

**READ - THE READING AGENCY
A COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2011**

Company Number 3904882
Charity Number 1085443



READ - THE READING AGENCY
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2011

CONTENTS	Page
Legal and Administrative Information	1
Structure, Governance and Management	2
Trustees' Report Objectives and Activities	3 - 6
Trustees' Report Financial Review	7 - 8
Auditors' Report	9 - 10
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Accounts	13 - 24

READ – THE READING AGENCY

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2011

Charity name	Read - The Reading Agency	
Legal status	Company limited by guarantee	
Charity registration number	1085443	
Company number	3904882 (England and Wales)	
Registered Office	Templars House Lulworth Close Chandlers Ford Hampshire SO53 3TL	
Auditors	CW Fellowes Limited Chartered Accountants and Statutory Auditors Templars House Lulworth Close Chandlers Ford Hampshire SO53 3TL	
Bankers	Lloyds TSB plc High Street Winchester SO23 9DA	CAF Bank Ltd West Malling Kent ME19 4TA
Solicitors	Bates, Wells and Braithwaite Cheapside House 138 Cheapside London EC2V 6BB	
Trustees	L Cleaver (Chair) V M Griffiths (Vice Chair) M Blackman J Brown J Cox N Parker J O'Reilly (retired 14/06/11) J Readman (retired 27/09/11) J Stevens T Moody-Stuart (appointed 27/09/11)	
Director	M McKearney	
Director of Business Management	P Barker	

READ – THE READING AGENCY

STRUCTURE, GOVERNANCE AND MANAGEMENT FOR THE YEAR ENDED 31 MARCH 2011

Governing Document

Read - The Reading Agency is a company limited by guarantee and a registered charity. It was formed in July 2002 from the merger of Launchpad, Well Worth Reading and the Reading Partnership and changed its name from The Reading Agency for Libraries to *Read – The Reading Agency* in November 2007.

Trustee Recruitment, Election, Induction and Training

The Board of Trustees appoints new trustees from time to time, to fill a vacancy or as an addition to the existing trustees.

In accordance with the company's Memorandum and Articles of Association, a new trustee may be appointed by nomination from any of the existing trustees. The nomination must take place, and be seconded, at a board meeting (other than the Annual General Meeting).

At every Annual General Meeting, the longest-serving third of the trustees retire from office. Trustees retiring in this manner are eligible for re-election.

During the year, V Griffiths, N Parker and M Blackman retired and were re-elected to the board.

Potential trustees are invited to attend a Board meeting to assess whether they would like to join the Board. They are provided with a Board induction pack containing legal, financial and structural policy and planning information, and they meet with the Director and/or the Director of Business Management before their first Board meeting to discuss the information in the pack and clarify any questions about trusteeship and the organisation. If the trustee has a special role then they may also meet with the relevant specialist employee to discuss this area.

Organisational Structure

The Board of Directors, of which there should be a minimum of at least six members, oversees the administration of the charity. The Board meets quarterly, and an observer from Arts Council England, London has a standing invitation to attend these Board meetings.

The day to day running and forward planning of the organisation is the responsibility of the Senior Management Team, consisting of the Director and the Director of Business Management (recruited in December 2010). In fulfilling its responsibility for ensuring that the organisation fulfils its charitable remit, the Senior Management Team reports to the Board regularly on finance, employment, risk management and strategic development.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees as at 31 March 2011 was 9.

Risk management

The charity has undertaken a comprehensive review of the risks to which it might be exposed, and has developed a strategy to deal with the risks identified.

The risk management strategy comprises

- Initial comprehensive review of risks across all areas of the organisation's activity,
- Establishment of systems and procedures to mitigate the risks identified, and
- Continued monitoring of potential risks regularly reported to the Board

READ – THE READING AGENCY

REPORT OF THE TRUSTEES: OBJECTIVES AND ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2011

Mission

The Reading Agency's mission is to **inspire more people to read more**. Our ultimate vision is of a society in which everyone's life is enriched and changed through equal opportunities to become a reader.

Objectives

The broad objectives for the charity for 2010/11 were set out in a three year plan approved by the Board in March 2010.

- Support children with reading in their formative years, work with young people struggling to develop reading skills and with adults who find reading a challenge,
- Help people feel inspired and confident about reading, and help libraries modernise the way in which they support democratic access to reading and learning,
- Ensure we have a flexible organisation fit for purpose, with a sustainable business model and wider diversity of income streams.

Review of activities

Overview

2010/11 saw a continuation of delivery against the mission of *more people reading more*. At the start of the year, ambitious three-year aims were set out, and an action plan for 2010/11 was identified. As the detail below shows, this has broadly been successfully achieved.

In 2010/11

- Participation continued to be driven up in reading and literature by working through national and community partners,
- Infrastructure was developed by helping those partners build skills and work together,
- The organisation continued to play a key role in developing audiences for all kinds of writers,
- Those who feel alienated from reading and writing were engaged – generating evidence of increased reading range, motivation, confidence and sheer enjoyment, alongside outcomes such as increased skills, self-esteem and community activism.

National reading programmes

The impact and reach of The Reading Agency's national reading programmes continued to be developed, through the use of specialist creative tools, challenges, reading groups, author contact, volunteering and promotions.

These programmes have taken libraries' creative reading work to a new level and continue to provide sustained support for their reader development work. Overall outcomes for the period include:

- More reading, writing and local activism,
- Library workforce development,
- Libraries working more creatively and reaching out to readers,
- Increased number and breadth of partners engaged,
- Infrastructure developed by supporting cross-boundary work and pooling of best practice.

Children

The Summer Reading Challenge is by far the nation's largest reading promotion, and one that powerfully models a more creative library experience – including social reading activities, author blogging and support from teenage volunteers.

Each year the momentum is kept up by building on last year's learning, and changing the theme to attract new partners and inspire fresh creativity in library staff and children. The theme for 2010 was Space Hop, and as the research shows, the reach and impact continues to grow.

- 760,000 children took part in Space Hop – an increase of 35,000 (5%) on the 2009 total,
- 334,400 boys took part (44% of participants),
- 97% of libraries in the UK were involved,
- 53,000 children signed up as new library members,

READ – THE READING AGENCY

REPORT OF THE TRUSTEES: OBJECTIVES AND ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2011

- 18 million children's materials were borrowed over 10 weeks June to September,
- More than 3 million books were read by children taking part in the challenge,
- 220,000 children attended 15,000 Space Hop events organised by libraries,
- The Summer Reading Challenge gave young people the opportunity to make a positive contribution to local communities, with 2000 young volunteers helping in over a third of libraries

Chatterbooks is The Reading Agency's UK-wide network of library reading groups for 4-12 year olds, through which children are encouraged to read adventurously, talk about reading and visit libraries. The sessions are extremely creative, and led by children as much as possible.

Chatterbooks is a year-round offering that complements the Summer Reading Challenge, and in 2010/11 a high level of engagement was maintained.

- 566 Chatterbooks groups,
- 8,500 children were involved,
- Both schools and libraries ran groups,
- The British Council supported overseas participation through Connecting Classrooms

Young people

During 2010/11 an ambitious integrated programme to inspire young people to engage with the community, reading and writing called MyVoice was successfully developed and presented. Major funding totalling £858,000 from Grants for the Arts, the Big Lottery Fund and a range of trusts and foundations was secured, matched by in-kind commitments from participating library authorities and publisher partners (this work will be delivered over the three years from 2011/12).

Actual activity during 2010/11 included

- A pilot programme with 20 local authorities to engage young people as volunteers with the Summer Reading Challenge, with funding secured from John Laing and vinspired. The pilot has proved enormously successful, with 634 volunteers taking part (against our target of 250) and all pilot authorities wishing to continue in 2011/12,
- An increase in the number of HeadSpace locations to 23 across the country. These cutting-edge library environments model an approach which welcomes young people, valuing their creative participation. HeadSpace puts young people at the heart of decision-making and draws disadvantaged young people into reading and libraries, and the concept will be a key component of the integrated MyVoice programme,
- A detailed report in June 2010 on the impact and reach of HeadSpace. Key findings included: 5,623 young people have taken part to date, of which 40% are at risk of exclusion, 2,145 had not used libraries before, 2,415 have taken up leadership roles like running creative reading events or recruiting staff, and 309 are in longer term volunteering roles, many accredited e.g. through ArtsAward. Two previously homeless young men from Folkestone are now training to be youth workers. Young people say being involved with HeadSpace has given them much more confidence and new skills.
- "Teenage Kicks 2 Reality Bites" – an inspirational example of planning and delivery by young people at High Wycombe library. The event built on the success of the previous year's Teenage Kicks event with Random House, and involved an evening's engagement with authors Malorie Blackman, Bali Rai and Jenny Downham.

Adult emergent readers

The Six Book Challenge firmly established itself during 2010/11 as a key tool for helping adults get into reading, in many cases for the first time. The challenge itself grew significantly during the year, and was supported through the development of key tools to underpin it. In 2010/11 there were the following developments:

- 13,500 adult learner participants, up 50% from the previous year,
- Over two-thirds of library services across the UK took part, working in partnership with local colleges, adult education, family learning, children's centres, prisons and workplaces,
- 50 prisons and Young Offender Institutes took part, and 90 workplaces ranging from local councils to Transport for London, Warburtons, NHS Trusts, Tesco and Corus Steelworks,
- The unique First Choice Books database, funded partly by the Esmée Fairbairn Foundation, with nearly 800 recommended titles for 'emergent' readers,

READ – THE READING AGENCY

REPORT OF THE TRUSTEES: OBJECTIVES AND ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2011

- Funding from Esmée Fairbairn also enabled the piloting of work introducing reading for pleasure to entry level readers,
- An advisory group, with representatives from the Department for Business, Innovation and Skills (BIS), the Department for Culture, Media and Sport, national library, literacy and learning bodies, academic researchers, publishers, and the BBC,
- A quality framework and training for partnership working between public libraries, based on consultation with the sector,
- An online Chatabout network, focussing on skills and knowledge-sharing between practitioners already running or wanting to set up reading group activity for adult learners at all levels of ability,
- A partnership with both the Quick Reads initiative and other small publishers specialising in materials for new adult readers

Adult readers

Based on in-depth research with reading groups and academic partners into the positive benefits reading groups can bring, Reading Groups for Everyone was launched in 2010/11 - a website campaign that celebrates all the great things that reading groups, writing groups and book clubs offer. Research shows that reading groups are good for people and good for society - they are social, enjoyable, promote well-being, raise educational achievement and build skills – and the launch at the end of 2010/11 is the starting point for establishing this programme at the heart of The Reading Agency's work in promoting reading for pleasure with adults.

Partnerships

Libraries

The Reading Agency's main partnership is with libraries, and in 2010/11 the charity continued to work across all library authorities and their branches, helping libraries become community reading hubs.

Libraries are a key distribution channel for The Reading Agency's programmes – giving front-line library staff highly creative, shared (and therefore cost-effective) tools to make a big impact on people's lives. The Reading Agency also connects libraries with other partners and key networks. In 2010/11 World Book Night and Mood-boosting Books were added as initiatives that linked libraries to partners. Other partnership promotions already include working with TUC, WEA, Orange, Channel 4, ITV3, Asia House, BBC, World Book Day, International Foreign Fiction Prize, and PEN.

Publishers

"We've made so much progress through Reading Partners that it's now hard to imagine a book campaign without some kind of library involvement. Five years on, we're working brilliantly well together." Joanna Prior, Managing Director, Penguin General Books

The pioneering Reading Partners scheme changes publishers' working practices to give the public access to new live literature and book choice experiences, and to give opportunities for writers and illustrators to develop artistically. The programme helps publishers reach readers through libraries' 4,000 branches and 10,000 reading groups, and has led to exciting author events, online reading groups and big community reading promotions. Across adults and children's publishers, Reading Partners enabled in 2010/11:

- 170 author events, reaching nearly 12,000 readers,
- 60 debut and mid-career writers to be showcased,
- 70 publisher promotions and reading group projects to help market titles to libraries' 10,000 reading groups. For example, a staggering 1,500 libraries took part in our most popular publisher promotion to date: Headline Summer of Crime - a three-month campaign to get readers engaged with new and classic crime fiction. Headline offered A3 posters, postcards, DVD trailer packs and A5 booklets featuring author pieces and extracts, including summer reading suggestions.

In 2010/11 the power and influence of Reading Partners was used to sharpen the thinking around digital reader development, with all public library authorities invited to participate in an online survey. This formed the basis for the major digital marketing event organised for libraries, publishers and other partners at the end of 2010/11, to create an action plan around libraries and digital reading.

READ – THE READING AGENCY

REPORT OF THE TRUSTEES: OBJECTIVES AND ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2011

New distribution partners

The Reading Agency continues to develop and explore new partnerships both to support the delivery of programmes and to expand audiences, in and beyond libraries. Examples in 2010/11 include

- A new digital partnership with the gaming industry, in order to explore the potential for gaming as a tool for reaching emergent adult readers,
- Expanding the reach and impact of the Six Book Challenge through prisons,
- Building on an initial pilot, working with the British Council to deliver Chatterbooks Connecting Classrooms, where children in partner schools from around the world explore intercultural and global issues through shared reading and discussion via internet and letters

Research

The Reading Agency's ability to expand the reach and impact of its work is dependent upon new thinking and development of an evidence base, and during 2010/11 headline activity included

- Undertaking research with the Museums Libraries and Archives Council to map public library activity in the areas of health and well-being,
- Working with the Society of Chief Librarians in the West Midlands to develop a new reading and health partnership offer and a supporting on-line toolkit,
- Delivering, in partnership with the National Institute of Adult Continuing Education, "Gaming for reading", a feasibility study on the use of video games to engage adults with low literacy in reading for pleasure

Organisational development

During 2010/11 The Reading Agency's organisational development continued. Alongside a structured approach to business planning and seeking to continue to diversify income streams, specific developments during 2010/11 included

- A revision of the senior management structure, appointing a new Director of Business Management to work alongside the Chief Executive,
- Reviewing the structure of the board, undertaking a skills audit of the trustees and developing processes for greater interaction, including regular meetings between the Chair, Vice-Chair and Senior Management Team,
- Implementing a new organisational structure, with clear lines of reporting and a performance management system aligned to business plan objectives,
- Moving to a system of monthly management accounts, with an enhanced emphasis on the quality of forecasting income and expenditure,
- Developing fundraising capability through work with Cause4 (evidence of success includes grants received from the Big Lottery Fund, Grants for the Arts and a number of trusts and foundations),
- Successfully applying to become an ACE National Portfolio Organisation for 2012/13 to 2014/15. The Reading Agency's application was rated strong for all three Stage one areas of assessment "meeting our goals and priorities", "governance, leadership and management", and "financial sustainability"

Future developments

The charity will continue its work to promote reading among all age groups and provide partners with a single point of entry to library services. It continues to invest in the development of new ways to encourage reading and engagement.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit "Charities and Public Benefit"

Our charitable purpose dictates all that The Reading Agency does

The purpose and aims of The Reading Agency are for the greater public good, i.e. the charity produces creative reading and writing experiences for all public audiences and works with delivery partners to drive up participation in reading and literature. The charity further supports reader development for the public through helping national and community organisations develop their skills and benefit from increased partnership working.

READ – THE READING AGENCY

REPORT OF THE TRUSTEES: FINANCIAL REVIEW FOR THE YEAR ENDED 31 MARCH 2011

Financial review and strategy

Income for the year was £1,977,703 (2010 £2,208,760) 54% of income was generated through the creation and sale to libraries of materials designed to promote reading (2010 49%), while a further 29% came from grants from other organisations (2010 39%) The balance of 17% (2010 12%) was generated from other partnerships and fees

The Reading Agency is designated as being regularly funded by Arts Council England which contributed £236,536 towards core funds (2010 £230,317) Arts Council England has confirmed it will grant £219,114 for the year ended March 2012 Core funding from the Museums Libraries and Archives Council of £158,000 has also been received (2010 160,500) Since the end of the period this grant has been confirmed as £130,000 for the year ended March 2012, and will be consolidated into the Arts Council England grant as responsibilities for libraries and museums are transferred In March 2011 Arts Council England confirmed our successful application to become a National Portfolio Organisation for the period 2012/13 to 2014/15 Consolidated core funding for 2012/13 is expected to be at an enhanced level of £445,000

Total expenditure amounted to £2,074,294 (2010 £2,380,602) The net outgoing resources of £96,591 (2010 £171,842) have been taken from reserves

The Reading Agency has an agreed four year business plan covering the period 2011/12 to 2014/15 (and incorporates the agreed National Portfolio Organisation submission to Arts Council England), which outlines the charity's plans to maintain existing and develop new programmes for promoting reading, literacy and engagement The accompanying fundraising strategy aims to ensure a fully diversified income stream to best meet the growth identified in the business plan, whilst aiming to achieve the objective of broadly maintaining unrestricted reserves at their 31 March 2011 level (see below)

Reserves Policy

It is the charity's policy to maintain unrestricted funds, comprising general reserves and designated funds, at a sufficient level to maintain a positive cash balance at all times and to ensure the prudent day-to-day financial management of the charity

It is also the charity's policy to regularly review the funds set aside as designated funds and general contingencies and to ensure that strategies are in place to enable such funds to be able to meet their purpose on an ongoing basis This is carried out as an integral part of the charity's risk management process

At 31 March 2011 total unrestricted reserves amounted to £285,725 (2010 £282,867), in line with the charity's policy Of these, £150,000 has been designated to cover the cost of dealing with unforeseen fluctuations in income

Trustees' responsibilities in relation to the financial statements

The Trustees (who are also directors of The Reading Agency for the purposes 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period In preparing these financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any 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 business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the

READ – THE READING AGENCY

REPORT OF THE TRUSTEES: FINANCIAL REVIEW FOR THE YEAR ENDED 31 MARCH 2011

charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure to auditors

So far as each of the Trustees is aware, there is no relevant information that has not been disclosed to the company's auditors and each of the Trustees believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the company's auditors have been made aware of the information.

Members of the Management Committee

Members of the Management Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

Auditors

CW Fellowes have expressed their willingness to remain in office as auditors of the company.

Approved by the Trustees and signed on their behalf by



Liz Cleaver
Chair

Date 29 November 2011

READ - THE READING AGENCY
REPORT OF THE AUDITORS TO THE MEMBERS OF
READ - THE READING AGENCY
YEAR ENDED 31 MARCH 2011

We have audited the financial statements of Read - The Reading Agency for the year ended 31 March 2011 which comprise of the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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. Our audit work has been undertaken so that we might state to the charitable company's members 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 and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

give a true and fair view of the state of the charitable company's affairs as at 31 March 2011, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,

have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities), and

have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

READ - THE READING AGENCY
REPORT OF THE AUDITORS TO THE MEMBERS OF
READ - THE READING AGENCY
YEAR ENDED 31 MARCH 2011

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

adequate 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 exemption in preparing the Trustees' Annual Report

CW Fellowes Limited

Bruce Elkins FCA
Senior Statutory Auditor

for and on behalf of
CW Fellowes Limited, Statutory Auditors

Chartered Accountants and Statutory Auditors
Templars House
Lulworth Close
Chandlers Ford
Hampshire
SO53 3TL

Date

7th December 2011

READ - THE READING AGENCY
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 MARCH 2011

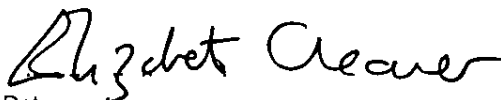
		Unrestricted Funds General £	Unrestricted Funds Designated £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Incoming Resources						
Incoming resources from generated funds						
Voluntary income	4	236,536	-	-	236,536	230,317
Investment Income		598	-	-	598	781
Incoming resources from charitable activities	3&4	1,403,340	-	337,229	1,740,569	1,977,662
Total Incoming Resources		1,640,474	-	337,229	1,977,703	2,208,760
Resources Expended						
Costs of generating funds						
Costs of generating voluntary income		58,946	-	-	58,946	59,964
Charitable activities		1,562,979	-	436,678	1,999,657	2,288,389
Governance costs		15,691	-	-	15,691	32,249
Total Resources Expended	5	1,637,616	-	436,678	2,074,294	2,380,602
Net Incoming/(Outgoing) Resources		2,858	-	(99,449)	(96,591)	(171,842)
Transfers between funds		-	-	-	-	-
Net Incoming/(Outgoing) Resources after Transfers		2,858	-	(99,449)	(96,591)	(171,842)
Funds brought forward at 1 April 2010		132,867	150,000	120,557	403,424	575,266
Funds Carried Forward at 31 March 2011		135,725	150,000	21,108	306,833	403,424

READ - THE READING AGENCY
BALANCE SHEET
AS AT 31 MARCH 2011

		31 March 2011 £	31 March 2010 £
Fixed Assets			
Computer equipment	9	4,084	10,433
Current Assets			
Debtors	10	338,645	570,369
Cash at bank and in hand		<u>538,558</u>	<u>439,390</u>
		877,203	1,009,759
Current Liabilities			
Amounts falling due within one year	11	<u>574,454</u>	<u>616,768</u>
		(574,454)	(616,768)
Net Current Assets		302,749	392,991
Net Assets		<u><u>306,833</u></u>	<u><u>403,424</u></u>
Funds			
Restricted funds	14	21,108	120,557
Designated funds	15	150,000	150,000
Unrestricted funds	15	<u>135,725</u>	<u>132,867</u>
		<u><u>306,833</u></u>	<u><u>403,424</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements on pages 11 to 23 were approved by, and signed on behalf of the board of Trustees on


Date

29/11/2011
Trustee L. CLEAVER

Company number 3904882

READ - THE READING AGENCY
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2011

1 Accounting Policies

The financial statements have been prepared under the historic cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and follow the recommendations in 'Accounting and reporting by charities Statement of Recommended Practice' issued in March 2005

Fund Accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds. Included within unrestricted funds are designated funds which the Trustees have set aside for future specific purposes or projects.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Incoming Resources

Income, including grants, is recognised in full in the Statement of Financial Activities in the year which it is received. Incoming resources are allocated to the particular activity by staff value.

Resources Expended

Resources expended are recognised in the period in which they are incurred. Resources expended exclude attributable VAT where it is recovered. Where VAT is irrecoverable it is included in the resources expended as part of the activity costs. Resources expended are allocated to the particular activity where the cost relates directly to that activity. Management charges comprise the cost of the overall direction and administration on each activity, including salary and overhead costs of the central function apportioned on the basis of usage.

Investment Income

Investment income consists of bank interest.

Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life as follows:

Computer and office equipment - 33% straight line

Equipment purchased for restricted fund projects is written off to the project in the year of purchase.

Pensions

The company makes contributions to defined contribution schemes. Contributions are charged to the profit and loss account as they become payable.

Operating Leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Continued on next page

READ - THE READING AGENCY
NOTES TO THE ACCOUNTS *continued*
YEAR ENDED 31 MARCH 2011

1 Accounting Policies continued

Liabilities

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to expenditure

Deferred Income

Income is deferred where the charity is not yet entitled to the use of the resources. When the pre-conditions for use are met then the income is recognised

2 Net Outgoing Resources

	2011 £	2010 £
Net outgoing resources are stated after charging		
Depreciation	6,610	17,648
Auditors' remuneration (audit only)	6,832	4,500
Auditors' remuneration (non audit)	1,275	2,350

3 Incoming Resources from Charitable Activities

	Unrestricted £	Restricted £	Total 2011 £	Total 2010 £
Sales, Sponsorship, Services & Fees				
Reading programmes	1,117,710	-	1,117,710	1,071,654
Partnerships	237,940	-	237,940	140,568
Library strategy	22,160	-	22,160	115,956
Research & new thinking	25,530	-	25,530	15,851
Total	1,403,340	-	1,403,340	1,344,029
Grants				
Reading programmes	-	238,411	238,411	55,000
Partnerships	-	3,000	3,000	-
Library strategy	-	79,763	79,763	563,133
Research & new thinking	-	16,055	16,055	15,500
Total	-	337,229	337,229	633,633
Total Incoming Resources from Charitable Activities				
Reading programmes	1,117,710	238,411	1,356,121	1,126,654
Partnerships	237,940	3,000	240,940	140,568
Library strategy	22,160	79,763	101,923	679,089
Research & new thinking	25,530	16,055	41,585	31,351
Total	1,403,340	337,229	1,740,569	1,977,662

READ - THE READING AGENCY
NOTES TO THE ACCOUNTS *continued*
YEAR ENDED 31 MARCH 2011

4 Grants Received

	Unrestricted Fund £	Restricted Fund £	Total 2011 £	Total 2010 £
Arts Council England	236,536	-	236,536	230,317
ACE (Arts Nation)	-	4,000	4,000	-
ACE (Grants for the Arts)	-	1,600	1,600	-
ASCEL	-	1,500	1,500	-
Big Lottery	-	(2,394)	(2,394)	240,670
BIS/NIACE - Vital Link	-	63,000	63,000	82,800
CCE/Creative Partnerships	-	5,000	5,000	44,600
Esme Fairbairn Foundation	-	48,000	48,000	-
John Laing	-	-	-	20,000
Museums Libraries and Archives Council	-	158,000	158,000	160,500
Museums Libraries and Archives Council - Festival of Learning	-	-	-	49,526
National Youth Agency - Out of the Box	-	6,000	6,000	5,100
Regional Library Authorities for FIP	-	4,538	4,538	15,437
Society of Chief Librarians	-	-	-	5,000
TUC	-	8,925	8,925	-
Unionlearn	-	9,060	9,060	-
vinspire	-	20,000	20,000	-
Welsh Books Council	-	10,000	10,000	10,000
	236,536	337,229	573,765	863,950

READ - THE READING AGENCY
NOTES TO THE ACCOUNTS *continued*
YEAR ENDED 31 MARCH 2011

5 Total Resources Expended

Costs Directly Allocated to Activities	Basis of Allocation	Voluntary Income £	Reading Programmes £	Partnerships £	Library Strategy £	Research & New Thinking £	Governance £	2011 Total £	2010 Total £
Project staff costs	Direct	-	274,432	91,466	101,969	38,826	-	506,693	746,438
Operational costs	Direct	-	929,737	21,981	50,596	1,129	-	1,003,443	1,091,688
Audit, legal and insurance & board	Direct	-	-	-	-	-	10,891	10,891	25,749
Strategic planning and policy development	Time on Activities	-	15,832	2,983	821	524	-	20,161	14,121
Indirect staff costs	Time on activities	20,000	265,094	51,112	12,579	8,778	-	357,562	256,585
Premises	Time on activities	2,000	34,216	6,597	1,624	1,133	2,000	47,570	66,142
IT	Time on activities	1,000	9,977	2,754	1,505	664	500	16,400	24,053
Support operational Provision for bad debts	Time on activities	35,946	46,979	12,967	7,085	3,126	2,300	108,403	126,634
		-	3,172	-	-	-	-	3,172	29,192
Totals		58,946	1,579,439	189,860	176,178	54,180	15,691	2,074,294	2,380,602
Year to 31 March 2010		59,964	1,209,547	235,116	789,240	54,486	32,249	2,380,602	

READ - THE READING AGENCY
NOTES TO THE ACCOUNTS *continued*
YEAR TO 31 MARCH 2011

6 Costs by Fund

	Unrestricted General £	Designated £	Restricted £	Total 2011 £	Total 2010 £
Project Costs					
Voluntary Income Generation	-	-	-	-	-
Reading Programmes	809,453	-	120,284	929,737	803,418
Partnerships	50,596	-	-	50,596	32,812
Library Strategy	9,876	-	12,105	21,981	252,903
Research & New Thinking	764	-	365	1,129	2,555
Governance	-	-	-	-	-
Project Costs	870,689	-	132,754	1,003,443	1,091,688
Staff Costs					
Voluntary Income Generation	-	-	-	-	-
Reading Programmes	148,502	-	125,930	274,432	235,772
Partnerships	92,558	-	9,411	101,969	126,995
Library Strategy	10,627	-	80,839	91,466	352,434
Research & New Thinking	27,196	-	11,630	38,826	31,237
Governance	-	-	-	-	-
Total Staff Costs	278,883	-	227,810	506,693	746,438
Support Costs					
Voluntary Income Generation	58,946	-	-	58,946	59,964
Reading Programmes	337,718	-	37,552	375,270	170,357
Partnerships	34,866	-	2,429	37,295	75,309
Library Strategy	30,658	-	32,073	62,731	183,903
Research & New Thinking	10,165	-	4,060	14,225	20,694
Governance	15,691	-	-	15,691	32,249
Total Indirect Costs	488,044	-	76,114	564,158	542,476
Total Costs					
Voluntary Income Generation	58,946	-	-	58,946	59,964
Reading Programmes	1,295,673	-	283,766	1,579,439	1,209,547
Partnerships	178,020	-	11,840	189,860	235,116
Library Strategy	51,161	-	125,017	176,178	789,240
Research & New Thinking	38,125	-	16,055	54,180	54,486
Governance	15,691	-	-	15,691	32,249
Total Direct & Indirect costs	1,637,616	-	436,678	2,074,294	2,380,602
Voluntary Income Generation	58,946	-	-	58,946	59,964
Charitable Activities	1,562,979	-	436,678	1,999,657	2,288,389
Governance	15,691	-	-	15,691	32,249
Total Costs	1,637,616	-	436,678	2,074,294	2,380,602

READ - THE READING AGENCY
NOTES TO THE ACCOUNTS *continued*
YEAR ENDED 31 MARCH 2011

7 Staff Costs and Numbers

The charity employed 17 (2010 18) full time equivalent staff members on average during the period

	2011	2010
	£	£
Staff salaries	613,260	644,016
Other staff costs	173,904	323,435
Social security costs	62,469	65,150
Pension costs	12,257	13,625
	<u>861,890</u>	<u>1,046,226</u>

One staff member (2010 one) received remuneration in excess of £60,000 Their remuneration fell within the £60,000 - £69,999 band (2010 £60,000 - £69,999) The staff member received pension contributions of £3,246

The company operates a stakeholder pension scheme (through the Independent Theatre Council) in which participation is voluntary The company contributes 5% of salary Contributions totalling £1,474 (2010 £2,160) were payable to the scheme at the end of the period and are included in creditors

8 Trustees' Expenses Payments

During the year trustees' travel expenses were re-imbursed, amounting to £1,967 (2010 £1,224)

Read - The Reading Agency is operated on a trustee basis All members of the Board of Trustees act in an unpaid capacity

The cost of indemnity insurance to the charity during the year was £1,390 (2010 £1,297)

READ - THE READING AGENCY
NOTES TO THE ACCOUNTS *continued*
YEAR TO 31 MARCH 2011

9 Fixed Assets

	Computer and Office Equipment £
Cost	
At 1 April 2010	72,671
Additions	261
Disposals	-
At 31 March 2011	<u>72,932</u>
Depreciation	
At 1 April 2010	62,238
Charge for the period	6,610
Eliminated on disposals	-
At 31 March 2011	<u>68,848</u>
Net book value at 31 March 2011	<u><u>4,084</u></u>
Net book value at 31 March 2010	<u><u>10,433</u></u>

10 Debtors

	2011 £	2010 £
Trade debtors	195,248	460,019
Prepayments and accrued income	139,797	106,250
Other debtors	3,600	4,100
	<u>338,645</u>	<u>570,369</u>

11 Creditors - amounts falling due within one year

	2011 £	2010 £
Trade creditors	83,919	112,524
Accruals	32,959	17,750
Taxation and social security	56,422	84,559
Deferred income	399,680	399,775
Other creditors	1,474	2,160
	<u>574,454</u>	<u>616,768</u>

Other creditors comprise outstanding pension contributions

READ - THE READING AGENCY
NOTES TO THE ACCOUNTS *continued*
YEAR ENDED 31ST MARCH 2011

12 Movements in Deferred Income

	2011 £
Deferred income brought forward at 1 April 2010	399,775
Expended during the year	(399,775)
Deferred income received during the year	399,680
Deferred income carried forward at 31 March 2011	<u>399,680</u>

£258 165 of the above carried forward deferred income relates to the 2011 Summer Reading Challenge
The remaining deferred income carried forward relates to income for projects taking place in the next period where the charity is not yet entitled to the use of the resources

13 Share Capital

Read - The Reading Agency is a company limited by guarantee and does not have share capital

14 Restricted Funds

		Balance 31 March 2010 £	Movement in Resources	Incoming £	Transfers £	(Outgoing) £	Balance 31 March 2011 £
ACE	Creative Reading Manifesto	8,840		-	-	(8,840)	-
ACE (Arts Nation)	Arts Nation	-		4,000	-	(4,000)	-
ACE (Grants for the Arts)	MyVoice	-		1,600	-	(1,600)	-
ASCEL	Six Book Challenge	-		1,500	-	(1,500)	-
Big Lottery	HeadSpace	52,370		(2,394)	-	(49,976)	-
BIS/NIACE	Vital Link	-		63,000	-	(63,000)	-
CCE	CCE MyVoice (Prevent)	-		5,000	-	(5,000)	-
Esmée Fairbairn Foundation	Entry-level readers	-		48,000	-	(40,000)	8,000
Hamlyn	Big Book Share	12,293		-	-	(985)	11,308
Hamlyn	Hamlyn Partners for Change	15,673		-	-	(15,673)	-
John Laing	Volunteering	12,028		-	-	(12,028)	-
MLA	Museums Libraries and Archives Council	-		158,000	-	(158,000)	-
NYA	Out of the Box	-		6,000	-	(6,000)	-
RC	FiP Regional pilot contributions	19,353		4,538	-	(22,091)	1,800
TUC	Six Book Challenge in the Workplace	-		8,925	-	(8,925)	-
Unionlearn	Six Book Challenge	-		9,060	-	(9,060)	-
vinspire	Volunteering	-		20,000	-	(20,000)	-
WACE	SRF Welsh language translation	-		10,000	-	(10,000)	-
		<u>120,557</u>		<u>337,229</u>	<u>-</u>	<u>(436,678)</u>	<u>21,108</u>

READ - THE READING AGENCY
NOTES TO THE ACCOUNTS *continued*
YEAR ENDED 31ST MARCH 2011

14 Restricted Funds continued

Arts Council England Creative Reading Manifesto

This funding supported work developing partnerships between creative industries and the library service

Arts Nation (ACE)

This grant supported the testing of new approaches to attracting new audiences for the arts and libraries by programming lively, unusual, multi-author themed events

Grants for the Arts (ACE)

The first instalment of this funding has been received prior to the year end for our big new MyVoice project which starts from 1st April 2011. This project will involve young people in setting up and running cultural events and being involved in diverse creative activities run in and through libraries. A small amount of the funding has been used this year in preparatory activities such as staff recruitment. The remainder has been deferred until next year. Major funding for this project has also been secured from the Big Lottery Fund, the Rayne Foundation and the Dulverton Trust.

ASCEL

This funding enabled us to work with five library services who piloted the use of the Six Book Challenge alongside the Summer Reading Challenge in the summer of 2010. A short report on their achievements and the impact of this activity on participants and practitioners has been used to encourage more library services to run the two schemes in parallel in 2011.

Big Lottery Headspace

The Big Lottery funded the development of twenty Headspace - sites designed for and run by teenagers - in libraries and other venues (cafes and community centres) around the country, the development of a network of young people active with their local libraries and connected with one another via the internet. This project, along with MLA funded Fulfilling Their Potential, allowed the Reading Agency to develop an effective model of engagement with young people.

The final deadline for the end of this project was extended from March 31st 2010 to July 31st 2010.

Business, Innovation & Skills Department - Vital Link

BIS funding, which we received via the National Institute for Adult Continuing Education, supported work with adult learners - the development of resources to support professionals using Quick Reads titles, setting up and maintaining an online community for adult learner reading groups and development of resources for adult learners.

Communities & Local Government Department via Creativity, Culture & Education - My Voice

This was a mentoring project, under the Prevent umbrella, where young people were mentored by professional writers and librarians to write about and discuss issues of contemporary society.

The methodology developed in this pilot has been incorporated into our ongoing young people's engagement programmes.

Esmée Fairbairn Foundation

This grant enabled us to set up a project to kickstart new thinking about policy and practice in engaging and supporting adults at the lowest literacy level in reading for pleasure. During 2010-11 we worked with partners in Essex, Warrington and at HMP Birmingham and with evaluators from the National Research and Development Centre for Adult Literacy and Numeracy (NRDC). The remainder of the funding will support report writing and dissemination to be completed by autumn 2011.

READ - THE READING AGENCY
NOTES TO THE ACCOUNTS *continued*
YEAR ENDED 31 MARCH 2011

14 Restricted Funds continued

Hamlyn Big Book Share

The funding carried forward from the Big Book Share project working with prison library services will be used to support fundraising efforts to continue working in this field

Hamlyn Partners for Change

The funding for the Partners for Change scheme has been moved, with agreement, to support the Fulfilling Their Potential programme in the South West (See below)

John Laing/ vinspired

In 2009-10 we received partnership funding from John Laing to support young people volunteering with the Summer Reading Challenge in libraries through vinspired

The John Laing funding was matched by vinspired this year, when most of the activity took place. Workshops were carried out for young volunteers in libraries who then supported the Summer Reading Challenge over the school summer holidays

Museums, Libraries and Archives Council

MLA funding supports work improving the library service

- with adult learners - developing the Six Book Challenge network and the Adult Board partnerships,
- with young people through the Youth Library Board,
- with adults through reading groups work,
- developing partnerships with creative industries,
- advocacy on behalf of libraries with national and local government

National Youth Agency - Out of the Box

This funding covered a book gifting scheme in partnership with the National Youth Agency to develop reading groups in youth centres

Regional Contributions to FtP Pilot Work

The Hamlyn Partners for Change funding covers the FtP scheme in the South West. The others are in Yorkshire and Humberside and the North West

These pilots are developing ways of engaging with young citizens for them to play a much bigger role in shaping local library services

This work tied in with the Big Lottery funded Headspace work and the CCE-funded MyVoice project. Together they presented a powerful programme for youth engagement which has contributed towards our new My Voice project which starts from 1st April 2011

Trades Union Congress/Unionlearn

This funding enabled us to produce an advocacy booklet to promote reading for pleasure and links with libraries in workplaces across the country as part of the informal adult learning agenda

Welsh Arts Council

This annual grant contributes towards the cost of producing bilingual materials for the Summer Reading Challenge to run in Wales

READ - THE READING AGENCY
NOTES TO THE ACCOUNTS *continued*
YEAR ENDED 31 MARCH 2011

15 Unrestricted Funds	Balance 1 April 2010 £	Transfers In/(Out) £	Movement in Resources Incoming £	Resources (Outgoing) £	Balance 31 March 2011 £
Unrestricted	132,867	-	2,858	-	135,725
Contingency fund	150,000	-	-	-	150,000
	282,867	-	2,858	-	285,725

Designated - Contingency Fund

This fund was designated to cover the cost of dealing with unforeseen fluctuations in income

16 Assets and Liabilities Representing Funds	Fixed Assets £	Net Current Assets £	Total £
Restricted funds	-	21,108	21,108
Unrestricted funds	4,084	131,641	135,725
Designated funds	-	150,000	150,000
Total	4,084	302,749	306,833

17 Related Parties

Nicky Parker, a trustee of the charity, is also the chair of the FtP North West consortium. During the year the charity received £nil (2010 £nil) from the FtP North West regional authorities.

18 Control

The ultimate controlling parties are the trustees listed in the Trustees' Report on page 1.