

**THE LONDON READING CENTRE**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

# THE LONDON READING CENTRE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr A J Halpert Mr M S Geldzahler Mrs B G Krausz
<b>Charity number</b>	1170902
<b>Principal address</b>	8 Craven Park London N15 6AB
<b>Independent examiner</b>	J Silver FCCA Precision Ltd 32 Castlewood Road N16 6DW

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# THE LONDON READING CENTRE

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# THE LONDON READING CENTRE

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 JULY 2021

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 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

The charity's objects are the advancement of education in general and particularly for those under the age of 18, and to promote any other exclusively charitable objects and purposes as the trustees see fit, provided they are regarded as charitable by the law of England & Wales.

The charity achieves these objectives primarily through operating, a Lending Library specialising in Cultural Texts, providing a reading software system to educational institutions, and grants to charities whose charitable objects are in line with the charity's objects.

The charity ensures that even those in difficult financial situations are able to use the software system by offering reduced fees and where required waiving the fee all together.

The trustees confirm their compliance with the duty to have due regard to the public benefit guidance published by the Charity Commission when reviewing the charity's aims and objectives and in planning future activities.

#### Achievements and performance

In the year under review the charity generated income of £101,111 (2020: £28,144) and incurred expenses of £98,871 (2020: £27,269).

#### Financial review

The charity's statement of financial activities shows total reserves of £15,478 as at the 31 July 2021, of which £4,140 are restricted reserves. The trustees are satisfied with the results for the year.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level which will not impinge on its ability to support Charitable institutions.

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.

#### Structure, governance and management

The charity, is a trust governed by its trust deed dated 5 July 2016, and is a registered charity.

The trustees who served during the year and up to the date of signature of the financial statements were:

Mr A J Halpert

Mr M S Geldzahler

Mrs B G Krausz

The power to appoint new trustees is vested in the current board. It is not the intention of the trustees of the charity to appoint any trustees. Should the situation change in the future, the trustees will apply suitable induction and training procedures. The trustees administer the day to day running of the charity.

None of the trustees has any beneficial interest in the charity.

The trustees' report was approved by the Board of Trustees.

*Alexander J Halpert*

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**Mr A J Halpert**

Trustee  
Dated: **May 25, 2022**

# THE LONDON READING CENTRE

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE LONDON READING CENTRE

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I report to the trustees on my examination of the financial statements of The London Reading Centre (the charity) for the year ended 31 July 2021.

#### **Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



J Silver FCCA  
Precision Ltd  
32 Castlewood Road  
N16 6DW

Dated: **May 25, 2022**

# THE LONDON READING CENTRE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 JULY 2021**

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Total Unrestricted funds 2020 £
<b>Income from:</b>					
Donations and legacies	3	69,344	31,767	101,111	28,144
<b>Expenditure on:</b>					
Charitable activities	4	71,244	27,627	98,871	27,269
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		(1,900)	4,140	2,240	875
Fund balances at 1 August 2020		13,238	-	13,238	12,363
<b>Fund balances at 31 July 2021</b>		11,338	4,140	15,478	13,238

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

All income and expenditure derive from continuing activities.

# THE LONDON READING CENTRE

## BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	9		4,761		2,348
<b>Current assets</b>					
Debtors	10	-		14,956	
Cash at bank and in hand		13,663		4,932	
		<u>13,663</u>		<u>19,888</u>	
<b>Creditors: amounts falling due within one year</b>	11	(2,946)		(8,998)	
Net current assets			10,717		10,890
<b>Total assets less current liabilities</b>			<u>15,478</u>		<u>13,238</u>
<b>Income funds</b>					
Restricted funds			4,140		-
Unrestricted funds			11,338		13,238
			<u>15,478</u>		<u>13,238</u>

May 25, 2022

The financial statements were approved by the Trustees on .....

*Alexander J Halpert*

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Mr A J Halpert  
Trustee

# THE LONDON READING CENTRE

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 JULY 2021**

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### **1 Accounting policies**

#### **Charity information**

The London Reading Centre is a charitable trust registered in England & Wales.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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

#### **1.2 Going concern**

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

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### **1.4 Income**

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.



# THE LONDON READING CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2021**

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### **1 Accounting policies**

**(Continued)**

#### **1.5 Expenditure**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### **1.6 Tangible fixed assets**

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

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

Fixtures and fittings	25% RBM
Computers	25% RBM

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.

#### **1.7 Impairment of fixed assets**

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

#### **1.8 Cash and cash equivalents**

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

#### **1.9 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 LONDON READING CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

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### 1 Accounting policies

(Continued)

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

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

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

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

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

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

#### **1.10 Employee benefits**

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

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

#### **1.11 Retirement benefits**

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

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources.

The preparation of these financial statements did not require management to make judgements, estimates or assumptions that affect the amounts reported.

# THE LONDON READING CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds
	2021	2021	2021	2020
	£	£	£	£
Donations and gifts	45,910	-	45,910	15,160
Grants	911	31,767	32,678	1,484
Membership fees	22,523	-	22,523	11,500
	<u>69,344</u>	<u>31,767</u>	<u>101,111</u>	<u>28,144</u>

The unrestricted grant above relates to an amount the charity received under the Coronavirus Job Retention Scheme.

### 4 Charitable activities

	Charitable Expenditure 2021	Charitable Expenditure 2020
	£	£
Staff costs	32,806	12,687
Depreciation and impairment	1,587	783
Charitable expenditure	<u>59,941</u>	<u>10,563</u>
	94,334	24,033
Grant funding of activities (see note 5)	1,420	1,690
Share of governance costs (see note 6)	<u>3,117</u>	<u>1,546</u>
	98,871	27,269
<b>Analysis by fund</b>		
Unrestricted funds	71,244	27,269
Restricted funds	<u>27,627</u>	<u>-</u>
	98,871	27,269
<b>For the year ended 31 July 2020</b>		
Unrestricted funds	<u>27,269</u>	

# THE LONDON READING CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 5 Grants payable

	Charitable Expenditure 2021 £	Charitable Expenditure 2020 £
Grants to institutions:		
Other	1,420	1,690
	<u>          </u>	<u>          </u>

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### 6 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Accountancy	-	1,080	1,080	-	600	600
Legal and professional	-	2,037	2,037	-	946	946
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	-	3,117	3,117	-	1,546	1,546
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Analysed between Charitable activities	-	3,117	3,117	-	1,546	1,546
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Governance costs includes a payment to the independent examiner of £1,080 for accountancy fees.

### 7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 8 Employees

The average monthly number of employees during the year was:

2021 Number	2020 Number
6	2
<u>          </u>	<u>          </u>

# THE LONDON READING CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 8 Employees (Continued)

Employment costs	2021 £	2020 £
Wages and salaries	32,725	12,641
Other pension costs	81	46
	<u>32,806</u>	<u>12,687</u>

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

### 9 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>			
At 1 August 2020	5,398	-	5,398
Additions	-	4,000	4,000
	<u>5,398</u>	<u>4,000</u>	<u>9,398</u>
At 31 July 2021	5,398	4,000	9,398
<b>Depreciation and impairment</b>			
At 1 August 2020	3,050	-	3,050
Depreciation charged in the year	587	1,000	1,587
	<u>3,637</u>	<u>1,000</u>	<u>4,637</u>
At 31 July 2021	3,637	1,000	4,637
<b>Carrying amount</b>			
At 31 July 2021	<u>1,761</u>	<u>3,000</u>	<u>4,761</u>
At 31 July 2020	<u>2,348</u>	<u>-</u>	<u>2,348</u>

### 10 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Other debtors	-	14,956
	<u>-</u>	<u>14,956</u>

# THE LONDON READING CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 11 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	14	-
Trade creditors	540	-
Other creditors	1,702	8,398
Accruals and deferred income	690	600
	<u>2,946</u>	<u>8,998</u>

### 12 Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £
Fund balances at 31 July 2021 are represented by:				
Tangible assets	1,761	3,000	4,761	2,348
Current assets/(liabilities)	9,577	1,140	10,717	10,890
	<u>11,338</u>	<u>4,140</u>	<u>15,478</u>	<u>13,238</u>

### 13 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).