



**READING QUEST  
(A COMPANY LIMITED BY GUARANTEE)  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**



**READING QUEST****LEGAL AND ADMINISTRATIVE INFORMATION**

<b>Status of Organisation</b>	Registered Charity No. 1107219 Company Limited by guarantee No. 5273829
<b>Trustees/ Directors</b>	Janice Gordon – Chair Diane Crocombe Robin Hill – Treasurer Les Hopper Candida Hunt Sue Matthew Pat Norman Amanda Snowden Sue Widgey
<b>Executive</b>	Alistair Lomax – Director
<b>Accountants</b>	Critchleys, Paradise Square, Oxford, OX1, United Kingdom T: +44 1865 261 100 <a href="http://www.critchleys.co.uk">http://www.critchleys.co.uk</a>
<b>Legal Advisers</b>	BWB 2-6 Cannon Street, London EC4M 6YH DX 42609 T: +44(0)20 7551 7777 <a href="http://www.bwbllp.com">http://www.bwbllp.com</a>
<b>Bankers</b>	CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ
<b>Registered Offices</b>	The Old Music Hall, 106-108 Cowley Road, Oxford OX4 1JE
<b>Contact Details</b>	Tel 01865 403207 Email: <a href="mailto:info@readingquest.org.uk">info@readingquest.org.uk</a> Website: <a href="http://www.readingquest.org.uk">http://www.readingquest.org.uk</a>



## READING QUEST

### TRUSTEES' REPORT at 31 MARCH 2009

#### Annual Report and Financial Statements

Welcome to Reading Quest's report. The trustees, who are also Directors for the purposes of company law, have pleasure in presenting their report and financial statements of the charity for the year ended 31 March 2009.

It was an exciting year for Reading Quest. We were advised on a pro bono basis by PilotLight, who helped the board to prepare the ground so that Reading Quest might be experienced by many more people beyond our traditional base in Oxford and throughout the UK.

Three strategic priorities were set by the board:

- To stabilise the organisation
- To build a robust and replicable model
- To pilot and establish the model in other areas of need

Penny Tyack, the founding director of Reading Quest, stepped back from the day-to-day administration to focus on training, writing, presentation and dissemination. In January 2009 a new director was recruited, Alistair Lomax coming to us with wide experience of growing small organisations.

In the first few months much was achieved towards the creation of a simplified and replicable model. For example, Reading Quest went through a restructuring to create more flexibility. There was a new office. A new logo and website were created and the new trademark was registered. Financial reporting and forecasting were improved. A team was formed to come up with a new business plan. A new fundraising strategy was drawn up to diversify income and make it easier to give.

**Reading Quest is now preparing to deliver its ambitious target for the next four years of teaching no fewer than 10,000 children throughout the United Kingdom to read.**

A new strapline was conceived: 'Read and succeed'. This not only describes what Reading Quest is all about, but also indicates how literacy is pivotal to all learning and that the flip side to success (failure, in many different forms) might accompany the 'inability' to read.

A 'Great Big Future' team was formed in January 2009 to address some of the fundamental questions: what works in Oxford? Why does it work? What benefits are we able to deliver? What do we need to change? How can the fundamental model be extended and applied elsewhere. What do we need to do in order to achieve the objective of 'bringing Reading Quest within reach of children wherever they are in the country?'

The challenge we now face is to build the networks, resources and infrastructure to bring Reading Quest within practicable reach of primary schools everywhere.

The programme has been particularly effective with hard-to-reach groups. Recently Reading Quest submitted a review of work with Looked After Children (LAC) in the Oxford area. We found that a very high proportion (58%) of the LAC group between the ages of 5-9 had received Reading Quest tutorials.

The problem addressed by Reading Quest has never been more urgent. One in every five boys and one in every ten girls leaving primary school are unable to function at secondary level due to their poor reading skills. We believe that this is unacceptable. Reading Quest was set up to make sure that everyone gets the chance they deserve.

Reading Quest was set up to give every child an equal chance, through reading, to think, write and enjoy learning.

## **READING QUEST TRUSTEES' REPORT at 31 MARCH 2009 (continued)**

Reading Quest has inspired teachers, teaching assistants, special needs co-ordinators and parents since developing the method in Oxford in 1996. 3,500 children in 96 schools in Oxford shire have been helped by 375 trained Reading Quest tutors. In the last school year we worked in 36 schools with 250 children.

Life can be really hard if you can't read: passing exams, finding a job or having enough money to get by.

- Illiteracy is costing business and the UK taxpayer £10 billion a year.
- One in 5 adults in Britain is 'functionally illiterate', finding it hard to gain employment or cope in society.
- The UK ranks 20th out of 23 in a league table of child poverty in wealthier countries (UNICEF).
- Over half of the 82,000 people in prison gained no qualifications at school and suffer from poor literacy skills (British Dyslexia Association, 2008).

### **Reading Quest's structure**

Reading Quest was established as a programme in 1997. It was incorporated in 2004. Reading Quest is a registered charity no. 1107219 and a company limited by guarantee no. 5273829.

### **Board and Governance**

During the financial year 08-09 the charity was governed by a Board of nine Trustees, who were also the members of the company. The Board was chaired by Janice Gordon, a longstanding advocate of Reading Quest during her years as a Head Teacher.

During the year, we looked at the governance needed to become a national organisation. As a result it was decided to search for some new trustees and to reduce the size of the main board. This culminated in July 2009 when Simon Ashby became Chair and Dr Linda Hickman joined as a Trustee. Some of the Trustees who had served so wholeheartedly, agreed to sit on an advisory panel, at the same time standing down as trustees.

### **Executive management**

The day to day operations of the charity are undertaken by a small executive team led by Alistair Lomax, who was appointed during the year. Penny Tyack stepped down as Director, with the arrival of Alistair Lomax as Director. The dynamism and energy of Reading Quest's founder, Penny Tyack, is focused on the wider dissemination of Reading Quest's method via training, writing, and outreach activities. Olivia Warburton was responsible for fundraising. Finance and bookkeeping services are provided by an associate, Arthur Diggle.

### **Directors**

The directors set out below acted for the entire period. Whereas a restructuring was 'in planning' during the year, there were no resignations and no appointments during the reporting period.

Janice Gordon – Chair  
 Diane Crocombe  
 Robin Hill – Treasurer  
 Les Hopper  
 Candida Hunt  
 Sue Matthew  
 Pat Norman  
 Amanda Snowden  
 Sue Widgery

## READING QUEST

### TRUSTEES' REPORT at 31 MARCH 2009 (continued)

We owe a debt of thanks to Diane Crocombe, Candida Hunt, Sue Matthew, Pat Norman, Amanda Snowden and Sue Widgery, who have since stood down as Trustees but have agreed to help with an Oxford advisory panel. We're delighted that they will be available for consultation in this way.

#### **Risk Management**

The trustees examine the major risks that the charity faces each financial year when preparing and updating the strategic plan. The charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the charity in the future.

#### **Recruitment and Training of Trustees**

Trustees are appointed by the Board of Trustees. All members of the Board have experience as Trustees and Directors. On the election of new members of the Board it would be the Board's intention to arrange for appropriate induction and training.

#### **Charitable Objectives**

Reading Quest aims to promote the educational potential of children under the age of 16 experiencing basic difficulties with reading and writing by the provision of a home/school literacy service.

We help young people to improve their skills and become confident and enthusiastic readers at home and at school. We teach children individually in school on a daily basis for 6 weeks, share ideas and resources with parents/carers to involve them in the learning process. We train and support tutors to work on Reading Quest.

## READING QUEST

### TRUSTEES' REPORT at 31 MARCH 2009 (continued)

#### Future Plans

A business plan was developed during the year to support the dissemination of Reading Quest tutorials to at least 10,000 more children over the next four years.

We aim to share Reading Quest more widely by establishing training (and then outreach) in other cities, how we branch out from support networks in Oxford and embrace the wider world. To this end, plans were drawn up for training in new regions.

Funding applications for more than £1 million were lodged across a number of trusts and foundations to support the roll out strategy beyond 2009.

#### Public Benefit

In setting the above objectives and planning our activities, the Trustees have given careful consideration to the charity commission's guidance on public benefit.

## FINANCIAL REVIEW

#### Reserve Policy

As a Charity, Reading Quest is regulated by the Charity Commission which asks us to state our reserves policy. As Trustees we are mindful of our financial responsibilities, but as most of our income is spent within a short period of it being received, other than income received for specific purposes which can only be spent on projects funded by the donors, we do not have the opportunity to build up sizeable reserves. It is our aim to hold reserves so that we can be confident of our financial position and meet all obligations for a period of one school term at any point. In the future we aim to strengthen our financial reserves and have submitted a number of bids to help assist with core funding which we have hitherto needed to subsidise from unrestricted reserves.



## READING QUEST

### TRUSTEES' REPORT at 31 MARCH 2009 (continued)

#### RESPONSIBILITIES OF THE BOARD OF TRUSTEES

The Trustees, who are also Directors for the purpose of the Companies Act, are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and the group and of the profit or loss of the charity and the group 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;
- 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 which disclose with reasonable accuracy at any time the financial position of the charity and the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Signed by order of the trustees

Approved by the trustees on 18<sup>th</sup> November 2009



## READING QUEST

STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2009

	Notes	Unrestricted General Fund £	Restricted Fund £	Total Funds 2009 £	Total Funds 2008 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
Voluntary income:					
		15,533	-	15,533	11,065
		1,707	-	1,707	-
<b>Activities in furtherance of the charity's objectives</b>					
		-	95,055	95,055	92,648
		2,930	-	2,930	2,536
		3,192	-	3,192	2,842
		840	-	840	2,185
		200	-	200	3,508
<b>Total incoming resources</b>		<u>24,402</u>	<u>95,055</u>	<u>119,457</u>	<u>114,783</u>
<b>RESOURCES EXPENDED</b>					
Charitable activities	2	9,923	125,016	134,939	101,544
Governance costs	3	750	-	750	750
<b>Total resources expended</b>		<u>10,673</u>	<u>125,016</u>	<u>135,689</u>	<u>102,294</u>
<b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>		13,729	(29,961)	(16,232)	12,489
Balances brought forward at 1 April 2008		29,396	10,261	39,657	27,168
Transfer between funds		(24,902)	24,902	-	-
<b>BALANCES CARRIED FORWARD AT 31 MARCH 2009</b>		<u>18,223</u>	<u>5,202</u>	<u>23,425</u>	<u>39,657</u>

All activities are continuing. There are no gains or losses other than those recognised through the statement of financial activities.

As a company limited by guarantee and with charitable objects, a 'reconciliation of shareholders' funds' is not required.

## READING QUEST

BALANCE SHEET  
AS AT 31 MARCH 2009

	Note	2009 £	2008 £
<b>FIXED ASSETS</b>			
Fixtures and Fittings	4	500	-
<b>CURRENT ASSETS</b>			
Bank		33,606	39,859
Debtors	5	<u>4,256</u>	<u>2,100</u>
		37,862	41,959
<b>CURRENT LIABILITIES</b>			
Creditors	6	<u>(14,937)</u>	<u>(2,302)</u>
<b>NET CURRENT ASSETS</b>		<u>22,925</u>	<u>39,657</u>
<b>NET ASSETS</b>		<u>23,425</u>	<u>39,657</u>
<b>REPRESENTING:</b>			
<b>FUNDS</b>			
Unrestricted	7	18,223	29,396
Restricted	7	<u>5,202</u>	<u>10,261</u>
		<u>23,425</u>	<u>39,657</u>

The directors are satisfied that the company was entitled to exemption under subsection (2) of section 249A of the Companies Act 1985 and that members have not required an audit in accordance with subsection (2) of section 249B.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The accounts were approved and authorised for issue by the Trustees on 18<sup>th</sup> November 2009 and signed on their behalf by:

.....  
Simon Ashby – Chair

**READING QUEST****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009****1 ACCOUNTING POLICIES****a) Basis of preparation**

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in October 2005 and applicable accounting standards.

**b) Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**c) Incoming resources**

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

**d) Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

**e) Depreciation**

Fixtures and fittings are depreciated.

## READING QUEST

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009 (continued)**

<b>2</b>	<b>CHARITABLE ACTIVITY</b>	2009 £	2008 £
	<b>Provision of specialised teaching in early literacy:</b>		
	Teaching staff salaries	66,483	63,686
	Administration staff salaries	39,601	28,167
	Telephone	488	287
	Stationery	883	1,157
	Postage	231	170
	Books	249	320
	Learning materials	1,513	456
	Professional development	120	25
	Other costs	48	1,901
	Rent and rates	1,659	6,125
	Computer and Internet costs	690	-
	Dues and subscriptions	150	-
	Advertising	521	-
	Insurance	751	-
	Bank charges	45	-
	Printing and reproduction	489	-
	Travel and meetings	401	-
	Entertaining	32	-
	Accountancy costs	3,430	-
	Website development	3,450	-
	Legal and professional	3,782	-
	Re-organisation costs	<u>9,923</u>	<u>-</u>
		<u>134,939</u>	<u>102,294</u>
<b>3</b>	<b>GOVERNANCE COSTS</b>	2009 £	2008 £
	Independent examiner's fee	<u>750</u>	<u>750</u>
		<u>750</u>	<u>750</u>

## READING QUEST

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009 (continued)**

<b>4</b>	<b>FIXED ASSETS</b>		<b>Fixtures &amp; fittings £</b>
	<b>Cost</b>		
	At 1 April 2008		-
	Additions		<u>500</u>
	At 31 March 2009		500
	<b>Depreciation</b>		
	At 1 April 2008		-
	Charge for year		<u>-</u>
	At 31 March 2009		-
	<b>Net book value</b>		
	At 31 March 2009		<u>500</u>
	At 31 March 2008		<u>-</u>
<b>5</b>	<b>DEBTORS</b>	2009 £	2008 £
	Other debtors	<u>4,256</u>	<u>2,100</u>
<b>6</b>	<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	2009 £	2008 £
	Other creditors	2,113	-
	Accruals	2,901	2,302
	Provision for re-organisation costs	<u>9,923</u>	<u>-</u>
		<u>14,937</u>	<u>2,302</u>

## READING QUEST

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009 (continued)

#### 7 STATEMENT OF FUNDS

	At 1 April 2008 £	Income £	Expenditure £	Transfer £	At 31 March 2009 £
<b>General unrestricted reserve</b>	29,396	24,402	(10,673)	(24,902)	18,223
<b>Restricted reserves</b>					
Family Literacy	3,828	11,500	(10,126)	-	5,202
Reach Up	4,687	4,281	(20,172)	11,204	-
East Oxford	1,746	79,274	(94,718)	13,698	-
Total restricted funds	<u>10,261</u>	<u>95,055</u>	<u>(125,016)</u>	<u>24,092</u>	<u>5,202</u>
<b>Total funds</b>	<u>39,657</u>	<u>119,457</u>	<u>(135,689)</u>	<u>-</u>	<u>23,425</u>

The general reserve represents the free funds of the charity which are not designated for particular purposes.

The Family Literacy Project enables us to make an effective impact on children from disadvantaged communities.

Reach Up is a project for Oxfordshire's children living in care.

East Oxford is a project financed especially for children attending schools in the East Oxford area.

#### 8 TRUSTEES REMUNERATION AND EXPENSES

The trustees neither received nor waived any emoluments during the year. The trustees did not receive any expenses during the year.

#### 9 LIMITATION OF LIABILITY

Reading Quest is a charitable company limited by guarantee. The liability of members in the event of the company's liquidation is limited to £10 per member.

**INDEPENDENT EXAMINER'S REPORT REPORT  
TO THE TRUSTEES OF READING QUEST**

We report on the accounts for the year ended 31 March 2009 set out on pages 7 to 12.

**Respective responsibilities of Trustees and examiner**

The charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the Act), as amended by s.28 of the Charities Act 2006) and that an independent examination is needed.

It is our responsibility to:

- examine the accounts (under section 43 of the Act, as amended),
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the Act, as amended), and
- to state whether particular matters have come to my attention.

**Basis of independent examiner's report**

Our 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 we do not express an audit opinion on the view given by the accounts.

**Independent examiner's statement**

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

- 1) which gives us reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with section 41 of the Act; and
  - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act.
 have not been met; or
- 2) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Oxford  
Date:

Critchleys  
Chartered Accountants