

VOLUNTEER READING HELP LIMITED
(a company limited by guarantee and not having a
share capital)

REGISTERED NUMBER: 2101719

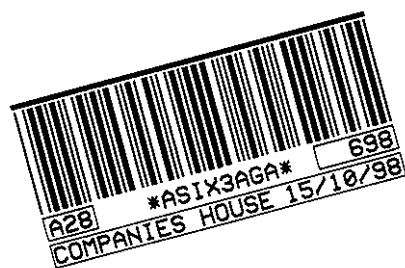
MANAGEMENT COMMITTEE'S

REPORT

AND

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 1998



VOLUNTEER READING HELP LIMITED

(a company limited by guarantee and not having a share capital)

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COMPANY INFORMATION

MANAGEMENT COMMITTEE AND DIRECTORS:

Anne Weitzman (Chairman)
Caroline Cator (Vice Chairman)
Deborah von Bergen (Hon. Treasurer)
Ruth Barr
Ann Burgh
Madeline Cardozo
Cherry Clarke
Angela Fenhalls
Jinty Hodder-Williams
Olivia Holmes
Jane Melrose
Allan Morton
John Richardson
Anne Sofer
Gloria Williams

SECRETARY:

Charles Martineau

COMPANY NO:

2101719 (England & Wales)

REGISTERED CHARITY NO:

296454

REGISTERED OFFICE:

4th Floor, High Holborn House,
52/54 High Holborn,
London. WC1V.6RL

AUDITORS:

Menzies,
Manor House,
1 The Crescent,
Leatherhead,
Surrey. KT22.8DY

BANKERS:

National Westminster Bank Plc,
141 Ebury Street,
London. SW1W.9QW

VOLUNTEER READING HELP LIMITED

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REPORT OF THE MANAGEMENT COMMITTEE

FOR THE YEAR ENDED 31ST MARCH 1998

The management committee present their report and the audited financial statements for the year ended 31st March 1998.

Legal status

The company is limited by guarantee, each member having guaranteed to provide £1 towards creditors in the event of a winding-up.

Subsidiary company

The company owns 4,999 £1 ordinary shares of VRH Trading Limited, a company set up to support the charity through the sale of Christmas cards and other goods.

Principal activities

The company selects, trains and supports volunteers and links them with children who need help and encouragement with reading.

Management Committee's responsibilities

Company law requires the directors, in this case the management committee, to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that year. In preparing those financial statements, the Management Committee is required to:-

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and estimates that are reasonable and prudent;
- c) state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- d) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The management committee are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to ensure that the financial statements comply with the Companies Act 1985. The management committee are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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REPORT OF THE MANAGEMENT COMMITTEE

FOR THE YEAR ENDED 31ST MARCH 1998 - CONTINUED 2

Results

Details of the results for the year are set out in the income and expenditure account on page 5.

The Organisation has continued its planned expansion. New branches were started in Corby, Banbury, Birmingham, Ealing, Haringey and South Kent, and all branches increased their number of volunteers. During the year a further 850 volunteers were trained and by the year end, 1,724 volunteers were helping 5,172 children in 890 schools, an increase of 22%. There are now 33 branches working in partnership with 40 Local Education Authorities.

Requests from schools for trained volunteers to give confidence to children having difficulty with reading remains undiminished. Agreements have been made with more Local Authorities to start new branches during the coming year.

Auditors

Menzies have expressed their willingness to continue in office as auditors and in accordance with Section 385(2) of the Companies Act 1985 a resolution proposing their re-appointment will be submitted to the forthcoming Annual General Meeting.

This report was approved by the management committee on 18th June 1998 having been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities.

Signed on behalf of the management committee.



CHARLES MARTINEAU
Secretary

REPORT OF THE AUDITORS
TO THE MEMBERS OF VOLUNTEER READING HELP LIMITED
(a company limited by guarantee and not having a share capital)
FOR THE YEAR ENDED 31ST MARCH 1998

We have audited the financial statements on pages 5 to 10, which have been prepared under the historical cost convention, and the accounting policies on page 7.

Respective responsibilities of directors and auditors

As described on pages 2 and 3, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

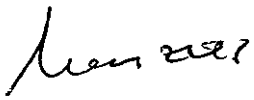
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 1998 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Manor House,
1 The Crescent,
Leatherhead,
Surrey. KT22.8DY


MENZIES
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS

Date: 12.10.98.

VOLUNTEER READING HELP LIMITED

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INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1998

	Note	1998	1997
		£	£
INCOME			
Department for Education		100,000	110,000
Other government sources		127,905	99,112
Schools		84,342	56,748
Grants from Trusts & donations		402,099	343,935
Other fund raising		11,533	3,523
Other sundry income		3,791	-
Profit from subsidiary company		2,792	3,100
		<hr/>	<hr/>
		732,462	616,418
EXPENSES	2		
Direct activity related expenditure		492,881	376,845
Fund raising costs		23,309	28,067
Publicity costs		20,074	7,305
Administrative costs		109,476	92,534
		<hr/>	<hr/>
		645,740	504,751
		<hr/>	<hr/>
Interest receivable		86,722	111,667
		34,041	17,052
		<hr/>	<hr/>
SURPLUS FOR THE YEAR		120,763	128,719
SURPLUS BROUGHT FORWARD		438,794	310,075
		<hr/>	<hr/>
SURPLUS CARRIED FORWARD		£559,557	£438,794
		<hr/>	<hr/>

The notes on pages 7 to 10 form part of these financial statements.

VOLUNTEER READING HELP LIMITED

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BALANCE SHEET AS AT 31ST MARCH 1998

	Note	1998	1997
		£	£
FIXED ASSETS	3	25,810	17,956
Investment in subsidiary	4	4,999	4,999
CURRENT ASSETS			
Debtors	5	13,753	11,486
Cash at bank & in hand		569,335	427,514
		<hr/>	<hr/>
		583,088	439,000
CREDITORS:			
Amounts falling due within one year	6	54,340	23,161
		<hr/>	<hr/>
CURRENT ASSETS LESS CURRENT LIABILITIES		528,748	415,839
		<hr/>	<hr/>
TOTAL ASSETS LESS LIABILITIES		£559,557	£438,794
		<hr/> <hr/>	<hr/> <hr/>
RESERVES	7		
Accumulated surplus		£559,557	£438,794
		<hr/> <hr/>	<hr/> <hr/>

The financial statements have been prepared on the basis of the special exemptions applicable to small companies, conferred by Part VII of the Companies Act 1985.

The financial statements were approved by the Management Committee on _____ and signed on its behalf.



A. WEITZMAN
MANAGEMENT COMMITTEE MEMBER



D. VON BERGEN
MANAGEMENT COMMITTEE MEMBER

VOLUNTEER READING HELP LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1998

1. ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The financial statements are prepared in accordance with the Financial Reporting Standard for Smaller Entities and under the historical cost convention.

The directors are of the opinion that the Companies Act format for the profit and loss account is inappropriate to the activities of the Charity and have instead followed Statement of Recommended Practice No. 2 in preparing an income and expenditure account.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on a reducing balance basis, at a rate of 33.1/3% per annum on computer equipment and 25% for all other assets.

1.3 Government Grants

Government Grants are credited to the income and expenditure account in the period to which they relate.

2. EXPENDITURE

The four categories of expenditure are made up as follows:-

Direct activity - related expenditure

	1998	1997
	£	£
Salaries	337,993	268,182
Travel & subsistence	52,043	36,709
Books and games	40,984	24,108
Training	8,415	8,124
Video/handbook	7,306	5,042
Sundry expenses	2,133	2,898
Recruitment	7,560	3,004
Office expenses	24,231	16,905
Rent & services	4,254	3,022
Depreciation	7,962	5,203
Literacy volunteers	-	3,648
	<hr/>	<hr/>
	£492,881	£376,845
	<hr/>	<hr/>

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1998 - CONTINUED 2

2. EXPENDITURE - Continued

Fund raising

	1998	1997
	£	£
Consultancy	-	22,918
Salaries	18,826	1,466
Computer costs	1,884	2,363
Depreciation of computer equipment	446	669
Events	2,153	651
	<hr/>	<hr/>
	£23,309	£28,067
	<hr/>	<hr/>

Publicity costs

Publicity	£20,074	£7,305
	<hr/>	<hr/>

Administration

Salaries	55,284	51,027
Office expenses	14,913	10,070
Rent & services	9,623	10,530
Depreciation	2,873	2,137
Insurance	1,033	710
Computer costs	1,366	804
Sundry expenses	347	5,173
Audit fees	2,174	2,174
Accountancy fees	6,639	5,170
Legal fees	-	4,465
Bank charges	777	274
Evaluation	7,069	-
Consultancy	7,378	-
	<hr/>	<hr/>
	£109,476	£92,534
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The directors received no emoluments during the year.

The average number of employees during the year was 66.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 1998 - CONTINUED 3

3. TANGIBLE FIXED ASSETS

Cost	Total £	Office Equipment & Furniture £	Computer Equipment £
At 1st April 1997	59,379	23,681	35,698
Additions	19,135	6,768	12,367
	<hr/>	<hr/>	<hr/>
At 31st March 1998	£78,514	£30,449	£48,065
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Depreciation			
At 1st April 1997	41,423	18,989	22,434
Charged in the year	11,281	3,139	8,142
	<hr/>	<hr/>	<hr/>
At 31st March 1998	£52,704	£22,128	£30,576
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Net book value			
At 31st March 1997	£17,956	£4,692	£13,264
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31st March 1998	£25,810	£8,321	£17,489
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

4. INVESTMENT IN SUBSIDIARY

The subsidiary company, VRH Trading Limited, a company incorporated in the United Kingdom has an allotted share capital of 5,000 ordinary £1 shares of which 4,999 were issued at par to the holding company.

Details of amounts shown in the financial statements of VRH Trading Limited at 31 March 1998 were as follows:-

	£
Capital and Reserves	£5,088
	<hr/> <hr/>
Turnover	7,288
Expenditure	(4,844)
	<hr/>
Profit for the year	£2,444
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The amount of £1,882 has been transferred by Gift Aid to the Charity and is included in the Charity's income and expenditure account.

The company has taken advantage of the exemption conferred by section 248 of the Companies Act 1985 from the requirement to prepare group accounts.