



# Annual Report

2023/24

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# Letter from the Chair

**We are committed to providing more targeted support to the children who stand to benefit the most from reading regularly and by choice.**



The past year has seen BookTrust continue to deliver on its mission to help children, especially those from low-income and vulnerable family backgrounds, develop a love of reading from the earliest moments in childhood. Our work has taken place in the challenging context of the ongoing cost-of-living crisis and the post-pandemic environment, which are affecting many of the families we serve and the valued delivery partners we work with to get children reading. The attainment gaps between disadvantaged pupils and their non-disadvantaged peers remains a major problem for this generation of children. These challenges mean our work to give children the best start in life is more important than ever.

2023/24 marked the third year of our new strategy which focuses our work on delivering at scale behaviour-change reading programmes for children across England, Wales and Northern Ireland. We are committed to providing more targeted support to the children who stand to benefit the most from reading regularly and by choice. Evaluation of our reach and impact tells us that this overarching strategy is the right one and that it is delivering important changes for families, while we continue to refine our approach as we learn more.

Through supporting children from low-income and vulnerable family backgrounds to embed the joy of reading in everyday life, we are helping children to experience the immediate and lifelong benefits of reading. We know that reading in early childhood helps children to meet speech, language and development milestones, and develop strong relationships and social skills. It supports mental wellbeing, creativity and imagination, helps children do better in school and, in the longer term, overcome disadvantage.

We also know the act of shared reading – between parent or carer and child – has a profound impact on the child’s pleasure of reading and empowers adults in their relationships with the child. We want this simple but profound experience of reading together to be commonplace in the families we support.

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**Support for children from vulnerable family backgrounds has remained a key focus of our work over the past year. We know that when children experience disruption or difficulties at home, shared reading can be especially transformative. Over 11,000 children, most of them in long term foster care placements, were involved with our long-standing Letterbox Club programme.**

Over the past 12 months more than 1.4 million families across England, Wales and Northern Ireland have benefitted from BookTrust programmes. These programmes comprise high-quality, interactive, development-stage-appropriate books; activities and information; as well as messaging and modelling from practitioners and support and digital tools for practitioners to inspire family enjoyment in sharing books. This includes our support to 90% of families with newborn babies through the Bookstart Baby programme, and to 408,000 early years families (with children aged 1–4) who engaged with our Bookstart Toddler and Bookstart Pre-schooler programmes. Now in their second year, these evidence-based, behaviour-change programmes support low-income families to maintain shared reading in the early years, driving early years development and school readiness. They are delivered through our network of over 6,000 early years and community-based partners. Support for children from vulnerable family backgrounds has remained a key focus of our work over the past year. We know that when children experience disruption or difficulties at home, shared reading can be especially transformative. Over 11,000 children, most of them in foster care placements, were involved with our long-standing Letterbox Club programme. We also made progress in our development work to strengthening our reach and impact in this area, and were delighted to start a new partnership with the charity Kinship to help develop a new model of kinship carer support.

BookTrust Storytime, our early years work in libraries, continued to achieve high engagement: for example, 90% of all libraries in England participated in the programme. We were delighted to be able to continue our Pori Drwy Stori programme in Wales for nursery and reception-aged children, and over 32,000 families engaged with the Welsh Bookstart Early Years programmes. Our support for schools and older children remains strong and at scale – we provided all state primary schools with resources to encourage early engagement with reading for enjoyment. Over a quarter of a million Year 7 and 8 pupils engaged with the established Bookbuzz programme designed to help children develop their identity as independent readers.

Last year was also a busy year in our partnerships and influencing work. In January we launched our action plan 'Reading Together, Changing Children's Lives', supported by every Waterstones Children's Laureate from the past 25 years, including our President Sir Michael Morpurgo.

'Reading Together' is the distillation of BookTrust's knowledge and understanding about what needs to be done to create systemic transformation in children's reading. This work generated extensive media coverage, sparking discussions with key partners and stakeholders on the importance of childhood reading. It also has created an important platform for our future influencing work.

BookTrust's support for the Waterstones Children's Laureate continued with Joseph Coelho completing his 80 Poetry Prompt videos, with luminaries of the children's books world including Michael Rosen and MC Grammar. We were also there to cheer Joseph on as his library registration marathon came to a close at the British Library, marked by a day of family activities celebrating reading before handing over the Children's Laureate baton to Frank Cottrell-Boyce.

We thank Her Majesty the Queen, who is such a tremendous champion of reading, for her ongoing support. As a national portfolio organisation we are grateful for the continuing support of Arts Council England. We are also deeply grateful to all our other funders, partners, donors and friends who make our mission possible. I am especially grateful to my fellow trustees who give their time, expertise and passion for children's reading so generously.

As I reflect on the positive outcomes for children and families from our work over the past year, I know there is more we can do – especially within that context of the challenges faced by poorer and vulnerable children today. We have a strong programme of development ahead, testing new routes to new families and new models of support for children and early years practitioners. In the coming year we will continue to learn and innovate, build new partnerships, seek new funding and conduct a refresh of our strategy, setting out how we will continue to deliver and evolve our ambitions for the next five years.

At the start of BookTrust's next chapter, and with the advent of a new government, we will be working to maximise the role BookTrust plays in ensuring children receive the best start in life.

**We thank you for taking the time to read this and for your support to BookTrust. We look forward to working with you on behalf of the nation's children in the year ahead.**



Chair of trustees



# Introduction

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**BookTrust is the UK's largest children's reading charity with a history that stretches back over 100 years.**

Each year we get millions of children reading, especially those from low-income families or vulnerable backgrounds. Our long-term partnership agreements with every local authority in England and Wales, and our thousands of partners in England, Wales and Northern Ireland, enable us to reach children and families in every community with high-quality resources and support.

BookTrust brings something positive to children and families: the joy of reading high-quality beautiful books and welcome relief from day-to-day challenges. These help children learn through enjoyment and help parents and caregivers to bond with their children. BookTrust also brings something positive to partners who work with children and families: proven, evidence-based interventions that are welcomed by families, and delivered at national scale.

We know from decades of experience of working with tens of millions of children and thousands of local partners that reading plays a crucial role in helping to achieve good outcomes for children. It has a widely evidenced impact on both immediate and long-term outcomes. In the short-term, reading contributes to bonding and attachment, as well as child and parental wellbeing. It supports cognitive, speech and language development, contributes to school readiness and is part of the pattern of family life. As children grow, those who read regularly and by choice have better literacy, perform better across the curriculum and demonstrate stronger empathy and creativity. In the longer term, reading can mitigate long-term socio-economic inequalities. Investing in children's reading early in childhood means more children and families experience these immediate and long-term benefits.

Our core work is in the early years where our priority is to support children and families from low-income and vulnerable backgrounds. We work through evidence-based, behaviour-change programmes that combine books and resources, digital tools and inspiration, support for practitioners and families, and experiences to get families reading. We also work with school children until the age of 13, supporting them on their reading journeys and showcasing the very best in children's literature. We prioritise meeting the needs of children who face the greatest barriers and for whom the benefits of reading can be most transformative.



We are one of Arts Council England's National Portfolio Organisations. Our headquarters are in Leeds and we have offices in London, Cardiff and Belfast, and staff across the country.

**In 2023/24 we reached almost 1.3 million children in communities across England, Wales and Northern Ireland with a focus on four key areas:**

1. Early years: Embedding reading in the life of every low-income family
2. Children from vulnerable family backgrounds: Using shared reading to bring enjoyment and stability to vulnerable children
3. Practitioner support: Supporting early years practitioners to promote shared family reading
4. Schools: Supporting schools to foster a love of reading

We provide more detail on our 2023/24 achievements in each of these areas over the following pages.

# Our work in 2023/24



## 72% of families

surveyed said Bookstart Baby made them feel more confident about reading with their child.<sup>1</sup>

## 97% of families

participating in evaluation activities reported that they enjoyed using the books and activities.<sup>2</sup>

## 1. Early years: Embedding reading in the life of every low-income family

2023/24 was our second full year of delivering our refreshed, targeted Bookstart programmes based on robust evidence about the shared reading experiences that will bring the greatest benefits to low-income families.

We reached over half a million families (90% of all families with new babies) with Bookstart Baby. This long-standing national programme is designed to initiate shared family reading in all babies' first year of life through supporting families to experience interactive, enjoyable reading moments. 72% of families surveyed said Bookstart Baby made them feel more confident about reading with their child.<sup>1</sup>

Through Bookstart Toddler and Pre-schooler, 408,000 children aged 1–4, of which 310,000 were from low-income families, received reading support and high-quality books and resources – a 16% increase from 2022/23. 97% of families participating in evaluation activities reported that they enjoyed using the books and activities, with 76% saying the programmes prompted them to read more with their young children.<sup>2</sup>

**“It is always an exciting time for the children and parents when they are given the BookTrust pack. We keep one of the books in nursery so that the children can make the connection between home and nursery and are able to retell the story themselves and share with their parents.”**

BookTrust Delivery Partner, North England

<sup>1</sup> Bookstart Baby Evaluation 2023/24

<sup>2</sup> Bookstart Toddler and Pre-schooler Evaluation 2023/24

90% of libraries (2,568 in total) participated in BookTrust Storytime. This national early years libraries programme brings families into libraries, often for the first time, and supports them to become regular visitors through engaging group storytelling sessions based on books that are specially selected for reading aloud. In April we celebrated the magic and importance of story sharing for young children at the BookTrust Storytime Prize event, which brings together libraries, authors and illustrators, and strategic stakeholders. This year the prize was awarded to Gemma Cooper and Carrie Hennon for *Can you Tickle a Tiger?*, one of the six excellent BookTrust Storytime Books that every participating library shared with families in their communities.

In Wales we continued to deliver Pori Drwy Stori, our bilingual programme for nursery and reception-aged children. Aimed at developing literacy, numeracy, speaking and listening skills, using physical and digital resources to support Foundation Learning, we reached over 103,000 children in the year – and distributed just over 32,000 Welsh Bookstart Early Years packs.

Alongside our national scaled offers we continued to learn and innovate, for example, exploring how to engage families antenatally to embed reading in routines as early as possible. We also experimented with new partnerships and delivery routes to help us reach more families in need – for example through prison family services and third-sector community organisations. In February, BookTrust and CBeebies Bedtime Stories launched an exciting new partnership to create CBeebies legacy reading corners and BookTrust Storytime engagement at libraries across the UK to test and develop new ways to engage parents and children to inspire a love of reading together, with a focus on under-served areas.

**90% of libraries**

participated in BookTrust Storytime.



**103,000**

children reached using physical and digital resources to support Foundation Learning.

**“My son was really excited to get his reading pack, and we got started as soon as we got home. He really enjoyed talking about the beasts and sitting down to do the colouring pages.”**

Parent, South England

**“You open up the pack and there’s writing on all the bits telling me... you can read this, do funny voices... I was just reading normally before. Now I make it fun. I do the different characters.”**

Parent, East England

## 96% of children

taking part in the Letterbox Club Evaluation reported that they like or love Letterbox Club, and 68% reported reading more on their own after receiving Letterbox Club parcels.



## 2. Children from vulnerable family backgrounds: Using shared reading to bring enjoyment and stability to vulnerable children

During 2023/24, we continued to build on our long history of supporting children from vulnerable family backgrounds through Letterbox Club, our intensive reading programme for children in long-term foster care. Through partnerships with primary and secondary schools, virtual schools and the Fostering Network in Northern Ireland, 11,439 children received multiple Letterbox Club parcels this year. 96% of children taking part in the Letterbox Club Evaluation reported that they like or love Letterbox Club, and 68% reported reading more on their own after receiving Letterbox Club parcels.<sup>3</sup>

Early shared reading matters for all children. When babies and children experience disruption or difficulties at home, shared reading can be especially transformative, supporting bonding and attachment, giving a sense of stability and providing a way to explore difficult experiences and emotions. 2023/24 saw BookTrust test new approaches to working with children in fostering, kinship and adoptive families, piloting a new shared reading offer for children from vulnerable family backgrounds. We worked with over 400 children and carers to develop new pilot approaches to inform future scaled work. And we developed a new partnership with the organisation Kinship as part of their Department for Education funded kinship carer support contract. We are exploring how BookTrust can support kinship families to read with children in their care.

**“ Letterbox has made my reading confidence grow... it has also made me use my imagination. ”**

Child aged 11 who receives Letterbox Club parcels

**“ We have really enjoyed all the contents... it has sparked an interest in his reading, and he now regularly asks to read before bedtime. ”**

Carer whose child receives Letterbox Club parcels

<sup>3</sup>Letterbox Club Evaluation 2023/24

### 3. Practitioner support: Supporting early years practitioners to promote shared family reading

BookTrust's work to deliver reading behaviour change in low-income families relies on the skill and commitment of partners and practitioners working on the ground. We provide extensive support to help partners and practitioners, from health visitors to children's librarians and early years educators, in this vital work.

During 2023/24, we further strengthened our support to our amazing network of early years partners who provide over 6,000 routes to low-income families in all types of communities across the country. We provided almost 1,500 Storyteller backpacks – a set of books, resources, activities and props used by early years practitioners to lead children and families on storytelling adventures. We also continued to evolve our digital resources for practitioners. We developed a new online portal to streamline ordering and monitoring, making it easier for partners to work with BookTrust and improving the data we have to support our work.

In November we ran our first national Story Sharer Celebration Week, involving over 870 early years partners, and over 500 settings signed up for Big Welsh Rhyme Time. We delivered three partner webinars and launched three **new research briefings on reading in the early years** to engage and support delivery partners, and to inform and inspire strategic stakeholders. We continued to improve our understanding about how we can support our partners, and this has informed the early development of new training for practitioners to improve their skill and confidence in the best ways to help families share stories in the early years.

**95% of delivery partners**

feel our early years programmes support them to engage with parents and carers.



**80% of delivery partners**

rate family resources highly on their suitability for the families who use them.<sup>4</sup>

**“ Bookstart resources are such good quality and the children and families really enjoy getting the packs. They are easy to use and support us with promoting reading books to children and to ensure every child has a book to look at. ”**

BookTrust Delivery Partner, North England

<sup>4</sup>Bookstart Toddler and Pre-schooler Evaluation 2023/24

In our work for children starting secondary school, more than a quarter of a million children

**(259,771) in Years 7 and 8**

received and engaged with Bookbuzz, choosing their own book to keep.

**“ [Bookbuzz] has motivated me to read more often and choose books that I wouldn't usually choose to read. ”**

Bookbuzz Pupil

## 4. Schools: Supporting schools to foster a love of reading

In 2023/24 our focus with schools and school-aged children was to support teachers to encourage early engagement with reading and to support older children to develop their identity as independent readers.

We launched our new platform for primary school teachers providing support and guidance on how to encourage families to continue sharing stories at home as children start school. We continued to share extensive book reviews and recommendations, providing every primary school in England and Northern Ireland with a copy of our 2023 Great Books Guide, as well as research to help teachers in their work to engage children in reading.

In Northern Ireland, we distributed the P1 Project, funded by the Education Authority and developed with the aim of encouraging children to spend a little time each day with their families reading for fun.

The BookTrust Northern Ireland author tour (supported by Lottery Project Funding through Arts Council Northern Ireland) took five celebrated authors/illustrators to schools in communities that don't typically engage with the arts, resulting in 2,086 pupils meeting and being inspired by some of the best creators in children's literature.

We also scaled up our BookTrust Represents programme. We introduced 54,000 children in 1,800 schools to exciting reading experiences with creators of colour and their work through national online school visits, providing tools to support teachers to bring these experiences to life in their classrooms.

**“ The children love it! They pester their teachers for when the books will arrive for weeks after they've completed their selections. ”**

BookTrust Delivery Partner, East of England

## Other highlights from 2023/24

### A year of impactful initiatives and championing early years reading

A major focus this year has been to raise the profile of early years reading and BookTrust's evidence-based activities. In January we launched our 'Reading Together, Changing Children's Lives' campaign calling for long-term focus on and investment in reading for children under seven. This work included a national event, media engagement, new research and production of new videos and communications tools. Supported by our President Sir Michael Morpurgo, all 12 current and previous Children's Laureates, and our wider network of delivery and creative partners, 'Reading Together, Changing Children's Lives' generated strong media attention and engagement from policy makers and other key stakeholders. This work continues in the year ahead.

We supported Joseph Coelho through his exciting term as the Children's Laureate, including Poetry Prompts, where he celebrated the power of poetry in all its forms with weekly videos; 'Bookmaker Like You', so that every child could see themselves as a bookmaker; and the 'Library Marathon', Joseph's personal mission to join a library in every local authority in the UK.

Internationally, we continued to convene the BookTrust founded, global bookgifting network, sharing best practice and research across an international community of organisations engaged in early years reading – and are developing content and a partnership promotional plan to help encourage organisations worldwide to start such work.

Plans are also in motion to develop a new Europe-wide declaration calling for early years bookgifting as every child's right.

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**Supported by our President Sir Michael Morpurgo, all 12 current and previous Children's Laureates, and our wider network of delivery and creative partners, 'Reading Together, Changing Children's Lives' generated strong media attention and engagement.**



## Evidence-led design and planning

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**This year we maintained our focus on research and evaluation to ensure everything we do drives impact for children and families.**

We launched seven new learning zones (in Blackpool, Brent, Leeds, Leicester, Hartlepool, Sandwell and Somerset), began a longitudinal study with low-income early years families, and developed a new annual survey to ensure we understand and can respond to our delivery partners' needs. In December we won the Market Research Society's Activation of Insights award recognising our commitment to evidence-led design.

## Sustainability

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**Mindful of the impact that our activities can have, we regularly review how we work, our supply chain, procurement practices and logistics.**

This year we continued to promote environmental understanding amongst children by identifying appropriate books and producing associated booklists to guide families and teachers.

In October, BookTrust partnered with University of Exeter, the Poetry Society and the National Trust on the UK's first Biodiversity Storytelling Summit. This is part of the three-year RENEW partnership to create measurable biodiversity renewal and increased access to biodiversity through children's literature and poetry. Through this work we continue to explore the role that books can play in supporting greater understanding of biodiversity, and how nature can inspire children to read.

## Equality, diversity and inclusion

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**Children from diverse and excluded communities are over-represented in our target audience groups of low-income families and children from vulnerable family backgrounds.**

Over the past year we selected, recommended and distributed thousands of inclusive books with stories and illustrations that are representative of a diverse range of different lives, experiences and cultures. We included diverse perspectives in our research and design activities, and explored new ways to ensure a wide range of voices contribute to our research, design and development.

We supported new creators of colour and arranged face-to-face and virtual events for creators of colour to visit primary and secondary schools to inspire children with their work. We further extended our early years partnership network to improve our access to families in diverse and excluded communities across the UK.



# The future

**We are pleased to share our achievements in 2023/24. While we're making substantial progress to get children reading, we know there is much more to do.**

## **BookTrust 2024/25: What next?**

In 2024/25, BookTrust will continue to deliver impact-led, behaviour-change programmes and activities to over 1.3 million children and families, prioritising our work for children from low-income and vulnerable family backgrounds, and embedding our learning in sustainable ways while we develop new sources of income for our work.

## Our priorities for 2024/25 include:

### 1. Early years: Embedding reading in the life of every low-income family

We will continue to support babies, toddlers and pre-schoolers in England, Wales and Northern Ireland with programmes based on the strongest evidence on how to create positive shared reading experiences, maintaining our levels of reach while we try to deepen our impact further. We will continue to explore new delivery routes to best reach low-income families through Bookstart Toddler and Pre-schooler and BookTrust Storytime.

### 2. Children from vulnerable family backgrounds: Using shared reading to bring enjoyment and stability to vulnerable children

We will maintain the delivery and reach of our Letterbox Club programme, both for children in long-term foster care and disadvantaged children in schools who feel their pupils would benefit from this intensive support.

We will deliver reading support for children in kinship care, as part of our partnership with the charity Kinship, and deepen our learning about the best ways to support these carers to embed reading routines at home. Building on work in 2023/24, a priority for 2024/25 will be to launch a new shared reading programme for vulnerable children aged 0–7, including testing demand with potential customers and developing routes to reach children.



### 3. Practitioner support: Supporting early years' practitioners to promote shared family reading

We will continue to deliver thousands of BookTrust Storyteller resources to understand and better meet the needs of an increasingly varied range of delivery partners. We will further develop our digital support and resources for partners and practitioners. Building on learning and planning in 2023/24, we will progress the development of a new training model for early years practitioners.

Looking ahead to future development, we will identify the most impactful elements of partner delivery so that in the evolution of our work we can provide even better support for the things that make the most difference to families' reading behaviour.

### 4. Schools: Supporting schools to foster a love of reading

We will continue to support primary schools to engage with our book reviews and resources to get children reading. We will continue to run virtual visits and distribute high-quality representative books as part of our BookTrust Represents programme.

We will continue reaching children in Years 7 and 8 through Bookbuzz and pilot a new traded School Library Pack to provide secondary schools with a range of new high-quality books suitable for children in Key Stage 3.

We will continue to support the Waterstones Children's Laureate, Frank Cottrell-Boyce, to promote the importance of children's literature, reading, creativity and storytelling, and the right of every child to enjoy books and stories.





# Our funders and supporters

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**We extend a huge thank you to the many thousands of BookTrust partners who work with us.**

We would especially like to thank:

- Our Patron, Her Majesty the Queen, for her ongoing patronage and support for the cause of reading and our President, Sir Michael Morpurgo, for his long-standing support and inspiration.
- Our national network of Bookstart coordinators, local authorities, practitioners and community partners operating in every community in England, Wales and Northern Ireland. To those supporting families in libraries, community organisations, early years settings, health visitors and to local authority and schools partners: thank you for being a crucial part of what we do.
- Our partners in publishing and authors and illustrators, who are at the heart of our work to inspire children and families on their reading journeys.

We are grateful for the generous support we receive from those who share our mission to get children and families reading for pleasure:

- Arts Council England
- Arts Council Northern Ireland
- Welsh Government
- Northern Ireland Education Authority

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**We would like to thank our BookTrust Friends and supporters of our appeals, including the families, schools and nurseries who supported our Pyjamarama fundraiser, and everyone who takes part in challenge events on our behalf.**

We would like to take this opportunity to recognise and thank some of the many individuals, companies, trusts and foundations who generously supported our work in the past year, including:

- Accelerated Intelligence Ltd
- Andersen Press
- Bloomsbury Publishing
- Bookshop.org
- BookSpace
- Build-A-Bear Foundation
- Clara E Burgess Trust
- Emerald Publishing Limited
- GMC Trust
- Good Humans
- Hyde Park Place Estate Charity
- Kajima
- MarketingTwentyOne
- Mercury
- Mike Gooley Trailfinders Charity
- Mintaka Trust
- Mohn Westlake Foundation
- Mushens Entertainment
- Oxford University Press
- Panduit
- Peters Ltd
- Princeton University Press
- Promote Your School
- Renaissance
- Rolex
- Sadie Coles HQ
- Simmons & Simmons LLP
- Solution Junkies Limited
- Strand Parishes Trust
- The Alec-Smith Family Trust
- The Alan Greenaway Foundation
- The Bhim Ruia Foundation
- The Catherine Cookson Trust
- The Elizabeth Frankland Moore and Star Foundation
- The Fishburn Family Trust
- The Folio Society
- The George Cadbury Fund
- The Goldsmiths' Company Charity
- The Harris Poll
- The Lawson Trust
- The Pitt-Rivers Charitable Trust
- The Tanlaw Foundation
- Usborne
- Vision Architectural Glazing Installations Ltd
- Waterstones
- Westminster Abbey



# Fundraising policy

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**We set out to fundraise in an open, honest and respectful manner.**

We use multiple channels to fundraise from various audiences. When developing our fundraising campaigns, we assess the impact our fundraising could have on an individual and take actions to mitigate any negative impact. When running fundraising campaigns, we welcome feedback and use this to help shape future fundraising campaigns. We always treat donor data responsibly and are compliant with all UK data protection laws. Our privacy policy is published on our website and gives details of the information we hold and how and why we process it. We respect the privacy and contact preferences of our donors and will respond promptly to any requests to cease contact.

We are committed to generating income in a manner that protects all individuals, especially any vulnerable donors. In this respect, we will not place any undue pressure on individuals to donate, nor will we solicit or accept donations from anyone who we know, or suspect, may not be capable of making their own decisions.

We are members of the Fundraising Regulator scheme. This means that we are committed to best practice in fundraising and follow the Fundraising Regulator's Fundraising Promise and the Institute of Fundraising's Code of Fundraising Practice.

We record and investigate all fundraising complaints received and use this information to inform our fundraising strategy. We aim to deal with any complaints about our fundraising activities in a timely manner. During the 2023/24 financial year, we received seven fundraising complaints (2022/23: one); all complaints were amicably resolved in a timely manner.

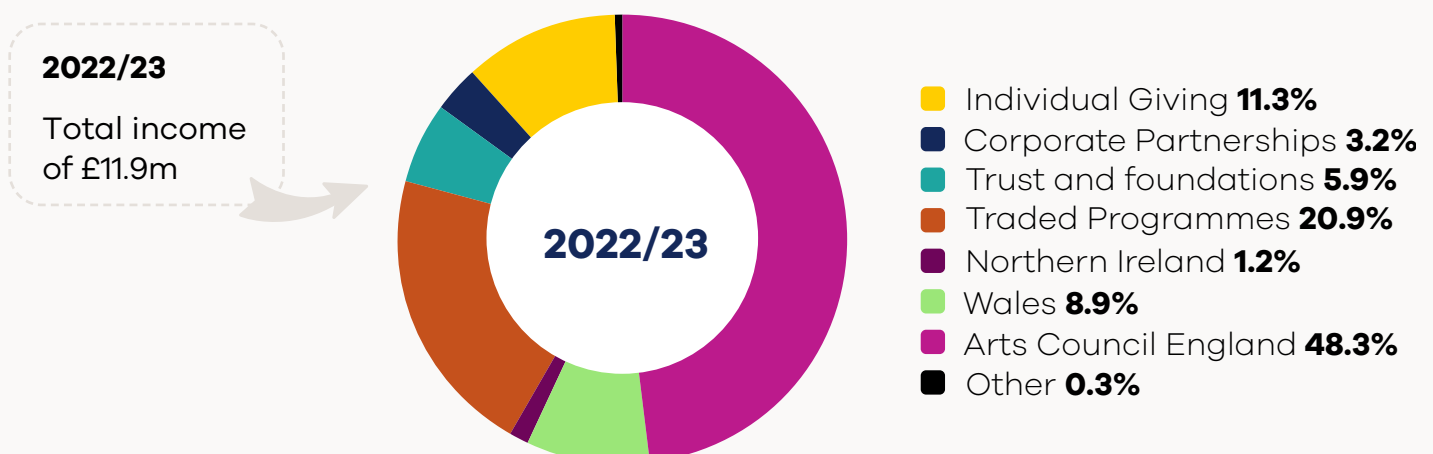
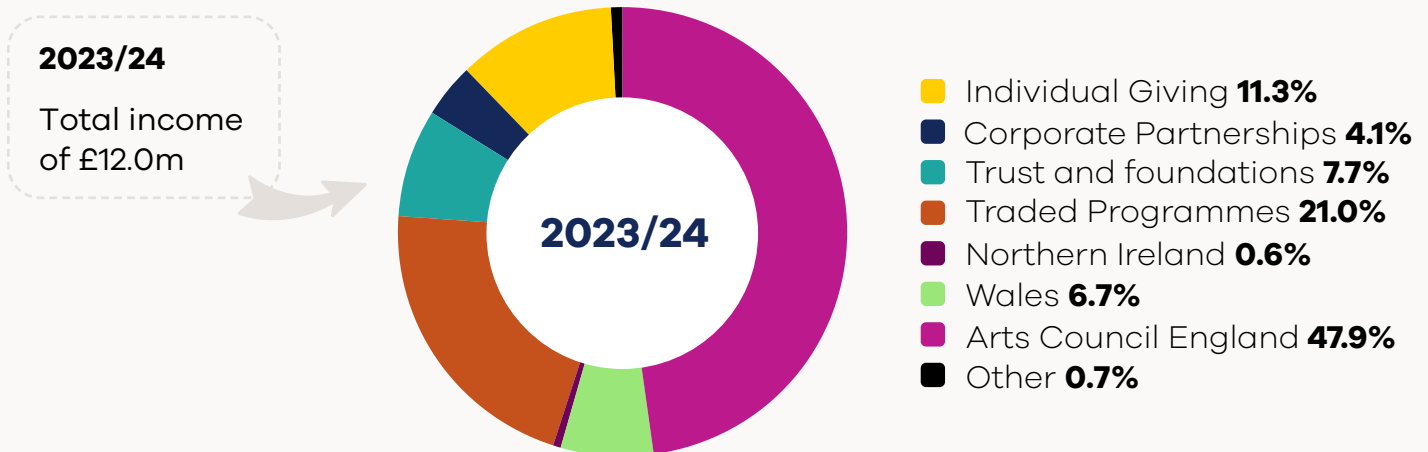
# Financial review

We utilised lower levels of reserves than anticipated this year, largely due to cost-savings initiatives and out-performance on income generation, leading to an operating deficit (before gain on investments) of £0.1m, (2023: deficit of £1.85m). We received £5.8m of funding as part of our contract with Arts Council England, which has now been extended to 2026/27. We were also successful in securing £0.8m (2023: £1.1m) of funding from the Education Directorate of the Welsh Government to support our work in Wales – this was the first year of a two-year commitment.

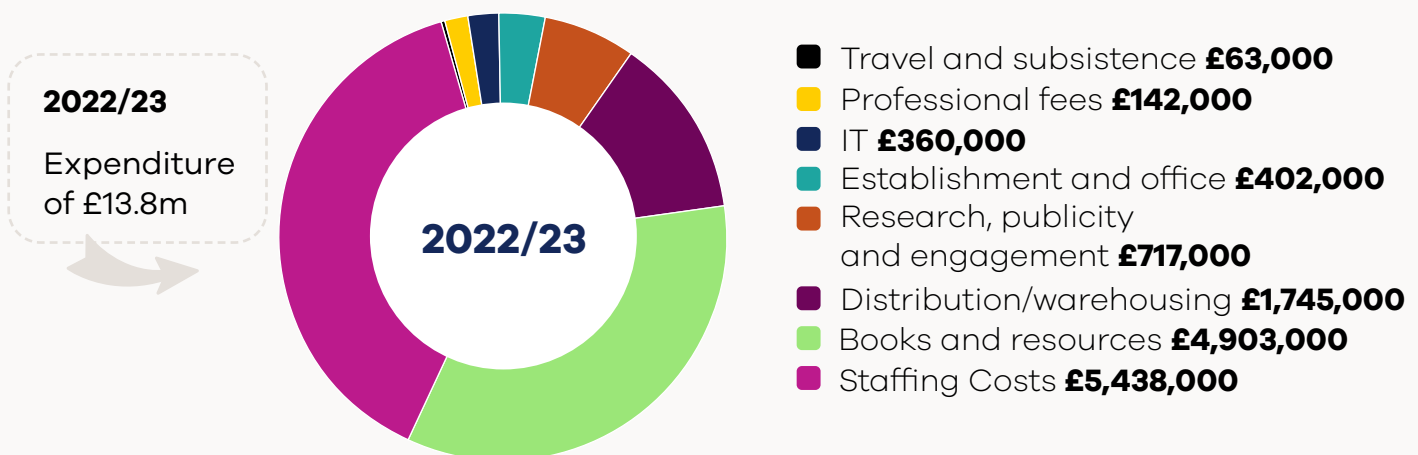
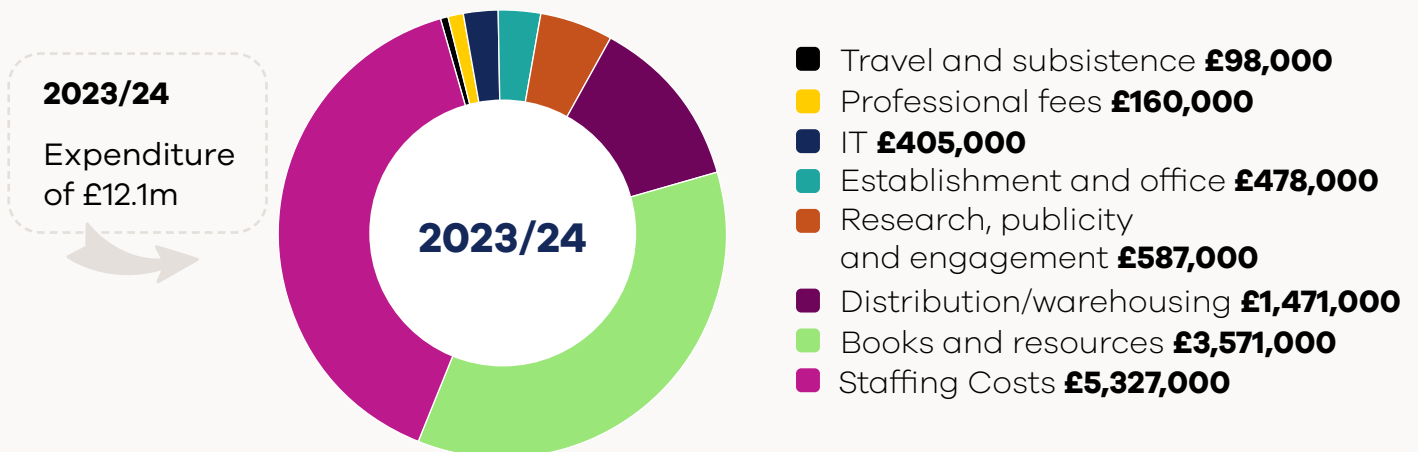
Our fundraising income from corporate sponsorship and individual giving grew by 7% from the previous year. Trusts and foundations income increased by 32%.

Our traded programmes, Bookbuzz and Letterbox Club, continue to be a material source of income. Letterbox Club accounted for £1.5m (2023: £1.6m) of the total income for the year and Bookbuzz £0.9m (2023: £0.8m).

Overall, our total income increased by £0.1m to £12.0m (2023: £11.9) with a further total of £1.5m deferred to 2024/25 (2023: £1.9m).



In the prior year we agreed with the board a planned utilisation of reserves to support our strategic shift of focus to low-income and vulnerable children. In the current year, cost-savings initiatives have led to expenditure decreasing by £1.7m to £12.1m (2022: £13.8m).



Our spend against strategic objectives (analysed below) demonstrates our continued focus on early years disadvantaged and vulnerable children, as a key part of our strategy. Spend in these areas has increased by 2.3% and 1.4% respectively.

In the context of increased investment in early years disadvantaged and vulnerable children, our spend against SO3 has declined by 6.3%, as a result of our discontinuation of Time to Read packs in the year.

## Strategic Objectives

- SO1** Initiate shared reading

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- SO2** Supporting disadvantaged families in their early years to get reading

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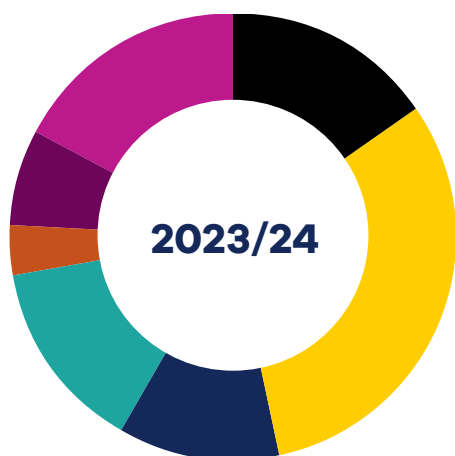
- SO3** Encouraging children and families to continue on their reading journeys

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- SO4** Supporting children from vulnerable backgrounds to enjoy the benefits of reading

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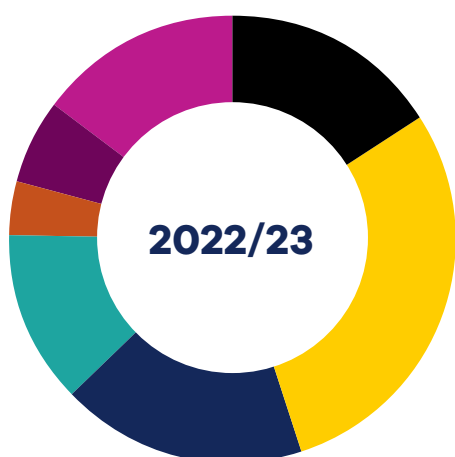
- SO5** Building a community of advocates for reading



- Strategic Objective 1 **15.5%**
- Strategic Objective 2 **31.3%**
- Strategic Objective 3 **11.6%**
- Strategic Objective 4 **14.0%**
- Strategic Objective 5 **3.6%**
- Fundraising **6.9%**
- Overheads **17.1%**

**2023/24**

Expenditure  
of £12.1m



- Strategic Objective 1 **16.1%**
- Strategic Objective 2 **29.0%**
- Strategic Objective 3 **17.7%**
- Strategic Objective 4 **12.6%**
- Strategic Objective 5 **3.8%**
- Fundraising **6.1%**
- Overheads **14.7%**

**2022/23**

Expenditure  
of £13.8m

BookTrust's funds are divided into two categories:

**Restricted** – Restricted funds are funds that can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes, aligned to the development of our strategic objectives. The allocation of restricted funds is detailed by strategic objective in the notes to these accounts.

**Unrestricted** – These funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

**Reserves Policy** – This sets out a minimum level of unrestricted funds to enable the charity to address foreseeable scenarios. It further sets out limits for the liquid portion of this fund to ensure that all current financial obligations to partners, suppliers and staff can be met in a timely manner.

**Unrestricted Reserves** – The trustees have revisited our reserves policy, and considering a worst-case scenario of an orderly winding up of the charity, have agreed a minimum level of reserves of £4.5m should be retained. This balance comprises £2.2m to meet any outstanding financial liabilities in such a scenario, and is supplemented with additional, transitional reserves, where the aim would be to maintain a further £2.3m. This would account for approximately three months of expenditure to allow for a managed reconfiguration of the organisation to a smaller, more tightly focused organisation. This recognises our commitments on leases, to staff and to committed traded activity, and also takes into account working capital requirements which are driven by advance purchasing (typically in the Far East) to support a six-to-nine-month production and distribution cycle that enables us to deliver large-scale national interventions.

It should be noted that all of our investments are now classified as current assets, as none of our assets are deemed to be long-term.

**Free Reserves** – The trustees recognise the obligation of the charity to pay its staff, suppliers and others in full in a timely manner, against seasonal patterns of cash flow. To ensure that this is possible, the trustees have determined that a minimum level of free reserves should be maintained such that all current liabilities can be met in the event of a short delay in receipt of income from grants, etc.

Based on present projections of expenditure, this level has been set to maintain an average free reserves position of £1.5m, drawing down from investments when required to maintain this level.

These policies will be reviewed annually by the trustees to ensure an appropriate allocation of reserves to the achievement of the charity's strategic aims and purpose.

The total value of all funds at 31 March 2024 was £6.2m (2023: £6.1m), of which £3.5m (2023: £4.3m) was held as investments, £2.1m in cash (2023: £1.0m), and the balance of £0.6m (£0.8m) in working capital. Of the £6.2m, £0.2m (2023: £0.2m) was restricted for specific purposes. This leaves £6.0m (2023: £5.9m) in unrestricted funds, which is £1.5m (2023: £3.4m) above our minimum reserve requirements. Free reserves stand at £2.7m (2023: £1.8m), again well in excess of minimum free reserve requirements. The trustees are satisfied that the approved plans for the next three years ensure that funds above the minimum policy requirement will be deployed effectively against the charity's objectives.

## Investment policy

BookTrust's investments portfolio can be broken down into two main categories: managed funds and cash on deposit. Our primary objective is to increase the real value of our investments while managing our risk. With respect to our managed funds, we want to invest in a way that provides a high level of diversification, flexibility and liquidity (with limited exposure to market movements). Our managed funds are managed by Epoch Consulting (part of Brewin Dolphin Ltd) through two sub-strategies: a low volatility portfolio and a balanced risk growth portfolio. We work closely with Epoch to monitor performance against agreed market benchmarks and our investment objectives.

# Risk and governance

## Key risks and uncertainties

Our risk management is reviewed regularly and is supported by strong governance to ensure compliance with the regulatory framework within which we operate.

We have identified the following as our key risks:

### **Profile and political environment**

There is a risk that in a turbulent and fast-changing political environment we may struggle to make our voice heard and maintain our profile. To mitigate this risk, we have developed the capacity and capability of our communications team, and our Executive Leadership Team is increasing its external engagement. In addition, in relation to our work in the early years, the launch of 'Reading Together' has enabled us to extend our external engagement and is an important tool to highlight our significant contribution.

### **Pressure on our external delivery partners**

BookTrust receives support from a wide range of organisations. Financial and delivery pressures are being felt by key partners in local government as well as by other current and potential new local delivery partners. There is a risk that these pressures may impact on our plans for delivery or may hamper our learning and development work. We are mitigating this through increased capacity within our partnerships team as well as taking a more targeted approach with partners.

### **Income generation**

BookTrust receives support from a wide range of donors and there is a risk that, in the context of challenging economic conditions with cost-of-living pressures, we struggle to hit income generation

targets. To mitigate this, we have built and monitor a five-year financial plan, drawing on work by our income generation team as they seek to diversify our income streams. We are developing approaches for traded programmes, and these are being informed by a range of initiatives, for example the development of prototype interventions or research to understand potential customer priorities.

### **Ongoing cost pressures**

Cost pressures continue through our supply chain across books, resources and our logistics. There is a risk that these pressures, and cost reductions that we take in response to them, may impact on the delivery of our strategy. With regard to mitigations, we are successfully delivering against budget, including a cost optimisation plan; we have refreshed our five-year financial plan and continue to consider cost optimisation options alongside strategy development plans.

### **Organisational change**

We have put in place a stretching programme of work in order to deliver our ambitions and there is a risk that we struggle to deliver this. To mitigate this, we have a change plan managed by the CEO and our evolved internal governance structure helps with the prioritisation of activity. We continue to grow our presence in Leeds and to embed our flexible and distributed working model, both of which help with recruitment and retention.

# Legal and administrative information

Charity Name	BookTrust
Charity Registration Number	313343
Company Registration Number	00210012

<b>Patron</b>	Her Majesty the Queen
<b>President</b>	Sir Michael Morpurgo

## Board of Trustees

The trustees of BookTrust (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

Ellen Broomé	(Appointed 1 September 2024)
John Coughlan CBE	Chair
Radha Chakraborty	Vice Chair
Professor Matthew Cripps	
Gautam Dalal	Honorary Treasurer
Harpal Dhillon	(Resigned 5 December 2023)
Professor Tim Hobbs	(Appointed 1 September 2024)
Michael Hudack	(Resigned 31 May 2023)
Professor Anthony Kessel	
Nigel Langstaff	
Hilary Murray Hill	
June O'Sullivan MBE	
Edward Poultney	(Appointed 1 September 2024)
Victoria Sellick MBE	

<b>Chief Executive</b>	Diana Gerald MBE
<b>Company Secretary</b>	Jennifer Rachael Bailey

## Registered Office

1 Aire Street, Leeds, England, LS1 4PR

## Our Advisers

Auditors	Sayer Vincent LLP, 110 Golden Lane, London EC1Y 0TG NatWest, 111–117 Putney High Street, London SW15 2LL
Bank	Russell-Cooke, 2 Putney Hill, London SW15 6AB
Solicitors	Epoch Consulting, Queen Square House, Queen Square Place, Bath BA1 2LL
Investment Managers	

# Structure, governance and management

BookTrust is a private company limited by guarantee without share capital and a charitable company limited by guarantee having no share capital incorporated on 28 November 1925 and registered as a charity on 1 July 1963. It was established under a Memorandum of Association which established its objects of the charitable company and is governed under its Articles of Association. Over 2023/24, the board of trustees reviewed our Articles of Association and we are now operating under Articles adopted by special resolution on 9 October 2023.

## Governance and management

Under the terms of the Articles of Association as adopted in October 2023, management of BookTrust's affairs is vested in a board of not less than four trustees. Trustees are appointed for an initial period of up to three years. Following the adoption of our revised Articles in October 2023, trustees may be reappointed for up to two further terms each of three years. The board have agreed that, while on occasion trustees may be asked to serve for three terms, it will continue to be usual practice for members of the BookTrust board to serve a maximum of two terms of office.

The board of trustees administers the charity and exercises its scrutiny role through board meetings, held at least quarterly, and standing committees. We have three main committees: (i) Finance, Risk & Audit, (ii) Nominations, and (iii) Equality, Diversity, Inclusion & Remuneration. The board has also established a Donations, Acceptance & Refusal Committee which meets as required. The board has established trustee lead roles for key areas, notably safeguarding, governance, equality & diversity, environmental sustainability, and people & culture.

Trustee recruitment is informed by skills needs. Skills audits of trustees are undertaken periodically to ensure that we have the right balance of skills and experience and to identify areas for focus in future trustee recruitment. We also review the make-up of our board to ensure that we have sufficient diversity. At the start of the year we reviewed our board composition to inform the trustee recruitment that took place in Spring 2024. We appointed three new trustees in September 2024.

All new trustees are provided with a comprehensive induction programme with information provided on their role, the organisation and its operating context in addition to meeting with key staff. The board holds at least one away day for trustees each year as well as regular briefings. In addition, all board members are provided with regular updates and are encouraged to attend events and training.

The trustees have agreed a Charity Code of Governance action plan with progress reviewed on at least an annual basis by the board. There is an annual review of board effectiveness. Over recent years we have conducted annual internal reviews led by the chair of the board, and in autumn 2023 we commissioned an external review of governance. Informed by these reviews, we continue to take steps to strengthen BookTrust's governance and to develop and deliver on agreed priorities in the Charity Code of Governance action plan.

A chief executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the chief executive has delegated authority for operational matters including finance, employment and other programme and delivery related activities.

## The Executive Leadership Team

comprises:

### **Diana Gerald MBE**

Chief Executive Officer

### **Annie Crombie**

Deputy CEO

### **Colin Atkins**

Chief Operating Officer

### **Benedict Arora**

Director of Communications

### **Mike Bues**

Director of Finance

### **Lizzie Catford**

Director of Children's Books

### **Claire Goodall**

Director of Design, Development  
& Strategic Planning  
(resigned 30 April 2024)

### **Julie Hayward**

Director of Partnerships

### **Ruthann Hughes**

Director of Research & Impact

We have continued to develop our executive leadership team to ensure that our senior staff bring us sufficient diversity and the breadth of expertise and skills we need to manage BookTrust's activity, in both the range of work and our geographical reach working with an extensive range of partners. Members of the executive leadership team have leadership roles as well as delivery/operational responsibilities.

All personnel aside from the CEO and members of the executive leadership team who report to the CEO are remunerated within a pay framework set using job evaluation and analysis and, where relevant, external benchmarking. We have moved to a new pay policy which increases the focus on staff performance against job-related targets and assessments. There is also an annual cost-of-living review. Changes to the pay policy as well as to the annual cost-of-living award are decided upon by the board on the recommendation of the Equality, Diversity, Inclusion & Remuneration Committee. Remuneration of the CEO is agreed by trustees based on a formal performance evaluation and periodic external benchmarking. In addition, trustees set annual salary ranges for key management personnel.

# Statement of trustees' responsibilities

The trustees (who are also directors of BookTrust for the purposes of company law) are responsible for preparing the trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of BookTrust and of the incoming resources and application of resources, including the income and expenditure, of BookTrust for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK 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 presume that BookTrust 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 BookTrust and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of BookTrust and therefore taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the corporate and financial information included on BookTrust's website.

## Public Benefit

BookTrust has referred to the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

## **Statement as to disclosure of information to the auditor**

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Trustees' annual report, incorporating the strategic report, approved by order of the trustees.

Approved and authorised for issue by the board of directors and signed on their behalf by:

**John Coughlan**

Chair

Date: 30/09/24

**Gautam Dalal**

Director

Date: 30/09/24

# Independent auditor's report to the members of BookTrust

## Opinion

We have audited the financial statements of BookTrust (the 'charitable company') for the year ended 31 March 2024, which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company

in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on BookTrust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course

of the audit, we have not identified material misstatements in the trustees' annual report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit

## **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, are set out below.

### Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, the finance, audit and risk committee, which included obtaining and reviewing supporting documentation concerning the charity's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;

- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias, and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Jonathan Orchard**

(Senior statutory auditor)

Date: 17 October 24

for and on behalf of

### **Sayer Vincent LLP**

Statutory Auditor

110 Golden Lane, London, EC1Y 0TG

# Statement of financial activities

(including income and expenditure account for the year ended 31 March 2024)

	Note	Unrestricted funds 2024 (£) £'000	Restricted funds 2024 (£) £'000	Total funds 2024 (£) £'000	Total funds 2023 (£) £'000
<b>Income from:</b>					
Statutory funding		5,763	898	6,661	6,971
Corporate partnerships		448	45	493	380
Individual giving		1,357	-	1,357	1,346
Trust and foundations		107	821	928	704
Traded activity		2,520	-	2,520	2,494
Investment dividends and Interest		64	-	64	29
		10,259	1,764	12,023	11,924
<b>Expenditure on:</b>					
	2a				
Raising donations		1,021	-	1,021	984
<b>Charitable activities</b>					
Initiating shared reading		2,089	174	2,263	2,602
Supporting disadvantaged families in their early years to get reading		3,943	622	4,565	4,678
Encouraging children and families to continue on their reading journeys		1,409	285	1,694	2,850
Supporting children from vulnerable backgrounds to enjoy the benefits of reading		1,567	463	2,030	2,037
Building a community of advocates for reading		304	220	524	619
		10,333	1,764	12,097	13,770
<b>Net Income before gains/(losses) on investments</b>	3	<b>(74)</b>	<b>-</b>	<b>(74)</b>	<b>(1,846)</b>
Net gain/(loss) on investments	6	148	-	148	(311)
<b>Net income/(expenditure)</b>		<b>74</b>	<b>-</b>	<b>74</b>	<b>(2,157)</b>
Transfer between funds	10a	56	(56)	-	-
<b>Net movement in funds</b>		<b>130</b>	<b>(56)</b>	<b>74</b>	<b>(2,157)</b>
Total funds brought forward		5,875	243	6,118	8,275
<b>Total funds carried forward</b>		<b>6,005</b>	<b>187</b>	<b>6,192</b>	<b>6,118</b>

# Balance sheet

As at 31 March 2024

	Note	2024		2023	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Investments	6		-		2,500
<b>Current assets</b>					
Investments	6	3,451		1,819	
Stock		1,380		1,468	
Debtors	7	1,447		1,959	
Cash at bank and in hand		2,075		1,043	
		8,353		6,289	
<b>Creditors:</b> amounts falling due within one year	8	(2,161)		(2,671)	
Net current assets			6,192		3,618
<b>Net assets</b>			<b>6,192</b>		<b>6,118</b>
<b>Funds</b>					
Restricted funds	10a		187		243
<b>Unrestricted</b>					
General funds	10a		6,005		5,875
			<b>6,192</b>		<b>6,118</b>

Approved and authorised for issue by the board of directors on 30 September 2024 and signed on their behalf by:

**John Coughlan**  
Director

**Gautam Dalal**  
Treasurer

# Cash flow statement

for the year ended 31 March 2024

	2024	2023
	£'000	£'000
<b>Cashflows from operating activities</b>		
Net expenditure before investment gains/(losses) for the reporting period (as per the statement of financial activities)	(74)	(1,846)
Interest	53	14
Decrease in stock	88	368
Decrease in debtors	512	427
Decrease in creditors	(509)	(1,059)
<b>Net cash provided by operating activities</b>	<b>70</b>	<b>(2,096)</b>
<b>Cashflows from investing activities</b>		
Interest	(53)	(14)
Proceeds from sale of investments	1,827	2,572
Purchase of investments	(617)	(1,122)
Net cash movement in investments	(195)	572
<b>Change in cash in reporting period</b>	<b>1,032</b>	<b>(88)</b>
<b>Analysis of cash and cash equivalents</b>		
<b>Cash in hand</b>		
Balance brought forward	1,043	1,131
Increase/(decrease) in year	1,032	(88)
<b>Balance carried forward</b>	<b>2,075</b>	<b>1,043</b>
<b>Cash in hand</b>		
Bank balance	2,075	1,043
	<b>2,075</b>	<b>1,043</b>

# Notes to the accounts

31 March 2024

## 1 Principal accounting policies

### (a) General information

BookTrust is a UK registered charitable company limited by guarantee. Its registered offices are at 1 Aire Street, Leeds, LS1 4PR.

### (b) Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), and the Companies Act 2006.

BookTrust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

### (c) Preparation of accounts on a going concern basis

The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives trustees confidence the charity remains a going concern for the foreseeable future.

### (d) Fund accounting

#### Unrestricted:

This fund supports working capital requirements, cover for risk management and is available for use at the discretion of the directors in furtherance of the general objectives of the charity and which has not been designated for other purposes.

#### Restricted:

Restricted funds are funds that can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes, as detailed in note 10.

# Notes to the accounts

31 March 2024

## (e) Income

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific activities are applied to particular categories of income:

- Unrestricted donations are recognised as income when they are quantifiable, probable and entitlement is transferred to BookTrust. This is typically on receipt and acceptance of the donation.
- Income from any appeal for donations for a specific reason is treated as restricted income and is recognised when the conditions of the appeal have been met.
- Legacies are recognised when all three of the following criteria are met:
  - a. Probable – the charity is aware that probate has been granted;
  - b. Measurable – in practice this could come from final estate accounts, cash received or correspondence from executors/solicitors confirming an amount to be distributed;
  - c. Entitlement – taken as the earlier of the final estate accounts being approved or cash received. 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.
- Grant income from Arts Council England is accounted for as income in the period to which it applies. Grant income from Arts Council England was accounted for as unrestricted income in 2023/24, but as restricted in 2022/23.
- Income from charitable activities is accounted for as income only when the conditions under the terms of the grant have been fulfilled and includes contributions from organisations for the supply of packs, books, promotions and prizes.
- To the extent that they are not subject to performance-related conditions, income from grants, including government grants, for a specific purpose are accounted for as income as they are received and are accounted for as restricted funds.
- For relevant grants, income is accounted for as the charity earns the right to consideration by its performance. Where the grant is received in advance of performance, its recognition is deferred and included in creditors. Where entitlement occurs before the grant is received, it is accrued in debtors.
- Investment income is included when receivable.

# Notes to the accounts

31 March 2024

## (f) Expenditure

All expenditure is accounted for on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and this is reported as part of the expenditure to which it relates:

- Fundraising costs comprise the costs associated with attracting voluntary income and the costs of fundraising. Fundraising costs are those incurred in seeking grants and include the cost of disseminating information in support of the charitable activities.
- Charitable expenditure comprises those costs incurred by BookTrust in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and includes the audit fees and costs linked to the company secretary.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. These are incorporated into the expenditure figures in the statement of financial activities.

## (g) Stock

Stock is valued at cost price if it is to be used in the programme the following year. Obsolete stock is written down to zero and stock held under contract is valued at the net realisable value.

## (h) Fixed assets

Single assets over £10,000 are capitalised.

## (i) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

## (j) 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.

# Notes to the accounts

31 March 2024

**(k) Cash at bank and in hand and cash equivalents**

Cash at bank and in hand includes cash held in accounts.

**(l) Financial instruments**

With the exception of investment assets, the trust 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. Investment assets are measured at fair value.

**(m) Pensions**

Employees are eligible to join the stakeholder pension scheme operated by Scottish Widows. Employees join the stakeholder pension contract directly with Scottish Widows. BookTrust makes a contribution to the pension scheme of 7% of employee salary and also acts as agent in collecting and paying over employee pension contributions.

**(n) Investments**

Investments are valued at their market value ruling at the balance sheet date, which gives rise to unrealised gains and losses that are included in the statement of financial activities.

**(o) Significant accounting judgements and sources of estimation uncertainty**

There are no areas in the accounts where management has been required to make significant judgements or estimations due to uncertainty.

# Notes to the accounts

31 March 2024

## 2a Analysis of expenditure (current year)

### Charitable Activities

	Raising funds	Strategic objective 1	Strategic objective 2	Strategic objective 3	Strategic objective 4	Strategic objective 5	Other activities	Governance costs	Support costs	2024 Total	2023 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Books and resources	179	827	1,557	429	579	-	-	-	-	3,571	4,903
Research, publicity & engagement	137	23	83	156	90	67	-	-	31	587	717
Distribution/warehousing	3	404	516	190	356	2	-	-	-	1,471	1,745
Payroll costs (note 4)	458	572	1,531	568	615	348	-	30	952	5,074	4,897
Other staffing costs	22	14	29	28	19	3	-	-	138	253	541
Travel and subsistence	-	16	33	11	16	8	-	-	14	98	63
Professional fees and finance costs	25	3	5	4	2	1	-	37	83	160	142
Establishment and office costs	2	2	5	3	4	1	-	-	461	478	402
IT	6	14	25	15	12	4	-	-	329	405	360
	832	1,875	3,784	1,404	1,693	434	-	67	2,008	12,097	13,770
Support costs	183	376	756	281	325	87	-	-	(2,008)	-	-
Governance costs	6	12	25	9	12	3	-	(67)	-	-	-
<b>Total expenditure 2024</b>	<b>1,021</b>	<b>2,263</b>	<b>4,565</b>	<b>1,694</b>	<b>2,030</b>	<b>524</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,097</b>	<b>-</b>
<b>Total expenditure 2023</b>	<b>984</b>	<b>2,602</b>	<b>4,678</b>	<b>2,850</b>	<b>2,037</b>	<b>619</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,770</b>

An explanation of each Strategic objective can be found on p. 23

Of the total expenditure, £10,333,000 was unrestricted (2023: £4,166,000) and £1,764,000 was restricted (2023: £9,604,000).

# Notes to the accounts

31 March 2024

## 2b Analysis of expenditure (prior year)

### Charitable Activities

	Raising funds	Strategic objective 1	Strategic objective 2	Strategic objective 3	Strategic objective 4	Strategic objective 5	Other activities	Governance costs	Support costs	2023 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Books and resources	150	1,177	1,675	1,197	689	15	-	-	-	4,903
Research, publicity & engagement	178	31	74	187	72	151	-	-	24	717
Distribution/warehousing	5	443	530	392	372	3	-	-	-	1,745
Payroll costs (note 4)	431	509	1,494	585	556	333	-	32	957	4,897
Other staffing costs	43	39	169	47	32	17	-	-	194	541
Travel and subsistence	1	8	28	9	7	6	-	-	4	63
Professional fees and finance costs	26	4	6	5	3	1	-	20	77	142
Establishment and office costs	5	3	4	3	2	1	-	-	384	402
IT	-	6	9	5	4	1	-	-	335	360
	839	2,220	3,989	2,430	1,737	528	-	52	1,975	13,770
Support costs	141	373	671	409	292	89	-	-	(1,975)	-
Governance costs	4	9	18	11	8	2	-	(52)	-	-
<b>Total expenditure 2023</b>	<b>984</b>	<b>2,602</b>	<b>4,678</b>	<b>2,850</b>	<b>2,037</b>	<b>619</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,770</b>

# Notes to the accounts

31 March 2024

## 3 Net incoming resources

	2024 £'000	2023 £'000
<b>This is stated after charging the following:</b>		
Direct costs and other operating charges include:		
Operating leases		
• Hire of equipment	5	6
• Rents payable	322	276
<b>Auditors remuneration</b>		
• Audit services	17	16
• Non-audit services	-	1

# Notes to the accounts

31 March 2024

## 4 Staff costs

	2024	2023
	£'000	£'000
Salaries	4,150	4,056
Social security costs	427	429
Pension costs	445	367
Redundancy and termination payments	52	45
	<u>5,074</u>	<u>4,897</u>

Number of employees receiving total gross remuneration in the year in the range:

	2024 Number	2023 Number
£60,000 – £69,999	6	4
£70,000 – £79,999	4	3
£80,000 – £89,999	2	1
£90,000 – £99,999	2	2
£100,000 – £109,999	2	-
£110,000 – £119,999	-	1
£120,000 +	3	-
	<u>19</u>	<u>11</u>

The key management personnel comprises the senior leadership team and the total cost of remuneration, benefits and pensions paid to them in the year was £945,000 (2023: £536,000).

Total employer pension contributions in the year for these staff members were £55,000 (2023: £31,000).

	2024 Number	2023 Number
The average number of employees by function, was:		
Charitable activity	74	73
Fundraising	8	8
Administration and Support	15	17
	<u>97</u>	<u>98</u>

The trustees have not received any remuneration or benefits in kind during the year (2023: £Nil).

	2024 Number	2023 Number
Number of trustees reimbursed expenses during the year	<u>8</u>	<u>1</u>

The trustees received reimbursement of expenses during the year of less than £500 (2023:<£500).

# Notes to the accounts

31 March 2024

## 5 Taxation

As a registered charity BookTrust is exempt from taxation on income arising from its charitable activities.

## 6 Investments

<b>Quoted investments</b>	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Fair value at the start of the year	4,319	6,652
Additions	1,006	1,122
Disposal proceeds	(1,827)	(2,572)
Net gain/(loss) on change in investments fair value	148	(311)
Movement in cash balance	(195)	(572)
Fair value at the end of the year	<u>3,451</u>	<u>4,319</u>
Historical cost	3,000	4,000

Investment management charges totalled £35,000 (2023: £42,000). During the year, the charity's investments were all reclassified as current assets, as longer-term investments are no longer held. The investment policy can be found on page 24.

## 7 Debtors

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	714	838
Other debtors	196	200
Prepayments and accrued income	537	921
	<u>1,447</u>	<u>1,959</u>

## 8 Creditors

	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
<b>Amounts falling due within one year:</b>		
Trade creditors	350	343
Other taxes and social security	121	111
Accruals	180	265
Deferred income (note 11)	1,510	1,941
Other creditors	-	11
	<u>2,161</u>	<u>2,671</u>

# Notes to the accounts

31 March 2024

## 9 Financial instruments

	2024	2023
	£'000	£'000
<b>Financial assets</b>		
Financial assets measured at amortised cost	3,161	2,691
Financial assets measured at fair value through profit or loss	3,451	4,319
	6,612	7,010
	2024	2023
	£'000	£'000
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	530	455
	530	455

Financial assets measured at amortised cost include cash, trade receivables, other receivables excluding tax receivables and accrued income.

Financial assets measured at fair value through profit or loss include investments in securities which are publicly traded.

Financial liabilities measured at amortised cost include trade payables and accruals.

# Notes to the accounts

31 March 2024

## 10a Funds

	1 April 2023	Incoming resources	Resources used	Transfers between funds	Investment gains	31 March 2024
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted funds:</b>						
General funds	5,875	10,259	(10,333)	56	148	6,005
	5,875	10,259	(10,333)	56	148	6,005
<b>Restricted funds:</b>						
Strategic objective 1	-	174	(174)	-	-	-
Strategic objective 2	109	622	(622)	(34)	-	75
Strategic objective 3	134	285	(285)	(22)	-	112
Strategic objective 4	-	463	(463)	-	-	-
Strategic objective 5	-	220	(220)	-	-	-
	243	1,764	(1,764)	(56)	-	187
	6,118	12,023	(12,097)	-	148	6,192

# Notes to the accounts

31 March 2024

## 10b Prior year funds

	1 April 2022	Incoming resources	Resources used	Transfers between funds	Investment losses	31 March 2023
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Unrestricted funds:</b>						
General funds	4,603	4,442	(4,166)	1,307	(311)	5,875
<b>Designated funds:</b>						
Income diversification	1,172	-	-	(1,172)	-	-
	5,775	4,442	(4,166)	135	(311)	5,875
<b>Restricted funds:</b>						
Strategic objective 1	-	2,390	(2,390)	-	-	-
Strategic objective 2	2,193	2,284	(4,368)	-	-	109
Strategic objective 3	307	1,668	(1,706)	(135)	-	134
Strategic objective 4	-	565	(565)	-	-	-
Strategic objective 5	-	575	(575)	-	-	-
	2,500	7,482	(9,604)	(135)	-	243
	8,275	11,924	(13,770)	-	(311)	6,118

Income includes £5,763,000 from Arts Council England which is unrestricted in 2023/24. Funding of £5,763,000 received in 2022/23 was a one-year extension of a previous, multi-year grant, and was treated as restricted at the stipulation of Arts Council England.

### Unrestricted Funds

The general fund stood at £6,005,000 at 31st March 2024 (2023: £5,875,000). This fund supports working capital requirements, provides cover for risk management and is available for use at the discretion of the directors in furtherance of the general objectives of the charity and which has not been designated for other purposes.

### Restricted Funds

Restricted funds have been classified by the purposes for which they were received, and include all grants and donations where the conditions for recognition have been satisfied at the balance sheet date. The trustees have reviewed these funds and are satisfied that there are clear plans to deploy these funds for the purposes stipulated.

# Notes to the accounts

31 March 2024

## 11 Deferred income

	Letterbox	Bookbuzz	Grant funding	Other sales invoices not yet delivered	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2023	878	302	761	-	1,941
Released to incoming resources	(925)	(302)	(756)	-	(1,983)
Amount deferred in year	755	215	582	-	1,552
<b>Balance as at 31 March 2024</b>	<b>708</b>	<b>215</b>	<b>587</b>	<b>-</b>	<b>1,510</b>

## Prior year deferred income

	Letterbox	Bookbuzz	Grant funding	Other sales invoices not yet delivered	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2022	934	238	796	23	1,991
Released to incoming resources	(791)	(238)	(742)	(23)	(1,794)
Amount deferred in year	735	302	707	-	1,744
<b>Balance as at 31 March 2023</b>	<b>878</b>	<b>302</b>	<b>761</b>	<b>-</b>	<b>1,941</b>

Deferred income for Letterbox and Bookbuzz comprises pack sales in advance of delivery.

# Notes to the accounts

31 March 2024

## 12 Analysis of net assets between funds

	2024			2023		
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Investments	-	-	-	2,257	243	2,500
Net current assets	6,005	187	6,192	3,618	-	3,618
Net assets	6,005	187	6,192	5,875	243	6,118

## 13 Financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due:

	2024		2023	
	Land and buildings	Other	Land and buildings	Other
	£'000	£'000	£'000	£'000
Leases expiring in:				
Less than one year	596	2	15	-
One to five years	645	-	357	8
	1,241	2	372	8

# Notes to the accounts

31 March 2024

## 14 Comparative statement of financial activity

	Unrestricted funds 2023 £'000	Restricted funds 2023 £'000	Total funds 2023 £'000
<b>Income from:</b>			
Statutory funding	-	6,971	6,971
Corporate partnerships	312	68	380
Individual giving	1,346	-	1,346
Trust and foundations	261	443	704
Traded activity	2,494	-	2,494
Investment dividends and Interest	29	-	29
	4,442	7,482	11,924
<b>Expenditure on:</b>			
Raising donations	984	-	984
<b>Charitable activities</b>			
Initiating shared reading	212	2,390	2,602
Supporting disadvantaged families in their early years to get reading	310	4,368	4,678
Encouraging children and families to continue on their reading journeys	1,144	1,706	2,850
Supporting children from vulnerable backgrounds to enjoy the benefits of reading	1,472	565	2,037
Building a community of advocates for reading	44	575	619
Other activities supporting children's reading	-	-	-
	4,166	9,604	13,770
<b>Net income before losses on investments</b>	276	(2,122)	(1,846)
Net loss on investments	(311)	-	(311)
<b>Net expenditure</b>	<b>(35)</b>	<b>(2,122)</b>	<b>(2,157)</b>
Transfer between funds	<b>135</b>	<b>(135)</b>	<b>-</b>
<b>Net movement in funds</b>	<b>100</b>	<b>(2,257)</b>	<b>(2,157)</b>
Total funds brought forward	5,775	2,500	8,275
<b>Total funds carried forward</b>	<b>5,875</b>	<b>243</b>	<b>6,118</b>

# Notes to the accounts

31 March 2024

## 15 Funds held as custodian trustee on behalf of others

BookTrust is the sole trustee of the Bessie Award Trust (established 1996) whose assets are held to support the Women's Prize for Fiction, one of the United Kingdom's most prestigious literary prizes, administered by the Women's Prize Trust (registered charity number 1181253). The objects for which the Women's Prize Trust exists relate to the advancement of the art of literature for the public benefit. This relates to BookTrust's promotion of reading and advocacy for national and local policies to recognise the social and economic importance of reading.

The assets held in this capacity were £250,000 plus accrued interest of £27,493. Since the maturity of the originally gifted long-term bond these funds were held in a separate deposit account with NatWest Bank, pending final details of transfer of the assets to the Women's Prize Trust. This has now all been paid over and the account closed. Given that BookTrust has no beneficial interest in these funds, they are not included in our financial statements.

## 16 Mohn Westlake Foundation

Diana Gerald, CEO of BookTrust, is also a trustee for the Mohn Westlake Foundation. In 2021/22 BookTrust was awarded a restricted grant with performance conditions from the Mohn Westlake Foundation for the periods 2022 to 2025 with a value of £1.7m over the three years and an advance payment of £0.58m (2023: £0.67m) included in creditors. BookTrust also received an unrestricted grant of £nil in 2024 (2023: £62,000).

Diana is also co-chair/trustee of EURead, a non-profit association in Belgium. BookTrust pays an annual subscription of 2,500 euros.

## 17 Subsequent events

In June 2024, the charity signed a lease for a new office in London, ahead of the Battersea lease coming to the end of its term in September 2024. The new lease is for an initial 29 months, at an annual cost of £455,040.

[booktrust.org.uk](https://booktrust.org.uk)

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