

**THE LONDON READING CENTRE**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

# 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

## CONTENTS

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	<b>Page</b>
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 12

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# THE LONDON READING CENTRE

## TRUSTEES' REPORT

### *FOR THE YEAR ENDED 31 JULY 2022*

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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 London Reading Centre targets vulnerable young people who are disadvantaged by low income, dysfunction, social exclusion, various learning and emotional disabilities, giving them the support they need, to flourish in school and beyond.

The charity achieves these objectives primarily through operating, a Lending Library specialising in Cultural Texts, providing a reading software system to educational institutions, and various reading programmes to address literacy issues. 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.

In response to the needs of the community, the organisation has evolved in the last year, and we now use art, creativity, and media as tools to enable disadvantaged children to thrive and develop in all areas.

Based in Haringey, where 40% of children in the borough live in households of poverty, we aim to make a difference by providing creative outlets so that the children can grow despite their challenges. We believe that core skills, development of creativity, and stable, nurturing relationships are essential to a healthy childhood and will subsequently impact life chances. We give our youth opportunities they wouldn't have access to otherwise, allowing them to develop, grow and shine.

The charity also makes occasional grants to charities whose charitable objects are in line with the charity's objects.

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**

During the last year the charity ran various programmes which were made possible with the help of our generous sponsors.

"Read with me" and "Reading Recovery" both highly researched and devolped programmes to master the basic yet fundimental skills of reading. The charity partnered with local schools to provide the programmes.

A project "Stronger together" providing therapy sessions for children aged 8 - 12 years old.

In the year under review the charity generated income of £145,117 (2021: £101,111) and incurred expenses of £153,517 (2021: £98,871).

#### **Financial review**

The charity's statement of financial activities shows total reserves of £3,711 as at the 31 July 2022, of which £3,000 are restricted reserves. The trustees are satisfied with the results for the year.

The charity's aspirational reserves policy is to maintain reserves comprising three months of operational cost in unrestricted funds. Trustees believe maintenance of reserves at this level will ensure continuous operation in the face of unanticipated developments or fluctuations in funding.

# THE LONDON READING CENTRE

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2022**

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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.

.....  
**Mr A J Halpert**

Trustee

Dated: .....

# 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 2022.

#### **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: .....

# THE LONDON READING CENTRE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
<b>Income from:</b>						
Donations and legacies	3	130,087	15,030	145,117	69,344	101,111
<b>Expenditure on:</b>						
Raising funds	4	3,367	-	3,367	-	-
Charitable activities	5	137,347	16,170	153,517	71,244	98,871
<b>Total resources expended</b>		140,714	16,170	156,884	71,244	98,871
<b>Net (expenditure)/income for the year/</b>						
<b>Net movement in funds</b>		(10,627)	(1,140)	(11,767)	(1,900)	2,240
Fund balances at 1 August 2021		11,338	4,140	15,478	-	13,238
<b>Fund balances at 31 July 2022</b>		711	3,000	3,711	4,140	15,478

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 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	10		6,523		4,761
<b>Current assets</b>					
Cash at bank and in hand		1,092		13,663	
<b>Creditors: amounts falling due within one year</b>	11	(3,904)		(2,946)	
Net current (liabilities)/assets			(2,812)		10,717
<b>Total assets less current liabilities</b>			3,711		15,478
<b>Income funds</b>					
Restricted funds			3,000		4,140
Unrestricted funds			711		11,338
			3,711		15,478

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

.....  
Mr A J Halpert  
Trustee



# THE LONDON READING CENTRE

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 JULY 2022

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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, 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 charity has taken advantage of the provisions in the SORP for charities 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.

# THE LONDON READING CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2022

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#### 1 Accounting policies

(Continued)

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.

#### 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.

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

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

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

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

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

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

# THE LONDON READING CENTRE

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

### 1 Accounting policies

(Continued)

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

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

#### **1.9 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.

#### **1.10 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.

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	95,165	-	95,165	45,910	-	45,910
Grants	-	15,030	15,030	911	31,767	32,678
Membership fees	34,922	-	34,922	22,523	-	22,523
	<u>130,087</u>	<u>15,030</u>	<u>145,117</u>	<u>69,344</u>	<u>31,767</u>	<u>101,111</u>

### 4 Raising funds

	Unrestricted funds	Total
	2022 £	2021 £
Fundraising and publicity		
Other fundraising costs	<u>3,367</u>	<u>-</u>

# THE LONDON READING CENTRE

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

### 5 Charitable activities

	Charitable expenditure 2022 £	Charitable expenditure 2021 £
Staff costs	41,656	32,806
Depreciation and impairment	2,174	1,587
Reading Programmes	61,360	59,941
Other charitable activities	24,294	-
	<u>129,484</u>	<u>94,334</u>
Grant funding of activities (see note 6)	3,500	1,420
Share of support costs (see note 7)	17,200	-
Share of governance costs (see note 7)	3,333	3,117
	<u>153,517</u>	<u>98,871</u>
<b>Analysis by fund</b>		
Unrestricted funds	137,347	71,244
Restricted funds	16,170	27,627
	<u>153,517</u>	<u>98,871</u>
<b>For the year ended 31 July 2021</b>		
Unrestricted funds	71,244	
Restricted funds	27,627	
	<u>98,871</u>	

### 6 Grants payable

	Charitable expenditure 2022 £	Charitable expenditure 2021 £
Grants to institutions:		
Other	3,500	1,420
	<u>3,500</u>	<u>1,420</u>

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# THE LONDON READING CENTRE

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

### 7 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
General Administration costs	17,200	-	17,200	-	-	-
Accountancy	-	2,040	2,040	-	1,080	1,080
Legal and professional	-	1,293	1,293	-	2,037	2,037
	<u>17,200</u>	<u>3,333</u>	<u>20,533</u>	<u>-</u>	<u>3,117</u>	<u>3,117</u>
Analysed between Charitable activities	<u>17,200</u>	<u>3,333</u>	<u>20,533</u>	<u>-</u>	<u>3,117</u>	<u>3,117</u>

Governance costs includes a payment to the independent examiner of £2,040 for accountancy fees.

### 8 Trustees

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

### 9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>7</u>	<u>6</u>
<b>Employment costs</b>	<b>2022 £</b>	<b>2021 £</b>
Wages and salaries	41,577	32,725
Other pension costs	79	81
	<u>41,656</u>	<u>32,806</u>

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

# THE LONDON READING CENTRE

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

### 10 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
<b>Cost</b>			
At 1 August 2021	5,398	4,000	9,398
Additions	2,936	1,000	3,936
	<u>8,334</u>	<u>5,000</u>	<u>13,334</u>
<b>Depreciation and impairment</b>			
At 1 August 2021	4,811	2,000	6,811
At 31 July 2022	<u>4,811</u>	<u>2,000</u>	<u>6,811</u>
<b>Carrying amount</b>			
At 31 July 2022	<u>3,523</u>	<u>3,000</u>	<u>6,523</u>
At 31 July 2021	<u>1,761</u>	<u>3,000</u>	<u>4,761</u>

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

	2022	2021
	£	£
Other taxation and social security	1,723	14
Trade creditors	-	540
Other creditors	1,491	1,702
Accruals and deferred income	690	690
	<u>3,904</u>	<u>2,946</u>

### 12 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Fund balances at 31 July 2022 are represented by:						
Tangible assets	3,523	3,000	6,523	1,761	3,000	4,761
Current assets/ (liabilities)	<u>(2,812)</u>	<u>-</u>	<u>(2,812)</u>	<u>9,577</u>	<u>1,140</u>	<u>10,717</u>
	<u>711</u>	<u>3,000</u>	<u>3,711</u>	<u>11,338</u>	<u>4,140</u>	<u>15,478</u>

# THE LONDON READING CENTRE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 JULY 2022*

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### 13 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).