

**WELL WORTH READING
A COMPANY LIMITED BY GUARANTEE
DIRECTORS' REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2002**

Charity Number 1085443

Company Number: 3904882
(England and Wales)



WELL WORTH READING

COMPANY INFORMATION

YEAR ENDED 31 MARCH 2002

| | | |
|------------------------------------|---|---|
| Charity name | Well Worth Reading | |
| Legal status | Company limited by guarantee | |
| Charity registration number | 1085443 | |
| Company number | 3904882 (England and Wales) | |
| Registered Office | Kings Worthy Court Kings Worthy Winchester Hampshire SO23 7PA | |
| Accountants | C W Fellowes Ltd Templars House Lulworth Close Chandlers Ford Hampshire SO53 3TL | |
| Bankers: | Lloyds TSB High Street Winchester SO23 9DA | |
| Solicitors: | Bates, Wells and Braithwaite Cheapside House 138 Cheapside London EC2V 6BB | |
| Trustees / Directors | S I Houghton E Warnes H J Wilson-Fletcher M Molloy E Attenborough | C Johnson N McClelland N Jones R Osmond V Griffiths |
| Company Secretary: | Martin Wright | |

WELL WORTH READING
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2002

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WELL WORTH READING

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2002

Objectives and policies

The company's objectives are to advance the education of the public by the encouragement of reading and the promotion of literacy skills.

Review of the financial period

The Directors are pleased to report that the company has fulfilled its objectives during the period within the financial resources made available to them and this has been agreed in the Charity's Annual Report.

Future developments

In July 2002, Well Worth Reading merged with 'Launch pad for Libraries' and 'The Reading Partnership' to form the 'Reading Agency for Libraries'. This charity will continue the aims, objectives and charity registration of Well Worth Reading.

Directors and their interests

The Directors who served during the period are listed below along with the changes made in July 2002. All directors have a guarantee not exceeding £1.

| | |
|----------------------|-------------------------------------|
| S. I. Houghton | |
| E Warnes | |
| L.R. Love | resigned July 8 th 2002 |
| J Strong | resigned July 8 th 2002 |
| H. J Wilson-Fletcher | |
| R Harrison | resigned July 8 th 2002 |
| S Dearden | resigned July 8 th 2002 |
| M Molloy | appointed 8 th July 2002 |
| V Griffiths | appointed 8 th July 2002 |
| E Attenborough | appointed 8 th July 2002 |
| C Johnson | appointed 8 th July 2002 |
| N McClelland | appointed 8 th July 2002 |
| N Jones | appointed 8 th July 2002 |
| R Osmond | appointed 8 th July 2002 |

This report has been prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the Directors on... 27 January 2003



E Warnes
Director

WELL WORTH READING
TRUSTEES REPORT
YEAR ENDED 31 MARCH 2002

The trustees (who are also the directors of the limited company) are pleased to present their report together with the financial statements of the charity for the period ended 31st March 2002.

The legal and administrative information forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities.

Objectives of the charity

The objectives of the charity are to promote and develop reading among all sectors of the community in support of education and lifelong learning and to improve the quality of individual and community life. In the period to 31st March 2002, Well Worth Reading achieved its objectives by providing a range of resources and developmental projects for professionals in public libraries, the education and youth sectors involved in supporting readers.

WWR produces two adult promotions and one teenage promotion annually (Vital Link and Youthbox), together with supporting resources offering practical guidance on how to use them and training for staff in the relevant fields.

The promotions are developed in partnership with library staff between January and October each year. They are marketed and sold between October and February annually to the public library sector, schools, youth agencies and other organisations working with literacy, life long learning and reader development. WWR prints to order giving customers the option to purchase in either March or April depending on which financial year they wish to pay. As a result these accounts show the remainder of the sales cycle for 2001 and the majority of the sales cycle for 2002 (i.e. those customers invoiced in March 2002).

WWR also runs developmental projects exploring how to reach “hard to reach” groups with inspiration and support for reading.

Partnerships/related parties

WWR’s philosophy is to work in partnership with a range of agencies and organisations who share their objectives. WWR has sustained relationships with the arts funding sector becoming a revenue client of Southern Arts in 2000; receiving £14,000 in 2000, and £14,170 in 2001, and £23,808 in 2002. WWR also received Breakthrough and New Audiences funding from the Arts Council of England for work with teenage reading and continued a valued relationship with West Sussex County Council and Hampshire County Council.

During this period work continued in partnership with the National Youth Authority on Youthbox – a programme to reach socially excluded young people through partnerships between libraries and youth workers. A bid to DCMS Wolfson Reader Development Fund was developed and was successful. This project involved working in four local authority areas.

A new area of work was developed in partnership with the National Literary Trust. The Vital Link is a programme to build support for adults trying to improve their basic literacy skills, working through library partnerships with basic skills providers. Another successful bid was made for funding and the project involved working in nine local authorities.

Restricted Fund

WWR received project funding from the Wolfson Foundation for the Vital Link project with emerging readers. Some of this funding was received in advance of the period when the expenditure will be incurred and has been treated, in accordance with the Statement of Recommended Practice 2000, as incoming resources in 2001/2002 and consequently a surplus was shown on the Restricted Fund to be carried forward to be used in 2002/2003. The project finished in November 2002 having applied the surplus to expenditure in this period.

Organisation and events after the Balance Sheet date

WWR merged with Launchpad for Libraries and the Reading Partnership, two other library development agencies, in July 2002. The new organisation retained WWR's charity and company registration but changed its name to The Reading Agency for Libraries Limited.

The board of WWR consisted of six trustees and a company secretary. The board of The Reading Agency for Libraries Limited consists of ten trustees and a company secretary. See below for details of resignations and appointments in July 2002.

The Loan Agreement between West Sussex CC, Hampshire CC and WWR makes provision for one trustee to represent the two authorities for the first three years of operation. The board meets quarterly.

WWR did not employ any staff. Elements of the core operation were shared between two freelance consultants contracted by the Board, with the support of a senior consultant for advice on strategy. Other consultants are used for elements of work such as training and WWR buys in services for book-keeping, database management, printing and distribution. The Reading Agency employs one person part-time as Chief Executive and contracts with freelance workers for all other services.

Review of activities and future developments

WWR continued to build on the progress made in previous years sustaining healthy levels of sales for Boox magazine and the promotions in 2002. Training increased threefold.

The Wolfson/DCMS funded project work started in 2001/2 but was mostly undertaken in 2002/3.

Throughout 2001/2 the structures and organisation were being put in place to allow the merger of the three agencies to happen in July 2002.

Trustees responsibilities

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those 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 accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are reviewing and identifying major risks to the organisation and are establishing systems to mitigate these risks.

Approved by the Trustees on.....27 Jan 2003


Trustee

WELL WORTH READING
ACCOUNTANTS' REPORT
YEAR ENDED 31 MARCH 2002

We report on the accounts for the year ended 31 March 2002 set out in pages 5 to 10.

Respective responsibilities of trustees and reporting accountants

As described on page 6 the trustees, who are also the directors of Well Worth Reading Limited for the purposes of company law, are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

- a) The accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- b) having regard only to, and of the basis of, the information contained in those accounting records:
 - i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

CW Fellowes limited

CW Fellowes Limited

Date *27th January 2003*

Templars House
Lulworth Close
Chandlers Ford
SO53 3TL

WELL WORTH READING

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2002

| | Note | Unrestricted fund | Restricted fund | Total funds 2002 | Total funds 2001 |
|---|------|----------------------|----------------------|----------------------|----------------------|
| | | £ | £ | £ | £ |
| Incoming resources | | | | | |
| Activities to further the charities objects: | | | | | |
| Grants | 2 | 55,039 | 92,123 | 147,162 | 18,670 |
| Sales | | 91,230 | - | 91,230 | 126,494 |
| Other: | | | | | |
| Investment income | | 85 | - | 85 | 56 |
| Foreign exchange gain | | 1,045 | - | 1,045 | - |
| Transfer from Well Worth Reading (Unincorporated) | | - | - | - | 36,882 |
| Total incoming resources | | <u>147,399</u> | <u>92,123</u> | <u>239,522</u> | <u>182,102</u> |
| Resources expended | | | | | |
| Costs of generating funds: | | | | | |
| Marketing | | 2,776 | - | 2,776 | 2,527 |
| Charitable expenditure: | | | | | |
| Staff costs | | 16,396 | 8,132 | 24,528 | - |
| Purchases | | 72,258 | 14,830 | 87,088 | 68,666 |
| Management & administration | 3 | 53,677 | 10,824 | 64,501 | 80,397 |
| Total resources expended | | <u>145,107</u> | <u>33,786</u> | <u>178,893</u> | <u>151,590</u> |
| Net incoming resources for the year | | 2,292 | 58,337 | 60,629 | 30,512 |
| Total funds transferred from Well Worth Reading (unincorporated) | | - | - | - | 36,939 |
| Transfer to profit and loss account | | - | - | - | (36,882) |
| Net incoming resources | | 2,292 | 58,337 | 60,629 | 30,569 |
| Total funds at 1 April 2001 | | 30,569 | - | 30,569 | - |
| Balances carried forward at 31 March 2002 | | <u>32,861</u> | <u>58,337</u> | <u>91,198</u> | <u>30,569</u> |

WELL WORTH READING

BALANCE SHEET

AS AT 31 MARCH 2002

| | Note | 2002 £ | 2001 £ |
|---|------|---------------|---------------|
| Current assets | | | |
| Cash at bank and in hand | | 76,626 | 33,691 |
| Debtors | 5 | <u>95,912</u> | <u>51,666</u> |
| | | 172,538 | 85,357 |
| Current liabilities | | | |
| Creditors falling due within one year | 6 | <u>62,397</u> | <u>35,197</u> |
| | | (62,397) | (35,197) |
| Net current assets | | 110,141 | 50,160 |
| Creditors falling due after one year | 7 | (18,943) | (19,591) |
| Net assets | | <u>91,198</u> | <u>30,569</u> |
| Funds | | | |
| Restricted funds | 9 | 58,337 | 30,569 |
| Unrestricted funds | 10 | <u>32,861</u> | - |
| | | <u>91,198</u> | <u>30,569</u> |

For the financial period ended 31 March 2002, the company was entitled to exemption from audit under section 249A(1) of the Companies Act 1985.

No notice has been deposited under Section 249B(2) of the Companies Act 1985.


The Trustees acknowledge their responsibilities for:

ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985,

and for preparing financial statements which give a true and fair view of the state of the affairs of the company as at the end of the financial period and of its results for the financial period in accordance with the requirements of Section 226 of the companies Act 1985 and which otherwise comply with the requirements of this Act relating to financial statements, so far as is applicable to this company.

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements on pages 5 to 10 were approved by, and signed on behalf of the board of trustees on 27 Jan 2003



E Warnes
Trustee

WELL WORTH READING
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2002

1 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), the Companies Act 1985 and follow the recommendations in '*Accounting and reporting by charities: Statement of Recommended Practice*' issued in October 2000.

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.

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

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year which they are receivable.

Resources Expended

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which is recovered. Resources expended are allocated to the particular activity where the cost relates directly to that activity. Management charges comprise of the cost of overall direction and administration on each activity, including salary and overhead costs of the central function that are apportioned by deemed usage.

Investment Income

Investment income consists of bank interest.

WELL WORTH READING
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2002

2 Incoming resources to further the charity's objects

| Grants | Unrestricted Fund £ | Restricted Fund | Total 2002 £ | Total 2001 £ |
|------------------|------------------------------------|----------------------------|-----------------------------|-----------------------------|
| Southern Arts | 23,808 | - | 23,808 | 14,170 |
| Arts Council | 5,000 | - | 5,000 | - |
| ACE Breakthrough | 20,000 | - | 20,000 | - |
| Wolfson | - | 92,123 | 92,123 | - |
| Sponsorship | 4,500 | - | 4,500 | 4,500 |
| Donations | 1,731 | - | 1,731 | - |
| | <u>55,039</u> | <u>92,123</u> | <u>147,162</u> | <u>18,670</u> |

3 Resources expended

| Management and administration of the charity | Unrestricted Fund £ | Restricted Fund £ | Total 2002 £ | Total 2001 £ |
|---|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Staff costs | 32,084 | 9,493 | 41,577 | 49,830 |
| Consultancy costs | 9,703 | - | 9,703 | - |
| Legal and professional fees | 4,243 | - | 4,243 | 17,788 |
| Other | 7,647 | 1,331 | 8,978 | 12,780 |
| | - | - | - | - |
| | <u>53,677</u> | <u>10,824</u> | <u>64,501</u> | <u>80,397</u> |

4 Staff costs

| | 2002 £ | 2001 £ |
|--|-------------------|-------------------|
| Direct charitable expenditure | 24,528 | - |
| Fund raising and publicity | - | - |
| Management and administration of the charity | 41,577 | 49,830 |
| | <u>66,105</u> | <u>49,830</u> |

Well Worth Reading is operated on a trustee basis. All members of the Board of Directors act in an unpaid capacity. Included in Staff costs are freelancers and their expenses which are used on a subcontracted basis. An estimated average of full time equivalent employees is 1.

No persons received emoluments of more than £50,000 during the year

WELL WORTH READING
NOTES TO THE ACCOUNTS
YEAR ENDED 31 MARCH 2002

Staff costs continued

Trustees' remuneration and expense payments:

During the year no amounts were remunerated directly or indirectly out of the funds of the charity to any trustee or to any person or persons known to be connected with them.

| 5 Debtors - Amounts falling due within one year | 2002 | 2001 |
|--|---------------|---------------|
| | £ | £ |
| Trade Debtors | 87,062 | 51,566 |
| Prepayments and accrued income | 8,850 | 100 |
| | <u>95,912</u> | <u>51,666</u> |

| 6 Creditors - Amounts falling due within one year | 2002 | 2001 |
|--|---------------|---------------|
| | £ | £ |
| Trade Creditors | 41,232 | 5,701 |
| Accruals | 17,294 | 12,484 |
| Other creditors | 83 | 2,030 |
| Loans and overdrafts | 3,788 | 3,674 |
| Deferred Income | - | 11,308 |
| | <u>62,397</u> | <u>35,197</u> |

Amounts included in 'Other creditors' are wholly in respect of taxation and social security.

| 7 Creditors - Amounts falling due after one year | 2002 | 2001 |
|---|---------------|---------------|
| | £ | £ |
| WSSC and HCC loan | <u>18,943</u> | <u>19,591</u> |

The above loans are interest free and are from West Sussex County Council and Hampshire County Council for the production of materials under the title "Well Worth Reading". They are repayable over seven years in the form of goods delivered to the lenders charged at 90% of normal sales value.

8 Share Capital

Well Worth Reading is a company limited by guarantee and does not have a share capital.

WELL WORTH READING

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2002

9 Restricted funds

| | Balance 1 April 2001 £ | Transfers in/ (out) £ | <u>Movement in resources</u> Incoming Outgoing £ £ | | Balance 31 March 2002 £ |
|------------|---------------------------------|-----------------------------|--|----------|----------------------------------|
| Vital Link | - | - | 92,123 | (33,786) | 58,337 |
| | - | - | 92,123 | (33,786) | 58,337 |

The Vital Link is a programme, developed in co-operation with the National Literacy Trust, to build support for adults trying to improve their basic literacy skills, working through library partnerships with basic skills providers. The project involved working in nine local authorities.

Funding for the project was received, in advance of the period of expenditure, from DCMS/Wolfson. The restricted fund surplus was carried forward and applied to project work in the period to November 2002.

10 Unrestricted funds

| | Balance 1 April 2001 £ | Transfers in/ (out) £ | <u>Movement in resources</u> Incoming Outgoing £ £ | | Balance 31 March 2002 £ |
|-----------------------|---------------------------------|-----------------------------|--|-----------|----------------------------------|
| Well Worth Reading | 30,569 | - | 147,399 | (145,107) | 32,861 |
| | 30,569 | - | 147,399 | (145,107) | 32,861 |

11 Transfers between funds

There were no transfers between funds during the year.

12 Control

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