



Company number: 03783095
Charity number: 1079257

World Book Day Limited

Report and financial statements

For the year ended 30 June 2021

Contents

For the year ended 30 June 2021

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Reference and administrative information

For the year ended 30 June 2021

Company number	03783095
Country of incorporation	United Kingdom
Charity number	1079257 (registered under the name World Book Day)
Country of registration	England & Wales, Scotland or Northern Ireland

Registered office and operational address 6 Bell Yard
London
WC2A 2JR

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Stephen Lotinga	Chair (until November 2021)
Meryl Halls	Vice Chair
Steven Thompson	Treasurer
D Prescott	
J Douglas	
C Cowell	
H Broadfoot	
A Bond	
E Scott	Chair and Trustee (from November 2021)
R Calderon	(Appointed November 2021)
S Mahal	(Appointed November 2021)

Key management personnel	Cassie Chadderton	Chief Executive and Company Secretary
	Emma Pritchard	World Book Day Manager
	Kate Sayer	Education Manager

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
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The trustees present their report and the audited financial statements for the year ended 30 June 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

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

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

The objective of the charity is the promotion and encouragement of reading, especially to children and young people and their parents through schools, bookshops and media and to the wider public through the promotion and celebration of books and reading.

The trustees have complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission. In particular, the trustees refer to the Charity Commission's general guidance on public benefit both when reviewing how well past activities have satisfied the charity's stated objective, and when planning how future activities may best continue to do so.

The main means through which the charity's objective is met is the organisation and promotion each year of a series of events designed to encourage reading by the public surrounding a designated day (in 2021, it was March 4) known as World Book Day.

Our Activities

Our activities focus on changing lives through a love of books and shared reading:

1. Offering every child and young person the opportunity to have a book of their own.

- Working with publishers, World Book Day presents a selection of specially produced £1/€1.50 books for children and young people.
- World Book Day produces and distributes £1 book tokens (€1.50 in Ireland) to school and pre-school aged children throughout the UK and Ireland. Children and young people can take their token to participating bookshops or retailers to swap it for one of the £1 World Book Day books. Or the token can be used to get £1 off any full price book (€1.50 in Ireland) or audiobook costing at least £2.99 (or €3.99 in Ireland).

2. Promote and encourage reading for pleasure

- World Book Day continued its work to promote and encourage reading for pleasure to children and families across the UK and Ireland. This includes delivery of the World Book Day events and supporting activities.
- World Book Day also conducts research to understand its impact and how it may improve its reach to beneficiaries.

3. Produce resources that support the development of reading for pleasure

- World Book Day produces resources to encourage and support reading for pleasure. This includes resource packs for schools and school children throughout the UK and Ireland and a wide range of activities available through the World Book Day website.

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on the promotion of reading, especially to children and young people and their families, and are undertaken to further World Book Day Limited's charitable purposes for the public benefit.

World Book Day 2021

Highlights of 2021

- Over 2 million books were printed in 2021 giving children and young people 12 exciting books to choose from and own.
- 54k books donated by publishers were distributed via the National Literacy Trust to children least likely to have books along with 24k books to prison communities, 2.4k through Read for Good and 2.4k through libraries.
- 822k people viewed the charity's first ever official World Book Day song by teacher-turned rapper MC Grammar, inspiring book-themed raps by pupils and teachers.

- Royal Mail unveiled five digitally activated special postboxes across the UK, honouring British authors and illustrators who have done wonderful work in service of children's literature and wellbeing during lockdowns.
- Engaged 133k children and young people online with our Share a Story Live digital events programme bringing reading to pleasure for life.
- Press coverage included eye-catching covers for The Week Junior & Beano.
- Over 15 million £1 book tokens were distributed to schools and nurseries
- £1 book tokens were included with McDonald's Happy Meals along with book-related activities reaching more families. 63% of parents were aware of the promotion (up from 22% in 2020) and 17% of children redeemed their token in a participating bookshop (WBD McDonald's 2021 Review).
- #WorldBookDay (and its brand new emoji) trended at number 1 on Twitter all day, with 1.1 million impressions on World Book Day alone.
- The Duchess of Cornwall called World Book Day "the birth of reading" for many children at World Book Day's launch event.
- Booksellers created eye-catching window displays and adapted plans to engage with children up and down the country.

How we encourage reading to change lives

From children

'It helped me because I used to dislike reading but when World Book Day happened I LOVED IT.'

'I absolutely loved World Book Day . . . I honestly waited for [it] all year round'

'World Book Day made me want to move out of my comfort zone and read or try reading things I have never wanted or tried reading before.'

'...it's better to get a book token so then you don't have to spend as much money or your parents don't. They'd be happy to take you because they don't have to spend any money.'

'I just want to treasure it because I never get things that are new.'

Source: *Exploring the Impact of World Book Day Report*, National Literacy Trust, 2021

From families

'I think that what is happening is great. I do believe that all children and teenagers should continue to be encouraged to enjoy reading as it fosters tomorrow's thinkers.'

'I think the £1 books are great and you provided such a wider variety this year.'

'It was nice to do activities all week that were related to stories and reading and find out what they normally do at school.'

Source: World Book Day survey of parents, 2021

From schools

'The fact that it is a day focussed on reading makes it feel special and memorable whilst highlighting how important and beneficial it is to read for pleasure.'

'This year it was very difficult for the children to get their books due to covid restrictions. However, I thought the website resources were excellent and our children used the website resources loads at home and at school. The live author talks were wonderful as were the pre-recorded author workshops.'

'World Book Day is the day when the entire focus is on books and making books fun and accessible it is always fun!'

Source: World Book Day survey of teachers, 2021

From libraries

'World Book Day always puts a real focus on the importance of books to children and that message was more important than ever this year.' Source: Gateshead Libraries

'World Book Day is always a highlight of the library year. It is a special day when public libraries join forces with schools, school libraries and school library services to celebrate the joy of reading with children and their families. In 2021 despite lockdown, public libraries were able to creatively adapt plans, and work with partners to ensure that they were actively getting books into the hands of children. We know how much children have needed and valued stories as an escape and a comfort in this turbulent year and we are really proud of the way public libraries have responded to ensure they play a part in important reading events across the year.' Source: Sarah Mears MBE, Programme Manager, Libraries Connected

From prisons

'We will be posting a copy to the children and then giving Dad the same copy so they can read together on a purple (video calls) visits. It's also a great conversation starter if Dad and his child are reading the same book it's something to talk about in letters and on the phone.'

'Thank you for the book, after not seeing my children for so long it was hard to know what to talk about on the phone or in letters so we could read some pages together and then read some on our own and talk about it a few days later.'

'My sons loved receiving their books in the post they read them to me on a purple visit and I could draw them pictures from the books and post them to them. Thank you so much you don't know how much these small things help.'

From booksellers

'We weren't able to invite school children to the bookshop (usually we welcome over 350 children from local schools) but we found ways of getting books to schools instead and even

managed a couple of alfresco storytelling sessions in playgrounds with hot chocolate and star jumps to keep us warm!'

'We bought an outdoor display stand and stacked the books on it with a collection box for the tokens. We wanted to make sure the children still had the excitement of choosing their own book.'

'We linked with local schools and put together a 'voucher & collect' gazebo.'

'I did pop up World Book Day shops at local schools in the playground.'

From publishers

'With our diverse Leicester heritage, Sweet Cherry aims to bring great stories within the reach of children from all backgrounds and abilities and so World Book Day is a campaign that's close to our hearts. The proven benefits of reading for pleasure are endless, and every year we put all of our resources and efforts into driving literacy rates higher and encourage our local community to read more.' Source: Divia Kainth, Head of Sales and Marketing, Sweet Cherry

'HarperCollins were delighted to support and take part in World Book Day 2021 in particular during such a difficult year for many children and families, making this year's messaging around sharing a story and celebrating reading even more important than ever. HarperCollins hosted some incredible virtual events to celebrate World Book Day, including a school assembly with David Walliams that was streamed into 5000 schools, 17,000 households reaching 454k viewers.' Source: Elisa Offord, Marketing Director, HarperCollins Children's Books

From partners

'Books and stories are food for the soul, they change lives and nourish futures. It is vital that we come together to ensure that all our children have the access and the opportunity to benefit from the enormous power of reading.' Source: Louise Johns-Shepherd, CLPE CEO

'Our research shows that over 380,000 children in the most disadvantaged communities don't own a book of their own. We want to highlight our commitment to enabling children's access to books. Books unlock a lifetime of benefits, from increasing wellbeing and confidence, to allowing children to feel represented and understood.' Source: Jonathan Douglas CBE, Chief Executive of the National Literacy Trust

Objectives for World Book Day 2021

1. Encourage all children to develop reading habits to improve life chances now, and for generations to come.

- Over 2 million books were printed in 2021 giving children and young people 12 exciting books to choose from and own*. 22% of children discover new books via World Book Day. (Source: Nielsen Deep Dive, 2019)
- Book tokens were distributed to 45k early years, nursery, primary and secondary schools in the UK and Ireland giving every child and young person the chance to have a book of their own. 23k schools and nurseries/pre-schools requested our new digital £1 token.
- Token reach was significantly extended through our partnerships with McDonald's Happy Meals and children's comics/magazines.
- 133k children and young people joined us online for our Share a Story Live digital events programme bringing reading to pleasure for life. 4.5k classrooms tuned in to the events during World Book Day week.
- New families hub launched on worldbookday.com with online events and resources encouraging families to enjoy reading together from free audiobooks to 10-minute story videos.
- Short films produced in partnership with the NLT demonstrated how every family can enjoy and overcome barriers to reading together.
- Our Show Your Shares competition encouraged families to share images of themselves enjoying books and sharing stories together.
- The new World Book Day Book Club gives children even more diverse reading recommendations throughout the year.
- The RNIB & Guide Dogs created large print, braille and audio versions of the £1 books to enable all children to enjoy the titles.
- World Book Day's teen and young adult research project, in partnership with the National Literacy Trust and supported by authors including Holly Bourne and the Black Girls Book Club, began to explore how young people feel about reading.
- We created a wide range of evidence-based resources including Author & Illustrator Academy videos/classroom resources, an official World Book Day song with MC Grammar with accompanying activity pack and partner resources with Twinkl, BBC Education and Oak Academy. This work was made possible by a grant to World Book Day from the Charity of Sir Richard Whittington.
- Online resource packs for teachers and nursery leaders packed with reading for pleasure ideas and activities reached 400k views in World Book Day week. Traffic to the website hit 2.2 million views on World Book Day, double our usual numbers.
- Introduced the World Book Day Book Club and Share A Story Corner videos and activities to provide deeper connections with books and encourage reading for pleasure all year round.
- Supported choice and accessibility by introducing new texts in a variety of ways from video stories to free audiobooks (audiobooks listens stand at 586k listens since launch, 216K on World Book Day alone)

2. Be a powerful, collaborative celebration: an annual national event for all those working to encourage children to read for pleasure.

With our charity partners, we:

- Distributed an incredible 54k books through the National Literacy Trust hubs, 24k books through our prisons outreach, and 2.4k to schools through Read for Good to children in disadvantaged areas across the country.
- BookTrust's network of BookStart Coordinators working in libraries and community settings distributed 90k £1 book tokens.
- The Scottish BookTrust distributed the £1 tokens through their Book Bug for the Home programme.
- Reading Force provided £1 tokens to children with parents in the Forces.
- With leading literacy organisations (BookTrust, CLPE, National Literacy Trust, The Reading Agency, and Egmont) we told the story of reading during lockdown, evidencing the impact of the pandemic on reading for pleasure and children's life chances.

With our partners in publishing, we:

- Coordinated the generous donation from publishers of over 80k £1 books into community projects, prisons outreach, schools and libraries to directly reach children and young people.
- Celebrated the industry coming together to support reading for pleasure with story-telling sessions, special assemblies, author & illustrator workshops and community initiatives.

With our partners in bookselling, we:

- Brought the joy of reading to children and helped more families feel part of a reading community through pop-up bookshops, alfresco storytelling sessions and outdoor displays – all despite lockdown restrictions.

With libraries, including school libraries, we:

- Reached disadvantaged communities with a positive message about reading and books. We worked with libraries in Blackpool, Middlesbrough, Nottingham and Doncaster to get 2.4k £1 books directly to the children in communities where literacy levels are low.

With authors, illustrators and influencers, we:

- Promoted the joy of books and reading with a wave of support from authors, illustrators, celebrities and influencers including Adam Kay, Konnie Huq, Paddy McGuinness, Lloyd Grossman, Marian Keyes, Doctor Who, Malorie Blackman, Jessie Lingard, Greg James, Tony Mortimer, Charlie Higson, Tom Fletcher, Harry Kane, and The Royal Family.
- Created ten-minute story share readings from popular children's authors and illustrators for families to enjoy together.

With our corporate partners, we:

- Boosted engagement with families by working with McDonald's to include the £1 book token on Happy Meal boxes in the UK & Ireland along with fun reading activity packs. 63% of parents were aware of the World Book Day promotion (up from 22% in 2020).

66% of children noticed the token on the box and 89% of those said they liked it. 17% redeemed their token in a participating bookshop (down from 34% in 2020*) (WBD McDonald's 2021 Review).

- Raised awareness with Royal Mail giving post boxes a World Book Day makeover honouring authors and illustrators who'd done wonderful work for children's reading during the lockdowns. There was also a special World Book Day postmark on the day.

3. Build our financial and administrative resilience to be more effective and increase our impact.

Beneficiaries of World Book Day

In 2020/21 World Book Day used several evidence sources to measure our impact and to review our achievements and performance.

In 2020 World Book Day also commissioned research from the National Literacy Trust to understand the difference it makes to children's reading experience and enjoyment, and to allow it to better measure the long-term effect of its charitable activities on both individual beneficiaries and at a societal level. The report, 'was delivered in 2021.

In 2020-21, World Book Day will continue to use this research to help us develop a robust evidence framework including a theory of change. This will guide the development of World Book Day's strategy for 2020-25, and business plans that link World Book Day's activities to outcomes and impacts.

National Literacy Trust, Annual Literacy Survey, 2021

Percentage of Children and Young People have heard of WBD	96.9%
Percentage of Children and Young People take part in a WBD event or activity	64.8%
% of Children and Young People who say the book they 'bought' with their World Book Day book token had been their first book of their own	13.2%
% of Children and Young People receiving free school meals who say the book they 'bought' with their World Book Day book token had been their first book of their own	18.8%
% read more books as a result of WBD	54.7%
% talk more about books with their family and friends as a result of WBD	45.3%
% share more books with their family and friends as a result of WBD	37.8%
% Borrow more books from the library	29.6%
% Buy more books	40%
% Read more with their parents	30.5%

Children and young people who take part in World Book Day activities in enjoy reading compared with their peers who don't take part	63.8% (vs 48.4%)
Children and young people who take part in World Book Day activities say they read daily in their free time compared with compared with their peers who don't take part	45.2% (vs 34.6%)

Nielsen, Understanding the Children's Book Consumer, 2020

% of children who discover new books via World Book Day	22%
World Book Day is an important source of book discovery: % of households with an income of less than £18,000 p.a.	23%
World Book Day makes my child more enthusiastic about books and reading	27%
There is a good selection of World Book Day books to choose from	24%
The World Book Day voucher encourages us to go into bookshops	24%
World Book Day encourages me to read to them	21%
World Book Day is about school more than home reading	22%

What children like best about World Book Day	2020
Being read to	14%
Receiving book voucher / getting a new book	26%
Being able to personally choose a new book themselves	24%
Dressing up at school	34%
Nothing: they don't like/take part in World Book Day	27%

World Book Day £1 Books 2021

- Over 2 million books were printed in 2021 giving children and young people 12 exciting books to choose from and own



- In 2021, 'sales' figures of the £1 books were not available. Nielsen did not have a full market measure due to the closure of physical retail stores.
- It was not possible to determine the number of bookshops and supermarkets that participated in World Book Day.

Comparison with Previous Years – UK & Ireland

	UK	Ireland	UK & Ireland
2012	787,844	51,878	839,733
8 x titles			
2013	780,331	60,505	840,836
8 x titles			
2014	780,600	53,221	833,821
8 x titles			
2015	837,950	58,794	896,744
10 x titles			
2016	789,738	58,008	847,746
10 x titles			
2017	1,006,327	73,733	1,080,060
10 x titles			
2018	1,000,184	56,448	1,056,632
10 x titles			

2019	1,113,204	78,480	1,191,684
10 x titles			
2020	949,697	52,000	1,001,697
12x titles			
2021	Data not available	Nielsen did not have a full market measure due to the closure of physical retail stores	Data not available
12 x titles			

Source: Nielsen Bookscan

Financial review

Overall for the financial year ended 30 June 2021 the charity's financial position has been stable.

It has continued to attract sponsorship and income associated with its charitable activities from companies within the publishing and bookselling industry. Funding secured from the Mercers Company (restricted funds of £190,000 over three years) and Arts Council England (£94,360 between February 2021 and August 2022) has significantly improved its year-on-year income.

The charity began work to consider the long-term sustainability and diversification of its income streams and has taken steps both to review and improve its income over the coming years.

World Book Day continues to maintain a close control on its costs and expenditure. The charity's delivery of projects associated with grant income (including employment of staff) increased expenditure.

The charity achieved a net surplus of £43,827 resulting in a total funds position of £352,985, of which £208,991 is unrestricted.

Principal risks and uncertainties

The financial and operational effect of the COVID-19 pandemic on World Book Day has been considered by trustees. Although the impact of the lockdown on schools and booksellers has been significant it is believed that all major sources of income will remain stable.

Contingency plans are being developed for the delivery of future World Book Day events in the context of a further lockdown in 2022. World Book Day's strategy for 2020-25 will also address the broader socio-economic context and the impact of the lockdown on children's engagement with reading.

Risk management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to minimise these risks. The trustees have taken steps to ensure that all child protection issues are properly addressed. A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees.

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Investment powers and policy

Under the Memorandum of Association, the trustees have the power to deposit or invest funds in any manner they think fit, providing that they first obtain independent expert financial advice. In practice, any surplus funds are held on ordinary bank deposit and are likely to be so in the foreseeable future.

Reserves policy and going concern

It is the policy of the charity to aim to establish and maintain unrestricted funds at a level which equates to approximately 30% of the following year's estimated resources to be expended. This provides sufficient funds to maintain, at least in the short term, the quality and effectiveness, of the annual World Book Day campaign in the event of there being a reduction in incoming resources.

The charity plans to review its reserves policy in 2022.

The charity's actual free reserves at 30 June 2021 were £ 208,246 which equates to 32% of the total unrestricted resources expended in the year under review.

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Fundraising

World Book Day's approach to fundraising is intended to protect its reputation and encourage public trust and confidence in the charity. It ensures that its approach to fundraising is open, honest and respectful.

World Book Day adheres to recognised standards, including the Charity Commissions six principles for trustees to take responsibility for fundraising and the Fundraising Regulator's Code of Fundraising Practice. World Book Day is registered with the Fundraising Regulator.

World Book Day did not work with professional fundraisers or third parties during the year. During the year World Book Day received no complaints.

World Book Day contacts current and potential donors directly by email and in-person contact. These donors are commercial organisations or schools, rather than individuals.

World Book Day began leading schools' fundraising activity in 2021. Book Aid International receives a portion of the funds raised by schools. In 2021 the amount was two thirds of the total funds raised by schools. In 2022 and 2023 the amount will be a minimum of 50% of the total funds raised by schools.

World Book Day works with two commercial participators, Pawprint and Goodstitch who promote the sale of badges and activity packs or T-shirts on the basis that a proportion of sales are donated to World Book Day.

World Book Day was successful in an application to the Mercers' Company Reading and Writing for Pleasure Initiative in June 2020, for work to develop and provide evidence-based reading for pleasure teaching resources. A grant of £190,000 over three years was confirmed.

World Book Day also made a successful application to Arts Council England's Project Grants funding programme. The charity will receive £94,360 between February 2021 and August 2022 for activities to grow reading for pleasure for children and young people 2021-2022. The three areas of work are; gaining insight into how WBD can engage more strongly with older children and young people, reaching communities most in need and diversifying the £1 book selection.

Plans for the future

World Book Day's strategy for 2020-25 was published in late 2020. It sets out the trustees' refreshed vision and objectives for the charity, including how it will work more effectively to reach children and families from disadvantaged backgrounds.

The objectives of that strategy are

1. Encourage all children to develop reading habits to improve life chances now, and for generations to come.
2. Be a powerful, collaborative celebration: an annual national event for all those working to encourage children to read for pleasure.
3. Build our financial and administrative resilience to be more effective and increase our impact.

World Book Day 2021 took place in the context of a deepening COVID-19 pandemic. From March 2020 the charity was able to monitor and respond to the changing circumstances and the likely impact of the pandemic on its beneficiaries, stakeholders, funders and operations. However in January 2021, just nine weeks before the World Book Day event, the Government announced a new national lockdown, the impact of which was significant.

The operation of the £1 token and £1 books exchange was severely disrupted; schools were closed to all children (except for the children of key workers and vulnerable children) and bookshops (other than supermarkets) were closed. Schools' fundraising was also severely impacted. The charity set out the case for World Book Day's role in providing a moment of joy and hope in a difficult year for children, and - in the context of the socio-economic and educational impact of the

COVID-19 pandemic - its role in supporting disadvantaged children and families to read for pleasure.

To improve accessibility World Book Day introduced a 'print at home' or digital version of the £1 token. World Book Day also worked with publishers and partners, including the National Literacy Trust, to ensure that £1 books reached children in communities most in need. Booksellers adapted plans to engage with children up and down the country.

World Book Day had planned for all events and activities to be delivered online in 2021 and saw impressive engagement figures;

- 110k+ people (including 4,500 classrooms) saw the Share a Story Live events
- 2.7 million views of the World Book Day website on World Book Day
- Free online resource packs for teachers reached 400k views
- 777k viewed the charity's first ever official World Book Day song by teacher-turned rapper MC Grammar, inspiring a wave book-themed raps by pupils and teachers across the country
- #WorldBookDay trended at number 1 on Twitter all day, with 3.1 million impressions over the week and 1.1 million impressions on World Book Day alone

World Book Day is operationally lean and agile, with low fixed costs. It was able to adapt to the circumstances with no significant financial impact, changes to the value of the charities' assets and liabilities and investments, or changes to staff during the year.

The charity has plans to review its funding model and introduce longer term funding agreements, to a transparent funding structure, and to diversify its income streams, all of which will allow it to adapt more successfully to a changed context.

World Book Day intends to broaden its fundraising activity for 2022 and beyond and will introduce and implement income generation policy and plan in 2022.

The charity also plans to review its reserves policy, in the event that its level of reserves drops and changes to its future commitments are required.

World Book Day believes that in 2022 and beyond its work to encourage all children to develop a life-long habit of reading for pleasure, leading to improved life chances, will be increasingly relevant.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 7 June 1999 and registered as a charity on 4 February 2000.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Appointment of members

Under the terms of the company's Articles of Association (approved September 2020) there shall be four members, of whom two shall be the Founder Members (Booksellers Association and Publishers Association). Each Founder Member may also nominate one individual or organisation to be admitted as an additional Member.

Method of nominating: members

Membership of the Charity is open to any individual or organisation interested in promoting the Objects who is nominated by either the Booksellers Association or the Publishers Association and signs the register of members or consents in writing to become a member either personally or (in the case of a member organisation) through an authorised representative.

Appointment of trustees

Under the terms of the company's Articles of Association there shall be no more than 12 trustees at any one time.

The trustees shall comprise of up to three eligible persons appointed by the BA and PA and up to an additional six eligible persons.

The Chair will be appointed by the Trustees from among those of their number for a term of office of three years and may be reappointed for two consecutive terms.

The Vice-Chair is appointed by the Trustees from among their number for a maximum term of office of one year from the date of appointment or the remaining length of their then current three year term as a Trustee, whichever is the shorter.

Method of nominating: trustees

The method of recruiting BA and PA appointed trustees is set out in the Articles, supported by a process run by the BA and PA; each seek names of potential appointees from colleagues and others involved in the book trade and the world of reading. During 2021 the charity went through an open recruitment process, using its recruitment policy, to appoint three non-industry trustees (including a Chair).

Trustee induction and training

New trustees are provided with a Trustee Handbook outlining their legal obligations under charity and company law and are made aware of the content of the Articles of Association, the decision making process and the financial performance and plans of the charity.

Organisation

The trustees are responsible for the overall administration of the charity and for making strategic decisions. Under the terms of the Articles of Association, the trustees must meet at least four times a year.

The implementation of strategic plans is carried out by the Executive, which includes the Chief Executive and World Book Day Manager. During the course of the year the charity appointed an Education Manager, a role focused on improving the quality of World Book Day's education resources and funded by the Mercers' Company.

World Book Day also contracted with freelance contractors and service providers to assist in the delivery of programme. A leading public relations company is employed on a contract basis to promote the charity's activities. Staff employed by the Booksellers Association and the Publishers Association provide additional support and administration, free of charge to the charity.

Related parties and relationships with other organisations

The charity has a close relationship with both the Booksellers Association and Publishers Association.

The BA and PA are Founder Members of World Book Day and appoint two members to represent the Booksellers Association and the Publishers Association.

During the year, the charity paid £842 (2020: £1,009) to the BA for recharged expenses. At the year ended 30 June 2021, the charity owed the BA £Nil (2020: £Nil).

The charity received administrative assistance free of charge from both the BA and the PA. The charity has estimated this at £9,000 (2020: £9,000) and is included within the donated services in the year.

Throughout the year the charity's Board included trustees holding senior positions at companies or organisations with the publishing and bookselling industries that provided financial donations.

The charity is sponsored by National Book Tokens, a subsidiary of the Booksellers Association.

The charity's Board also included a trustee holding a senior position at a literacy charity, The National Literacy Trust, with whom World Book Day works on research and evaluation, and as a partner on the achievement of its charitable objectives.

Amounts received and paid during the year are detailed in the financial statements.

Remuneration policy for key management personnel

The chief executive's salary is set by the trustees and will be reviewed annually, referring to benchmarking information to confirm that the salary is reasonable and in line with the market. A performance and salary review is normally be carried out at least once in each year for all key management personnel.

Statement of responsibilities of the trustees

The trustees (who are also directors of World Book Day Limited for the purposes of company law) are responsible for preparing the trustees' annual 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 the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 and statements of recommended practice 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 the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information
- The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity promise to pay up to £1 towards the assets of the charity in the event of winding up. The total number of such guarantees at 30 June 2021 was £4 (2020: £4).

Four of the trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 26 January 2022 and signed on their behalf by

Emma Scott
Chair and Trustee

Opinion

We have audited the financial statements of World Book Day (the 'charitable company') for the year ended 30 June 2021 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 30 June 2021 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 World Book Day'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, 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

Independent auditor's report

To the members of

World Book Day Limited

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual 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. 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

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, 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

Independent auditor's report

To the members of

World Book Day Limited

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. 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.

Fleur Holden (Senior statutory auditor)

14 February 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

World Book Day Limited

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 30 June 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations	2	541,141	92,182	633,323	586,979	100,000	686,979
Charitable activities	3						
Encouraging access		38,486	–	38,486	25,000	–	25,000
Promotion of reading		67,526	–	67,526	60,301	–	60,301
Other		–	–	–	979	–	979
Total income		647,153	92,182	739,335	673,259	100,000	773,259
Expenditure on:							
Charitable activities	4						
Encouraging access		360,544	–	360,544	382,727	–	382,727
Promotion of reading		243,630	–	243,630	295,223	–	295,223
Developing resources		43,521	47,813	91,334	18,217	375	18,592
Total expenditure		647,695	47,813	695,508	696,167	375	696,542
Net income for the year being the net movement in funds		(542)	44,369	43,827	(22,908)	99,625	76,717
Reconciliation of funds:							
Total funds brought forward		209,533	99,625	309,158	232,441	–	232,441
Total funds carried forward		208,991	143,994	352,985	209,533	99,625	309,158

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 14 to the financial statements.

World Book Day Limited

Balance sheet

Company no. 03783095

As at 30 June 2021

	Note	£	2021 £	£	2020 £
Non-current assets:					
Tangible assets	10		<u>745</u>		<u>595</u>
			745		595
Current assets:					
Debtors	11	75,994		113,166	
Cash at bank and in hand		369,213		244,028	
		<u>445,207</u>		<u>357,194</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	(92,967)		(48,631)	
				<u></u>	
Net current assets			<u>352,240</u>		<u>308,563</u>
Total net assets			<u>352,985</u>		<u>309,158</u>
The funds of the charity:	14				
Restricted funds			143,994		99,625
Unrestricted funds		208,991		209,533	
		<u>208,991</u>		<u>209,533</u>	
Total charity funds			<u>352,985</u>		<u>309,158</u>

Approved by the trustees on 26 January 2022 and signed on their behalf by

Emma Scott
Chair and Trustee

World Book Day Limited

Statement of cash flows

For the year ended 30 June 2021

	2021 £	£	2020 £	£
Cash flows from operating activities				
Net income for the reporting period (as per the statement of financial activities)	43,827		76,717	
Depreciation charges	415		55	
Decrease/(increase) in debtors	37,172		(29,233)	
Increase/(decrease) in creditors	44,336		(29,808)	
	<hr/>		<hr/>	
Net cash provided by operating activities		125,750		17,731
Cash flows from investing activities:				
Purchase of fixed assets	(565)		(650)	
	<hr/>		<hr/>	
Net cash used in investing activities		(565)		(650)
		<hr/>		<hr/>
Change in cash and cash equivalents in the year		125,185		17,081
Cash and cash equivalents at the beginning of the year		244,028		226,947
		<hr/>		<hr/>
Cash and cash equivalents at the end of the year		369,213		244,028
		<hr/> <hr/>		<hr/> <hr/>

1 Accounting policies

a) Statutory information

World Book Day Limited is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address is 6 Bell Yard, London, WC2A 2JR

b) Basis of preparation

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

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

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

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

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

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

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

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

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

World Book Day continues to receive support in our distribution of book tokens. See note 2 for additional information on the policy used in accounting for this support.

1 Accounting policies (continued)

g) Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

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

i) Expenditure and irrecoverable VAT

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

- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support and governance costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on an estimate of staff time.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Tangible fixed assets

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|----------------------|---------|
| ● Website | 3 years |
| ● Computer equipment | 2 years |

l) Debtors

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

m) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

n) Creditors and provisions

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

Notes to the financial statements

For the year ended 30 June 2021

1 Accounting policies (continued)

o) 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.

2 Income from donations

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Sponsorship	514,439	–	514,439	564,689	–	564,689
Grants	–	45,002	45,002	–	100,000	100,000
Grant income received from Arts Council England	–	47,180	47,180	–	–	–
Donated services and facilities	18,540	–	18,540	20,790	–	20,790
Other donations	8,162	–	8,162	1,500	–	1,500
	<u>541,141</u>	<u>92,182</u>	<u>633,323</u>	<u>586,979</u>	<u>100,000</u>	<u>686,979</u>

Income from donated services and facilities relate to support received from the Booksellers' Association and Publishers' Association in the form of office space, equipment and administrative support to World Book Day.

As detailed in the trustees' annual report, the charity distributed over 15 million World Book Day £1 Tokens. The charity paid for the design, printing and distribution of the World Book Day £1 Tokens. Some of the World Book Day £1 Tokens were redeemed against ordinary books. Other World Book Day £1 Tokens were exchanged for the World Book Day £1 Books; provided by publishers and bought by book retailers at a cost of 10p per unit.

3 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
License fees	76,971	–	76,971	50,000	–	50,000
Sale of school packs	29,041	–	29,041	35,301	–	35,301
	<u>106,012</u>	<u>–</u>	<u>106,012</u>	<u>85,301</u>	<u>–</u>	<u>85,301</u>

License fee income is split equally between Encouraging access and Promotion of reading charitable activities. Sale of school packs is included under Promotion of reading.

World Book Day Limited

Notes to the financial statements

For the year ended 30 June 2021

4a Analysis of expenditure (current year)

	Charitable activities						
	Encouraging access £	Promotion of reading £	Developing resources £	Governance costs £	Support costs £	2021 Total £	2020 Total £
Staff costs (Note 6)	–	–	13,126	–	139,168	152,294	73,466
Biggest Book Show (online festival)	–	–	–	–	–	–	33,438
Printing costs	55,588	–	–	–	–	55,588	69,826
Distribution costs	131,658	–	5,500	–	–	137,158	141,259
Public relations	–	71,606	–	–	–	71,606	64,950
Library promotion	–	–	–	–	–	–	2,800
Donated services	–	–	–	–	18,540	18,540	20,790
Website, apps and social media costs	–	40,644	–	–	–	40,644	58,344
Project co-ordination	–	–	–	–	40,068	40,068	87,231
Artwork and design	–	43,295	29,187	–	–	72,482	29,680
Helpline costs	–	–	–	–	–	–	15,238
Evaluation	–	–	10,499	–	–	10,499	12,875
Point-of-sale materials	42,942	–	–	–	–	42,942	53,964
Audit & accountancy	–	–	–	7,150	18,213	25,363	21,477
Bank charges	–	–	–	–	324	324	234
Legal and Professional	–	–	–	5,743	19,472	25,215	5,963
Sundry expenses	–	–	–	–	2,785	2,785	5,007
	230,188	155,545	58,312	12,893	238,570	695,508	696,542
Support costs	123,672	83,569	31,329	–	(238,570)	–	–
Governance costs	6,684	4,516	1,693	(12,893)	–	–	–
Total expenditure 2021	360,544	243,630	91,334	–	–	695,508	
Total expenditure 2020	382,727	295,223	18,592	–	–		696,542

World Book Day Limited

Notes to the financial statements

For the year ended 30 June 2021

4b Analysis of expenditure (prior year)

	Charitable activities					
	Encouraging access £	Promotion of reading £	Developing resources £	Governance costs £	Support costs £	2020 Total £
Staff costs (Note 6)	-	-	-	-	73,466	73,466
Biggest Book Show (online festival)	-	33,438	-	-	-	33,438
Printing costs	69,826	-	-	-	-	69,826
Distribution costs	141,259	-	-	-	-	141,259
Public relations	-	64,950	-	-	-	64,950
Library promotion	-	2,800	-	-	-	2,800
Donated services	-	-	-	-	20,790	20,790
Website, apps and social media costs	-	58,344	-	-	-	58,344
Project co-ordination	-	-	-	-	87,231	87,231
Artwork and design	-	29,680	-	-	-	29,680
Helpline costs	-	15,238	-	-	-	15,238
Evaluation	-	-	12,875	-	-	12,875
Point-of-sale materials	53,964	-	-	-	-	53,964
Audit & accountancy	-	-	-	7,000	14,477	21,477
Bank charges	-	-	-	-	234	234
Legal and Professional	-	-	-	-	5,963	5,963
Sundry expenses	-	-	-	-	5,007	5,007
	265,049	204,450	12,875	7,000	207,168	696,542
Support costs	113,832	87,806	5,530	-	(207,168)	-
Governance costs	3,846	2,967	187	(7,000)	-	-
Total expenditure 2020	382,727	295,223	18,592	-	-	696,542

5 Net income / (expenditure) for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	415	55
Auditor's remuneration (excluding VAT):		
Audit	7,150	7,000
Other	2,000	1,500
	<u> </u>	<u> </u>

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	136,922	69,388
Social security costs	9,999	1,138
Employer's contribution to defined contribution pension schemes	5,373	2,940
	<u>152,294</u>	<u>73,466</u>

One employee earned between £80,000 – £89,999 during the year. No employee earned more than £60,000 in 2020.

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £125,315 (2020: £72,461).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £600) incurred by nil (2020: 9) members relating to attendance at meetings of the trustees.

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 2.3 (2020: 1.3).

8 Related party transactions

The charity is a joint venture of The Booksellers Association (BA) and The Publishers Association (PA). Both the BA & PA have three members each appointed as trustees of the charity during the year.

During the year, the charity paid £842 (2020: £1,009) to the BA for recharged expenses.

The charity received administrative assistance free of charge from both the BA and the PA. The charity has estimated this at £9,000 (2020: £9,000), and is included within the donated services in the year.

During the year, the charity received sponsorship income of £156,500 (2020: £206,500) from Book Tokens Limited, a wholly owned subsidiary of BA. The charity paid for services received from Book Tokens Limited of £nil (2020: £2,119). As at 30 June 2021, there are no outstanding balances between the charity and Book Tokens Limited.

During the year, the charity paid for services received from National Literacy Trust £9,000 (2020: £6,650), a company of which the trustee J Douglas, is chief executive at the balance sheet date. As at 30 June 2021, there was a balance of £3,000 owed to National Literacy Trust.

During the year, the charity received sponsorship income of £6,600 (2020: £16,000) from Scholastic UK, a company of which the trustee S Thompson is a director. As at 30 June 2021, there are no outstanding balances between the charity and Scholastic UK. The charity also received sponsorship income of £57,936 (2020: £nil) from Hachette UK, a company of which the trustee A Bond is a director. As at 30 June 2021, there are no outstanding balances between the charity and Hachette UK.

9 Taxation

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

10 Tangible fixed assets

	Website £	Computer equipment £	Total £
Cost			
At the start of the year	–	650	650
Additions in year	–	565	565
At the end of the year	–	1,215	1,215
Depreciation			
At the start of the year	–	55	55
Charge for the year	–	415	415
At the end of the year	–	470	470
Net book value			
At the end of the year	–	745	745
At the start of the year	–	595	595

All of the above assets are used for charitable purposes.

11 Debtors

	2021 £	2020 £
Trade debtors	55,037	5,927
Prepayments	758	3,572
VAT debtor	20,199	3,667
Accrued income	–	100,000
	75,994	113,166

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	64,229	15,729
Taxation and social security	7,677	2,443
Accruals	21,061	30,459
	92,967	48,631

13a Analysis of net assets between funds (current year)

	Unrestricted £	Restricted £	Total funds £
Tangible fixed assets	745	–	745
Current assets	285,840	159,367	445,207
Creditors due within one year	(77,594)	(15,373)	(92,967)
Net assets at 30 June 2021	208,991	143,994	352,985

13b Analysis of net assets between funds (prior year)

	Unrestricted £	Restricted £	Total funds £
Tangible fixed assets	595	–	595
Current assets	257,569	99,625	357,194
Creditors due within one year	(48,631)	–	(48,631)
Net assets at 30 June 2020	209,533	99,625	309,158

14a Movements in funds (current year)

	At 1 July 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 June 2021 £
Restricted funds:					
Charity of Sir Richard Whittington	99,625	45,002	(38,813)	–	105,814
Arts Council England	–	47,180	(9,000)	–	38,180
Total restricted funds	99,625	92,182	(47,813)	–	143,994
Unrestricted funds:					
General funds	209,533	647,153	(647,695)	–	208,991
Total funds	309,158	739,335	(695,508)	–	352,985

The narrative to explain the purpose of each fund is given at the foot of the note below.

14b Movements in funds (prior year)

	At 2 July 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 30 June 2020 £
Restricted funds:					
Charity of Sir Richard Whittington	–	100,000	(375)	–	99,625
Total restricted funds	–	100,000	(375)	–	99,625
Unrestricted funds:					
General funds	232,441	673,259	(696,167)	–	209,533
Total funds	232,441	773,259	(696,542)	–	309,158

Purposes of restricted funds

Charity of Sir Richard Whittington – funding will be used to employ a full time education manager to develop and provide evidence-based reading for pleasure teaching resources.

Arts Council England – funding will be used to explore and improve the role that reading plays in the lives of older children, to reach less engaged readers and disadvantaged communities to encourage reading and access to books, and to improve the cultural diversity of the £1 book selection.

15 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.