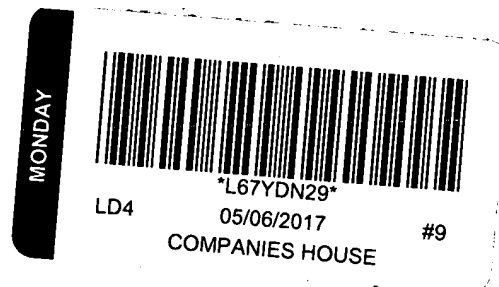


**SHANNON TRUST**  
(Company limited by guarantee no. 5906258  
registered charity no. 1117249)

**TRUSTEES' ANNUAL REPORT  
AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2016**



**SHANNON TRUST**

(Company limited by guarantee no. 5906258, registered charity no. 1117249)

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**REPORT AND FINANCIAL STATEMENTS**

For the year ended 31 December 2016

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**CONTENTS**

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	Page
Legal and administrative information	1
Trustees' Annual Report	2
Chair's statement	14
Independent examiner's report	15
Statement of financial activities	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19

## SHANNON TRUST

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS

For the year ended 31 December 2016

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<b>Board of Trustees</b>	P Knapton Chair resigned 06.12.16 S M O'Hara Chair J Rowlandson resigned 06.12.16 B Duncan resigned 17.05.16 E Astle R Trent resigned 23.05.16 R Newman H Bowden appointed 25.02.16 B Porter appointed 18.05.16 J Bensted appointed 25.02.16 J-M Garcia-Alvarez Treasurer appointed 31.08.16 E Milburn appointed 14.12.16
<b>Key management personnel</b>	Angela Cairns CEO
<b>Company reg. no.</b>	5906258
<b>Charity reg. no.</b>	1117249
<b>Registered office</b>	The Foundary 17 - 19 Oval Way London SE11 5RR
<b>Independent Examiner</b>	Alison Ward Accountants 28 Hills Road Buckhurst Hill Essex IG9 5RS
<b>Bankers</b>	CAF Bank Ltd 25 Kings Hill Avenue Kent ME19 4JQ  Virgin Money plc 30-31 Haymarket London SW1Y 4EX  Scottish Widows Plc PO Box 12757 Edinburgh EH3 8YJ
<b>Accountants</b>	NfP Accountants Ltd 27 Netherford Road London SW4 6AF

## **SHANNON TRUST**

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### **BOARD OF TRUSTEES' REPORT**

**For the year ended 31 December 2016**

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The Trustees present their annual report and financial statements of the charity for the year ended 31 December 2016.

The reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the charity's governing document, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

#### **Objectives and activities**

##### **Purposes and aims**

The Charity's Objects are specifically restricted to the promotion of:

- the advancement of education;
- the rehabilitation of offenders;
- the relief of financial hardship sickness and distress of inmates or former inmates and their families of prisons, young offenders' institutions, secure units in high security psychiatric or other hospital units and offenders or former offenders subject to non-custodial community orders in the United Kingdom, and literacy schemes and similar educational initiatives.

##### **Our Vision:**

Every prisoner a reader.

##### **Our Mission:**

To transform lives by inspiring prisoners who can read to teach prisoners with poor reading skills, thus providing learners with opportunities to develop life skills that better equip them for the challenges of living as contributing members of society. Shannon Trust will achieve its mission through the following objectives:

- Provision of the Shannon Trust Reading Plan ensuring every non-reading prisoner receives the opportunity to learn to read through the Shannon Trust Reading Plan;
- Training peer mentors to engage, teach and encourage non-reading prisoners;
- Supporting continuity of provision for mentors and learners upon transfer between prisons;
- Providing resources that optimise delivery and raise awareness of the Shannon Trust Reading Plan;
- Signposting community opportunities for prisoners to continue their learning and mentoring post release.

## SHANNON TRUST

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### BOARD OF TRUSTEES' REPORT

For the year ended 31 December 2016

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Shannon Trust is committed to:

- Promoting reading in prisons;
- Engaging with and listening to our volunteers, prisoners, prison staff and ex-offenders to create an inclusive community that informs the work they do;
- Ensuring staff, volunteers, Reading Plan Leads and Mentors are trained and equipped to support Learners;
- Creating a positive environment for staff and recognising their talents and contributions;
- Seeking evidence that validates the work we do and informs future plans to improve delivery;
- Incorporating diversity and equality of opportunity in all we do.

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

The charity's main activities and who it tries to help are described below. All its charitable activities focus on making the vision of every prisoner a reader, a reality and are undertaken to further Shannon Trust's charitable purposes for the public benefit.

#### *Shannon Trust Reading Plan*

Shannon Trust's Reading Plan works across 124 prisons in England, Wales and Northern Ireland. In 2016, its operation was made possible by 1,944 prisoner Mentors who helped 4,263 of their peers to learn to read using Turning Pages. It was supported by a field force of 153 trained volunteers, and prison officers and other staff working in both public and contracted out prisons, and our small staff team and trustees. It has been a positive year, where we've seen growing support for the Reading Plan and its methodology through reviews, academic evaluation and the voices of our Learners and Mentors whose lives are transformed by participation in the Reading Plan.

In a year in which challenges faced by the prison estate have featured heavily in the media, we are pleased to have seen growth in the numbers of people who are unlocking the power of reading with the Shannon Trust Reading Plan and thank all who have been involved in making this possible.

**BOARD OF TRUSTEES' REPORT**

**For the year ended 31 December 2016**

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*The National Reading Network*

The National Reading Network is a unique arrangement with the National Offender Management Service (Now Her Majesty's Prison and Probation Service (HMPPS)), with the objective of embedding the Reading Plan into public prisons across England, Wales and Northern Ireland. The aim of the National Reading Network is to ensure that any prisoner struggling to read can learn with a peer Mentor using the Shannon Trust Reading Plan. It is recommended Learners taking part in the Reading Plan spend 20 minutes, 5 days a week with their Mentor. The Reading Plan is designed to be delivered where the Learner is i.e. in workshops, education, the library, the gym, health care or in their cell. A memorandum of understanding outlines the support for the partnership including 6 hours a week of allocated prison officer time in each establishment and a senior management team member who champions the Reading Plan in their prison. At a national level, the National Reading Network is supported by regular meetings with the HMPPS's Business Development Group. However, this does not detract from Shannon Trust's ethos that the Reading Plan is, by prisoners for prisoners. This remains a cornerstone of our work.

**Contracted out prisons**

Whilst the National Reading Network partnership is about public prisons, it is crucial the network extends to establishments which are contracted out to private providers. Directors of contracted out establishments continue to be supportive of the delivery of the Reading Plan in their prisons, helping us make positive changes for people struggling with reading happen.

**Volunteers**

Volunteers are important to the delivery of the Reading Plan. In 2016, a field force of 153 volunteers supported Reading Plans in prisons across England, Wales in Northern Ireland. They engaged in activities to assist the development of the Reading Plan including training Mentors, offering advice, guidance and support to prison appointed Reading Plan Leads and Senior Managers, meeting monthly with Mentors and Reading Plan Leads to jointly review progress and make plans to extend the reach of the Reading Plan in each prison. Volunteers arrange award ceremonies, liaise with prison governors and deliver presentations to prison staff. Volunteers are clustered into local areas and supported by a volunteer Area Coordinator and Area Secretary. Area Coordinators are supported by 1 of 3 Regional Managers and a national Operations Manager who are part of the national staff team. Area meetings take place 4 times a year for all volunteers and Area Coordinators meet up quarterly.

59 new volunteers were trained in 2016. 100% felt their Induction training met their needs very well or extremely well.

**BOARD OF TRUSTEES' REPORT**

**For the year ended 31 December 2016**

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**Resource development and promotion of the Reading Plan**

It is crucial that the Reading Plan is promoted in a way which attracts people struggling with reading and potential Mentors, and that there is a general awareness of the Reading Plan amongst people working within each prison. Resource development in 2016 looked to address these areas. We worked with the media unit at HMP Rochester to develop a short new film to promote the Reading Plan during prison inductions. This has been well received and benefited from the considerable input from prisoners working in the media unit. We also produced new general posters, posters to promote the outcomes of our annual snapshot survey and branding guidelines for Reading Plans so Mentors can develop local promotional materials. We also commissioned the Prison Radio Association to develop and air a campaign to encourage participation in the Reading Plan. In addition to regular adverts, a series of segments were produced following a Learner through their journey with the Reading Plan and Turning Pages, illustrating the real difference learning to read makes to someone's life and those around them.

A raft of peer-mentoring initiatives is delivered in prisons and we identified them as a way of raising the profile of the Reading Plan and making it easier for people to be encouraged to start to read with a peer. Throughout the National Reading Network, Reading Plan teams identified and shared information with other peer mentor groups in their prisons.

In 2016, we also developed a "Working with" leaflet, letting other professionals and volunteers working in prisons know about the Reading Plan, its life changing benefits to prisoners and how they can refer people who are struggling with reading.

**Partnership in the community**

Whilst the Shannon Trust Reading Plan works solely with those people in custody we recognise there is a need for people to continue their learning on release from prison. Learners who have started learning to read with the Reading Plan can take their copies of Turning Pages manuals with them when returning to the community and request further manuals as they progress. In 2016, we undertook a small pilot with the community based charity Read Easy. A number of their local groups are now equipped to support someone who is leaving prison to continue to do so with Turning Pages.

**2016 snapshot survey**

Learners and Mentors are at the heart of what we do. In February 2016, we conducted a survey of all prisoners involved with the Reading Plan over a 2-week period. This is what they told us;

## SHANNON TRUST

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### BOARD OF TRUSTEES' REPORT

For the year ended 31 December 2016

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#### Learners (662)

Improved their reading skills (9/10)

Encouraged them to go on to more learning (6/10)

Improved their self-confidence (8/10)

Helped them to feel more positive about the future (7/10)

Improved their communication skills (7/10)

Made their life easier in prison (6/10)

#### Mentors (767)

Improved their communication skills (8/10)

Encouraged them to go onto further learning (3/10)

Given them new skills (6/10)

Helped them to understand others better (7/10)

Improved their teamwork skills (4/10)

Been a good use of their time in prison (8/10)

Improved their self-confidence (5/10)

Helped them to feel more positive about the future (4/10)

The survey also shows how involvement in the Reading Plan is often the first step in the learning journey, opening up other learning opportunities. Just under 50% of Learners told us the chance to move onto further learning had not initially been a motivating factor for them to start to learn to read. However, once engaged in the Reading Plan, over half of this group told us they were now encouraged to go onto further learning and training. Training and courses Learners accessed included Basic / Functional Skills courses and Offending Behaviour courses.

**"In a little over 7 weeks I had gone from being a non-reader to being able to read short story books. There are so many new things I want to enjoy when I am home like being able to read a menu in a restaurant to my wife, reading the paper and most of all reading a bedtime story to my grandchildren." Learner**

#### Unlocking Potential: A review of education in prisons

In May 2016, Dame Sally Coates launched Unlocking Potential: A review education in prisons. It endorsed the value of peer mentoring and highlighted the Shannon Trust Reading Plan as an example of good practice.

**"The Shannon Trust Reading Plan provides a successful, alternative way of learning to read for the many prisoners who have had negative experiences of formal education and struggle to engage in a classroom environment. Prisoners who can read teach prisoners who cannot. The approach allows prisoners to progress at their own pace. They gain confidence in themselves as they develop reading skills".**

**BOARD OF TRUSTEES' REPORT**

**For the year ended 31 December 2016**

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**Turning Pages – external evaluation by Birmingham City University**

Turning Pages is Shannon Trust's reading programme specifically developed for adults learning to read. Developed with the expertise of a range of professionals and the crucial input of Mentors of Learners the new resource launched for use in delivering the Reading Plan in all prisons in July 2015. Turning Pages has received a raft of positive feedback from Learners, Mentors, Shannon Trust volunteers and their prison counterparts but it was important to the charity that Turning Pages was independently evaluated. An evaluation of Turning Pages by Birmingham City University (BCU) was commissioned by Shannon Trust and began in October 2015. An encouraging interim report was produced in April 2016, with the final report presented to Shannon Trust late 2016.

The findings from the report fall into 3 key areas:

**1. How effective are the Turning Pages teaching methods in improving reading ability in adults?**

- There was a significant improvement in reading words and non-words from the start to three months and from the start to 6 months. This suggests using Turning Pages helps Learners to develop decoding skills and improves word sight reading.
- Turning Pages improved the reading of all Learners regardless of age, gender, ethnicity, whether or not they had a learning difficulty or dyslexia or spoke English as an additional language.
- The informal, adult focus of Turning Pages was important to Learners and Mentors. Learners saw one-to-one support from Mentors and a chance to work at their own pace as key factors for successful learning.

**2. How important are the delivery methods in prisons, quality of provision and the impact of the one on the other?**

- The number of reading sessions Learners had with their Mentors didn't affect their reading progress. It is still recommended Learners are offered 5 sessions a week; however, Learners may choose to vary the number of sessions without it having a negative effect on their learning.
- What Learners said about their reading ability and their enjoyment of reading correlated to how far they had progressed through the Turning Pages manuals at three- and six-month points. This suggests promotion of enjoyment and confidence in reading is important for Learners taking part in the Reading Plan.
- Prisoner Mentors supporting Learners is central to the success of the programme. Mentors get to know their Learners and between them 'negotiate' the sessions or tailor their approach to suit them.

**3. What are the wider outcomes for Learners and Mentors of involvement with the Shannon Trust Reading Plan?**

Learners reported taking part in the Reading Plan had led to them:

- Reading a wider variety of text such as legal letters.
- Reading to take part in everyday life in prison and for social engagement.
- Re-engaging with learning, building confidence and working towards meaningful goals.

## SHANNON TRUST

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### BOARD OF TRUSTEES' REPORT

For the year ended 31 December 2016

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Phase 2 focus group data suggests that working with Turning Pages provided important chances for Learners and Mentors to exercise some control and choice in the otherwise highly regulated prison environment.

#### Recommendations and next steps

##### BCU recommendation

The Reading Plan should remain in its current form, i.e. one-to-one, informal and prisoner peer mentored, and separate from formal education.

To provide more reading books.

To consider including more on reading comprehension within the reading books.

##### Our response

Agreed, this is at the heart of our ethos and values.

This is planned for 2018. We will talk more with Learners and Mentors about topics and themes.

We will build this into our planning over the next 2 years as we develop additional reading books.

#### For National Offender Management Service

To promote awareness of Turning Pages across all prison staff and prospective Learners.

To embed Turning Pages sessions into the core prison day and ensure sessions are delivered.

As part of a piece of work on a 'Whole Prison Approach' to the Reading Plan, we are talking to prisons about increasing awareness.

We are currently piloting how Turning Pages sessions can take place across the whole prison including workplaces and workshops.

A full copy of the evaluation report can be viewed at [shannontrust.org.uk/report](http://shannontrust.org.uk/report)

#### Supporters and partners

Shannon Trust is extremely grateful for the continued support of a range of grant giving trusts and foundations, individuals and pro-bono assistance from companies including: Big Lottery, Henry Smith Charity, Schroders Foundation, Charles Hayward Foundation, the Esmée Fairbairn Foundation, the Bell Foundation, the Rothchild Foundation, Porticus UK, the Haberdashers' Company, Philip and Marjorie Robinson's Charitable Trust, Bernard Sunley Charitable Foundation, CHK Charities, Dawes Trust, Garfield Weston Foundation, Rayne Foundation, Tuixen Foundation, J&C Findlay Charitable Foundation, The Baronets Trust, QBE Foundation, Woodhaven Trust, Gisella Graham Foundation, AB Charitable Trust, The 29th May 1961 Charitable Trust, the Constance Travis Charitable Trust, The Patricia Routledge Charitable Trust, Book Relief UK, BearingPoint, the Psychosynthesis Education Trust and the Aimar Foundation. In 2016, we also received funding as a result of charity challenges run by prisoners in HMP Erlestoke and HMP Stocken. Our thanks to the prisoners and staff who spearheaded this.

**BOARD OF TRUSTEES' REPORT**

**For the year ended 31 December 2016**

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**Financial review**

*Financial Position*

The Charity achieved net income for the year of £136,609 (2015 - incurred net expenditure of £71,684), details of which are shown in the Statement of Financial Activities on page 16.

Total income for the year amounted to £673,366, an increase of £92,850 on the previous year, and total expenditure amounted to £536,757, a reduction of £115,443 on the previous year. The reduction in expenditure reflects mainly one off investments into Turning Pages during 2015.

*Reserves Policy*

The Trustees keep the level of Reserves under review and consider a projection of the known pattern of income and the proposed level of outgoings for at least twelve months ahead. An Unrestricted Reserves policy based on six months forward running costs has been used as a prime indicator.

At the year end, the charity held restricted funds of £3,535. General reserves amounted to £458,667, which is approximately 9 months' expenditure for the following year. This is higher than the 6 months indicator, however the Trustees have agreed to invest into the development of the Turning Pages Sustainable Income Project, including earmarking £88,000 of unrestricted reserves to the initial development costs of the project. They therefore consider the current reserves position appropriate.

Further, a detailed risk assessment is made of factors that might impact on the assumptions made. As of the end of 2016, the financial forecasts for 2017 as to the financial year ahead was in compliance with these policies.

*Going Concern*

After making appropriate enquiries, the Trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

**Plans for future periods**

In 2016, Shannon Trust set strategic priorities and targets for a 3-year period. Over the next two years, Shannon Trust aims to increase the number of Learners engaged in Reading Plan each year to 5,619 prisoners in 2018. We are confident this can be achieved through partnership working with the Prison Service to deliver the National Reading Network. Our growth targets for the next two years are:

- 2017 - 5,015
- 2018 - 5,619

## SHANNON TRUST

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### BOARD OF TRUSTEES' REPORT

For the year ended 31 December 2016

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Over the 2-year period we will cluster work in 5 thematic strands:

- Increasing number and spread of new learners across the prison estate via the National Reading Network;
- Establishing Turning Pages as recognised resource for teaching adults to read;
- Exploring and developing opportunities to diversify income generation to increase financial sustainability;
- Extending awareness of Shannon Trust Reading Plans in prisons and with the general public; and
- Developing organisational capacity to ensure future fitness for purpose.

In 2018, a review of strategic priorities will be undertaken and a forward strategy for 2019 onwards put in place.

#### *Turning Pages Sustainable Income project*

Shannon Trust is at a pivotal point in its development. With over 15 years experience of running Reading Plans in prisons, we are recognised experts in our field. As a small charity with a big impact, we have been lucky to have been supported on our journey by a range of trusts and foundations who have recognised the value and impact of the Reading Plan. However, we are very aware that Shannon Trust, whilst continuing to elicit significant funding, has to find ways to diversify its income streams and reduce reliance on Trusts and Foundations.

During 2016, the staff team and trustees, with the help of City consultants BearingPoint explored the opportunities to develop primary purpose trading. This focused upon our new reading programme Turning Pages. With a robust and convincing academic evaluation and a business plan in place for Turning Pages, we are now beginning to take our next steps in becoming a more financially sustainable organisation. To this end, the Board of Trustees has agreed to designate unrestricted reserves of £88,192 to invest in the development costs during a test phase in 2017, selling Turning Pages as a resource for adults learning to read to organisations and individuals outside of prisons in England, Wales and Northern Ireland. Funding has also been secured from individual donors to support this project.

#### *Structure, governance and management*

The organisation is a charitable company limited by guarantee, incorporated on 16th August 2006 and registered as a charity on 14th December 2006.

The company was established under a Memorandum of Association which established the objects and powers of the charity and is governed under its Articles of Association. Its directors are also its Trustees and members of the association. The Memorandum of Association lays down the objects and powers of the Association, governed under its Articles of Association. In the event of the company being wound-up, its members are required to contribute an amount not exceeding £1.

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

**BOARD OF TRUSTEES' REPORT**

**For the year ended 31 December 2016**

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*Recruitment and appointment of new Trustees*

The Directors of the company (the charity) are also charity Trustees for the purpose of charity law and under the company's Memorandum and Articles are known as Trustees. Under provision of the Articles:

1. the number of Trustees shall not be less than four but (unless determined by ordinary resolution) is not subject to any maximum.
2. at every annual general meeting one-third of the Trustees who are subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one third shall retire from office; but, if there is only one trustee who is subject to retirement by rotation, they shall retire.

Admission of Members Under the articles: the members of the company comprise the subscribers to the memorandum and such other persons or organisations as are admitted to membership in accordance with the rules made by the Trustees. Rules were made by the Trustees on the 12th March 2013 and provide that the Trustees may admit to membership any person over the age of eighteen who is not a paid worker of the charity or any of its subsidiary companies. Currently the charity has 8 members. Trustees are recruited through the charity's website, social media and other online platforms including Charity Job, Reach, Do it.org and sector networks such as Clinks.

*Induction and training of new Trustees*

Trustees receive an induction briefing, given by the Chair. New Trustees are given an induction pack about the work of the charity. Arrangements are also made to visit a prison to see the Reading Plan in operation.

*Organisational structure*

The Trustees meet four times a year and are responsible for the strategic direction and policy making of the charity. In 2016 the Trustees met on four occasions. In 2016, a Finance Sub-committee was re-established with the appointment of a new Trustee Treasurer and meets quarterly. A strategy working group also meets quarterly between board meetings. Day to day responsibility for the provision of services to the charity is the responsibility of the Chief Executive Officer Angela Cairns, assisted by paid staff and volunteers. The charity was successful in raising funds, we are indebted to our many benefactors. Not only have we received considerable financial support but also professional advice and pro bono support.

*Risk management*

The Trustees review risk on a quarterly basis. Prior to each Board Meeting, the Strategy Group scrutinise the Risk Register and make recommendations to the Board for actions to be taken and the status given to each risk. The annual budget, milestones and business planning processes are reviewed regularly by the Board.

## SHANNON TRUST

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### BOARD OF TRUSTEES' REPORT

For the year ended 31 December 2016

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#### *Related parties*

Shannon Trust has a Memorandum of Understanding with the National Offender Management Service (Her Majesty's Prisons and Probation Service from 1st April 2017), enshrining the commitment to support the Shannon Trust Reading Plan in all public prisons through access, dedicated Prison Officer time and Senior Management Team support in each establishment, printing of materials to an agreed amount through the National Reading Network. Shannon Trust is not in receipt of any statutory funding to deliver the National Reading Network.

The only other related parties of the charity are the trustees and their close connections. Details of transactions with the trustees are shown in Note 8.

#### **Trustees' Responsibilities in Relation to the Financial Statements**

The charity Trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, of the charity for that period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the group 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Charity's governing document. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

## **SHANNON TRUST**

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### **BOARD OF TRUSTEES' REPORT** **For the year ended 31 December 2016**

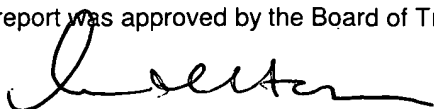
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#### **Independent Examiner**

Alison Ward FCCA of Alison Ward Accountants was appointed as the charity's Independent Examiner during the year.

#### **Approval of the report**

This report was approved by the Board of Trustees on 25 May 2017 and signed on their behalf by:



**Sue O'Hara**  
Chair

## **SHANNON TRUST**

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### **CHAIR'S REPORT**

**For the year ended 31 December 2016**

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In December 2016 I took over responsibility as Chair of Trustees and we have initiated a process of recruiting Trustees to replace those who have retired during the year. We have already recruited a serving Prison Governor and have a clear plan and robust recruitment process in place. This will enable us to recruit new trustees with the specialist skills we need to support our work going forward. In particular, we are keen to support staff and volunteers through the recruitment of trustees with marketing & communications and literacy specialisms to the Board.

During this reporting year, Shannon Trust has continued to develop in line with our strategic objectives and business plan, in particular, the independent evaluation and launch of the Turning Pages Changing Lives report. The Turning Pages reading programme will be a key element of our income generation strategy during the coming year.

The staff team, volunteers and Mentors have continued to deliver the Reading Plan in public sector and contracted out prisons despite the issues faced by those establishments during that time. They have managed to increase new Learner numbers despite these difficult circumstances.

Our strategy and business plan has been developed in collaboration with the staff team. In order to help us achieve our strategic targets, staff job descriptions and objectives are being revised to help take the plans forward and deliver our organisational objectives.

Funders have continued to support our work thus enabling us to make a positive contribution to the lives of prisoners and their families. The ability to read provides opportunities for them in terms of employment, relationships and wellbeing and can transform lives. On behalf of Shannon Trust, I would like to sincerely thank you for all your support.

We will continue to work to increase Learner numbers whilst developing opportunities to share Turning Pages with people struggling with reading outside of prisons, utilising any funds generated in support of our core work. "By prisoners for prisoners" continues to be pivotal and we will not lose sight of that.

Shannon Trust would be unable to carry out our mission without the commitment of our Mentors, Learners, volunteers, staff and Trustees and I would like to take this opportunity to offer my thanks for all that you do in support of the charity.

**Sue O'Hara**  
Chair of Trustees

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**INDEPENDENT EXAMINER'S REPORT TO THE BOARD OF TRUSTEES**  
**For the year ended 31 December 2016**

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I report on the accounts of the charity for the year ended 31 December 2016 set out on pages 16 to 28.

**Respective responsibilities of the Board of Trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ACCA.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commissioners under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

**Basis of the independent examiner's statement**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

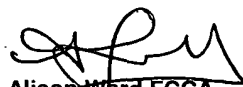
In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



**Alison Ward FCCA**  
Alison Ward Accountants  
28 Hills Road  
Buckhurst Hill  
Essex  
IG9 5RS

Date:

31 May 2017

SHANNON TRUST

**STATEMENT OF FINANCIAL ACTIVITIES**

(incorporating Income and Expenditure Account & Statement of Total Realised Gains and Losses)  
For the year ended 31 December 2016

	Note	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £
<b>INCOME FROM</b>							
Donations and legacies	2	344,140	325,115	669,255	266,108	307,001	573,109
Charitable activities							
Reading programme	4	1,290	-	1,290	5,594	-	5,594
Investments	3	1,355	-	1,355	1,813	-	1,813
Other income		1,466	-	1,466	-	-	-
<b>TOTAL INCOME</b>		<b>348,251</b>	<b>325,115</b>	<b>673,366</b>	<b>273,515</b>	<b>307,001</b>	<b>580,516</b>
<b>EXPENDITURE ON:</b>							
Raising funds	5	33,853	-	33,853	19,936	-	19,936
Charitable activities							
Reading programme	5	178,264	324,640	502,904	222,823	409,441	632,264
<b>TOTAL EXPENDITURE</b>		<b>212,117</b>	<b>324,640</b>	<b>536,757</b>	<b>242,759</b>	<b>409,441</b>	<b>652,200</b>
<b>NET INCOME/(EXPENDITURE) FOR THE YEAR</b>		<b>136,134</b>	<b>475</b>	<b>136,609</b>	<b>30,756</b>	<b>(102,440)</b>	<b>(71,684)</b>
<b>RECONCILIATION OF FUNDS</b>							
TOTAL FUNDS AT 1 JANUARY 2016		322,533	3,060	325,593	291,777	105,500	397,277
<b>TOTAL FUNDS AT 31 DECEMBER 2016</b>		<b>£ 458,667</b>	<b>£ 3,535</b>	<b>£ 462,202</b>	<b>£ 322,533</b>	<b>£ 3,060</b>	<b>£ 325,593</b>

The annexed notes form part of these financial statements

**SHANNON TRUST**  
(company limited by guarantee number 5906258)

**BALANCE SHEET**  
As at 31 December 2016

	Notes	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	18		1		1
<b>CURRENT ASSETS</b>					
Debtors		20,396		500	
Cash at bank and in hand		502,205		361,831	
		<u>522,601</u>		<u>362,331</u>	
<b>CREDITORS: amounts falling due within one year</b>	19	(60,400)		(36,739)	
<b>NET CURRENT ASSETS</b>			<u>462,201</u>		<u>325,592</u>
<b>NET ASSETS</b>			<u>£ 462,202</u>		<u>£ 325,593</u>
<b>FUNDS</b>					
Restricted funds	20		3,535		3,060
Unrestricted funds:					
General fund	20		458,667		322,533
			<u>£ 462,202</u>		<u>£ 325,593</u>

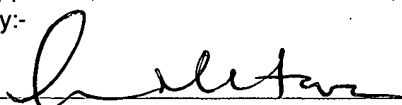
For the year ended 31 December 2016 the Company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- (i) The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- (ii) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

They were approved, and authorised for issue, by the Board of Trustees on 25 May 2017 and signed on their behalf by:-

 S M O'HARA, Chair

The annexed notes form part of these financial statements

**SHANNON TRUST****STATEMENT OF CASHFLOWS**  
**For the year ended 31 December 2016**

	<u>2016</u>		<u>2015</u>	
	£	£	£	£
Cash flows from operating activities		<b>136,609</b>		<b>(71,684)</b>
Net cash provided by / (used in) operating activities				
(Increase)/decrease in stocks		-		25,950
(Increase)/decrease in debtors		<b>(19,896)</b>		1,250
Increase/(decrease) in creditors		<b>23,661</b>		<b>(38,023)</b>
		<b>3,765</b>		<b>(10,823)</b>
Change in cash and cash equivalents in the year		<b>140,374</b>		<b>(82,507)</b>
Cash and cash equivalents at the beginning of the year		<b>361,831</b>		<b>444,338</b>
Cash and cash equivalents at the year end		<b>502,205</b>		<b>361,831</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2016**

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**1. ACCOUNTING POLICIES**

***Basis of preparation of financial statements***

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

***Public benefit entity***

The charitable company meets the definition of a public benefit entity under FRS 102.

***Going concern***

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Key judgements that the charitable company has made which have a significant effect on the accounts include estimating income and expenditure for the next 12 months.

***Income***

Income is recognised when the charity has entitlement to the funds: this is when any performance conditions attached to the income have been met, it is probable that the income will be received, and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income is only deferred when: The donor specifies that the grant or donation must only be used in future accounting periods; or for performance related grants, where these are received in advance of the performances or specific event to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2016**

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***Donations of gifts, services and facilities***

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

***Interest receivable***

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

***Company status***

Shannon Trust is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

***Fund accounting***

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.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

***Expenditure and irrecoverable VAT***

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

***Fundraising costs***

Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

***Charitable activities***

Expenditure on charitable activities includes the costs of delivering services and reading activities undertaken to further the purposes of the charity and their associated support costs.

***Other expenditure***

Other expenditure represents those items not falling into any other heading.

***Allocation of support costs***

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Staff costs are stated on the basis of staff time. Support costs which cannot be directly attributed to charitable activities are allocated in proportion to staff costs.

Where information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of the area of literature occupied by each activity.

***Operating leases***

Rental charges are charged on a straight line basis over the term of the lease.

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 December 2016**

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***Tangible fixed assets and depreciation***

Tangible fixed assets (excluding investments) are stated at cost less depreciation. The cost of minor additions or those costing less than £1000 are not capitalised. Other fixed assets with an expected life of more than one year are included at cost and depreciated over three years.

***Debtors***

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

***Cash at bank and in hand***

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

***Creditors and provisions***

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

***Pensions***

The charity operates a defined contributions pension scheme, which is a Group Stakeholder Pension Scheme. During the year, the charity contributed up to 3% of gross pay for all staff after they have completed their probationary period. From January 2017, the charity auto-enrolled its staff into a qualifying scheme, contributing up to 3% of gross pay for all staff. The contributions made during the year are treated as an expense and were £8,682 (2015 - £6,793).

## SHANNON TRUST

### NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2016

#### 2. DONATIONS AND LEGACIES

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
Bell Foundation	-	60,000	60,000	20,000
Bernard Sunley Charitable Foundation	15,000	-	15,000	15,000
Big Lottery	-	125,000	125,000	125,001
Charles Hayward Foundation	20,000	-	20,000	20,000
CHK Charities	30,000	-	30,000	15,000
Constance Travis Charitable Trust	3,000	-	3,000	2,000
Dawes Trust	-	-	-	50,000
Drapers' Charitable Fund	-	-	-	25,000
Esmee Fairbairn Foundation	90,000	-	90,000	-
Garfield Weston Foundation	25,000	-	25,000	25,000
Haberdashers' Company	15,000	-	15,000	15,000
Henry Smith Charity	-	50,000	50,000	50,000
J&C Findlay	5,000	-	5,000	5,000
Philip & Marjorie Robinson Trust	2,500	-	2,500	-
Porticus UK	-	40,000	40,000	40,000
QBE Foundation	-	10,000	10,000	-
Rank Foundation	-	-	-	20,000
Rayne Foundation	15,000	-	15,000	17,000
Robinson Charitable Trust	-	-	-	2,500
Rothchild Foundation	-	30,000	30,000	30,000
The Schroder Foundation	30,000	-	30,000	30,000
Steele Charitable Trust	-	-	-	10,000
The AB Charitable Trust	30,000	-	30,000	-
The Woodhaven Trust	10,000	-	10,000	-
Tuixen Trust	25,000	-	25,000	25,000
Wheldon Charitable Trust	-	-	-	5,000
William A Cadbury Charitable Trust	-	-	-	20,000
Other donors	28,640	10,115	38,755	6,608
	<b>£ 344,140</b>	<b>£ 325,115</b>	<b>£ 669,255</b>	<b>£ 573,109</b>

#### 3. INCOME FROM INVESTMENTS

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
Interest receivable from:				
Cash at bank	1,355	-	1,355	1,813
	<b>£ 1,355</b>	<b>£ Nil</b>	<b>£ 1,355</b>	<b>£ 1,813</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 December 2016

**4. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
Sale of reading manuals	1,290	-	1,290	5,594
	<u>£ 1,290</u>	<u>£ Nil</u>	<u>£ 1,290</u>	<u>£ 5,594</u>

**5. ANALYSIS OF EXPENDITURE**

	Staff costs £	Direct costs £	Governance costs £	Support costs £	Total 2016 £	Total 2015 £
Literacy programme						
- National Reading Network	255,989	120,556	11,629	63,615	451,789	490,386
- Turning Pages	18,437	27,258	838	4,582	51,115	141,878
	<u>274,426</u>	<u>147,814</u>	<u>12,467</u>	<u>68,197</u>	<u>502,904</u>	<u>632,264</u>
Fundraising costs	25,333	1,074	1,151	6,295	33,853	19,936
Governance costs	6,500	7,118	(13,618)	-	-	-
Support costs	45,704	28,788	-	(74,492)	-	-
	<u>£ 351,963</u>	<u>£ 184,794</u>	<u>£ Nil</u>	<u>£ Nil</u>	<u>£ 536,757</u>	<u>£ 652,200</u>

Of the total expenditure, £212,117 was unrestricted (2015 - £242,759) and £324,640 was restricted (£409,441).

**6. NET INCOME / EXPENDITURE FOR THE YEAR**

This is stated after charging / crediting:

	2016	2015
Independent auditor's / examiner's remuneration:		
Independent examiner's fees	1,800	-
Auditor's remuneration	-	4,576
	<u>£ 1,800</u>	<u>£ 4,576</u>

# SHANNON TRUST

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2016

### 7. STAFF COSTS AND NUMBERS

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
<b>Salary costs</b>				
Wages and salaries	110,936	190,845	301,781	299,865
Social security costs	10,304	18,267	28,571	28,482
Pension costs	3,004	5,678	8,682	6,793
	<u>124,244</u>	<u>214,790</u>	<u>339,034</u>	<u>335,140</u>
<b>Other staffing costs</b>				
Recruitment	-	-	-	1,200
Staff training and development	94	883	977	1,833
Consultancy	9,815	2,137	11,952	13,172
	<u>£ 134,153</u>	<u>£ 217,810</u>	<u>£ 351,963</u>	<u>£ 351,345</u>

The average number of employees (head count based on number of staff employed) during the year was as follows:

	Number	Number
Direct cost: literacy programme	<u>7.8</u>	<u>7.8</u>
	<u>7.8</u>	<u>7.8</u>

The total employee benefits including pension contributions of the key management personnel were £64,720 (2015 - £69,736).

No employee earned more than £60,000, including benefits, during the year (2015 - the same.)

### 8. TRUSTEES' REMUNERATION AND EXPENSES

The charity trustees were not paid and did not receive any other benefits from association with the charity in the year (2015 - £nil). No charity trustee received payment for professional or other services supplied to the charity (2015 - £nil).

Trustees' expenses, representing the payment or reimbursement of travel and subsistence costs, totalled £3,909 (2015 - £3,717), incurred by 6 (2015 - 5) trustees relating to attendance at meetings of the trustees.

### 9. RELATED PARTY TRANSACTIONS

There are no reportable related party transactions to disclose for 2016 (2015 - none).

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**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 December 2016**


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**10. TAXATION**

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**11. PENSION SCHEME**

The charity operates a defined contributions pension scheme, which is a Group Stakeholder Pension Scheme, registered with HM Revenue & Customs in accordance with the Finance Act 2004. The fund manager invests in unitised funds, accumulating until the members chosen retirement age. The fund manager's charges are factored into the unit value at 1% per annum.

**12. OPERATIONAL COSTS**

	<b>Unrestricted Funds 2016 £</b>	<b>Restricted Funds 2016 £</b>	<b>Total Funds 2016 £</b>	<b>Total Funds 2015 £</b>
Conference attendance	235	47	282	386
Operations team travel and subsistence	8,059	14,703	22,762	15,219
Volunteer recruitment and support	1,717	7,359	9,076	10,335
Volunteer expenses and establishment costs	1,955	16,568	18,523	31,327
	<b>£ 11,966</b>	<b>£ 38,677</b>	<b>£ 50,643</b>	<b>£ 57,267</b>

**13. DEVELOPMENT AND TRAINING COSTS**

	<b>Unrestricted Funds 2016 £</b>	<b>Restricted Funds 2016 £</b>	<b>Total Funds 2016 £</b>	<b>Total Funds 2015 £</b>
Training	769	4,204	4,973	4,714
Resources for training and support	2,366	462	2,828	234
Resources for readers and manuals	349	21,145	21,494	26,085
Promotional materials and resources	2,652	28,341	30,993	31,035
Development team meetings	-	-	-	810
Distribution and postage	5,509	4,116	9,625	18,237
	<b>£ 11,645</b>	<b>£ 58,268</b>	<b>£ 69,913</b>	<b>£ 81,115</b>

# SHANNON TRUST

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2016

### 14. TURNING PAGES

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
Manual development	-	-	-	58,905
Authoring and editorial	-	-	-	41,303
Evaluation	26,360	882	27,242	5,755
Launch	16	-	16	6,580
Prison Radio Association	-	-	-	6,534
Other	-	-	-	396
	<u>£ 26,376</u>	<u>£ 882</u>	<u>£ 27,258</u>	<u>£ 119,473</u>

### 15. PREMISES COSTS

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
Electricity	-	-	-	262
Insurance	-	1,456	1,456	1,497
Legal and professional Services	360	-	360	1,200
Rates	557	-	557	746
Rent	8,034	5,299	13,333	14,890
Removal costs	1,656	-	1,656	-
	<u>£ 10,607</u>	<u>£ 6,755</u>	<u>£ 17,362</u>	<u>£ 18,595</u>

### 16. ADMINISTRATIVE COSTS

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
Printing and Design	267	-	267	3,210
Repairs and Maintenance	343	-	343	288
Subscriptions	329	-	329	536
Computer / Stationery	3,338	308	3,646	2,609
General office costs	1,410	-	1,410	1,270
Office Equipment	762	284	1,046	2,855
Telephone	3,942	177	4,119	3,035
Sundry expenses	247	19	266	-
	<u>£ 10,638</u>	<u>£ 788</u>	<u>£ 11,426</u>	<u>£ 13,803</u>

# SHANNON TRUST

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2016

### 17. GOVERNANCE COSTS

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
Annual Return	13	-	13	13
Independent examiner's fee	1,800	-	1,800	-
Auditor's remuneration	-	-	-	4,576
Audit preparation	-	1,200	1,200	1,227
Bank charges	69	-	69	65
Board meetings	127	-	127	1,003
Trustees' expenses	3,649	260	3,909	3,717
	<u>£ 5,658</u>	<u>£ 1,460</u>	<u>£ 7,118</u>	<u>£ 10,601</u>

### 18. TANGIBLE FIXED ASSETS

	Office equipment £
<b>Cost</b>	
At 1 January 2016 and 31 December 2016	<u>4,533</u>
<b>Depreciation</b>	
At 1 January 2016	<u>4,532</u>
At 31 December 2016	<u>4,532</u>
<b>Net book value</b>	
At 31 December 2015	<u>£ 1</u>
At 31 December 2016	<u>£ 1</u>

### 19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	18,485	2,910
Deferred grant income	-	15,000
Social security and other taxes	8,681	8,186
Other creditors	10	3
Accruals	33,224	10,640
	<u>£ 60,400</u>	<u>£ 36,739</u>
<b>Deferred income</b>		
Balance at 1 January 2016	15,000	-
Amount released to incoming resources	(15,000)	-
Amount deferred in the year	-	15,000
Balance at 31 December 2016	<u>£ Nil</u>	<u>£ 15,000</u>

# SHANNON TRUST

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2016

### 20. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers and investment gains/(losses) £	Carried Forward £
<b>RESTRICTED FUNDS</b>					
National reading network	3,060	321,580	(324,640)	-	-
Turning Pages Sustainable Project	-	3,535	-	-	3,535
	<u>£ 3,060</u>	<u>£ 325,115</u>	<u>£ (324,640)</u>	<u>£ Nil</u>	<u>£ 3,535</u>
<b>SUMMARY OF FUNDS</b>					
General Funds	322,533	348,251	(212,117)	-	458,667
Restricted Funds	3,060	325,115	(324,640)	-	3,535
	<u>£ 325,593</u>	<u>£ 673,366</u>	<u>£ (536,757)</u>	<u>£ Nil</u>	<u>£ 462,202</u>

### 21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds Designated Funds £	General Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	-	1	-	1
Net current assets	-	458,666	3,535	462,201
	<u>£ Nil</u>	<u>£ 458,667</u>	<u>£ 3,535</u>	<u>£ 462,202</u>

### 22. ANALYSIS OF THE NET MOVEMENT IN FUNDS

	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
Net movement in funds	136,134	475	136,609	(71,684)
	<u>£ 136,134</u>	<u>£ 475</u>	<u>£ 136,609</u>	<u>£ (71,684)</u>

### 23. OPERATING LEASE COMMITMENTS

The charity's future total minimum lease payments under a non-cancellable operating lease for the office premises amount to £3,486 (2015 - £3,465), which is a commitment to 3 months' rent.