

WORLDREADER
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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WORLDREADER

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C McElwee Mr D Risher Ms H Ireland Ms L Halpern Mr P Mallinson Mr M Nye Ms R Ravi-Burslem
Charity number	1158030
Principal address	20 Darmouth Park Road London Middlesex NW5 1SX
Independent examiner	BDO LLP 55 Baker Street London W1U 7EU
Bankers	HSBC Bank 196 Oxford Street London W1D 1NT



WORLDREADER

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their annual report and financial statements of the Charity for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

STRUCTURE GOVERNANCE AND MANAGEMENT

Type of governing document: Constitution

How the charity is constituted: Charitable Incorporated Organization (CIO)

Registered charity number: 1158030

Trustee selection methods: Apart from the first Charity Trustees every trustee will be appointed for a term of 4 years by a resolution passed by the Trustees at a convened meeting. In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO (Article 10 WR Constitution).

The Trustees who served during the year were:

- Mr. Colin Martin McElwee
- Mr. John David Risher (Chair of the of Trustees)
- Ms. Hermione Ireland
- Ms. Lucia Halpern
- Mr. Peter Mallinson
- Mr. Martin Nye
- Ms. R Ravi-Burslem

The key Management personnel who served during the year were:

- WRGI General Counsel: Ms. Clara Miralles Codorniu
 - By a Resolution dated 31 July 2014 the Trustees resolved to appoint Ms. Miralles Codorniu as Worldreader UK General Counsel and as such she would be authorised to manage all the legal affairs of Worldreader UK.
- WRGI Chief Financial Officer: Ms. Shannon Atkinson
 - By a Resolution dated 31 July 2014 the Trustees resolved that day-to-day accounting and financial management of the CIO would be managed by the WRGI's finance team, led by the Chief Financial Officer.

Ms. Clara Miralles Codorniu resigned as an employee of Worldreader and thus ceased in her role of COO & General Counsel of Worldreader effective August 31st, 2020. William Coffey assumed the role of Director of Legal and Compliance & General Counsel from September 1st, 2020, and manages all the legal affairs of Worldreader Global Initiative.



Charity's Organisational Structure within the wider network: Worldreader Global Initiative (WRGI)

Worldreader is a global initiative implemented by various separate legal entities that work in close collaboration. Currently, there are 5 other legal entities registered under the Worldreader Global Initiative:

- Worldreader.org US registered as a 501 3 c) Charity incorporated in the State of Washington;
- Fundación Worldreader.org registered as Foundation under the Spanish Ministry of Education with public benefit recognition;
- Worldreader.org Ghana registered under the Companies Act 1963 with a Certificate of Recognition as Non-Government Organization (N.G.O); and
- Digital Reading Foundation ("DRF") registered in India as a limited by shares company under subsection (2) of section 7 of the Companies Act 2013 and rule 8 of the Companies (Incorporation) Rules 2014 (not-for-profit regulation); and
- Worldreader.org Kenya registered as a Non-Governmental Organization with Registration Num. OP.218/051/13.

Worldreader champions digital reading in underserved communities with the aim of creating a world where everyone can be a reader. Using low-cost, state-of-the-art technology (such as e-readers, tablets, and mobile phone apps), a curated digital library of locally relevant titles, and a worldwide network of corporate and non-profit partners, Worldreader helps millions of people reach their potential and ultimately contribute to eliminating poverty, reducing inequality and improving prosperity.

To achieve their mission, all Worldreader entities conduct charitable and educational outreach programs to give access to knowledge to the underserved. All entities have really similar if not identical purposes but each entity contributes to the global mission considering its main strengths and opportunities. Worldreader UK's main aim is to raise funds in order to support WRGI's common mission.

CIO Functioning

Day to day management

By a Resolution dated 31 July 2014 the Trustees agreed to delegate the day to day management of the organisation to the WRGI integrated corporate and management structure. This is a global structure formed by global teams located across all the WRGI entities where there are not distinct reporting lines for each office/entity but rather reporting relationships based on functional positions (e.g. operations, finance, marketing and communications). While these global teams have the authority to manage all the organisation's operations the Trustees are the ultimate party responsible to guarantee that all funds are utilised for charitable activities as defined by the Charity Commission Guide on public benefit and Worldreader's Constitution.

Risk management

In 2021, COVID-19 is expected to have a continued impact on both operations and programming to varying degrees in each of the regions we support. The approach to enable individuals and families to read high quality books via their mobile devices will continue to be the Organization's focal point to achieve its mission.

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

The trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.



Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Express appointments for key functions

Charity Authorised Official and General Counsel Appointments

By a Resolution dated 31 July 2014 the Trustees resolved to appoint Ms. Miralles Codorniu as the Charity Authorised Official before HM Revenue & Customs (HMRC) including, but not limited to, applying for tax exemption, corporation tax return records and claiming gift aid. The Trustees further resolved that Ms. Miralles be authorised and appointed as Worldreader UK General Counsel and as such she would be authorised to manage all the legal affairs of Worldreader UK. Notwithstanding the appointment as an Authorised Official before HMRC and the Charity Commission, and for the sake of clarity, Ms. Miralles was not authorised to sign or execute documents for or on behalf of the Trustees.

As mentioned previously, Ms. Clara Miralles Codorniu resigned as an employee of Worldreader and thus ceased in her roles of COO & General Counsel of Worldreader effective August 31st, 2020. The Executive Team of the Worldreader Global Initiative appointed William Coffey to assume the role of Director of Legal and Compliance & General Counsel from September 1st, 2020.

The Trustees have yet to resolve which member of the WGI to appoint as the Charity Authorised Official before HM Revenue & Customs (HMRC).

Financial Management

By a Resolution dated 31 July 2014 the Trustees resolved that day-to-day accounting and financial management of the CIO would be managed by the WRGI's finance team, led by the Chief Financial Officer based in the US.

However, the Trustees would maintain at all time the final decision-making powers that in no case would be delegated to the staff members of the WRGI.

OBJECTIVES AND ACTIVITIES

By a Resolution dated 31 July 2014 the Trustees agreed that the main goal of Worldreader UK should be to fundraise to support WRGI activities and make grants to other WRGI entities and/or external organisations that would be better prepared to implement projects aligned with its mission.

The Trustees meet regularly and decide which entity, either WRGI or external, would be more effective implementing the activities funded by the UK donors. To identify the best partners, the Trustees have the capacity to request WRGI entities or third parties to send grant requests or to review and evaluate unsolicited grant requests. Once a request is received the Trustees need to review it and they need to decide by a majority vote if the request is to be approved. Once approved the Trustees are responsible for regularly supervising all grants implemented by reviewing the activity and financial reports agreed with the implementing partner. The Trustees can agree on additional supervision measures such as field visits, inviting project managers to report during Trustees meetings and/or any other methods the Trustees see fit on a case by case basis.



Objectives

The objects of the CIO are:

- (i) to advance the education of the public; and
- (ii) the prevention and relief of poverty or hardship.

In each case, in particular but not exclusively by:

- (1) making digital books, materials and new technologies available to children and their families; and
- (2) promoting and supporting initiatives that use new technologies to provide immediate access to written materials.

Nothing in Worldreader's Constitution shall authorise an application of the property of the CIO for purposes which are not charitable in accordance with section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and section 2 of the Charities Act (Northern Ireland) 2008.

Achievements and performance

Worldreader champions digital reading in underserved communities with the aim of creating a world where everyone can be a reader. Using low-cost, state-of-the-art technology (such as e-readers, tablets, and mobile phone apps), a curated digital library of locally relevant titles, and a worldwide network of corporate and non-profit partners, Worldreader helps millions of people reach their potential and ultimately contribute to eliminating poverty, reducing inequality and improving prosperity.

During 2020 Worldreader's main activities were:

- To identify and develop fundraising, business development and advocacy opportunities across the UK to benefit e-reading programs in Africa, India, Latin American, and beyond;
- Ensure supporters are informed, engaged and stewarded on the contributions they provide; and
- To move opportunities from the research stage to cultivation, closed stage, and solicit increased repeat donations.

Key UK 2020 achievements

- 2020 saw Worldreader's first registration with renowned platform The Big Give and participation with the Christmas Challenge, which attracted advance pledges in addition to public donations.
 - One of 764 featured charities, Worldreader was delighted to receive over £9,000 through the challenge, including 20 donations from the public.
- Worldreader was delighted to work in partnership with Bournemouth University for the first time on a research project called "*Digital Reading: Inclusivity, Versatility, Engagement (DRIVE)*".
 - The project grant supports underserved communities and emerging reading cultures in developing countries". Worldreader UK will work with Worldreader Kenya to facilitate this research project.
- As the pandemic hit fundraising across the sector, Worldreader was delighted to participate in the 2.6 challenge, virtual mass participation event to mitigate the negative fundraising effects of Covid on physical events.
- The Jane Austen Literacy Foundation also took their fundraising online to support Worldreader in lieu of a planned event.
 - Together these two challenges raised over £1,000 via the Virgin Money Giving platform.
- As shopping increasingly went online, Worldreader received increased support from AmazonSmile, as a charity partners.



Financial Review

Financial management policies adopted:

By a Resolution dated 15 December 2016 the Trustees agreed that it is the policy of the Charity that the funds which have not been designated for a specific use - including indirect cost recovery funds- should be maintained at a level equivalent to three month's expenditure (50,000 GBP), excluding restricted grants. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year. The amount of cash at the bank and in hand at year-end was been £200,392, while the amount of reserves at year-end was been £274,109. From these reserves, there is a receivable from Worldreader USA of £23,323.

-The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that the systems are in place to mitigate exposure to major risks.

Revenue & Expenses

1. Revenue

Aside from HMRC Gift Aid revenue, all donated revenue received by Worldreader UK during the financial year came from the private sector, trust corporations, and individuals. Thanks to all of these donations and/or grants received, Worldreader UK was able to support its key objectives.

Revenue	2020	2019
Major Gifts & General Donations	£ 28,929.00	£ 112,276.00
Corporate Giving	£ 28,861.00	£ 3,611.00
Foundation	£ 5,000.00	£ 5,000.00
HMRC -Gift Aid Revenue	£ 3,118.00	£ 47,750.00
Gift in kind	£ 0.00	£ 2,208.00
Worldreader Grant Revenue	£ 23,323.00	£ 0.00
Total	£ 89,231.00	£ 170,845.00



Worldreader keeps strengthening its Board in 2020 by keeping the number of Trustees to six, all very committed to supporting the organisation not just in terms of governance but by lending their support to fundraising including the hosting of events to raise awareness of the charity.

2020 fundraising activity was undoubtedly hit by the pandemic as in person fundraising events had to be postponed or moved online. The hours of development staff working in the UK and globally were reduced as the organisation moved to mitigate the effects of covid-19 on the organisation. Despite these challenges, new sources of funding were identified, such as the collaboration with Bournemouth University and Worldreader's first involvement with the Big Give Christmas Challenge. Support from a loyal donor base of individuals and foundations also assisted the revenue received.

The foundations have been laid for future fundraising, including the hiring of a UK Philanthropy Officer to further develop the leads generated over recent years and to strengthen the Worldreader offering to our generous donors.

2. Expenses:

The COVID-19 pandemic has brought unprecedented challenges to Worldreader and forced the charity to redefine its strategy.

In 2020, Worldreader applied a 20% temporary salary reduction to ensure the financial sustainability of the charity and to protect the unity of the team, in conjunction with a restriction on travel costs, which continues through the first half of FY 2021. However, the accounts show that the Staff Costs under Support Costs are higher than in 2019, as Elizabeth Wood became an employee on 1st September 2019. Therefore, 2020 has been the first year with a completed payroll cycle of two employees.

All of the expenditure incurred has been allocated to the general charitable activities.

	2020	2019
Fundraising and Publicity	£32,940	£52,965
Donor related expenses	£ 22	£2,901
Staff Costs	£31,429	£50,064
Governance costs	£1,489	-
Support Costs	£116,941	£52,632
Staff Costs	£112,054	£44,768
Depreciation	£726	£254

Travelling Expenses	£2,008	£4,100
Consultancy	£420	£-
Bank Charges	£211	£856
Subscriptions	£1,522	£1,580
Printing & Stationery	£-	£279
Advertising	£-	£655
Sundry Expenses	£-	£140
Governance Costs	£5,600	£5,605
Independent examination fees	£3,600	£3,720
Accountancy	£3,000	£805
Legal and professional	£-	£1,080
Grant funding of activities	£-	£-
Total Expenditure	£155,481	£111,202

PLANS FOR FUTURE PERIODS

The charity's plans for the following years are:

1. Keep working on identifying and developing new donor engagement and fundraising opportunities across the UK. In December 2020, a UK Philanthropy Officer joined Worldreader as a part-time position to support our expanded efforts on individual giving for the UK.
2. Keep collaborating with WRGI to:
 1. make potential donors and supporters aware of Worldreader activities, learnings and mission.
 2. identify new strategic partnerships, strengthening WRGI work around financial sustainability and building on our success communicating the impact of digital reading worldwide.



3. We aim to increase our partnerships with institutions invested in a similar mission to Worldreader whilst continuing to collaborate with individuals who share our vision for a world where everyone can be a reader.

As we continue to develop awareness in the UK of the Worldreader name, it is also important to have growing support within a community level which can generate PR opportunities within a literary audience.

The Worldreader Board of Trustees has been very supportive with planning for 2021 and scheduling a series of events, online in the first instance, to continue to introduce Worldreader to a wider audience.

COVID-19 CRISIS:

The COVID-19 pandemic created a learning crisis, and most of the countries in the world are still suffering its consequences.

The Covid-19 is not only a worldwide health crisis, it is also a worldwide education crisis. Students in under-resourced communities are at high risk of being left behind. The challenges with remote learning threaten to leave children from vulnerable communities behind.

Reading is foundational to education. For pre-primary and primary students, it should be a top priority to address reading skills acquisition and engagement with books during the crisis. At Worldreader, we have a responsibility and the ability to step up and help.

Making books available in the home is essential:

The WRGI team has designed a reading program to help vulnerable children keep reading through primary grades. The benefits of supporting these children will be felt for years to come, as **Keep Children Reading** will:

- Mitigate learning loss through increased literacy.
- Strengthen children's learning for years to come.
- Contribute to education equity efforts

Keep Children Reading offers children a simple, consistent distance-learning program, allowing them to read anytime and anywhere, learn new subjects, and build new skills.

Signed on behalf of the board of trustees.



Mr. Colin C McElwee

Date: 12th October 2021



STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustees' are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees' to prepare accounts for each financial year which give a true and fair view of the state of affairs of the and of the incoming resources and application of resources for that year.

In preparing these accounts, 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 accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees' are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the board of trustees.



Mr. Colin C McElwee

Date: 12th October 2021



INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF WORLDREADER

I report to the trustees on my examination of the accounts of the Trust for the year ended 31 December 2020, which are set out on pages 11 to 20.

This report is made solely to the charity's trustees, as a body, in accordance with Regulation 31 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity's trustees as a body, for my work, for this report, or for the statement I have made.

Responsibilities and basis for report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act")

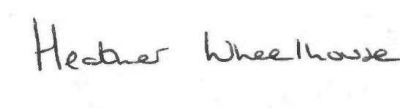
I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Heather Wheelhouse ACA
BDO LLP
55 Baker Street
London
W1U 7EU

Date 15 October 2021...



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STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £
Income from:					
Donations and legacies	2	69,875	19,356	89,231	170,845
Expenditure on:					
Raising funds	3	32,940	-	32,940	52,965
Charitable activities	4	122,541	-	122,541	58,237
Total resources expended		155,481	-	155,481	111,202
Net (expenditure)/income for the year/ Net movement in funds		(85,606)	19,356	(66,250)	59,643
Fund balances at 1 January 2020		340,359	-	340,359	280,716
Fund balances at 31 December 2020		254,753	19,356	274,109	340,359

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.



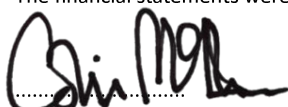
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BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	9		1,488		1,040
Current assets					
Debtors	10	86,058		172,568	
Cash at bank and in hand		200,392		177,310	
		<u>286,450</u>		<u>349,878</u>	
Creditors: amounts falling due within one year	11	<u>(13,829)</u>		<u>(10,559)</u>	
Net current assets			272,621		339,319
Total assets less current liabilities			<u>274,109</u>		<u>340,359</u>
Income funds					
Restricted funds			19,356		-
Unrestricted funds	13		254,753		340,359
			<u>274,109</u>		<u>340,359</u>

The financial statements were approved by the Trustees on 12th October 2021



Mr C McElwee

Trustee



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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Worldreader is a registered charity. The registered office is 20 Darmouth Park Road, London, Middlesex, NW5 1SX. Details of Trustees are mentioned on page 1. The principal activity of the charity is to fundraise to support WRGI activities and make grants to other WRGI entities and/or external organisations that would be better prepared to implement projects aligned with its mission.

1.1 Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed asset investments, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn.

1.2 Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

The trustees believe that whilst there is still uncertainty relating to the potential effects of Covid-19, this does not pose a material uncertainty on the charity's ability to continue as a going concern. The trustees therefore believe that it is appropriate to prepare the accounts on a going concern basis.

In August 2021, the charity had approximately £171,916 of cash available. The trustees have prepared a stress test and this confirms that should no further income be received, the charity is able to meet liabilities as they fall due for at least until the end of 2021.

1.3 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

1.4 Expenditure

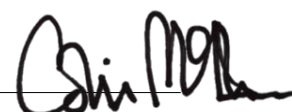
Resources expended are recognised in the period to which they relate.

Direct charitable expenditure comprises all the expenditure relating to the activities carried out to achieve the charitable objectives.

Support costs represent costs that cannot be directly attributed to activities. These costs have been allocated across the charitable activities on the basis of grant expenditure.

Governance includes the costs of compliance with constitutional and statutory requirements and has been allocated across the charitable activities in the same proportions as support costs.

Wages and salaries have also been allocated across the charitable activities on the basis of time.



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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	33.33% straight line
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1.6 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.8 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.10 Retirement benefits


Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in the furtherance of the charitable objects.

Restricted funds represent funds available to meet specific expenditure as specified by the fund provider.

Further details of unrestricted funds is disclosed in Trustees' report.



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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.12 Grants payable

Grants payable are payments made to the third parties in the furtherance of the charitable objects of the charity. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the charity.

1.13 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.

2 Donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
Donations	69,875	19,356	89,231	170,845
For the year ended 31 December 2019	170,845	-		170,845

3 Raising funds

	2020 £	2019 £
<u>Fundraising and publicity</u>		
Donor related expenses	22	2,901
Staff costs	31,429	50,064
Governance costs (see note 5)	1,489	-
	32,940	52,965



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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Charitable activities

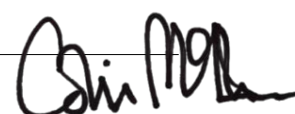
	2020 £	2019 £
Share of support costs (see note 5)	116,941	52,632
Share of governance costs (see note 5)	5,600	5,605
	<u>122,541</u>	<u>58,237</u>
Analysis by fund		
Unrestricted funds	<u>122,541</u>	<u>58,237</u>
	<u>122,541</u>	<u>58,237</u>

5 Support costs

	Support costs £	Governance costs £	2020 £	2019 £
Staff costs	112,054	-	112,054	44,768
Depreciation	726	-	726	254
Travelling expenses	2,008	-	2,008	4,100
Consultancy	420	-	420	-
Bank charges	211	-	211	856
Subscriptions	1,522	-	1,522	1,580
Printing & stationery	-	-	-	279
Advertising	-	-	-	655
Sundry expenses	-	-	-	140
Independent examination fees	-	3,813	3,813	3,720
Accountancy	-	3,276	3,276	805
Legal and professional	-	-	-	1,080
	<u>116,941</u>	<u>7,089</u>	<u>124,030</u>	<u>58,237</u>
Analysed between				
Raising funds	-	1,489	1,489	-
Charitable activities	<u>116,941</u>	<u>5,600</u>	<u>122,541</u>	<u>58,237</u>
	<u>116,941</u>	<u>7,089</u>	<u>124,030</u>	<u>58,237</u>

Support staff costs have been allocated to the charitable activities based on time spent on the relevant activity. Other support costs have been considered individually and allocated based on how the specific resource relates to the activity in question.

Governance costs includes payments to the independent examiner fees of £3,720 (2019: £3,720).



WORLDREADER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration, any expenses reimbursement or benefits from the charity during the year.

7 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Administration	2	1

Employment costs

	2020 £	2019 £
Wages and salaries	130,249	85,886
Social security costs	11,165	6,954
Other pension costs	2,069	1,992
	143,483	94,832

The charity's key management personnel comprises the Board of Trustees and the Executive Director.

The total amount of employee benefits received by Executive Director in the year was £nil (2019: £nil).

The number of employees whose annual remuneration was £60,000 or more were:

	2020 Number	2019 Number
£90,000 - £100,000	1	-

8 Net movement in funds

	2020 £	2019 £
Net movement in funds is stated after charging/(crediting)		
Independent examiner fees	3,813	3,720
Depreciation of owned tangible fixed assets	726	254



WORLDREADER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Tangible fixed assets

Fixtures, fittings & equipment
£

Cost

At 1 January 2020

2,094

Additions

1,174

At 31 December 2020

3,268

Depreciation and impairment

At 1 January 2020

1,054

Depreciation charged in the year

726

At 31 December 2020

1,780

Carrying amount

At 31 December 2020

1,488

At 31 December 2019

1,040

10 Debtors

2020

2019

Amounts falling due within one year:

£

£

Trade debtors

17,735

38,568

Amounts due from fellow group undertakings

23,323

-

Other debtors

45,000

134,000

86,058

172,568

11 Creditors: amounts falling due within one year

2020

2019

£

£

Trade creditors

734

1,284

Accruals and deferred income

13,095

9,275

13,829

10,559

12 Analysis of net assets between funds

Unrestricted
funds

Restricted
funds

Total

Unrestricted
funds

2020

2020

2020

2019

£

£

£

£

Fund balances at 31 December 2020 are represented
by:

Tangible assets

1,488

-

1,488

1,040

Current assets

253,265

19,356

272,621

339,319

254,753

19,356

274,109

340,359



WORLDREADER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

13 Analysis of funds

	Funds 31 December 2019	Income	Expenditure	Net Movements	Funds 31 December 2020
General funds	340,359	69,875	(155,481)	(85,606)	254,753
Restricted funds	-	19,356	-	19,356	19,356
Total	340,359	89,231	(155,481)	(66,250)	274,109
	Funds 31 December 2018	Income	Expenditure	Net Movements	Funds 31 December 2019
General funds	280,716	170,845	(111,202)	59,643	340,359
Restricted funds	-	-	-	-	-
Total	280,716	170,845	(111,202)	59,643	340,359

WORLDREADER

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

14 Related party transactions

During the year a grant of £Nil (2019: £Nil) was paid to Worldreader Ghana, a related party of trustee Colin McElwee to support activities in Ghana that seeks to promote literacy.

During the course of the year some Trustees donated a sum of £Nil (2019: £3000) to the charity to be spent on the general objectives of the charity and so are treated as unrestricted.

At the yearend £23,323 was owed by the Worldreader US entity within debtors (2019: £Nil) in relation to the Keep Children Reading project.

