	-	14,357
City Bridge	23,540	-	23,540	6,050	-	6,050
BBC Children In Need	29,915	-	29,915	39,878	-	39,878
Esmée Fairbairn Foundation	51,863	-	51,863	51,863	-	51,863
Steve Morgan Foundation and the Department for Digital, Culture, Media & Sport	290,050	-	290,050	462,300	-	462,300
Lottery Coronavirus Community Support Fund	-	-	-	34,554	-	34,554
Somerset County Council	41,586	-	41,586	9,048	-	9,048
Steve Morgan Foundation	137,953	-	137,953	140,729	-	140,729
Prince of Wales Trust	-	-	-	47,290	-	47,290
The Charity of Sir Richard Whittington	19,104	-	19,104	21,543	-	21,543
Others	97,467	-	97,467	67,552	-	67,552
	<u>901,618</u>	<u>-</u>	<u>901,618</u>	<u>1,216,918</u>	<u>-</u>	<u>1,216,918</u>

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Cafe,ice-cream parlour and other income	1,161,356	483,173

6 Investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Interest receivable	659	742

7 Raising funds

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
<u>Trading costs</u>		
Operating costs	514,098	248,577
Other staff costs	2,233	287
Staff costs	478,787	333,825
Trading costs	995,118	582,689

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Charitable activities

	Shared reading 2022 £	Storybarn 2022 £	Total 2022 £	Shared reading 2021 £	Storybarn 2021 £	Total 2021 £
Staff costs	1,748,212	85,707	1,833,919	1,576,787	20,185	1,596,972
Depreciation and impairment	-	60,706	60,706	-	44,528	44,528
Other expenditure	434,683	22,225	456,908	537,112	52	537,164
	<u>2,182,895</u>	<u>168,638</u>	<u>2,351,533</u>	<u>2,113,899</u>	<u>64,765</u>	<u>2,178,664</u>
Share of support costs (see note 9)	804,871	33,536	838,407	683,801	2,259	686,060
Share of governance costs (see note 9)	12,097	337	12,434	19,157	63	19,220
	<u>2,999,863</u>	<u>202,511</u>	<u>3,202,374</u>	<u>2,816,857</u>	<u>67,087</u>	<u>2,883,944</u>
Analysis by fund						
Unrestricted funds	2,098,245	202,511	2,300,756	1,448,847	67,087	1,515,934
Restricted funds	901,618	-	901,618	1,368,010	-	1,368,010
	<u>2,999,863</u>	<u>202,511</u>	<u>3,202,374</u>	<u>2,816,857</u>	<u>67,087</u>	<u>2,883,944</u>

9 Support costs

	Support costs £	Governance costs £	2022 Support costs £	Governance costs £	2021 £
Staff costs	384,460	-	384,460	330,658	330,658
Depreciation	220,457	-	220,457	208,966	208,966
Other costs	233,490	-	233,490	146,436	146,436
Audit fees	-	9,000	9,000	-	9,000
Accountancy	-	3,000	3,000	-	10,220
Trustee expenses	-	434	434	-	-
	<u>838,407</u>	<u>12,434</u>	<u>850,841</u>	<u>686,060</u>	<u>705,280</u>
Analysed between Charitable activities	<u>838,407</u>	<u>12,434</u>	<u>850,841</u>	<u>686,060</u>	<u>705,280</u>

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Shared Reading	93	79
Support Services	13	12
Storybarn	10	13
Calderstones Mansion House CIC	35	30
Total	151	134

Employment costs	2022 £	2021 £
Wages and salaries	2,416,442	2,018,551
Social security costs	160,474	133,249
Other pension costs	120,250	109,655
	2,697,166	2,261,455

Remuneration of key management personnel

Total remuneration received during the year by key management personnel amounted to £354,457 (2021: £310,708).

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 £120,250 (2021: £109,655).

There were outstanding contributions in respect of defined contribution schemes at 31 March 2022 of nil (2021: £NIL).

There were no employees whose annual remuneration was more than £60,000.

11 Trustees

None of the trustees received any remuneration during either the current or previous year, and trustees were reimbursed £435 for travelling expenses (2021: £NIL).

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

12 Calderstones Mansion House CIC

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

	2022 £	2021 £
Income	1,092,156	465,792
Expenditure	(1,092,156)	(462,306)
	<u>-</u>	<u>3,486</u>
Aggregate assets and liabilities		
Current assets	348,999	134,345
Current liabilities	(348,998)	(134,344)
	<u>1</u>	<u>1</u>

13 Tangible fixed assets - Group and Company

	Leasehold improvements £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 April 2021	4,924,972	1,279,408	35,980	6,240,360
Additions	-	27,515	2,303	29,818
Disposals	(5,428)	-	-	(5,428)
At 31 March 2022	<u>4,919,544</u>	<u>1,306,923</u>	<u>38,283</u>	<u>6,264,750</u>
Depreciation and impairment				
At 1 April 2021	377,589	247,658	19,551	644,798
Depreciation charged in the year	133,290	138,528	9,345	281,163
At 31 March 2022	<u>510,879</u>	<u>386,186</u>	<u>28,896</u>	<u>925,961</u>
Carrying amount				
At 31 March 2022	<u>4,408,665</u>	<u>920,737</u>	<u>9,387</u>	<u>5,338,789</u>
At 31 March 2021	<u>4,547,383</u>	<u>1,031,749</u>	<u>16,429</u>	<u>5,595,561</u>

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).

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Stocks - Group

	2022 £	2021 £
Goods for resale	22,048	17,156

16 Debtors - Group

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	83,596	21,076
Other debtors	238,390	194,784
Prepayments and accrued income	144,185	62,200
	466,171	278,060

17 Debtors - Charity

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	62,561	8,858
Amounts owed by subsidiary undertakings	219,851	74,025
Other debtors	238,390	187,920
Prepayments and accrued income	143,135	62,118
	663,937	332,921

18 Creditors: amounts falling due within one year - Group

	Notes	2022 £	2021 £
Other taxation and social security		28,060	1,085
Deferred income	20	711,376	1,111,043
Trade creditors		191,034	223,311
Other creditors		2,664	360,656
Accruals		53,121	38,621
		986,255	1,734,716

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

19 Creditors: amounts falling due within one year - Charity

	Notes	2022 £	2021 £
Deferred income	21	653,846	1,085,090
Trade creditors		161,837	201,513
Other creditors		1,721	359,196
Accruals and deferred income		39,704	28,597
		<u>857,108</u>	<u>1,674,396</u>

20 Deferred income - Group

	2022 £	2021 £
Other deferred income	<u>711,376</u>	<u>1,111,043</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Balance at 1 April 2021	1,111,043	984,832
Amounts received in year	1,674,109	2,242,887
Amounts credited to statement of financial activities	<u>(2,073,777)</u>	<u>(2,116,676)</u>
Balance at 31 March 2022	<u>711,376</u>	<u>1,111,043</u>

21 Deferred income - Charity

	2022 £	2021 £
Other deferred income	<u>653,846</u>	<u>1,085,090</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Balance at 1 April 2021	1,085,090	984,832
Amounts received in year	1,602,964	2,216,934
Amounts credited to statement of financial activities	<u>(2,035,086)</u>	<u>(2,116,676)</u>
Balance at 31 March 2022	<u>652,968</u>	<u>1,085,090</u>

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

22 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:

	Balance at 1 April 2020 £	Movement in funds			Balance at 1 April 2021 £	Movement in funds			Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £	
Shared Reading	-	1,217,098	(1,168,745)	(48,353)	-	901,618	(901,618)	-	-
Calderstones Mansion House	5,246,905	187,920	(199,265)	-	5,235,560	-	-	(204,807)	5,030,753
	<u>5,246,904</u>	<u>1,405,018</u>	<u>(1,368,010)</u>	<u>(48,353)</u>	<u>5,235,560</u>	<u>901,618</u>	<u>(901,618)</u>	<u>(204,807)</u>	<u>5,030,753</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 charities 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 2022*

23 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.

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

24 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:

	Balance at 1 April 2020 £	Movement in funds			Balance at 1 April 2021 £	Movement in funds			Balance at 31 March 2022 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £	
General unrestricted	726,718	2,241,509	(2,052,440)	(151,490)	764,297	3,016,584	(3,142,969)	204,807	842,719
Storybarn Building	262,719	-	(44,528)	-	218,191	-	(44,528)	-	173,663
Calderstones Mansion House	246,929	-	(1,655)	(159,691)	85,583	-	-	-	85,583
Grant funded fixtures	-	-	-	48,353	48,353	-	(16,178)	-	32,175
Mansion House support fund	-	-	-	54,181	54,181	124,829	-	-	179,010
Personnel investment fund	-	-	-	143,000	143,000	-	(57,000)	-	86,000
IT re-structure and infrastructure fund	-	-	-	93,000	93,000	-	(35,199)	-	57,801
Calderstones Mansion House sinking fund	-	-	-	21,000	21,000	21,014	-	-	42,014
	<u>1,236,366</u>	<u>2,241,509</u>	<u>(2,098,623)</u>	<u>48,353</u>	<u>1,427,605</u>	<u>3,162,427</u>	<u>(3,295,874)</u>	<u>204,807</u>	<u>1,498,965</u>

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

24 Unrestricted funds - Group

(Continued)

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 charities 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.

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 2022

25 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:

	Balance at 1 April 2020	Movement in funds					Movement in funds					Balance at 31 March 2022
		£	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	£	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	
General unrestricted	730,204	1,612,080	(1,426,497)	(151,490)		764,297	3,016,584	(3,142,969)	204,807			842,719
Storybarn Building	262,719	-	(44,528)	-	-	218,191	-	(44,528)	-	-	-	173,663
Calderstones Mansion House	246,929	-	(1,655)	(159,691)		85,583	-	-	-	-	-	85,583
Grant funded fixtures	-	-	-	48,353	-	48,353	-	(16,178)	-	-	-	32,175
Mansion House support fund	-	-	-	54,181	-	54,181	124,829	-	-	-	-	179,010
Personnel investment fund	-	-	-	143,000	-	143,000	-	(57,000)	-	-	-	86,000
IT re-structure and infrastructure fund	-	-	-	93,000	-	93,000	-	(35,199)	-	-	-	57,801
Calderstones Mansion House sinking fund	-	-	-	21,000	-	21,000	21,014	-	-	-	-	42,014
	1,239,852	1,612,080	(1,472,680)	48,353		1,427,605	3,162,427	(3,295,874)	204,807		-	1,498,965

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

25	Unrestricted funds - Charity	(Continued)
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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 charities 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.

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 2022

26 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.

27 Analysis of net assets between funds - Group

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Fund balances at 31 March 2022 are represented by:						
Tangible assets	308,036	5,030,753	5,338,789	360,001	5,235,560	5,595,561
Current assets/(liabilities)	1,190,928	-	1,190,929	1,067,603	-	1,067,603
	<u>1,498,964</u>	<u>5,030,753</u>	<u>6,529,718</u>	<u>1,427,604</u>	<u>5,235,560</u>	<u>6,663,164</u>

28 Analysis of net assets between funds - Charity

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Fund balances at 31 March 2022 are represented by:						
Tangible assets	308,036	5,030,753	5,338,789	360,001	5,235,560	5,595,561
Investments	1	-	1	1	-	1
Current assets/(liabilities)	1,190,928	-	1,190,928	1,067,603	1	1,067,603
	<u>1,498,965</u>	<u>5,030,753</u>	<u>6,529,718</u>	<u>1,427,605</u>	<u>5,235,561</u>	<u>6,663,165</u>

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

29 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:

	2022 £	2021 £
Within one year	30,838	30,838
Between two and five years	113,764	117,961
In over five years	2,985,336	3,317,040
	<u>3,129,938</u>	<u>3,465,839</u>

30 Analysis of changes in net funds

The charity had no debt during the year.

31 Cash generated from operations

	2022 £	2021 £
(Deficit)/surplus for the year	(133,447)	179,894
Adjustments for:		
Investment income recognised in statement of financial activities	(659)	(742)
Depreciation and impairment of tangible fixed assets	281,163	257,056
Movements in working capital:		
(Increase)/decrease in stocks	(4,892)	2,192
(Increase) in debtors	(188,111)	(64,076)
(Decrease)/increase in creditors	(348,794)	138,463
(Decrease)/increase in deferred income	(399,667)	126,211
Cash (absorbed by)/generated from operations	<u>(794,407)</u>	<u>638,998</u>