

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 CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



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 H Willows
Mr O Alake
Mr NI Atkinson

Secretary Ms J Martin

Managing Director Ms J Guerrier
Director of Literature Ms K Clarke
Director of Finance, Governance & Commercial Planning Ms V Hopton

Charity number (England and Wales) 1126806

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Company number 06607389

Registered office

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THE READER ORGANISATION

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THE READER ORGANISATION

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

Statement from the Chair, Managing Director and Director of Literature

We grow accustomed to the Dark

We grow accustomed to the Dark -
When Light is put away -
As when the Neighbor holds the Lamp
To witness her Good bye -

A Moment - We uncertain step
For newness of the night -
Then fit our Vision to the Dark -
And meet the Road - erect -

And so of larger - Darkesses -
Those Evenings of the Brain -
When not a Moon disclose a sign -
Or Star - come out - within -

The Bravest - grope a little -
And sometimes hit a Tree
Directly in the Forehead -
But as they learn to see -

Either the Darkness alters -
Or something in the sight
Adjusts itself to Midnight -
And Life steps almost straight.

Emily Dickinson

Emerging Into light

Over the last year, as we emerged from a global pandemic and a turbulent time of change, we chose the theme of Light and Darkness for our annual Bookshelf, our selection of novels, non-fiction, poetry and stories to read together in Shared Reading groups. These books were shared across our movement and offered ways of thinking about the complications of emerging into light and life again as well as the nourishment or realisations felt during darkness and night.

In a new Shared Reading group for families who are living in a state of transition and uncertainty as they await the outcome of asylum applications, we read the poem above from the Bookshelf. One group member shared how much the group meant to her. 'I have been unable to speak for 8 months. Whenever I try I feel ashamed because my English isn't good.' Yet in the group she found she was able, not only to speak, but to use her voice for the kind of brave exploration described in the poem.

Shared Reading provides a unique space where it is ok to 'sometimes hit a tree' and creates moments where 'the Darkness alters...And Life steps almost straight'. It's no exaggeration to say that these moments continue to provide a lifeline for people.

THE READER ORGANISATION

CHAIRMAN'S STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

A new chapter

In December 2022, The Reader's Founder and Director, Dr Jane Davis, retired after 25 years. It was Jane's personal experience of literature as both a 'life-saver and life-maker' that led to the creation of The Reader and is our organisational 'origin story'.

The Shared Reading practice that Jane pioneered has now been adopted by hundreds of volunteers and partners across the UK – and around the world – to transform people's lives. This movement is quite a legacy to leave. Now, thousands of people all have their own origin stories of Shared Reading and are using literature as a tool to survive and live well – as Jane envisaged.

As part of The Reader's succession plan, Katie Clark was appointed as Director of Literature in Spring 2022. Following Jane's resignation in December, the Board of Trustees appointed Jemma Guerrier as Managing Director, creating a new joint leadership team to take the organisation forward into the next chapter. Such joint leadership models are common across the arts and culture sector and for The Reader, the change ensures we have a combination of literary experience and broader third sector experience leading the organisation's senior team.

On behalf of the Trustees and everyone at The Reader, including all those people who have had the joy of experiencing Shared Reading with her first hand, we thank Jane for her many years of dedicated leadership. Her vision for a Shared Reading revolution continues to drive us on. Her vision for a place where health and wellbeing is improved through reading, nature, heritage and creativity is now a reality at Calderstones in Liverpool. And we will hold the values she embedded close as we seek to create and innovate to further our mission in an increasingly volatile world. We are delighted that Jane continues to be involved by volunteering as Head Gardener on site at Calderstones and we are working with her to shape her involvement with the organisation.

A new strategic plan

This year was the first year working towards our three strategic goals for the future. After the turbulent times of the pandemic and subsequent recovery, it felt important for us to reflect on what we've learned in that time and challenge ourselves about how we can make best use of limited resources in the future, especially given the volatile funding environment. This has resulted in some tough decisions about stopping some projects whilst embedding some of our Covid-response approaches into our work for the future – from online training to our podcast. A new three-year business plan has now evolved which will focus our work for next strategic period.

We continued to prioritise race in our Equity, Diversity and Inclusion work through our organisation-wide Shared Reading project ("Just Us"), which focused on reading literature by black writers to help facilitate meaningful internal conversations around race and racism.

A growing Reading Revolution

Over 700 volunteers continue to power the reading revolution; across the year, 121 new volunteers trained to read with adults, 36 to read with children and young people, and we welcomed 60 new volunteers at Calderstones. We are incredibly grateful to all our volunteers for their dedication and commitment.

Thanks also to the partners who host and refer people to our groups and in some cases have their own staff trained to deliver Shared Reading. Many of our partners are facing tough times themselves yet recognise the impact that Shared Reading can have for the people they support and commit precious resources to make groups to happen.

Thanks to the passion of this shared reading network, we engaged 21,947 people in Shared Reading activities this year with an increase of 5,000 engaging in our adult SR groups.

THE READER ORGANISATION

CHAIRMAN'S STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

This was also the first full year of operations at Calderstones where the evolving programme of weekly activities and indoor and outdoor events, alongside our social enterprises, provided over 21,914 people with many meaningful moments of connection. Work on a new National Lottery Heritage Funded project 'Meaning Making at Calderstones' gathered momentum, engaging visitors with new heritage activities and researching Calderstones' history and links to the transatlantic slave trade.

Vital funding

We also want to express our thanks to our funders of all sizes, for their generous support this year. This was a pivotal year in paving the way for the expansion of our one-to-one reading work with children in care.

Following the end of a Children in Need grant, we were delighted to receive direct commissions from both the Liverpool and Sefton Virtual Schools to continue this work. We were also incredibly grateful to The Rayne Foundation for their multi-year investment that will enable Reading Heroes to scale and our impact to grow. Alongside these projects, The Storybarn – our imaginative play space for children and families at Calderstones – exceeded its visitor target this year providing meaningful engagement for 14,165 visitors and 68 schools in the Liverpool City Region.

This year marked the final year of our two multi-year grants supported by the Steve Morgan Foundation. The First Page project was an expansive Merseyside-wide project which enabled us to bring the joy of reading for pleasure to early years children, services, parents and carers most in need across Merseyside. Thanks to the funding from Steve Morgan Foundation and DCMS Community Match challenge, we brought the benefits of Shared Reading across the communities we support - from children in schools, young people facing barriers to employment, to adults accessing Shared Reading in prisons, care homes and in the wider Cheshire and Merseyside community.

We owe huge thanks to players of People's Postcode Lottery for their generous, sustained investment. The unrestricted income they provide enabled us to not merely continue to rebuild the vital support for our volunteers and communities after the pandemic but also helped us to emerge stronger and more resilient for the future.

Finally, a huge thanks must go to our staff, in all their varied roles, whose collective commitment to getting literature, that 'tough language', out to more people who are living this tough life, has resulted in many moments of vital connection for thousands of people over the last year.



Mrs A S Marsland MBE (chair)

Dated: 14 September 2023

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 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

We want a world where everyone can experience the power of literature to help us survive and live well.

Our Mission

The Reader is a charity that uses the power of literature and reading aloud to transform lives across the UK. Our volunteers and staff bring people together to read great stories and poems – creating powerful moments of connection. We call this Shared Reading.

In a world that feels increasingly divided, and with increased pressures on our mental health, Shared Reading offers us time and space to share what matters to us.

We read with children, families, adults in libraries and community spaces, people in care homes, people with physical and mental health conditions, those coping with or recovering from addiction and people in the criminal justice system. Our work improves wellbeing, reduces loneliness and helps us find new meaning in our lives.

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

FY2022/23 Strategic Goals

In consultation with staff, volunteers and trustees, in FY2022/23 we designed three new strategic goals to guide our future work:

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.

These goals are underpinned by four Investment Principles, as outlined in Arts Council England's 2020-2030 Strategy (Let's Create), which provide us with a useful structure to plan and monitor our areas of work. These four principles are:

1. Dynamism
2. Inclusivity and Relevance
3. Environmental Responsibility
4. Ambition and Quality

We had a one-year transitional business plan underpinning our operations in FY2022/23, aligning with the Arts Council England extension of the current National Portfolio Organisation (NPO) period for another year.

This year, it has felt important to consolidate our learning in order to inform and sharpen our focus for the future and ensure we're using our resources in the most effective ways. This has involved a number of pieces of work including:

- Assessing what we learnt during the pandemic and identifying which activities should remain as business as usual and which should evolve or stop.
- Considering the development of our publications strategy.
- Some focused strategic development work on two key areas to meet the goal of 'develop Shared Reading in places where it's most needed'; a plan to grow Shared Reading in acute mental health settings and a plan to scale Reading Heroes with children in care. Securing initial funding towards these two areas this year provides us with a strong foundation from which we can build and develop a sustainable longer-term strategy
- This financial year was also the first full year of activity across our Calderstones site, providing us with a huge amount of data, learning and experiences from which to develop our programming and audience strategies.

During this year, we also finalised a new three-year business plan which has these three strategic goals and four principles at its heart.

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

2022-23 OPERATIONAL HIGHLIGHTS

STRATEGIC GOAL ONE – Opening the Treasure House of great literature for everyone

As we worked towards our goal of opening the treasure house of literature for everyone, 2022-2023 saw an increased output of literary content. While in order to reduce costs and concentrate resources, production of The Reader Magazine, Life Lines activity packs and the online weekly 'Featured Poem' videos was ceased.

The Reader Bookshelf

The Literary Content team have utilised The Reader Bookshelf – our annual programme of carefully curated literature that supports all our reading-based work – to ensure that staff and volunteers have access to the list of adult texts via digital and physical channels.

They have also created content and products to introduce the Bookshelf to a wider public audience; the four 'mini-anthologies' that were initially produced as volunteer resources were printed and sold as part of Bookshelf-themed gift boxes in The Reader Shop at Calderstones and online.

Collaboration with other teams resulted in the production of several anthologies which supported their work, as well as an anthology of literature about grief and loss which will be an invaluable resource in many areas of ongoing work.

"These anthologies are a gift and a wonderful idea that encourages Reader Leaders to delve into new things with their group."

Volunteer Reader Leader

The Reader Podcast

The Reader Podcast continued production throughout the year; 13 episodes are available and as of February 2023, the series had reached 5,000 downloads. The podcast will continue to develop in the next financial year, taking on the mantle of the magazine by bringing the treasure house of great literature and the Shared Reading experience to a wider audience.

The team also sought to gather data on the reach and impact of the different publications produced throughout the year. The data remains incomplete and hard to read, so the objective to seek meaningful feedback on literature resources remains an objective for FY2023/24.

Public events and activities at Calderstones

The Reader's head office in Calderstones Park, South Liverpool is home to a vibrant programme of events and activities that invites visitors of all ages to share in the magic of literature and reading aloud.

Across FY2022/23, all programmed activity was designed to meet three priority outcomes:

1. Readers benefit from literature – participants get more from reading, are inspired to read, read a wider range, understand themselves better, enjoy reading, and are able to better express their thoughts and feelings.
2. Reduce social isolation – participants have an improved sense of belonging or community.
3. Improve wellbeing – participants report feeling better, improved sense of purpose, that the local area is a better place to live, work or visit or improved confidence.

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

As a result, the 2022/2023 programme was more varied in scope than in previous years. Events such as Sounds in the Park (musical performance series), theatre performances from the Handlebards and the Heritage Open Days' Tea Dance provided a 'way in' approach to engagement with individuals and communities who are perhaps reluctant, or face barriers, when attending a Shared Reading group or literary event.

Alongside this, the programme also offered opportunities for 'more' for our existing, engaged community of Readers through events such as the Gravity Festival, 'Sunday School' workshops, the 'Ways To...' extended Shared Reading sessions, as well as our ongoing programme of weekly Shared Reading groups.

As the International Home of Shared Reading, we continued the development of our public activity and weekly, community-driven, wellbeing and Shared Reading groups. Our Knit and Natter groups thrived this year and it was wonderful to see them truly engaged across all activity at the Mansion House while the Upcycling group gained new skills and increased visibility on site with their products retelling in the shop. The success of new Shared Reading groups such as Pride on the Page exemplify the aim to make programmed activity more accessible and welcoming to a more diverse range of communities.

Across the year there were successes (Sounds in the Park, theatre performances and outreach and wellbeing activities) along with challenges; most notably around the lack of diversity in our audiences, our reach as a cultural organisation in the Liverpool City Region and activity perceived as niche by large segments of potential audiences creating barriers to engagement. Moving in to FY2023/24 we will be taking this learning and defining a vision for whole-site activity at Calderstones that is: **high quality, accessible, relevant and recognisable**.

FY2022/23 also saw the launch of the National Lottery Heritage Funded project '*Meaning Making at Calderstones*.' The project seeks to find new and interesting ways for more a more diverse audience to experience heritage at Calderstones and to bring heritage into the organisation's overarching vision for engagement, providing a vital means of wellbeing support, reducing social isolation and embedding the concept of literature as a form of heritage across the organisation.

Volunteers

For me this organization has added a different dimension to my understandings, my appreciation, my sorrows. I can't praise it enough. It has given me a new stride in my step. The possibility of rediscovering my emotions and dreams that have shaped my life – a way to look forward as well as reframing the past, and looking forward to new ways of thinking about the future through the literature.

Reader Volunteer

Throughout the year over **700 volunteers helped us achieve our aims** by reading with adults or children, or supporting activities at the Mansion House. We took care to make sure they all felt valued and appreciated throughout the year. It was fantastic to be able to provide an annual programme of events again, post-Covid, to say thank you, to share good practice and to provide opportunities to meet other volunteers. At the Mansion House new volunteer roles were created to support the work delivered on the National Lottery Heritage Fund grant to research into the origins of the Mansion House.

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

STRATEGIC GOAL TWO – Develop Shared Reading in places where it's most needed

Our Work with Children and Young People

We are pleased with the progress made working with Children and Young People. We are beginning to realise our ambition to grow our work reading with Looked after Children through our Reading Heroes project. This year saw us move from grant funded work to commissioned work, securing and successfully delivering contracts from both Liverpool and Sefton Virtual Schools. In total, 443 weekly activities were delivered for 42 Looked After Children during the course of the year.

Both initiatives have recommissioned The Reader for FY2023/24. Liverpool Virtual School have been so impressed with the impact of Reading Heroes on their 5-15 year olds that they commissioned us to design an Early Years model for FY2023/24. This expansion allows us to close the gap between Looked After Children and their peers. The 'Tiny Heroes' will launch in the new financial year.

A new grant from the Rayne Foundation obtained this year will support us to further plan for the scaling and growth of this strand of work over the next three years.

"Reading Heroes has helped us massively. I can't give enough praise to the staff and The Reader. We are foster carers. One of our children, moved to us from Wales. A language of which, unfortunately, we do not speak a word. Reading Heroes enabled us to keep a part of that child's heritage. It really is a fantastic service, the staff are on hand for any questions, and will often check in to make sure that everything is okay, without being overbearing."

The volunteer - ours has to be one of the most beautiful human beings on the planet. S is so thoughtful and always has a funny tale to tell, to put the child and parent at ease. She encourages and reassures our child, helping them to see their self-worth allowing the child's confidence to grow. S has become, what feels like, part of our family. I honestly can't praise them all enough."

Foster Carer

We have continued to create new relationships and build on existing links with partners in the Liverpool City Region us to reach families and children we wouldn't otherwise be able to engage easily with. Our collaborative publishing relationships have also continued to flourish. One great example is the Tiny Reindeer Outdoor Story Trail delivered in December in partnership with Andersen Press. As well as supplying the required laminate boards and granting illustration permissions, they arranged for the author Chris Naylor-Ballesteros to give an author talk. In total, The Tiny Reindeer Story Trail had 1729 visitors, making it our most visited trail to date.

The Storybarn – our Imaginative play space for children and families at Calderstones – exceeded its visitor target this year providing meaningful engagement for 14,165 visitors and 68 schools from across the Liverpool City Region. The team launched 'Open House' this year, aimed at children under the age of 9 with Autism Spectrum Disorder or sensory conditions. Families are able to enjoy the space and interact with staff at their own pace. A partnership with Autism Awareness supported us to establish this new addition to the programme.

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Our Work with Adults

"I do believe Shared Reading is a source of great solace and a healer. I've done mindfulness before, but this is something else, it's on another level. It involves other people, it's aloud and you allow yourself to let it go and get in there and breathe. I've shared with me, I feel as though I've connected to myself, let alone the rest of the group. It's like a stopping place on a lovely long walk."

Shared Reading Group Member

Despite external difficulties, 2022-23 was another year of change, re-growth and re-engagement post-Covid. We finished the year in a positive position: **300 community-based groups** (excludes work in Criminal Justice services), supported by nearly **500 volunteers**. We also retained a strong recommission rate in a challenging external landscape.

Our focus has been to re-establish in person community activity; our pandemic-era 'The Reader at Home' offer came to an end in February 2023, freeing up resource to help us get back into communities to provide some all-important connection along with some online provision for remote readers.

Collaboration has been key to the progress made; The Reader has worked with hundreds of partners to make Shared Reading part of the bloodstream of everyday wellbeing, finding our place within the new place-based NHS personalised care model in key priority areas.

These changes have supported strategic discipline in our overarching aim to deliver Shared Reading as part of cohesive, wraparound mental health strategies, along with specific focus on volunteer recruitment and care. Resources have been carefully directed, including specific EDI targets which ensure our work continues to reach communities.

Intersecting with this activity, support from Unwin Charitable Trust has enabled a national consultation with library services, strengthening The Reader's delivery models and offer within this essential sector. After a period of learning and collation, funding will be allocated to five services working with priority audiences in 2023-24.

Our Work in Criminal Justice

"It takes you out of your comfort zone. I wouldn't usually do things like this but obviously now I would – I've been 13 times – something keeps bringing me back. I'm going to keep coming until I get shipped out... I'm more open now to listening, to getting to know other people – less stereotypical, less judgmental. I used to judge everything before."

Shared Reading Group Member, Male Prison

As in our wider adult work, Shared Reading in justice services enjoyed the first year of post-Covid full re-establishment of activity in 2022-23.

Not only did we return to all but one of our 35 settings, we also gained four new approved premises from our work with the jointly-funded NHS England and HMPPS Offender Personality Disorder pathway programme, bringing welcome diversion to yet more readers serving sentences. Activity also continued in Northern Ireland through NI Health & Social Care, which brings Shared Reading to all prisons in the country.

As well as groups, we amplify the outcomes of our work through associated activities, bringing poetry to group walks, facilitating library visits and even taking part in a talent competition in probation services. To further support quality practice, we have developed a Culture Carriers network, facilitating space for probation employees to learn from one another and embed Shared Reading across this national programme.

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

"I struggle in social situations and want to retreat all the time, so it helps me to work on that side of my personality... I like hearing different views and if someone finds the story sad or funny and I don't, it's interesting how people see things totally different from me. It's like all looking at the same painting and seeing different colours... I can then see what [other people] mean; it alters the way you think."

Shared Reading Group Member, Female Approved Premises Off the Page Impact

The Reader's work in justice services offers an additional environment of support for residents, many of whom have faced enormous deprivation and endured traumatic early lives, as well as developing clinical understanding through non-clinical creative activities. In 2022, research commissioned by our funders and carried out by the Institute of Criminology, University of Cambridge was published, demonstrating the Impact of Shared Reading in these sensitive services. Findings included the following:

"those who attended Shared Reading groups scored statistically significantly higher compared to other members on the wing in relation to wellbeing, hope, agency and self-efficacy, and interpersonal trust. The more sessions participants attended, the higher their scores on hope, motivation to change, interpersonal trust, and relationships with staff... The distinctive qualities of Shared Reading – being read to, reading aloud, and sharing literature – made a unique contribution to participants' experience. It also made an important contribution to PIPE staff competence, especially through the Reader Leader training and experience of leading groups (one Prison Officer commented that it had been the 'best training for working on the PIPE' that he had.)"

STRATEGIC GOAL THREE – Understand and talk about the change that literature and Shared Reading can make in the world

To make the profound change we want to make in the world, and to reach many more people our new strategy includes a specific goal to find ways to make more explicit the benefits of our work, and to build support for Shared Reading amongst people who can play a part in delivering our mission. We are doing this through strengthening our approach to evaluation, finding more ways to bring the voices of people who benefit from Shared Reading into our communications, collaborating with other organisations and alliances, and inspiring our movement of Reader Leaders and partners to help spread the Reading Revolution. During 2022/23 we delivered the following key activities to support this goal:

- In Loneliness Awareness Week we shared research from polling carried out by Opinium highlighting the extent of loneliness in the UK and highlighted how Shared Reading can help address this issue. In August, we released further research around reading and wellbeing. This story appeared in 6 national papers, and our Director of Literature and Helen Cook, a Reader Leader and patient who runs a Shared Reading group at Liverpool Broadgreen Hospital's chronic pain unit spoke on BBC Radio Merseyside about our work and what it can do to support mental health.
- The recognition that Shared Reading can be adapted well in various settings and sectors has led to support in efforts to grow our community-based offer for people everywhere. We have been included as a founding partner on Aesop's prescribe-arts platform prescribe-arts platform which showcases high quality, well evidenced arts in health programmes for social prescribing link workers, public health professionals and the general public
- We have also chaired a Public Policy Exchange event discussing the future of libraries, presented out latest research carried out in partnership with University of Cambridge at a national CLINKS forum, presented at Pathway's Homeless Health conference and continued to foster relationships with a rich range of funders, delivery partners and friends-in-ethos.
- We were also included in 'COVID-19 CARE: Culture and the Arts ... Protecting Mental Health in the Liverpool City Region' a report by the University of Liverpool and supported by UKRI's Arts and Humanities Research Council.
- As part of our second Gravity Festival, we ran a 'Reading with Care' webinar, exploring the benefits of literature for good mental health with psychoanalyst and author Josh Cohen, Director of Liverpool Public Health, Matt Ashton, and NHS colleagues engaged with Shared Reading. This vibrant discussion showcased the impact of Shared Reading, sharing learning and ideas for integrating Shared Reading into services.

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

THE PRINCIPLES UNDERPINNING OUR GOALS: OUR PROGRESS IN 2022-23

1. DYNAMISM

For The Reader, dynamism covers a range of areas from income generation to technology, our development in people, to strategic development. Progress this year has included:

- A structured approach to strategy development – we produced a new three-year business plan for the FY2023/26 period. A new meeting format for the Board of Trustees meetings was implemented to provide space and structure for deep-dive sessions on strategic areas as part of the cycle of business. Areas covered over the year were EDI, Talent Management, Income Strategy and Volunteering.
- We created and launched a Talent Management Strategy to underpin the new business plan so we can feel confident that we are attracting new talent where needed and developing and retaining our existing talent. We also took the first steps towards our ambition to develop a culture of coaching within the organisation by providing robust external training for 13 of our senior managers. As the strategy developed, we commissioned two pieces of external consultancy work on diversifying our recruitment networks and improving our recruitment communications.
- We continued to build our social enterprises against a backdrop of challenging economic circumstances. We balanced the impact of the cost-of-living crisis on our business with prioritising accessibility and affordability for our community. Calderstones Mansion House CIC, which includes the newly opened Reader Bar and Restaurant, generated £1.4m income in FY2022/23. We improved the quality of the catering offer to reinforce Calderstones position as a premier wedding venue, while also developing the bookshop business.
- We continued to improve our ability to monitor, understand and evaluate our work with a focus on: encouraging more data returns on an ongoing basis by embedding the new online community hub and supporting Reader Leaders to submit information each week, taking time to learn from the data we collect by sharing with the organisation the data from our Annual Feedback Week process, and strengthening culture around use of data by supporting teams to review and use performance data for their areas. We also continue to collaborate with academic institutions on more focused research connected to Shared Reading. We also started a review of our Theory of Change for Adult Shared Reading in communities, which will be completed in 2023/24 and will support a refresh of our evaluation approach post-COVID.
- Digital and IT investment – from volunteer engagement to audience development, through to ways of working and better data, we know there is huge potential for technology to improve our impact and efficiency. In 2022-23, we moved closer to this goal by adopting a more strategic approach to digital and engaging specialist expertise to help us work through our priorities. Our IT capabilities were also enhanced with the roll-out of an IT strategy which aims to improve the delivery of IT services and cybersecurity risk mitigation.

2. INCLUSIVITY AND RELEVANCE

"What if what I want from you is new, newly made a new sentence in response to all my questions"

- Just Us, Claudia Rankine

Our Equity, Diversity and Inclusion (EDI) strategy covers all aspects of our work, including considering the literature we read, our people, volunteers and participants in Shared Reading and our wider programme, with a priority focus on racial diversity in line with the commitment made by our Founder in 2020.

In 2022/23, we made progress towards our EDI goals by:

- Exploring the history of our home, the Mansion House at Calderstones Park, through our "Diverse Connections" project funded by National Heritage Lottery Fund, researching the history and connections of the past owners to the trans-Atlantic slave trade. This research was carried out by volunteer community curators, with the support of a historian and specialist in black British History. Whilst this research didn't find any direct connections to the slave trade, it illustrates the complex and nuanced family history as well as wider context of the times. We are working with an artist to produce an exhibit to illustrate the research on site, which will be launched in 2023/24.

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

- We continued to focus on diversity in the literature we read and produced anthologies and support sessions to promote use of diverse texts by Reader Leaders. The Light and Darkness Bookshelf included *Red Dust Road* by Jackie Kay, *Half of a Yellow Sun* by Chimamanda Ngozi Adichie, and *The Third Life of Grange Copeland* by Alice Walker.
- We were delighted that Hannah Chukwu, editor of Penguin's Black Britain:Writing Back, curated a programme strand at Gravity Festival, hosting readings and conversations with writers Jacqueline Roy, Judith Bryan, Kadija Sesay and Hannah Azleb-Pool. Writers Tomiwa Owolade and Ashleigh Nugent also spoke at Gravity, about their recently published books *This is Not America* and *Locks*. Reading and talking with these writers opened up new and wide-ranging conversations about mental health, race, class, the criminal justice system, identity, displacement and more, and inspired Gravity audiences to read more literature by writers of colour.
- We continued our organisation-wide Shared Reading project ("Just Us"), focused on reading literature by black writers to help facilitate meaningful internal conversations and change around race and racism. We shared this work at the Liverpool Against Racism conference in April 2022, and ran several "Shared Reading against Racism" sessions during the week-long festival. As one participant reflected afterwards "literature and reading can open doors and change perspectives".
- We also ran Shared Reading as part of Stopwatch's Rights and Wellbeing festival – supporting communities who have been impacted by disproportionate policing. Feedback on our work in this area supports our belief that Shared Reading can play a role in helping to foster understanding across difference, make sense of difficult experiences including racism, and we will continue to develop this in future.
- Internally, our staff equalities networks ran for a pilot period of 6 months and continue to offer a valued space for colleagues. Following recommendations from the neurodiversity staff network, neurodiversity training was provided for managers by our partner The Brain Charity.
- We continue to focus on increasing the diversity of our staff and volunteers, particularly in relation to people from black, Asian and ethnic minority backgrounds. Last year we saw an increase in the proportion of job applicants and volunteers recruited from ethnic minority backgrounds. Based on our annual staff and volunteer survey in March 2023, 9% of staff (increase from 8% last year) and 19% of new volunteers who joined us in 2022/23 were from a Black, Asian or ethnic minority background.
- Ultimately, our goal is that communities that may have been marginalised and are more likely to experience health inequalities are able to benefit from the power of Shared Reading. Groups set up in partnership with Borderlands in Bristol and Our Liverpool, working with asylum seekers and refugees, the Croydon BME Forum in London, Keyring in Doncaster (supporting people with learning disabilities) and Bradbury Fields in Liverpool (supporting blind and partially sighted people) all demonstrate that Shared Reading really is for everyone.

3. ENVIRONMENTAL RESPONSIBILITY

All organisations must now engage with the challenges our environment faces and so The Reader's Board has decided to prioritise understanding and improving our environmental impacts. In 2022-23, we implemented a three-strand Environmental Strategy, designed to:

1. Decarbonise The Reader.
2. Develop a culture of grassroots action and responsibility for the environment, embedding consciously sustainable practices at all levels of the organisation.
3. Use The Reader's literary knowledge and skill to explore how we can create conversation about environmental questions, and integrate environmental content into our Shared Reading practice.

We are working with an external consultant who is supporting us to understand our impacts across The Reader and from this, we will develop a 5-year decarbonisation plan that will aim to reduce our net contribution to atmospheric carbon dioxide as close to zero as possible.

During 2022/23, we have established a grassroots working group at our home at Calderstones in Liverpool, which has developed a range of successful initiatives, including the removal of all plastic packaging from pre-packed products at our café. In 2023/24, this group will be expanded to include volunteers and board members, and reflect a wider cross-section of our Reader community across the UK.

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The Reader Bookshelf has proved a useful tool in integrating environmentally-focused literature into Shared Reading practice and we will continue to build on this next year.

4. QUALITY AND AMBITION

'I really loved the course – and a lot has been happening with the quality of providing shared reading ever since. Thank you so much!'

International Train the Trainer Feedback, 2023

Our work to strengthen Quality Practice and Literature depth over the last year has included:

- The launch of a new Teaching Associate Pathway (TAP) to provide a formal personal development plan for staff to improve and strengthen their literary skills and breadth of reading. Over the year, 14 staff members accessed the pathway. 5 staff members have completed TAP and are now able to put their training into use by delivering Read to Lead and ongoing support activities as well as contributing to The Reader Library and other publications.
- Master class sessions focused on pre-twentieth century literature. These run as one-off sessions throughout the year and are open to all Reader Leaders and staff members. During 2022-2023, 12 Master classes were delivered and there were 144 attendances from across both Reader Staff and Volunteer Reader Leaders.
- The launch of an online Five Essentials Course has provided another way for all Reader Leaders to develop their Shared Reading skills flexibly in their own time. The course attracted 66 sign-ups, including both Reader Staff and Volunteer Reader Leaders.
- Our centralised support programme provided 140 ongoing learning workshops for Reader Leaders focused on practical skills and developing Shared Reading Practice. Workshops are delivered online at different times of day to attract a wide range of Reader Leaders. There were a total of 1020 attendances at support sessions with an average attendance of 10 Reader Leaders per session.
- Further development of our Online Community Hub, which complements our support programme. We have been using digital dashboards to understand what texts are being used by Reader Leaders. This information is collated into a 'What Are We Reading?' feature to showcase literature being used in groups across the country and celebrate our volunteers' voices.
- The delivery of training to International Partners. During the year we delivered 2 new Train the Trainer packages for partners in Switzerland and Germany. 4 participants successfully completed the programme and are now delivering Read to Lead courses in their own countries. We also delivered 2 international Refresher Courses and accommodated 8 international Read to Lead places on our online courses.
- We have trained 155 volunteers in our flagship Read To Lead course, through a combination of online and in-person courses. Our Shared Reading Practice Team created minimum quality standards for Read to Lead to empower course leads to address any quality issues and facilitate clear quality assurance at sign off. The standards are based on the minimum standards for Shared Reading community groups, which were first created in 2016 as a response to our first wave of the volunteer movement and our need to think about quality at scale.

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Plans for future periods

Looking ahead to 2023-24 and beyond, our priorities will be structured around our three strategic aims and aligned with our four underpinning Investment Principles.

These priority areas have been developed and agreed by Directors Group, working in collaboration with Heads of Department across the organisation.

Our Aims

Strategic goal one: Opening the Treasure House of Literature for Everyone

1. Further develop our Calderstones strategy that ensure the site provides high-quality community activity whilst also offering a source of unrestricted income for the wider organisation.
2. Develop literary content that will help to introduce the experience of Shared Reading to new audiences and support volunteers to deepen their Shared Reading practice.
3. Improve the volunteer journey so that more Reader Leaders engage with our ongoing support programme, leading to higher quality Shared Reading delivery and increased impact data.

Strategic goal two: Develop Shared Reading where it's needed most

1. Build reach, presence and understanding across all strands of our work with children, young people and families.
2. Scale work in acute mental health and prison-based settings.
3. Grow Shared Reading communities and improve The Reader's connection with them, prioritising reach to those who need it most.

Strategic goal three: Understand and talk about the change literature and Shared Reading can make in the world

1. Develop a refreshed theory of change for community Adult Shared Reading and establish how we will apply this to our work.
2. Start building direct connections with Adult Shared Reading group members so that we can engage them and they can feel like part of The Reader community.
3. Deliver communications campaigns that will help increase awareness of Shared Reading while increasing and diversifying participation and reach.

Supporting Investment Principles

Dynamism

1. Implement one cross-organisational plan to increase unrestricted revenue across departments.
2. Increase the volume and depth of data relating to Shared Reading activities.
3. Ongoing roll-out of the talent management strategy.

Inclusivity and relevance

1. Continue to prioritise race in our EDI work as the area most underrepresented in our movement.
2. Develop Shared Reading Against Racism activities internally and externally.
3. Continue to diversify the literature we share through all our activities.

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Environmental Responsibility

1. Action the top 3 carbon reduction priorities as highlighted in our work with an independent environmental consultant.
2. Expand the membership and impact of our staff and volunteer environmental network.
3. Develop opportunities to raise awareness of environmental concerns through The Reader Bookshelf and programming.

Ambition and Quality

1. Deliver the Teaching Associate Pathway for volunteers.
2. Improve quality assurance including self-development for practitioners.
3. Clearer articulation of our approach to literature across publications and programming.

Financial review

The total income in FY2022/23 was £4,241,373, an increase from £4,064,045 in 2021/22 brought about by an increase in grants receivable for core activities and an increase in trading income.

The net expenditure for the year is £670,776, however the charity incurred depreciation costs of £266,427 in relation to the Storybarn, Mansion House and grant funded fixtures and the associated movements from restricted and designated funds to free reserves resulted in a deficit on charitable activities of £404,349, inclusive of a net loss in the sum of £23,146 from Calderstones Mansion House Community Interest Company.

Principle income sources

During 2022/23 The Reader Organisation's income was split across the following sources:

33% grants and donations for core activities

29% grant and commissioned delivery of Shared Reading (our principal charitable activity) and training of individuals to undertake Shared Reading

35% trading income from our subsidiary, Calderstones Mansion House Community Interest Company

3% event income (principally from the Storybarn)

<1% Investment income

Reserves

The Reserves now stand at £5,858,940.

Reserves include £4,825,022 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 £1,033,918. This includes £294,138 of designated funds. The remaining £739,780 general unrestricted funds represents our free reserves.

Designated funds include:

- £129,135 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)
- £16,008 grant funded fixtures which is being released over a 3-year period (the useful economic life of the capitalised fixtures)
- £63,412 Calderstones Mansion House sinking fund, a provision for future major repairs to the building

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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, should regular funding becoming unobtainable. Three months core running costs equates to around £452,265. As of 31 March 2023 the level of unrestricted, undesignated reserves amounts to £739,780 which equates to five months core running costs.

Public Benefit

Activities provided by The Reader are funded by: public sector bodies; charitable trusts; partner organisation; and donations. Weekly Shared Reading Groups are free at the point of entry and the Programme at Calderstones is a mixture of paid ticketed events and free community activity. The trustees have paid due regard to guidance published by the Charity Commission on public benefit.

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Funders and Commissioners

Arts Council England
Barton Moss Secure Care Centre
Berkshire Healthcare NHS Foundation Trust
Central and North West London NHS Foundation Trust
Cheltenham Festivals Limited
City Bridge Trust
City of Doncaster Council Public Health
Conwy Libraries
Dorset County Council Library Service
Eleanor Rathbone Charitable Trust
Hackney Council Libraries
Hammersmith and Fulham Libraries and Archives Service
Haringey Council (Library Service)
Her Majesty's Prison and Probation Service
Jewish Care
John Lewis and Partners Liverpool
King's College London
Liverpool Charity and Voluntary Services
Liverpool City Council
Mayoral Inclusive Growth Fund
Mersey Care NHS Foundation Trust
Mo Siewcharan Memorial Fund
NHS Cheshire Clinical Commissioning Group
NHS Knowsley Clinical Commissioning Group
NHS Wigan Borough Clinical Commissioning Group
Northern Ireland Public Health and Social Care
Nottingham University Hospitals NHS Trust
Players of People's Postcode Lottery
Sefton Virtual School
Somerset Council
St Giles Trust
St Monica Trust Community Impact
Steve Morgan Foundation
Steve Morgan Foundation/DCMS Community Match Challenge
Sutton Council's Cultural Services
The Charity of Sir Richard Whittington
The Elizabeth L Rathbone Trust
The Evan Cornish Foundation
The Granada Foundation
The Hemby Charitable Trust
The Limbourne Trust
The National Lottery Heritage Fund
The Rayne Foundation
The Unwin Charitable Trust
Virtual School Liverpool, Liverpool City Council
Warrington and Halton Hospitals NHS Foundation Trust
Wirral Metropolitan Borough Council
Woodchurch High School

THE READER ORGANISATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2023*

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 (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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)

Mr H Biddell

Dr R M Hussey CB,OBE,DL

Mr P L Davies

Mr P K Sood

Mrs S Fletcher

Dr J Hamilton

(Retired 1 September 2022)

Dr H Willows

Mr O Alake

Mr NI Atkinson

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 (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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 seven 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 was approved by the Board of Trustees.



Mrs A S Marsland MBE (Chair)

Dated: 14 September 2023

THE READER ORGANISATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

THE READER ORGANISATION

INDEPENDENT AUDITOR'S REPORT

TO THE 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 2023 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 2023 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' 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' 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 Xelnadin Audit Limited

14 September 2023

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 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income and endowments from:							
Donations and legacies	3	1,435,503	225	1,435,728	1,152,633	-	1,152,633
Charitable activities	4	783,133	543,631	1,326,764	847,779	901,618	1,749,397
Other trading activities	5	1,471,576	-	1,471,576	1,161,356	-	1,161,356
Investments	6	2,091	-	2,091	659	-	659
Other Income	7	5,214	-	5,214	-	-	-
Total income		3,697,517	543,856	4,241,373	3,162,427	901,618	4,064,045
Expenditure on:							
Raising funds	8	1,439,377	-	1,439,377	995,118	-	995,118
Charitable activities	9	2,928,916	543,856	3,472,772	2,300,756	901,618	3,202,374
Total resources expended		4,368,293	543,856	4,912,149	3,295,874	901,618	4,197,492
Net outgoing resources before transfers		(670,776)	-	(670,776)	(133,447)	-	(133,447)
Gross transfers between funds		205,732	(205,732)	-	204,807	(204,807)	-
Net expenditure for the year/ Net movement in funds		(465,044)	(205,732)	(670,776)	71,360	(204,807)	(133,447)
Fund balances at 1 April 2022		1,498,962	5,030,754	6,529,716	1,427,605	5,235,560	6,663,165
Fund balances at 31 March 2023		1,033,918	4,825,022	5,858,940	1,498,965	5,030,753	6,529,718

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

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 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	15		5,081,355		5,338,789
Current assets					
Stocks	17	28,227		22,048	
Debtors	18	327,119		466,171	
Cash at bank and in hand		1,196,246		1,688,965	
		<u>1,551,592</u>		<u>2,177,184</u>	
Creditors: amounts falling due within one year	20	<u>(774,007)</u>		<u>(986,255)</u>	
Net current assets			777,585		1,190,929
Total assets less current liabilities			<u>5,858,940</u>		<u>6,529,718</u>
Income funds					
Restricted funds	24	4,825,022		5,030,753	
Unrestricted funds	25	1,033,918		1,498,965	
		<u>5,858,940</u>		<u>6,529,718</u>	

The financial statements were approved by the Trustees on 14 September 2023

A. S. Marsland

Mrs A S Marsland MBE (Chair)
Trustee

Company Registration No. 06607389

THE READER ORGANISATION

CHARITY BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	15	5,081,355		5,338,789	
Investments	16		1		1
		<u>5,081,356</u>		<u>5,338,790</u>	
Current assets					
Debtors falling due within one year	19	554,981		663,937	
Cash at bank and in hand		<u>776,570</u>		<u>1,384,099</u>	
		1,331,551		2,048,036	
Creditors: amounts falling due within one year	21	<u>(530,824)</u>		<u>(857,108)</u>	
Net current assets			800,727		1,190,928
Total assets less current liabilities			<u>5,882,083</u>		<u>6,486,757</u>
Income funds					
Restricted funds	24	4,825,021		5,030,753	
Unrestricted funds	26	<u>1,057,062</u>		<u>1,498,965</u>	
		<u>5,882,083</u>		<u>6,529,718</u>	

The financial statements were approved by the Trustees on 14 September 2023



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 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	34		(459,562)		(794,407)
Investing activities					
Purchase of tangible fixed assets		(38,878)		(29,818)	
Proceeds on disposal of tangible fixed assets		3,630		5,428	
Interest received		2,091		659	
Net cash used in investing activities			(33,157)		(23,731)
Financing activities					
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(492,719)		(818,138)
Cash and cash equivalents at beginning of year			1,688,965		2,507,103
Cash and cash equivalents at end of year			<u>1,196,246</u>		<u>1,688,965</u>

THE READER ORGANISATION

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 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.

2 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.

2.1 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.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 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.

2.4 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.

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

2 Accounting policies

(Continued)

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.

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.

2.5 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.

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Accounting policies

(Continued)

2.6 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 £1,000 are capitalised at cost.

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Accounting policies

(Continued)

2.7 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.

2.8 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).

2.9 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.

2.10 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.

2.11 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 2023

2 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.

2.12 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.

2.13 Retirement benefits

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

2.14 Consolidation

The group financial statements consolidate the financial statements of The Reader Organisation and its subsidiary Calderstones Mansion House CIC, drawn up to 31 March 2023. The results of the subsidiary are consolidated for the period from the date on which control passed.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of the subsidiary to bring the accounting policies used into line with those used by the parent charitable company. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Advantage is being taken of Section 408 of the Companies Act 2006 not to present the Parent Company's Statement of Financial Activities including Income and Expenditure Account.

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total Unrestricted funds	
	2023 £	2023 £	2023 £	2022 £
Donations and gifts	14,109	225	14,334	28,940
Grants receivable for core activities	1,421,394	-	1,421,394	1,123,693
	<u>1,435,503</u>	<u>225</u>	<u>1,435,728</u>	<u>1,152,633</u>
	Unrestricted funds	Restricted funds	Total Unrestricted funds	
	2023 £	2023 £	2023 £	2022 £
Grants receivable for core activities				
Esmee Fairbairn Foundation	-	-	-	25,933
Arts Council England National Portfolio Office	178,220	-	178,220	178,220
People's Postcode Lottery	1,243,174	-	1,243,174	879,072
CJRS grant	-	-	-	468
Tudor Trust	-	-	-	40,000
	<u>1,421,394</u>	<u>-</u>	<u>1,421,394</u>	<u>1,123,693</u>

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	Shared reading 2023 £	Storybarn 2023 £	Total 2023 £	Shared reading 2022 £	Storybarn 2022 £	Total 2022 £
Commissions & Training	674,410	-	674,410	751,144	-	751,144
Grants	543,631	-	543,631	901,618	-	901,618
Events income	14,725	93,998	108,723	20,682	75,953	96,635
	<u>1,232,766</u>	<u>93,998</u>	<u>1,326,764</u>	<u>1,673,444</u>	<u>75,953</u>	<u>1,749,397</u>
Analysis by fund						
Unrestricted funds	689,135	93,998	783,133	771,826	75,953	847,779
Restricted funds	543,631	-	543,631	901,618	-	901,618
	<u>1,232,766</u>	<u>93,998</u>	<u>1,326,764</u>	<u>1,673,444</u>	<u>75,953</u>	<u>1,749,397</u>
Grants related to charitable activities						
The Garfield Weston Foundation	-	-	-	143,776	-	143,776
Knowsley CCG	18,030	-	18,030	17,729	-	17,729
National Lottery Community Fund	-	-	-	48,635	-	48,635
National Lottery Heritage Fund	119,700	-	119,700	-	-	-
Reading Retreat	26,555	-	26,555	-	-	-
City Bridge	25,457	-	25,457	23,540	-	23,540
BBC Children In Need	-	-	-	29,915	-	29,915
Esmee Fairbairn Foundation	-	-	-	51,863	-	51,863
Steve Morgan Foundation and the Department for Digital, Culture, Media & Sport	248,917	-	248,917	290,050	-	290,050
St Monica's Trust	9,085	-	9,085	-	-	-
Community Impact	33,051	-	33,051	41,586	-	41,586
Somerset County Council	-	-	-	137,953	-	137,953
Steve Morgan Foundation	30,000	-	30,000	-	-	-
Unwin Charitable Trust	6,432	-	6,432	19,104	-	19,104
The Charity of Sir Richard Whittington	26,404	-	26,404	97,467	-	97,467
Others	<u>543,631</u>	<u>-</u>	<u>543,631</u>	<u>901,618</u>	<u>-</u>	<u>901,618</u>

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Cafe, ice-cream parlour and other income	1,471,576	1,161,356

6 Income from investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	2,091	659

7 Other income

	Unrestricted funds	Total
	2023	2022
	£	£
Insurance claim	5,214	-

8 Raising funds

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Trading costs		
Operating costs	742,315	514,098
Other staff costs	2,607	2,233
Staff costs	694,455	478,787
Trading costs	1,439,377	995,118

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Charitable activities

	Shared reading 2023 £	Storybarn 2023 £	Total 2023 £	Shared reading 2022 £	Storybarn 2022 £	Total 2022 £
Staff costs	2,080,548	110,286	2,190,834	1,748,212	85,707	1,833,919
Depreciation and impairment	-	44,528	44,528	-	60,706	60,706
Other expenditure	363,446	25,072	388,518	434,683	22,225	456,908
	<u>2,443,994</u>	<u>179,886</u>	<u>2,623,880</u>	<u>2,182,895</u>	<u>168,638</u>	<u>2,351,533</u>
Share of support costs (see note 10)	776,881	58,475	835,356	804,871	33,536	838,407
Share of governance costs (see note 10)	12,589	947	13,536	12,097	337	12,434
	<u>3,233,464</u>	<u>239,308</u>	<u>3,472,772</u>	<u>2,999,863</u>	<u>202,511</u>	<u>3,202,374</u>
Analysis by fund						
Unrestricted funds	2,689,608	239,308	2,928,916	2,098,245	202,511	2,300,756
Restricted funds	543,856	-	543,856	901,618	-	901,618
	<u>3,233,464</u>	<u>239,308</u>	<u>3,472,772</u>	<u>2,999,863</u>	<u>202,511</u>	<u>3,202,374</u>

10 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Staff costs	371,383	-	371,383	384,460	-	384,460
Depreciation	248,152	-	248,152	220,457	-	220,457
Other costs	215,821	-	215,821	233,490	-	233,490
Audit fees	-	9,563	9,563	-	9,000	9,000
Accountancy	-	3,187	3,187	-	3,000	3,000
Trustee expenses	-	786	786	-	435	435
	<u>835,356</u>	<u>13,536</u>	<u>848,891</u>	<u>838,407</u>	<u>12,435</u>	<u>850,842</u>
Analysed between Charitable activities	<u>835,356</u>	<u>13,536</u>	<u>848,892</u>	<u>838,407</u>	<u>12,434</u>	<u>850,841</u>

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Shared Reading	99	93
Support Services	10	13
Storybam	13	10
Calderstones Mansion House CIC	53	35
Total	175	151

Employment costs	2023 £	2022 £
Wages and salaries	2,889,912	2,416,442
Social security costs	217,442	160,474
Other pension costs	149,318	120,250
	3,256,672	2,697,166

Remuneration of key management personnel

Total remuneration received during the year by key management personnel amounted to £429,066 (2022: £354,457).

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 £149,318 (2022: £120,250).

There were outstanding contributions in respect of defined contribution schemes at 31 March 2023 of nil (2022: £NIL).

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

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

12 Trustees

None of the trustees received any remuneration during either the current or previous year, and trustees were reimbursed £786 for travelling expenses (2022: £435).

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

14 Calderstones Mansion House CIC

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

	2023 £	2022 £
Income	1,420,481	1,092,156
Expenditure	(1,443,627)	(1,092,156)
	<u>(23,146)</u>	<u>-</u>
Aggregate assets and liabilities		
Current assets	480,147	348,999
Current liabilities	(503,292)	(348,998)
	<u>(23,145)</u>	<u>1</u>

15 Tangible fixed assets - Group and Company

	Leasehold Improvements £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 April 2022	4,919,542	1,306,923	38,284	6,264,749
Additions	-	36,277	2,601	38,878
Disposals	(3,630)	-	-	(3,630)
At 31 March 2023	<u>4,915,912</u>	<u>1,343,200</u>	<u>40,885</u>	<u>6,299,997</u>
Depreciation and impairment				
At 1 April 2022	510,880	386,187	28,896	925,963
Depreciation charged in the year	134,215	151,529	6,935	292,679
At 31 March 2023	<u>645,095</u>	<u>537,716</u>	<u>35,831</u>	<u>1,218,642</u>
Carrying amount				
At 31 March 2023	<u>4,270,817</u>	<u>805,484</u>	<u>5,054</u>	<u>5,081,355</u>
At 31 March 2022	<u>4,408,665</u>	<u>920,737</u>	<u>9,387</u>	<u>5,338,789</u>

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 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 (2022:£1).

17 Stocks - Group

	2023	2022
	£	£
Goods for resale	28,227	22,048

18 Debtors - Group

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	132,860	83,596
Other debtors	32,091	238,390
Prepayments and accrued income	162,168	144,185
	<u>327,119</u>	<u>466,171</u>

19 Debtors - Charity

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	107,704	62,561
Amounts owed by subsidiary undertakings	260,106	219,851
Other debtors	32,091	238,390
Prepayments and accrued income	155,080	143,135
	<u>554,981</u>	<u>663,937</u>

20 Creditors: amounts falling due within one year - Group

	Notes	2023	2022
		£	£
Other taxation and social security		50,435	28,060
Deferred income	22	561,809	711,376
Trade creditors		127,922	191,034
Other creditors		4,057	2,664
Accruals		29,784	53,121
		<u>774,007</u>	<u>986,255</u>

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

21 Creditors: amounts falling due within one year - Charity

	Notes	2023 £	2022 £
Deferred income	23	433,334	653,846
Trade creditors		82,147	161,837
Other creditors		2,202	1,721
Accruals and deferred income		13,141	39,704
		<u>530,824</u>	<u>857,108</u>

22 Deferred income - Group

	2023 £	2022 £
Other deferred income	<u>561,809</u>	<u>711,376</u>

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Balance at 1 April 2022	711,376	1,111,043
Amounts received in year	1,955,055	1,674,109
Amounts credited to statement of financial activities	(2,104,622)	(2,073,777)
Balance at 31 March 2023	<u>561,809</u>	<u>711,376</u>

23 Deferred income - Charity

	2023 £	2022 £
Other deferred income	<u>433,334</u>	<u>653,846</u>

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Balance at 1 April 2022	653,846	1,085,090
Amounts received in year	1,736,305	1,602,964
Amounts credited to statement of financial activities	(1,956,817)	(2,035,086)
Balance at 31 March 2023	<u>433,334</u>	<u>653,846</u>

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

24 Restricted funds - Group & Charity

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Balance at 1 April 2021 £	Movement in funds			Balance at 1 April 2022 £	Movement in funds			Transfers £	Balance at 31 March 2023 £
		Incoming resources £	Resources expended £	Transfers £		Incoming resources £	Resources expended £	Transfers £		
Shared Reading	-	901,618	(901,618)	-	-	543,856	(543,856)	-	-	-
Calderstones Mansion House	5,235,560	-	-	(204,807)	5,030,754	-	-	(205,732)	(205,732)	4,825,022
	<u>5,235,559</u>	<u>901,618</u>	<u>(901,618)</u>	<u>(204,807)</u>	<u>5,030,754</u>	<u>543,856</u>	<u>(543,856)</u>	<u>(205,732)</u>	<u>(205,732)</u>	<u>4,825,022</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 2023

25 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 2021 £	Movement in funds			Transfers £	Balance at 1 April 2022 £	Movement in funds			Transfers £	Balance at 31 March 2023 £
		Incoming resources £	Resources expended £				Incoming resources £	Resources expended £			
General unrestricted	764,297	3,162,427	(3,142,969)		58,964	842,716	3,697,517	(3,984,787)		184,334	739,780
Storybarn Building	218,191	-	(44,528)		-	173,663	-	(44,528)		-	129,135
Calderstones Mansion House	85,583	-	-		-	85,583	-	-		-	85,583
Grant funded fixtures	48,353	-	(16,178)		-	32,175	-	(16,167)		-	16,008
Mansion House support fund	54,181	-	-		124,829	179,010	-	(179,010)		-	-
Personnel investment fund	143,000	-	(57,000)		-	86,000	-	(86,000)		-	-
IT re-structure and infrastructure fund	93,000	-	(35,199)		-	57,801	-	(57,801)		-	-
Calderstones Mansion House sinking fund	21,000	-	-		21,014	42,014	-	-		21,398	63,412
	1,427,605	3,162,427	(3,295,874)		204,807	1,498,962	3,697,517	(4,368,293)		205,732	1,033,918

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

25 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 in the region of £21,000.

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

26 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 2021 £	Incoming resources £	Movement in funds		Balance at 1 April 2022 £	Incoming resources £	Movement in funds		Balance at 31 March 2023 £
			Resources expended £	Transfers £			Resources expended £	Transfers £	
General unrestricted	764,297	3,162,427	(3,142,969)	58,964	842,719	2,277,036	(2,540,240)	183,409	762,924
Storybarn Building	218,191	-	(44,528)	-	173,663	-	(44,528)	-	129,135
Calderstones Mansion House	85,583	-	-	-	85,583	-	-	-	85,583
Grant funded fixtures	48,353	-	(16,178)	-	32,175	-	(16,167)	-	16,008
Mansion House support fund	54,181	-	-	124,829	179,010	-	(179,010)	-	-
Personnel	143,000	-	(57,000)	-	86,000	-	(86,000)	-	-
Investment fund	93,000	-	(35,199)	-	57,801	-	(57,801)	-	-
IT re-structure and infrastructure fund	21,000	-	-	21,014	42,014	-	-	21,398	63,412
Calderstones Mansion House sinking fund	1,427,605	3,162,427	(3,295,874)	204,807	1,498,965	2,277,036	(2,923,746)	204,807	1,057,062

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

26 Unrestricted funds - Charity

Storybarn Building

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

Calderstones Mansion House

The Calderstones Mansion House is the 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.

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Calderstones Mansion House sinking fund

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(Continued)

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

27 Analysis of net assets between funds - Group

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	256,333	4,825,022	5,081,355	308,036	5,030,753	5,338,789
Current assets/(liabilities)	777,585	-	777,585	1,190,929	-	1,190,929
	<u>1,033,918</u>	<u>4,825,022</u>	<u>5,858,940</u>	<u>1,498,965</u>	<u>5,030,753</u>	<u>6,529,718</u>

28 Analysis of net assets between funds - Charity

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	256,334	4,825,021	5,081,355	308,036	5,030,753	5,338,789
Investments	1	-	1	1	-	1
Current assets/(liabilities)	800,727	-	800,727	1,190,928	-	1,190,928
	<u>1,057,062</u>	<u>4,825,021</u>	<u>5,882,083</u>	<u>1,498,965</u>	<u>5,030,753</u>	<u>6,529,718</u>

29 Related party transactions

No guarantees have been given or received.

P Hughes is a director for the Calderstones Mansion House Community Interest Company and does not receive any additional remuneration for this role. However during the year she received £1,600 for the provision of staff training & coaching to The Reader Organisation.

30 Company limited by guarantee

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

THE READER ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

31 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:

	2023 £	2022 £
Within one year	52,838	30,838
Between two and five years	154,568	113,764
In over five years	2,957,694	2,985,336
	<u>3,165,100</u>	<u>3,129,938</u>

32 Events after the reporting date

Calderstones Mansion House CIC realised a loss in 2022-23, this was in relation to assets expensed in year due to ongoing discussions held around the probable closure of The Reader Bar and Restaurant. An EGM of the Calderstones Mansion House CIC Board was held on 23rd August 2023 and the Board agreed that the Restaurant should close. This was due to a combination of factors, including the need to be financially sustainable and provide a source of unrestricted income to the Charity over the coming years. The Restaurant closed on 2nd September 2023.

33 Analysis of changes in net funds

The charity had no material debt during the year.

34 Cash generated from operations

	2023 £	2022 £
Deficit for the year	(670,776)	(133,447)
Adjustments for:		
Investment income recognised in statement of financial activities	(2,091)	(659)
Depreciation and impairment of tangible fixed assets	292,679	281,163
Movements in working capital:		
(Increase) in stocks	(6,179)	(4,892)
Decrease/(increase) in debtors	139,054	(188,111)
(Decrease) in creditors	(62,682)	(348,794)
(Decrease) in deferred income	(149,587)	(399,667)
Cash absorbed by operations	<u>(459,562)</u>	<u>(794,407)</u>