

**National  
Literacy  
Trust**

Change your story

# Annual Report 2023-24



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# Letter from the Chair



The National Literacy Trust exists to increase literacy skills so society becomes fairer and stronger and more prosperous. The impact of the Cost of Living Crisis and increasing levels of poverty – especially child poverty – have made this challenge more relevant than ever before. We know that poverty has grown most severely in areas of the country which have the lowest levels of literacy.

As an organisation committed to working in these areas, with 20 community teams leading local Literacy Hubs, the charity has also been acutely aware of the impact of local government financial challenges, on the same communities.

In this context I have been especially proud of the work of our 20 Hub teams in the last year. In locations from Dundee to Cornwall, where our activity is most vibrant and most needed, they have continued to lead literacy activity. Through programmes like Connecting Stories, our partnership with Arts Council England and over 40 publishers, they are making a demonstrable difference to the reading lives of thousands of children; bringing happiness today and by increasing literacy skills, hopefully mitigating the lifelong impact of child poverty.

Our Libraries for Primaries campaign is, at heart, addressing the same challenge. Increasing levels of poverty mean that there are increasing numbers of children without books of their own at home. The opening of our 1,000th library means that the campaign so far, is enabling 370,000 children to become readers. A practical response to the phenomenon of book poverty.

I am incredibly grateful to all our volunteers, funders, supporters and to our great staff team for the achievements of the past year.

The Trustees and staff are also incredibly grateful for the inspiration and support of our Patron, Her Majesty The Queen. It has been an honour to welcome Her Majesty to two of the fifty Coronation Libraries we have created, to mark The King and Queen's Coronation. We are also very grateful to Her Majesty for inviting young people from our Hub areas to Westminster, to be part of the Coronation celebrations.

In March this year we launched our new strategy. It focuses our impact on the three breakthroughs which we know have to be secured, if our vision of a society, where everyone has the literacy skills to fulfil their potential, is to be fulfilled. It is focused on ensuring children start school with the communication and language skills they need; that they leave school with the literacy skills they need for life and that everyone who participates in the justice system has the opportunity to strengthen their literacy skills.

In response to our new strategy we have launched Early Words Matter – our five year early language campaign, which will support the early literacy of a quarter of a million children. As this report explains, we have also significantly grown our work in prisons and young offender institutes.

Our new strategy is already shaping and strengthening our impact and I know it's clear ambitions will enable us to grow more partnerships and strengthen our impact, in our mission to change life stories.

Joanna Prior  
Chair

Date: 18 July 2024

# **We empower people from disadvantaged communities with the literacy skills they need to succeed in life**

**Literacy changes everything. It gives you power to shape your future. It's the key to knowledge, confidence and inspiration. It's better results at school and leads to better jobs. If you grow up without the tools to communicate, without books to read or the skills to write, it's harder to get where you want to go.**

We're a charity helping people overcome these challenges and change their life chances through the power of words – reading, writing, speaking and listening. From first words, through school days to training, jobs and beyond. This is a big issue – 1 in 6 adults have very low levels of literacy in the UK today. It is also concentrated in the poorest communities. We support these communities, where as many as one in three people have low levels of literacy.

As well as the foundation of personal success, literacy is also a national priority. It sits at the heart of our nation's economic success and sustainability, driving social mobility and the challenge of regional inequality. The National Literacy Trust leads the national campaign to raise awareness of the issue and find solutions. We aim to break the relationship between low literacy and poverty to give a new generation the skills to fulfil their opportunities.

We are proud to be a dynamic and fast-moving organisation, and we think creatively about how to inspire and engage people with literacy. Partnerships of all kinds are at the heart of our approach and they're how we have most impact. We are proud to work in partnership with 9,015 schools, and over 90 businesses and are grateful for the support of writers, illustrators, poets and the skilled teams of 40 publishers.

We base everything we do on sound evidence and we aim to provide cutting-edge research on all aspects of literacy. From exploring the relationship between technology and literacy, to investigating the impact of role models on reading, to understanding the impact of the pandemic on young children's language skills.

# Our values and beliefs

The National Literacy Trust's values are well understood and embedded in the charity's culture, our induction, appraisals and staff development and are the guiding principles for the way in which we are effective.

We are **focused** on our impact with the people who need us most: helping them change their life chances through the power of words.

It's in our DNA to be **enterprising**: we make a difference because we are willing to do things differently.

We make change happen together; by **connecting** with others, we can do so much more.

We are **respectful** to everyone we work with, valuing each person's unique contribution.

## 32.7%

of children say they have not seen themselves in what they have read.

*National Literacy Trust Annual Literacy Survey*

“ When I was growing up I didn't see myself in books...which is why I wrote my book about a Bengali Muslim family. When you see yourself in books you feel like you belong. ”

*Burhana Islam talking at an event in Manchester*



## **Our commitment to equity, equality, diversity and inclusion**

The foundation of our strategy is our shared commitment to **equity, equality, inclusion and diversity**. Our mission to increase literacy levels is fundamentally about addressing inequality. We know that **becoming a more diverse and inclusive charity, better at listening to and working with communities, is key to increasing our impact and fulfilling our mission**.

Our programmes and campaigns are focused on the needs of children, families, adults and groups who are most likely to experience injustice and exclusion. By working with community consultation groups in all our Hub areas, we develop approaches based on the many strengths and unique qualities each community has – languages, stories, experiences, skills and knowledge.

Our mission is to break the link between literacy and socio-economic inequality. Poverty is the major driver and effect of low literacy in the UK. But we know that other characteristics can make it harder for people from poorer communities to develop strong literacy skills.

We take this challenge seriously: We have an EDI action plan which is discussed by our trustees at each board meeting. We monitor and set targets to improve the diversity and inclusivity of staff and trustees. Our CEO chairs our EDI working group. There is regular training for staff in recognising and addressing unconscious bias.

## **Our commitment to the environment**

We are passionate about sustainable development and the creation of communities that have the literacy skills to thrive, supporting both current and future generations. But a sustainable community is also defined by its relationship to the environment. So, it is essential that we operate in an environmentally responsible way. In 2022 we became a distributed organisation, allowing team members to live in their own communities, and conducting our meetings and management activities online. This supports communities across the UK and minimises travel requirements. We also aim to improve our contribution to environmental sustainability through our programmes and support the delivery of environmental messages and actions – for instance, through our Eco Literacy Champions project

# Our impact in numbers

We reached over  
**1.4 million**  
children and  
young people

We distributed  
**557,411**  
books

We supported over  
**1,100**  
active literacy  
champions

We worked in over  
**13,000**  
settings

We worked with over  
**9,500**  
parents of children  
under 5

We worked on  
the ground in  
**19**  
local areas



# Our strategy

Poverty leads to low literacy: by the time a child is 10.5 months old communication delay linked to poverty can already be detected. This lays the foundation for a lifelong pattern of literacy inequality impacting on earnings, health and wellbeing. But this is not inevitable – with support for children, families, schools and prisons this pattern can be broken. But we need to act now. If we can respond promptly and at scale, we can stop childhood experiences of poverty from having a lifelong and even intergenerational impact. We can create new opportunities, allow individuals to fulfil their potential and create new dynamics of social mobility.

The pandemic exacerbated the challenge. Its impact on literacy was worst for disadvantaged pupils in deprived areas (with a secondary pupils learning loss of 2.7 months in reading) and on preschool children's early language development.

The Cost of Living Crisis and the legacy of the pandemic, increases the scale of need for the National Literacy Trust's work and its urgency.

But it also increases our potential impact.



# How we made change happen in 2023/24

We know that the literacy challenge is complicated. Literacy is intergenerational; it is closely related to inequality; particular communities and particular characteristics make it more likely that you will have low levels of literacy. Our approach, therefore, is sophisticated and evidence-based. In the past year we have worked in four ways to empower people with literacy skills to succeed in life.

## **We directly supported literacy skills and building confidence.**

From parents not sure how to talk to their baby, teenagers finding reading boring or adults facing life challenges without literacy skills we supported people with information, digital content, classes, free books, encouragement and our knowledge and expertise.

## **We helped professionals increase the quality of literacy provision.**

We supported and inspired early years practitioners, teachers, librarians, tutors and professionals on the frontline. They are our nation's literacy heroes and the greatest resource the UK has. We are proud to work with them and learn from them, offer them evidence-based approaches, free resources and celebrate their achievements.

## **We stood side by side with communities to tackle literacy inequality.**

We lead 20 impactful Literacy Hubs – long term literacy action partnerships on the ground, driven by the communities themselves, in the places with the worst experiences of literacy and poverty in the UK. Our local teams worked in partnership with these communities to change stories.

## **We influenced leadership and policy to create lasting change.**

National and local government policy determines how education is delivered. We worked to ensure literacy is a priority and influence policy using our insights and experience. We also worked with leaders in the business community. As employers, through their markets and as corporate citizens, businesses have a key role to play in our mission.





## Our Literacy Champions

Improving literacy levels not only requires great teaching but it also requires language-rich communities, where reading and writing and story sharing are activities shared and enjoyed by everyone, and where everyone has access to books. This is not currently the case, literacy levels, reading levels and book ownership are all significantly lower in poorer communities.

To help us change the culture around reading and writing and stories in our 20 Hub communities, we have recruited 1,333 Literacy Champions, volunteers who are community literacy activists. They use their love of literacy and their commitment to their communities to change the lives of their neighbours, colleagues and friends. 336 are Youth Literacy Champions.

They work in communities, hospitals, workplaces and faith settings to bring literacy alive. Through book trails, creating library shelves, supporting literacy in other families and by being advocates for reading in their communities, these volunteers are changing the face of literacy, growing engagement and offering wonderful experiences in some of the UK's most disadvantaged communities.

**69% of participants of activities run by Literacy Champions said they were more likely to read and 50% said they were more likely to read with their family.**



Participants also became advocates for literacy in turn, after working with the volunteers, with 88% reporting they were more confident in supporting the reading and writing of those around them.



# 2023–24 Research insights

Our research has had children and young people's views on, and experiences of, literacy at its heart since 2005.

Our Annual Literacy Survey, which reached more than 70,000 children and young people aged 5 to 18 in 2023, is our flagship research activity. However, we also conduct research on specific topics.

In 2023/24, we published more than 25 research and evaluation reports spanning topics from reading and writing trends to reading comics, lyrics and poetry, reading for wellbeing and young adult's confidence when communicating.



Our research findings not only provide the foundation for all our programmatic and campaigning work but it also informs teachers and the wider literacy community, nationally and internationally, about trends in reading, writing, speaking and listening enjoyment, behaviour and confidence.

Key insights from our research during this time include:

**Just 2 in 5 (43.4%) children and young people aged 8 to 18 said they enjoyed reading – the lowest level we have recorded since 2005.**

**1 in 8 (12.4%) children and young people aged 8 to 18 who received free school meals (FSMs) said they did not have a book of their own at home. This was double the percentage of their peers who did not receive FSMs (5.8%).**

**1 in 5 (19.3%) children and young people wrote something daily, a decrease of over a quarter since 2010.**

**Almost 1 in 2 (47.4%) young women aged 16 to 30 said a fear of saying the wrong thing contributed to low confidence when speaking compared with 1 in 4 (27.4%) young men.**

# Breakthrough 1: Literacy to Grow

Every child starts school with language and communication skills ready to grow and learn at school.

Early years speech, language and communication is the foundation of all literacy. Yet in September 2022, 32.9% of children started school without the early literacy, language and communication skills required. Children who struggle with language at age 5 are five times more likely not to reach the expected level in reading and writing at age 11. From this point inequalities in earnings and health can accurately be projected.

**In 2023/24 we delivered programmes to 4,259 families to empower them to support their children's early language and literacy.**

The evaluation of these programmes has demonstrated their impact on parenting and also on children's development.

“ My kids 1 and 3 years old love it. The rhymes have really helped with their speech. They pick books they like and engage more now. The group atmosphere has given me and my kids friends also. ” *Parent*

“ They're excited... Finding the different books and talking about the books and sharing that. So 100% it's increased. I've been doing this for a long time. I've never seen it happen quite this quickly. We wouldn't have been able to do it before. ” *Practitioner*

**In 2023/24 we gave families 659,006 books and additional resources so they can feel confident to chat, play and read with their children.**

“ A family came to our play and stay session, the mother told us that she was a recipient of one of our starter packs. She told us that the pack had made such a difference to her life. She told us that the book that we gave her in the pack was her daughters first book and she still reads it to her every night. ” *Practitioner*

“ Thank you for the Eid story. ” *Parent*



## **We supported 1044 education professionals with training in 2023/24.**

We are working in 68 of the Government's family Hubs to help them reach more parents with effective early language support. We held a national Early Years Literacy and Language Conference.

**“ For us as a team, it's been very insightful to be able to expand our skills and develop our expertise/knowledge in working with 1-2yrs olds and their parents. It's not often library staff get the opportunity for training for under 5s activities, let alone 1-2yr olds.**

*Practitioner*

We worked with the Literacy All Party Parliamentary Group and published their report *Building Firm Foundations* calling for a stronger political commitment to early language and literacy as a priority in the 2024 General Election.

**“ I haven't had a panic attack in 19 days. I think it's this group – the exhaustion has lifted. Took C swimming on Saturday and went back to church on Sunday. That's huge progress going back to my old church. I'm a lot less socially isolated now and have a lot of people I care about there. Thanks so much for this group, it was so helpful for me and probably contributed a lot towards me getting back on an even keel.**

*Mum with autism,  
National Literacy Trust Family Read  
Talk and Play pilot group, Dundee*

Our Early Words Matter campaign was launched in February 2024 with new research from Pro Bono Economics, commissioned for us by KPMG, showing lifetime economic costs of around £830m for early language failure in each year group starting school.

Our new 5 year campaign will address this by giving 250,000 children sustained support in early language development across all 20 of our Hub areas. Families will receive advice, resources, support and be able to take part in our programmes. We will work with local nurseries and settings to make sure they are able to offer the best possible development opportunities for children in their early years. We are also working with local authorities who commission and deliver local early years strategies, to ensure alignment with our work.

Early Words Matter is supported by the DfE, the BBC and a consortium of trusts and foundations and businesses including KPMG, Very, WHSmith and the Premier League.

We are now delivering Early Words Matter in our Hub communities.



# Breakthrough 2: Literacy to learn

Every young person, wherever they grow up, leaves school with literacy skills for life.

Literacy is the key to education and is crucial in successfully navigating life. Literacy levels determine employment options, earnings, the ability to participate in democracy and even health outcomes. It's not just about acquiring literacy skills, it's also about personally engaging with them – enjoying reading at 15 has a greater impact on your school grades than your parents' social class. Yet the 16–24 age group in England have the lowest literacy skills of any age group in society, and enjoying reading amongst young people is at an all time low. This is creating inequality, limiting opportunities and undermining social mobility.

We are committed to ensuring that every young person leaves school with the literacy skills they need to fulfil their potential. This means offering consistent support for their reading, writing and speaking and listening skills throughout their education.

## Libraries for Primaries

1 in 7 primary schools are without a library. This is worse in areas of the UK with higher levels of child poverty, where children are less likely to have books of their own – 18% of primary schools in the North East don't have a library, as opposed to only 6% in the South East.



**Pupils are talking less about computer games, and they're talking more about their reading. That's a big thing. When I arrived at this school, it was the other way round.**

*Libraries for Primaries teacher*



By April 2024 the National Literacy Trust's Libraries for Primaries campaign had created new libraries in 1,000 primary schools, benefiting over 370,000 children. Libraries for Primaries is also working with the publishing community to develop an approach to ensure that all primary school libraries have regularly refreshed, diverse and modern books. Libraries for Primaries also aims to create a library and train a member of staff to run, it in all 2,900 primary schools in the UK without one.

**The impact on pupils reading is immense: As a result of having being part of the programme 82.5% of pupils enjoy reading more.**

**The impact on teachers is also significant, with 95.6% saying that they have increased understanding of supporting reading for pleasure.**

In 2023 we launched a campaign to get this on the political agenda for the 2024 General Election. We are asking for investment of £14m which will ensure every primary has a library. In March we were thrilled to see that the successful candidate for the West Yorkshire Mayoralty carried a commitment to fulfilling this commitment in her manifesto. On World Book Day we welcomed Damien Hinds, Minister for Schools, to the new library at High Hazels academy in Sheffield.

**In 2023/24 we worked in partnership with 9,015 schools.**

**237,715 children took part in our literacy interventions and our projects in schools.**

These included our projects to increase reading for pleasure, develop literacy skills for employment and to use sport as a way to engage young people in reading and writing, working with partners including the Premier League. In West Yorkshire we worked with Simon Armitage, the Poet Laureate, to engage schools and young people in a Young Laureate programme.

We delivered online literacy events for Holocaust Memorial Day (38,000 young people participated), National Storytelling Week (159,000 young people), and World Book Day (over 500,000 young people).

3,000 children are suspended from school every day and well over 3,000 are now permanently excluded. Only 5% of them will pass GCSE English and Maths. We are delivering tailored programmes and support.

Manchester Metropolitan University's evaluation of our Represent programme, for girls aged 11 to 14 excluded from, or at risk of being excluded, found that it:

- increased students' self-confidence and confidence in reading.
- increased students' communication skills.
- positively impacted students' wellbeing.
- developed relationships between facilitators, students and, to a lesser extent, parents.



A child of Bangladeshi origin with trauma from her home environment found solace in identifying with a Muslim character in a series of stories. Her confidence increased and she enjoyed talking about the character and the stories. Reading has become a safe place for her.

*Teacher, London  
Young Readers Programme*



Where is a poem most alive—most it's living, breathing, dancing, thoughtful, quirky self? One answer is: when the poet is right there speaking it. I can't imagine anyone reading this collection not wanting to meet Alex.

*Year 4 Student who attended the  
Windrush event with Alex Wharton,  
Welsh Children's Laureate*



Having a year 8 student enable themselves to talk in front of other students and not feel judged. This student was selective mute and for her to answer questions in front of other students was a huge step for her but she felt like she needed to talk to put her ideas across.

*Alternate provision teacher*



**In 2023/24 we trained and supported the professional development of 773 teachers.**

**We delivered national primary and secondary conferences and 2,728 education professionals are members of the National Literacy Trust.**



## The impact of our work in schools and communities

With the support of Arts Council England, the National Literacy Trust is working in partnership with 46 publishers to bring extraordinary reading experiences to children in schools across our 20 Hub Community. This combines evidence-based reading interventions, with visits from authors, writing workshops and activities to create readers. These communities have the lowest literacy and reading engagement. However, as a result of Connecting Stories, children in the Hub areas are now enjoying reading at levels above average and in the most challenging wards, where Connecting Stories has been most intensely focused, the levels are significantly higher.

	High priority wards in Hubs	Hubs	National
Enjoy reading at school	53.5%	44.2%	44.0%
Enjoy reading in their spare time	46.3%	41.3%	43.7%
Write daily	25.1%	21.9%	18.3%
Attend public library	32.6%	25.2%	23.3%



# Breakthrough 3: Literacy to thrive

Everyone leaving the criminal justice system has improved literacy skills to help them thrive.

1 in 6 adults in England have very low levels of literacy, in Scotland this figure is as high as 1 in 4. This group is not equally spread across society but is focused on disadvantaged communities. The prison population has particularly low levels of literacy and around 90% of young people in custody have been excluded from school in the past. Recent data from the Ministry of Justice shows that 61% of adult prisoners have literacy levels below Level 1. By working in the criminal justice system, we can reach large numbers of people with low literacy who face significant challenges in other areas of their life, we can learn from them about how best to engage people in reading and writing, and we can see how literacy really does change life stories.

This year, the criminal justice team have delivered a total of 67 workshops across 13 prisons: HMP Humber, HMP Leeds, HMP Guys Marsh, HMP Askham Grange, HMP Swaleside, HMP Elmley, HMYOI Feltham, HMP Downview, HMP Brixton, HMP/YOI Isis, Oakhill Secure Training Centre, HMP Grendon and HMYOI Swinfen Hall. We have donated approximately 5,500 books to 100 prisons across our different projects and provided a huge range of resources – from activities to complete with children, to self-guided creative writing – to support people in prison on their literacy journey.

As part of our Books Unlocked project, we broadcast nightly audiobook installments via National Prison Radio, reaching more than 100 prisons and up to 80,000 people.

“When I first came to prison 7 years ago and knew nothing and no-one, Books Unlocked was a saviour. [The] most important aspect is the ability to unlock some mind space for ‘the rabbit in the headlights’ new prisoner.”

*Books Unlocked participant*

We distributed 3,500 books and hosted authors such as Sarah Waters and Max Porter, along with megastar Dua Lipa, who met with prison reading groups.

Our New Chapters creative writing programme was delivered in eight prisons, with workshops led by inspiring authors including Andy West, Ciaran Thapar, Lady Unchained and Moses McKenzie to more than 200 participants. Our annual anthology was published in February.

“It was very good, informative and fun I now have words dancing in my brain!

*Creative writing participant  
HMP Askham Grange*

“It was fantastic. I never thought poetry could make me feel so emotional.

*Literacy Innovation Fund participant  
HMP Askham Grange*

88% of participants said that engaging with the New Chapters project made them feel more confident about expressing themselves in writing.

We supported people in prison to develop and maintain crucial relationships with their children through Readconnect.

**This year we delivered 16 workshops and reached more than 150 parents and carers in custody, as well as donating 500 books to families.**

We distributed 200 resource packs to support people to connect with their children through in-cell activities, and posted books to families in the community to enable people to read stories over the phone.

**“ It made me feel confident that I could get my ideas down and that there are many stories I have to share, that my disabilities are not a block but something that can be climbed and turned into something positive. ”**

*Readconnect participant  
HMP Downview*

**100% of participants expressed a desire to become more involved in their child’s education going forward, and all felt inspired to support their child’s learning.**

Funded by the Ministry of Justice, the Literacy Innovation Fund (LIF) enabled us to provide holistic literacy support in six prisons across England, engaging people with below Level 1 literacy. In its first year, more than 800 people have attended our workshops and we have donated in excess of 1,000 books to support prison libraries.

**“ What I liked most about the workshop is seeing how strong men could let their emotions out without shame. ”**

*Literacy Innovation Fund  
participant, HMP Elmley*

As a result of attending a LIF workshop, 89% said the session inspired them to write more and 93% said the session inspired them to engage with other education opportunities in their setting. 47% had been assessed as having a literacy level below Level 1.

*LIF is being independently evaluated by the Ministry of Justice. The figures shared above are based on early internal monitoring data.*

## Changing stories in prisons

For many people we work with, their involvement in our projects is the first time they have engaged with literacy activities in a way that is enjoyable and empowering. Participants have reported that they plan to use the library for the first time on release, and parents and carers who attend our family sessions say that they have started reading with their children for the first time. Participants in Young Offender Institutions often begin their creative writing journey with us and young people regularly report finally feeling like their voice is being heard.

Evaluation has highlighted the impact of New Chapters:

**79.64%**

of people taking part, said the programme has encouraged them to write more

**72.56%**

of participants reported they now enjoy writing more

**82.32%**

said there were more confident about expressing themselves in writing since taking part



# Funders

The charity's work is funded primarily through donations from charitable trusts, foundations, businesses and individuals. Our core activities, including Literacy hubs, education programmes, research and advocacy, are supported principally by a number of key funders. These include:

- Amazon
- Arts Council England
- Audible
- Authors' Licensing and Collecting Society
- Bloomberg
- Bloomsbury
- Booker Prize Foundation
- British Land
- Bupa Foundation
- Chase
- Department for Education
- Department of Science, Innovation and Technology
- Dundee Volunteer and Voluntary Action
- Enterprise
- Estée Lauer
- Experian
- Fidelity Foundation
- Garfield Weston Foundation
- Goldsmiths Company Charity
- Hachette
- Harper Collins
- Irwin Mitchell
- Julia and Hans Rausing Trust
- Kindred Squared
- KPMG
- Lancôme
- McDonald's
- Ministry of Justice
- Money & Pensions Services
- Moondance Foundation
- Morrisons Foundation
- Mousetrap Productions
- National Lottery Community Fund
- Oxford University Press
- Pan Macmillan
- Pearson
- Penguin Random House
- Portal Trust
- Premier League
- Rothschild Foundation
- Slaughter and May
- Squarepoint Capital
- Sylvamo
- The Works
- TikTok
- Turner and Townsend
- Twenty First Century Brand
- University of Birmingham
- Vanquis Bank
- Wesleyan
- West Yorkshire Combined Authority
- WHSmith
- Worwin Foundation.

# Legal information

The Trustees present their annual report, together with the financial statements of the charity for the year ended 31 March 2024.

The financial statements comply with the Companies Act 2006, the trust deed 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).



## Reference and administrative details

The Trustees and advisers currently in office or who served during the year were as follows:

### TRUSTEES

Joanna Prior (Chair)

Matthew Bradbury

Louise Doughty  
(resigned on 19 December 2023)

Luisa Edwards  
(term ended on 29 February 2024)

Kersten England  
(appointed on 6 October 2023)

Ben Fletcher

Rachel Hopcroft  
(appointed on 20 May 2024)

Hilary Ineomo-Marcus  
(appointed 20 May 2024)

Natasha McMullen

Professor Michelle Money (previously Shaw)

Neil Sherlock CBE  
(term ended on the 29 February 2024)

Lara White (Treasurer)

Professor Clare Wood

### PATRON

Her Majesty The Queen

### PRESIDENT

Baroness Prashar of Runnymede

### VICE PRESIDENTS

Amanda Jordan OBE

Julia Cleverdon DCVO CBE

### REGISTERED OFFICE

68 South Lambeth Road, London SW8 1RL

### CHARITY NUMBER

1116260

### SCOTTISH CHARITY NUMBER

SC042944

### COMPANY NUMBER

05836486

### AUDITOR

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25 Farringdon Street, London, EC4A 4AB

### BANKERS

Lloyds TSB Bank Plc, Law Courts Branch, 222 Strand, London WC1R 2BB

### WEBSITE

[www.literacytrust.org.uk](http://www.literacytrust.org.uk)

### CHIEF EXECUTIVE

Jonathan Douglas CBE

### COMPANY SECRETARY

Catherine Hardwick

## **PLANS FOR 24/25**

We will continue to build on our success in 2023/2024 to reach young people and adults who are most disadvantaged. We are continuing to deliver our strategy and are focussed against the three breakthroughs. Our two flagship campaigns Early Years Matter and Libraries for Primaries will continue to grow in momentum and attract increased funding. Through our work we will aim to reach over 1,100,000 children and young people, distribute over 500,000 books and work with more than 3,200 settings

## **SCOTLAND**

During the year we continued to build on our presence in Scotland. We are working to build a Literacy Hub in Dundee including recruiting community Literacy Champions. More broadly we are delivering Libraries for Primaries to school with no or poor library provision to help support a reading or pleasure culture.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The National Literacy Trust was established by Trust Deed dated 19 November 1992 and subsequently registered with the Charity Commission. The status of the Trust was changed with the registration of a new charity incorporated in England and Wales in June 2006 and re-registered with the Charity Commission.

These are the full accounts of the incorporated charity. The accounts comply with the Companies Act 2006. The National Literacy Trust is a registered charity (no. 1116260), a Scottish registered charity (SC042944) and a company (no. 05836486) limited by guarantee up to a maximum of £1 each, per member. The memorandum and articles of association were last updated in 2006, when the charity was incorporated and registered at Companies House.

## **ORGANISATION OF THE CHARITY**

The Trustees meet four times per year and have full responsibility for all legal and financial matters. Any additions to the membership follow consideration and invitation by the Board of Trustees. The Trustees have delegated responsibility for the strategic and financial management of the charity to the Chief Executive. New Trustees receive a full induction, briefing them on the charity's strategy, campaigns and projects and their responsibilities. The Board is supported by a Nominations and Remunerations Committee and a Finance, Audit and Risk Committee which meets four times a year.

The nominations committee, which meets at least twice a year, oversees trustee recruitment and a board skills audit is conducted annually. Trustee vacancies are advertised through a range of channels, and applicants are shortlisted against a role description and person specification. Due diligence checks are carried out for all applicants. Trustees undergo trustee safeguarding and child protection training; new staff receive this when they start and formal external training then happens every three years. Internal updates to training happen annually as policy is updated.

Our senior management team comprises Jonathan Douglas, Chief Executive; Sam Brookes, Director of Resources; Ceri Berkovitch, Director of Marketing and Communications; Michael Stickland, Director of Development and Rosemary Thomas, Director of Operations. Our remuneration policy is overseen by the remuneration committee. The committee is responsible for monitoring pay and reward for the senior management team, making recommendations and reporting appropriately to the board. Pay is benchmarked against pay in the charity sector, using data that reflects the size, sector and turnover of the charity.

## **RISK ASSESSMENT**

The Trustees are mindful of the need to identify and assess the major risks facing the charity. Appropriate procedures and systems have been implemented to ensure that risks are managed in ways to optimise the appropriate and effective use of all resources. A risk assessment has also been undertaken with regard to the current economic climate.

Strategic risks are identified on an annual basis as part of the annual delivery plan. Trustees receive a quarterly report on the management of these risks at the Finance, Audit and Risk Committee; these are then reported on to the full Board of Trustees. The highest ranked risk for 2023/24 was a failure to secure sufficient core income to sustain the organisation and support growth. This risk is mitigated by the development and implementation of key strategies that have been presented to the Trustees and where progress is reported to the Trustees at each meeting.

In addition, each project maintains its own risk register, and reports on them quarterly to the charity's senior management team through a quarterly reporting template.

The strategic risks the charity has identified are: mitigating its funding (mitigated by the strengthening of relationships with funders and ongoing diversification of funding); relevance of its work to schools and teachers (programmes are designed with teachers and respond to their priorities) and failure to achieve impact (the charity responds by rigorously measuring impact on all its work and carrying out evaluation activity).

## **OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT**

The formal objectives of the National Literacy Trust are to advance public education in reading, writing and other literacy skills.

The Trustees have read the Charity Commission's guidance on public benefit, and the specific guidance for charities whose objects include education. The Trustees have paid due regard to the Commission's guidance, and all who make decisions about the activities undertaken are concerned to ensure that a tangible educational benefit is provided to a broad range of people. The Trustees consider that the achievements and performance of the charity, as outlined and reviewed below, demonstrate success in this regard.

We are an independent charity that transforms lives through literacy. Literacy is made up of the four strands of language skills – reading, writing, speaking and listening.

## **FINANCIAL REVIEW**

The financial activities of the year are set out in detail on the attached pages. The net movement of funds for the year was a decrease of £514,678 (2023: decrease of £408,694). This comprised a decrease in restricted funds of £171,089 (2023: decrease of £452,325), and a decrease in unrestricted funds of £343,589 (2023: increase of £43,631). Overall, the charity's funds decreased from £4,345,346 at the beginning of the year to £3,830,668 at the year end, of which £429,611 was in unrestricted funds and £3,401,057 was in restricted funds. The decrease on restricted funds is entirely to be expected as it depends on where projects are in their cycle against the grants.

Total income for the year has increased from £10.5m in 2022/23 to £12.1m in 2023/24. We had budgeted a small growth in income but this exceeded that. Mainly due to a much better year in the individual giving space. We anticipate continuing this trend and increasing our income by 10% in 2024/25. We have new bids in place to maintain income, as well as maintaining or growing existing funder relationships.

Total expenditure for the year increased by £1.9m from £10.9m in 2022/23 to £12.6m in 2023/24.

There are several strategies around income aimed at covering core costs: ensuring that funding bids carry the right level of cost allocation, a funding strategy for unrestricted costs and ensuring as much charitable activity as possible is funded through unrestricted sources.

We finished the year with a strong reserves position, the Trustees believe that the National Literacy Trust is in a reasonably balanced position and has a robust income and expenditure strategy in place. Further details on the basis of preparation of the financial statements using the going concern assumption are included in the accounting policies.

In making grants to or working with other organisations we will comply with Charity Commission guidance by carrying out relevant due diligence and having a written agreement that sets out:

- Our relationship.
- The role of each organisation.
- Monitoring and reporting arrangements.

## **POLICY ON RESERVES**

Total funds at 31 March 2024 were £3,830,668 (2023: £4,345,346). Restricted funds, not available for the general purposes of the charity, were at £3,401,057 (2023: £3,572,146). There were no designated funds held.

The Trustees aim to maintain free reserves in unrestricted funds at a level which equates to approximately three months of unrestricted expenditure, which roughly equates to £650,617.

The charity holds free reserves in order to:

- provide working capital
- allow the organisation to provide continuity of service if income levels fluctuate, thereby giving time to seek new sources of revenue
- allow the organisation to provide continuity of service if it had to cope with increases in expenditure that could not be accurately forecast
- ensure that in the worst possible circumstances it would be able to pay all creditors and wind up the organisation.

The balance held as unrestricted funds at 31 March 2024 was £429,611 (2023: £773,200), which comprised of unrestricted fixed assets fund £29,886 (2023: £41,304) and unrestricted free reserves £399,725 (2023: £731,896). The unrestricted free reserves represent two months of unrestricted expenditure rather than the three that is the policy. However, the Trustees are confident that we will achieve 3 months reserves by the end of next year and are taking the necessary approach to achieve this. The strategy is to maintain the reserves at the 3 month level and continue to aim to increase them in line with the growing size of the organisation.

The Trustees are confident that this will be achievable.

## **POLICY ON FUNDRAISING**

The charity does not employ any external professional fundraisers or consultants, and is very careful to comply with all proposed and enacted legislation in this space.

We're committed to generating income in a way that protects individuals and has a positive impact on the communities in which we work. Aiming for the highest standards, we:

- are registered with the Fundraising Regulator, and are committed to complying with the Fundraising Code of Practice;
- give our supporters the opportunity to opt out of further contact, or to opt out of a specific method of communication as part of every approach for donations;
- do not share or sell data with third parties for their marketing benefit;
- ensure that our teams are familiar with good practice standards and integrate them into ways of working
- deal with complaints about our fundraising activities in a timely and transparent manner.
- received zero complaints during the financial year 2023/24 and did not receive any complaints during the 2022/23 year either.

## TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of 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 judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the 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.

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 other jurisdictions.

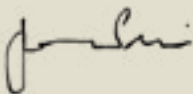
Our code of governance is set out in the board's Terms of Reference, Scheme of Delegation and Code of Conduct, which are reviewed annually and approved by the board. The board also follows the good practice recommendations of the Charity Governance Code, as well as the legal and regulatory requirements of the Charity Commission. Reflecting on the charity's governance forms part of the board's annual review process and strategy development.



## STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

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

This report was approved by the board of Trustees and signed on its behalf by

Signed 

Trustee Joanna Prior  
Chair

This report was approved by the board of Trustees and signed on its behalf by

Signed 

Trustee Lara White  
Treasurer

# Independent auditor's report to the members of the National Literacy Trust

## Opinion

We have audited the financial statements of the National Literacy Trust (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 the charitable company'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 Report of the Trustees other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Report of the Trustees. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report,

we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have 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 Directors' Report or the Strategic Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where 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 Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing Trustees' Report.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 24, 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.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in

accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the charitable company operates in and how the charitable company is complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the General Data Protection Regulations. We performed audit procedures to inquire of management whether the charitable company is in compliance with these law and regulations and inspected minutes.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## Use of our report

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

*HCatchpool*

Hannah Catchpool  
(Senior Statutory Auditor)  
For and on behalf of RSM UK AUDIT LLP,  
Statutory Auditor  
Chartered Accountants  
25 Farringdon St  
London EC4A 4AB

5th December 2024



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

For the year ended 31 March 2024

		Unrestricted Funds	Restricted Funds	Total Funds 2024	Total Funds 2023
	Notes	£	£	£	£
<b>Income:</b>					
Donations and legacies	2 a	3,464,384	107,569	3,571,953	3,367,911
Income from charitable activities	2 b	939,059	6,988,660	7,927,719	6,727,823
Income from other trading activities	2 c	499,497	10,928	510,425	426,741
Investment income		40,344	-	40,344	6,876
<b>Total Income</b>		<b>4,943,284</b>	<b>7,107,157</b>	<b>12,050,441</b>	<b>10,529,351</b>
<b>Expenditure:</b>					
Raising funds	3 c	(1,220,834)	-	(1,220,834)	(948,182)
Charitable activities	3 a-b	(4,063,244)	(7,278,246)	(11,341,490)	(9,986,534)
Interest payable		(2,795)	-	(2,795)	(3,329)
<b>Total expenditure</b>		<b>(5,286,873)</b>	<b>(7,278,246)</b>	<b>(12,565,119)</b>	<b>(10,938,045)</b>
<b>Net Expenditure for the year</b>		<b>(343,589)</b>	<b>(171,089)</b>	<b>(514,678)</b>	<b>(408,694)</b>
Transfer between funds	13	-	-	-	-
<b>Total funds brought forward</b>	13	<b>773,200</b>	<b>3,572,146</b>	<b>4,345,346</b>	<b>4,754,040</b>
<b>Total funds carried forward</b>		<b>429,611</b>	<b>3,401,057</b>	<b>3,830,668</b>	<b>4,345,346</b>

# Balance sheet

At 31 March 2024

		2024	2024	2023	2023
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible Assets	7		29,886		41,304
			<u>29,886</u>		<u>41,304</u>
<b>CURRENT ASSETS</b>					
Stock	8	6,289		6,691	
Debtors	9	1,899,936		1,347,276	
Cash at Bank and in hand		<u>3,481,546</u>		<u>4,166,802</u>	
		5,387,771		5,520,769	
CREDITORS: Amounts falling due within one year	10	<u>(1,523,878)</u>		<u>(1,135,848)</u>	
<b>NET CURRENT ASSETS</b>			3,863,893		4,384,921
CREDITORS: Amounts falling due after more than one year	11		(63,111)		(80,879)
<b>NET ASSETS</b>			<u>3,830,668</u>		<u>4,345,346</u>
The funds of the charity:					
Restricted Funds	13		3,401,057		3,572,146
Unrestricted Funds	13		<u>429,611</u>		<u>773,200</u>
			<u>3,830,668</u>		<u>4,345,346</u>

The financial statements on pages 30-48 were approved by the Trustees and authorised for issue on and signed on their behalf by:



Joanna Prior  
Chair



Lara White  
Treasurer

Date: 18 July 2024

# Statement of cashflows

For the year ended 31 March 2024

		2024	2024	2023	2023
	Notes	£	£	£	£
Cash (used in)/provided by operating activities	17		(717,085)		(828,319)
Cash flows from investing activities:					
Investment income		40,344		6,876	
Purchases of tangible assets		(5,720)		(19,320)	
Cash used by investing activities			34,624		(12,444)
Cash flows from financing activities:					
Interest paid		(2,795)		(3,329)	
Cash used by financing activities			(2,795)		(3,329)
(Decrease) in cash and cash equivalents in the year			(685,256)		(844,092)
Cash and cash equivalents at the beginning of the year			4,166,802		5,010,894
Total cash and cash equivalents at the end of the year			3,481,546		4,166,802

Analysis of cash and cash equivalents	2024	2023
	£	£
Cash at bank and in hand	3,481,546	4,166,802



# Notes to the accounts

For the year ended 31 March 2024

## 1. Accounting Policies

### 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 (FRS102) and the Companies Act 2006.

The financial statements are presented in sterling, which is the functional currency of the charitable company. Monetary financial amounts in these financial statements are rounded to the nearest £1.

The charity constitutes a public benefit entity as defined by FRS 102. It is incorporated in England, Wales, and Scotland.

### Going Concern

The charity's activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees' Report. The charity is building on the learnings and delivering as a hybrid model. The economic climate and inflation are still a concern and so although we are predicting growth we still prepare monthly top line forecasts which are reviewed with the CEO and quarterly with the Trustees to ensure that the charity can meet its liabilities. These indicate that the charity can meet its liabilities as they fall due for at least twelve months from the approval of these financial statements. The forecasts have been prepared based on the most up to date information around funder discussions and using detailed workforce analysis to review our costs. On the basis of these forecasts, the Trustees consider that it is appropriate to prepare the accounts on the going concern basis.

### Fixed Assets

Fixed Assets are capitalised and included at cost. The costs of any assets with a value below £200 are taken to the SOFA when incurred.

Depreciation is provided on a straight line basis so as to write off the cost of tangible fixed assets over their estimated useful lives. The rates of depreciation employed are as follows:

Office Equipment	25% per annum
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### 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 the amount can be measured reliably.

Donated goods and services are recognised as income when the Charity has control over the item or received the goods and services, 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. On receipt, donated goods and services 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.

A total of £1,524,177 has been recognised in donations and legacies in 2024, in relation to books that have been donated to the charity. The expenditure has been fully recognised in charitable activities for £1,524,177. The corresponding amount in 2023 was £966,752.

Income from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year-end are accounted for in income and accrued income in debtors.

Legacy income is recognised when the Charity has entitlement to the income, receipt is probable and the income can be reliably measured.

Income is accounted for on a receivable basis and is reported gross of related expenditure. The specific bases used are as follows:

- Voluntary income includes grants and donations from companies, trusts and individuals.
- Grants and sponsorships receivable consists of Government Grant Income relating to website development, publications, policy and research and sponsorship of specific projects as well as grants from corporate supporters.
- Literacy training courses income is generated from delegate fees charged to attendees of literacy courses and seminars.

- Fundraising income consists of sponsorship in respect of events held and donations in return for promotional materials.
- Membership subscriptions for online networks are treated as payment for services, and are recognised over the period of membership, i.e. equally over 12 months.
- Interest receivable is included when receivable.

### **Expenditure**

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:

**Charitable Activities:** All expenditure directly relating to the compilation and production of literacy publications, maintenance of the extensive literacy website and database, and specific literacy projects including grants. Grants are made in order to allow institutions to run community literacy projects. Analysis of grants made in the year have been disclosed in Note 16.

**Costs of Raising Funds:** All expenditure for the purpose of promoting the charity's activities and encouraging voluntary contributions.

**Support Costs:** Costs incurred indirectly in support of expenditure on the objects of the charity and include functions such as Human Resources and Information Technology. All costs are allocated between the expense categories of the SOFA on a basis designed to reflect the use of the resource. See Note 3b Analysis of support costs.

**Governance Costs:** Costs related to the management of the Charity organisational administration and compliance with constitutional and statutory requirements.

### **Fund Accounting**

The unrestricted funds comprise general funds, which are available for use by the Charity for its general objectives. The restricted funds are subject to restrictive conditions made by the grant-making body or donor. Transfers between funds are explained in Note 13.

### **Taxation**

The charity is a registered charity and as such its income and gains falling with Sections 371 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from Corporation Tax to extent that they are applied to its Charitable Objectives.

Costs are recorded at gross including VAT within the expense items to which they relate, as the Charity is only able to reclaim a small proportion of VAT paid, because of its trading activities, using the partial exemption method.

### **Operating leases**

The rentals payable under Operating Leases are charged to the SOFA on a straight line basis over the terms of the leases. Further information on operating leases can be found in Note 12.

### **Stocks**

Stocks are valued at the lower of cost and estimated selling price less costs to sell.

### **Pension Scheme**

The charity operates an auto enrolment defined contribution pension scheme, although the scheme does have a guaranteed element of pension benefits. The pension costs charge represents the amounts payable by the charity to the fund in respect of the year. The assets of the scheme are held separately from those of the charity in an independently administered fund. Additional disclosures in respect of the guaranteed element of the pension scheme benefits are given in the notes to the financial statements.

### **Financial instruments**

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the Charity becomes party to the contractual provisions of the instrument.

#### Basic financial assets

Basic financial assets, which include trade and other receivables 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 financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

#### Basic financial liabilities

Basic financial liabilities, including trade and other payables, 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 payments discounted at a market rate of interest.

## Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Donated books are recognised on market value the Charity would have paid with any discounts offered for the equivalent books.

The provision for bad debts is estimated based on a review of the recovery of receivables on a line by line basis.

The trustees do not consider any of the judgements or estimations to have any significant effect on the financial statements.

## 2. Income

### a. Donations and legacies

	Unrestricted Funds	Restricted Funds	Funds 2024	Funds 2023
	£	£	£	£
Donations from individuals	287,605	43,684	331,289	1,472,160
Donations from companies	1,684,331	63,885	1,748,216	649,208
Donations from charitable trusts	217,314	-	217,314	170,695
Other donations	1,275,135	-	1,275,135	1,075,848
	<u>3,464,384</u>	<u>107,569</u>	<u>3,571,953</u>	<u>3,367,911</u>

Income from donations and legacies of £3,277,756 was unrestricted and the remainder of £90,155 was restricted income for a total income of £3,367,911 in 2023.

### b. Income from charitable activities

	Unrestricted Funds	Restricted Funds	Funds 2024	Funds 2023
	£	£	£	£
Grants and sponsorships receivable	939,059	6,988,660	7,927,719	6,727,823
	<u>939,059</u>	<u>6,988,660</u>	<u>7,927,719</u>	<u>6,727,823</u>

Income from charitable activities of £838,969 was unrestricted income and the remainder of £5,888,854 was restricted income for a total income of £6,727,823 in 2023.

Grants of £1,845,773 (2023: £2,225,866) were received from the government. There are no unfulfilled conditions or other contingencies attached to these funds.

### c. Other trading activities

	Unrestricted Funds	Restricted Funds	Funds 2024	Funds 2023
	£	£	£	£
Literacy training	333,901	6,086	339,987	202,029
Online network subscriptions	127,408	-	127,408	160,529
Early Years - Traded	-	-	-	3,019
Skills Academy - Traded	9,701	-	9,701	12,412
Toolkits, Bookbenches & Little Ladybird Libraries	-	3,942	3,942	1,625
Consultancy & advertising	7,072	900	7,972	42,757
Competitions	21,415	-	21,415	4,370
	499,497	10,928	510,425	426,741

Income from trading activities of £374,528 was unrestricted income and the remainder of £52,213 was restricted income for a total of £426,741 in 2023.

### 3. Expenditure

#### a. Analysis of total resources expended

	Direct costs	Grants	Support costs	Total 2024	Total 2023
	£	£	£	£	£
		Note 16			
Costs of Raising Funds	1,125,607	-	95,227	1,220,834	948,182
Unrestricted Charitable Activities	3,245,871	-	222,612	3,468,483	2,739,534
Restricted Charitable Activities	7,224,775	53,471	594,761	7,873,007	7,247,000
Interest Payable	2,795	-	-	2,795	3,329
	11,599,048	53,471	912,600	12,565,119	10,938,045

Support costs of £912,600 (2023: £925,947) included within restricted projects above are included within unrestricted expenditure in the Statement of Financial Activities as they are an allocation of core costs covered by restricted income allocated to core funding.

## b. Analysis of support costs

	Premises	General Office	Staff	Finance	Information Technology	Total 2024	Total 2023
	£	£	£	£	£	£	£
<b>Costs of Raising Funds</b>	20,060	10,860	11,174	33,263	19,870	95,227	44,611
<b>Unrestricted Charitable Activities</b>							
Membership	6,698	3,626	3,730	11,107	6,635	31,796	12,402
Competitions	1,236	669	689	2,050	1,224	5,868	8,659
Conferences	354	192	197	587	351	1,681	-
Primary Training	714	387	397	1,184	707	3,389	-
Secondary Training	4,200	2,274	2,339	6,964	4,160	19,937	(7,547)
Literacy Communities	600	325	334	995	594	2,848	9,229
Special Charitable Projects	2,642	1,430	1,472	4,381	2,617	12,542	8,411
Hubs (Core)	-	1,110	3,195	3,399	2,031	9,735	(6,581)
North East Campaign	1,726	934	961	2,862	1,710	8,193	59
Words for Life	-	-	-	-	-	-	9,895
Sport & Literacy Traded	-	-	-	-	-	-	1,237
Research	7,300	3,952	4,066	12,105	7,231	34,654	11,117
Marketing & Communications	19,375	10,488	10,790	32,126	19,190	91,969	71,002
<b>Unrestricted Charitable Activities</b>	<b>44,845</b>	<b>25,387</b>	<b>28,170</b>	<b>77,760</b>	<b>46,450</b>	<b>222,612</b>	<b>117,883</b>
<b>Restricted Charitable Activities</b>							
Birmingham Hub	-	2,238	6,436	6,855	4,095	19,624	24,136
Black Country Hub	-	81	233	249	149	712	(1,753)
Blackpool Hub	-	1,208	3,475	3,701	2,211	10,595	4,019
Bradford Hub	-	650	1,869	1,990	1,189	5,698	10,254
Connecting Stories	-	-	-	-	-	-	196,898
Cornwall	-	1,299	3,737	3,980	2,377	11,393	8,038
Doncaster Hub	-	-	-	-	-	-	(1,753)
Dundee Hub	-	456	1,311	1,396	834	3,997	721
Hastings Hub	-	447	1,286	1,370	818	3,921	9,720
Literacy Hubs	-	1,592	4,577	4,875	2,912	13,956	26,759
Manchester Hub	-	448	1,289	1,373	820	3,930	1,545
Middlesbrough Hub	-	-	-	-	-	-	(175)
Nott & Peter Big Lottery	-	-	-	-	-	-	(1,753)
Nottingham Big Lottery	-	-	-	-	-	-	873
Nottingham Hub	-	2,368	6,811	7,253	4,333	20,765	26,979
Peterborough Hub	-	379	1,090	1,161	693	3,323	(175)
Rural hubs	-	211	607	647	386	1,851	-
North Yorkshire Coast	-	1,056	3,036	3,233	1,932	9,257	650
Stoke Hub	-	1,319	3,793	4,039	2,413	11,564	15,534
Story Quest	-	-	-	-	-	-	(175)
Get Suffolk Reading	-	3,484	10,021	10,672	6,375	30,552	39,002
Swindon Hub	-	266	764	814	486	2,330	3,190
Wales Hub	-	433	1,245	1,327	792	3,797	-
Connecting Stories 3	-	12,676	36,456	38,825	23,192	111,149	-
Audible Project	728	394	405	1,207	721	3,455	1,513
Books Unlocked	263	142	146	436	261	1,248	1,193
Readconnect	455	246	253	754	451	2,159	5,185
New Chapters	1,130	612	629	1,874	1,119	5,364	10,584
HMPPS Literacy Innovation Fund	4,611	2,496	2,569	7,646	4,567	21,889	-
Early Years	9,858	5,337	5,490	16,347	9,765	46,797	62,778
Home Learning Environment	10,658	5,770	5,936	17,673	10,557	50,594	38,792
Sport & Literacy	5,500	2,978	3,063	9,120	5,448	26,109	30,344
Adult Literacy	470	254	262	779	466	2,231	859
Literacy For Learning	3,920	2,122	2,183	6,500	3,883	18,608	63,393
Love Our Libraries	13,521	7,320	7,530	22,420	13,393	64,184	90,914
Newswise	-	-	-	-	-	-	4,947
Words For Work	6,672	3,612	3,716	11,063	6,609	31,672	34,093
Young Readers Programme	6,650	3,600	3,704	11,027	6,587	31,568	30,691
Young Writers	3,862	2,091	2,151	6,404	3,825	18,333	24,406
<b>Restricted Charitable Activities</b>	<b>68,298</b>	<b>67,829</b>	<b>126,773</b>	<b>207,756</b>	<b>124,105</b>	<b>594,761</b>	<b>763,453</b>
<b>TOTAL 2024</b>	<b>133,203</b>	<b>104,076</b>	<b>166,117</b>	<b>318,779</b>	<b>190,425</b>	<b>912,600</b>	<b>925,947</b>
<b>TOTAL 2023</b>	<b>145,311</b>	<b>181,202</b>	<b>250,260</b>	<b>148,656</b>	<b>200,518</b>	<b>925,947</b>	<b>976,904</b>

### c. Analysis of costs of raising funds

	<u>2024</u>	<u>2023</u>
	<u>£</u>	<u>£</u>
Direct staff costs	957,660	794,557
Other direct costs	167,947	109,014
Support costs	95,227	44,611
	<u>1,220,834</u>	<u>948,182</u>

Costs of raising funds was all unrestricted in 2024 and 2023.

### 4. Net Income

Net income for the year is stated after charging:

	<u>2024</u>	<u>2023</u>
	<u>£</u>	<u>£</u>
Auditor's remuneration - audit fees	38,340	22,000
Auditor's remuneration - non audit fees	26,280	5,100
Operating leases - equipment	3,363	3,363
Operating leases - land and buildings	122,276	122,276
Interest payable	2,795	3,329
Depreciation	<u>17,138</u>	<u>17,052</u>

### 5. Staff Costs

	<u>2024</u>	<u>2023</u>
	<u>£</u>	<u>£</u>
Wages and salaries	5,847,560	4,888,900
Social security costs	616,544	518,725
Pension costs	470,044	405,920
Training and recruitment	80,529	135,151
	<u>7,014,677</u>	<u>5,948,696</u>

These costs include redundancy of £1,514 paid in 2024 (£2023: £nil) and additional temporary staff costs of £56,386 (2023: £61,047).

## 6. Employee and trustee information

The average number of employees during the year was 178 (2023: 145).

	<u>2024</u>	<u>2023</u>
Senior Management Team	6	6
Fundraising	23	14
Marketing and Communications	23	19
Projects and Programmes	104	87
Supports and Administrations	22	19
	<u>178</u>	<u>145</u>

The number of employees who received emoluments in the following ranges was:

	<u>2024</u>	<u>2023</u>
£60,001 - £70,000	1	4
£70,001 - £80,000	4	1
£80,001 - £90,000	1	-
£90,001 - £100,000	1	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	<u>8</u>	<u>6</u>

The Trustees were not entitled to and did not receive any emoluments from the charity during the year (2023: £Nil).

£506.83 travelling expenses were incurred from one trustee during the year (2023: no expenses).

The charity received donations of £6,500 from one trustee during the year (2023: £1,098 from three trustees)

Alongside the trustees, the charity considers its key management personnel to comprise of Jonathan Douglas and the members of the senior management team. Remuneration, benefits including employer's pension contributions and employer's national insurance contributions recorded in the year by key management personnel were £629,974 (2023: £536,212).

## 7. Tangible fixed assets

	<u>Office equipment</u>	<u>Total</u>
<b>Cost</b>	<u>£</u>	<u>£</u>
At 1 April 2023	109,971	109,971
Additions	5,720	5,720
At 31 March 2024	<u>115,691</u>	<u>115,691</u>
Depreciation		
At 1 April 2023	68,667	68,667
Charge for the Year	17,138	17,138
At 31 March 2024	<u>85,805</u>	<u>85,805</u>
Net Book Value		
At 31 March 2024	<u>29,886</u>	<u>29,886</u>
At 31 March 2023	<u>41,304</u>	<u>41,304</u>

## 8. Stock

	<u>2024</u>	<u>2023</u>
	<u>£</u>	<u>£</u>
Where's Wally costumes	6,289	6,691

## 9. Debtors

	<u>2024</u>	<u>2023</u>
	<u>£</u>	<u>£</u>
Other Debtors	1,320,697	813,909
Prepayments and Accrued Income	579,239	533,367
	<u>1,899,936</u>	<u>1,347,276</u>

Included within Other Debtors is £32,279 (2023: £32,279) relating to rent deposit. This balance is receivable in > 1 year.

## 10. Creditors: Amounts falling due within one year

	<u>2024</u>	<u>2023</u>
	<u>£</u>	<u>£</u>
Trade Creditors	704,289	366,419
Taxation and Social Security	197,850	144,547
Other Creditors	73,592	56,677
Accruals and Deferred Income	548,147	568,205
	<u>1,523,878</u>	<u>1,135,848</u>

Included within Other Creditors are amounts totalling £17,768 (2023: £17,217) relating to the Section 75 debt on withdrawal from the Pension Trust Scheme, following the reclassification of some to long term liabilities.

## Movement in Deferred Income

	<u>2024</u>	<u>2023</u>
	<u>£</u>	<u>£</u>
Brought forward at 1 April 2023	109,408	104,329
Released during year	(831,178)	(967,560)
Deferred during year	809,892	972,639
Carried forward at 31 March 2024	<u>88,122</u>	<u>109,408</u>

The deferred income is made up of Membership Subscription income and Literacy Training income for courses which will be take place in the next financial year and deferred programme income.



## 11. Creditors: Amounts falling due after more than one year

	<u>2024</u>	<u>2023</u>
	<u>£</u>	<u>£</u>
Other Creditors	63,111	80,879
	<u>63,111</u>	<u>80,879</u>

Included within Other Creditors are amounts totalling £63,111 (2023: £80,879) relating to the Section 75 debt on withdrawal from the Pension Trust Scheme, following the reclassification of some from short term liabilities.

## 12. Future financial commitments

### Operating leases

As at 31 March 2024 the charity had total commitments under non-cancellable operating leases as set out below:

	<b>Land &amp; Buildings</b>		<b>Other</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within one year	122,276	122,276	3,363	3,363
Within 2 to 5 years	275,121	397,397	3,363	6,726
	<u>397,397</u>	<u>519,673</u>	<u>6,726</u>	<u>10,089</u>

### 13. Funds

	At 01-Apr-23	Income	Expenditure	Transfers	At 31-Mar-24
	£	£	£	£	£
<b>RESTRICTED FUNDS</b>					
Adult Literacy	14,824	-	(12,796)	-	2,028
Audible Project	34,129	63,559	(48,220)	-	49,468
Birmingham Hub	14,407	165,114	(190,589)	-	(11,068)
Black Country Hub	4,979	12,712	(11,276)	-	6,415
Blackpool Hub	28,621	8,396	(29,649)	-	7,368
Books Unlocked	93,231	42,415	(29,775)	-	105,871
Bradford Hub	14,575	32,956	(46,623)	-	908
Competitions		12,678	-		12,678
Connecting Stories	(156,646)	928,413	(910,073)	-	(138,306)
Connecting Stories 2	-	135,768	(24,689)		111,079
Cornwall Hub	11,472	50,614	(93,687)	-	(31,601)
Criminal Justice Employability	9,258	32,034	(31,667)	-	9,625
Doncaster Hub	2,368	9,963	(13,706)	-	(1,375)
Dundee Hub	7,836	51,883	(42,256)	-	17,463
Early Years	82,278	867,311	(622,303)	-	327,286
Hastings Hub	63,811	44,025	(32,603)	-	75,233
HMPPS Literacy Innovation Fund		271,186	(236,136)		35,050
Home Learning Environment	153,387	346,610	(687,005)	-	(187,008)
Literacy Champions	-	(335)	(599)		(934)
Literacy For Learning	31,668	8,700	(42,178)	-	(1,810)
Literacy Hubs	158,755	175,208	(21,078)	-	312,885
Love Our Libraries	1,001,364	1,729,768	(1,615,054)	(92,000)	1,024,078
Manchester Hub	31,943	-	(37,863)	-	(5,920)
Middlesbrough Hub	18,337	1,873	(18,074)	-	2,136
New Chapters	92,356	74,123	(100,462)	-	66,017
Newswise	-	4,237	-	-	4,237
Nottingham Big Lottery	1	-	(734)	-	(733)
Nottingham Hub	61,151	107,031	(130,353)	-	37,829
Other Restricted Projects	200,000	-	-	417,000	617,000
Peterborough Big Lottery	251	21,170	(15,143)	-	6,278
Peterborough Hub	3,548	-	(20,309)	-	(16,761)
Redcar Hub	2,895	-	-	-	2,895
Rural Hubs	27,039	671	(10,071)	-	17,639
Satellite Hubs		35,797	(64)		35,733
Scarborough Hub	81,123	9,858	(73,751)	-	17,230
South Coast Campaign		-	(32)		(32)
Sport and Literacy	93,491	610,127	(506,919)	-	196,699
Stoke Hub	38,360	38,231	(66,635)	-	9,956
Story Quest	38	-	(107)	-	(69)
Suffolk Campaign	362,876	80,464	(237,711)	-	205,629
Swindon Hub	14,501	65,093	(62,708)	-	16,886
Teachers Wellbeing Campaign	63,544	-	(63,544)	-	-
Wales Hub	10,664	11,112	(20,550)	-	1,226
Words For Work	305,207	178,304	(236,719)	(200,000)	46,792
Young Readers Programme	482,544	585,492	(607,958)	(125,000)	335,078
Young Writers Programme	111,960	294,596	(326,577)	-	79,979
	<b>3,572,146</b>	<b>7,107,157</b>	<b>(7,278,246)</b>	<b>-</b>	<b>3,401,057</b>
<b>UNRESTRICTED FUNDS</b>					
General Funds	773,200	4,943,284	(5,286,873)	-	429,611
<b>TOTAL FUNDS</b>	<b>4,345,346</b>	<b>12,050,441</b>	<b>(12,565,119)</b>	<b>-</b>	<b>3,830,668</b>

Included under Restricted Funds are any donations or grants received which are subject to a restriction imposed by the donors to the purpose for which the funds should be spent. The associated expenditure against income is included under restricted funds expenditure. Income which has not yet been expended is carried forward as restricted funds.

### 13. Funds (continued) 2022-23

	At 01-Apr-22	Income	Expenditure	Transfers	At 31-Mar-23
	£	£	£	£	£
<b>RESTRICTED FUNDS</b>					
Adult Literacy	-	10,169	4,655	-	14,824
Audible Project	20,803	50,847	(37,521)	-	34,129
Birmingham Hub	80,404	76,271	(142,268)	-	14,407
Black Country Hub	6,484	-	(1,505)	-	4,979
Blackpool Hub	41,928	8,475	(21,782)	-	28,621
Books About Town (Schools)	-	-	(69)	69	-
Books Unlocked	27,069	110,127	(43,965)	-	93,231
Bradford Hub	80,617	39,203	(105,245)	-	14,575
Connecting Stories	441,408	457,591	(1,055,645)	-	(156,646)
Cornwall Hub	-	68,069	(56,597)	-	11,472
Criminal Justice Employability	15,239	31,398	(37,379)	-	9,258
Doncaster Hub	-	5,322	(2,954)	-	2,368
Dundee Hub	16,048	9,102	(17,314)	-	7,836
Early Years	261,792	490,456	(669,970)	-	82,278
Game Changers DCMS 2021	67,585	299,262	(229,867)	-	136,980
Hastings Hub	25,220	59,924	(21,333)	-	63,811
Home Learning Environment	121,818	693,314	(661,745)	-	153,387
Literacy For Learning	116,750	55,539	(140,621)	-	31,668
Literacy Hubs	122,400	55,085	(18,730)	-	158,755
Love Our Libraries	995,446	1,257,370	(1,251,452)	-	1,001,364
Manchester Hub	29,997	167,306	(165,360)	-	31,943
Middlesbrough Hub	-	-	18,337	-	18,337
New Chapters	96,579	95,740	(99,963)	-	92,356
Newswise	-	10,932	(17,662)	6,730	-
Nottingham Big Lottery	-	-	1	-	1
Nottingham Hub	44,200	107,426	(90,475)	-	61,151
Other Restricted Projects	200,000	-	-	-	200,000
Peterborough Big Lottery	-	-	251	-	251
Peterborough Hub	4,488	525	(1,465)	-	3,548
Premier League Reading Stars	22,694	44,718	(113,148)	-	(45,736)
Redcar Hub	3,040	-	(145)	-	2,895
Rural Hubs	35,002	-	(7,963)	-	27,039
Scarborough Hub	51,481	55,192	(25,550)	-	81,123
Sport and Literacy	-	105,355	(103,108)	-	2,247
Stoke Hub	-	85,614	(47,254)	-	38,360
Story Quest	-	-	38	-	38
Suffolk Campaign	171,491	471,525	(280,140)	-	362,876
Swindon Hub	11,167	23	3,311	-	14,501
Teachers Wellbeing Campaign	63,556	-	(12)	-	63,544
Wales Hub	-	10,728	(64)	-	10,664
Words For Work	306,323	262,141	(263,257)	-	305,207
Young Readers Programme	409,179	571,435	(498,070)	-	482,544
Young Writers Programme	127,464	265,038	(280,542)	-	111,960
	4,017,672	6,031,222	(6,483,547)	6,799	3,572,146
<b>UNRESTRICTED FUNDS</b>					
General Funds	736,368	4,498,129	(4,454,498)	(6,799)	773,200
<b>TOTAL FUNDS</b>	4,754,040	10,529,351	(10,938,045)	-	4,345,346

Total of £nil (2023: £6,799) was transferred from Unrestricted Funds to Restricted Funds for complete programmes.

### 13. Restricted Funds (continued)

Our programmes and their funding sources:

**Adult Literacy** – a programme to support adults to improve their reading and writing.

**Audible Project** – inspiring Young Offenders through audible books and making a podcast.

**Birmingham Hub** – funded by Birmingham University.

**Black Country Hub** – EY funded hub across the area- funded by ACE

**Blackpool Hub** – a literacy campaign funded by Blackpool OA and LA.

**Books About Town (Schools)** – a creative literacy project focused on raising levels of reading for enjoyment through the use of whole text

**Books Unlocked** – a reading initiative targeting enjoyment of reading and access to quality literature, working through prison and young offender institution library reading groups, school, college, public library and community reading groups.

**Boots Optician School Challenge** – a programme in partnership with Boots Opticians to highlight the importance links between literacy and eye health.

**Bradford Hub** – a literacy hub established in Bradford.

**Connecting Stories** – a cross hub campaign funded by Arts Council. This project is to promote creative writing and reading for enjoyment across 14 hubs and with the aim of engaging 70,000 people.

**Cornwall Hub** – a literacy hub established in Cornwall funded by a private individual

**Criminal Justice Employability** – a YOI version of Words for Work.

**Doncaster Hub** – a literacy hub funded by the Doncaster OA.

**Dundee Hub** – starting to bring together funders to create a hub in Scotland.

**Early Years** – training practitioners and volunteers to work with parents and children, building parents' confidence so that they can support their children's communication, language and literacy skills at home. Funded by the Department for Education (Ipswich Opportunity Area), Glasgow Local Authority, Manchester Local Authority, The Nuffield Foundation and Trusts and Foundations including Dulverton and Mercers. Our Early Years programmes include Early Words Together, Early Words Together@2, HELLO and Everyone Ready for School. In 2022-23, we received £148,167 from Department of Health and Social Care for The Health and Wellbeing Fund: Starting Well as part of Early Words Together programme. Expenditure in the year to 31 March 2023 was £149,094 so all funds received for this programme have been spent and this project has been completed.

**Gaining Momentum/Oxfordshire Secondaries** – funded by Oxfordshire County Council to improve attitudes towards literacy and overall academy attainments for pupils in Oxfordshire.

**Game Changers** – funded by Department for Digital, Culture, Media and Sport to motivate and equip young people to read through special designed programme using relatable texts and highly-scaffolded resources.

**Hastings Hub** – a literacy hub established in Hastings.

**Home Learning Environment** – funded by the Department for Education to harness the power of businesses and business volunteers to work with disadvantaged families to improve the home learning environment.

**Literacy Champions** – promoting social engagements to improve literacy with disadvantaged communities.

**Literacy for Learning** – a revolutionary approach to improving secondary school language and literacy. Funding from JJ Charitable Trust received to scale up the previous programme.

**Literacy Hubs** – funding for cross-hub working.

**Love Our Libraries** – transforming primary school libraries and reading for pleasure across the whole school with the gift of a new and diverse book collection and by developing the skills and book knowledge of teachers, enabling them to become reading for pleasure champions and library coordinators. Our libraries programmes include Love our Libraries, Puffin World of Stories, Get Islington Reading. Funded by Penguin Random House (Puffin World of Stories) JP Morgan Chase (rewarding futures) Arts Council together with Trusts and Foundations including Mercers and NYC Opportunity Area.

**Manchester Hub** – funded by Manchester City Council.

**Middlesbrough Hub** – funded by Middleborough Public Health.

**New Chapters** – funded by Rothschild Foundation to work in Aylesbury Youth Offending Institute (YOI) to develop a YOI Reading for Pleasure programme.

**Nottingham Big Lottery** - funding from the Big Lottery Fund to support the hub for the next three years with a focus on community consultation and literacy champions.

**Nottingham Hub** - funded by Nottingham City Council and Small Steps Big Changes.

**Other Restricted Projects** - this money has been transferred from Young Readers Programme and Words for Work where a surplus of funds have built up over a period of years and will be held until the Senior Management Team decide on a suitable use for the excess funds.

**Peterborough Big Lottery** - funding from the Big Lottery Fund to support the hub for the next three years with a focus on community consultation and literacy champions.

**Peterborough Hub** - funded by Peterborough City Council.

**Premier League Reading Stars, Sport and Literacy** - working with high-profile partners such as the Premier League and England Rugby, we deliver literacy programmes, competitions and events using sport and role models to engage and inspire pupils to read and write more. Funded by Premier League, Football Association, BT Supporters Club, Comic Relief (Try for Change), Clarks and Trusts and Foundations. Our Sport and Literacy Programmes include Premier League Primary Stars, Rugby Reading Champions, Skills Academy and Gamechangers – our programmes in Alternative Provision.

**Redcar Hub** - funded by Public Health NE.

**Rural Hubs** – a new area of work starting with some transition work funded by Dorset Council.

**Scarborough Hub** - funded by Scarborough Borough Council.

**Stoke Hub** - a literacy hub established in Stoke.

**Story Quest** - an innovative project around walk and talk trails in Stoke, funded by Sport England.

**Suffolk Campaign** - a campaign across Suffolk funded by Suffolk County Council.

**Swindon Hub** - originally funded WH Smith Plc.

**Teachers Wellbeing Campaign** – supporting with partner Wesleyan to improve all education professionals' mental wellbeing.

**Wales Hub** – a literacy hub established in Wales

**Words for Work** - joining schools and businesses together to give young people from disadvantaged backgrounds authentic opportunities to practise the communication and literacy skills they will need to be successful in the workplace. Funded by the Careers Enterprise Foundation and Corporates including Provident, Cleary Gottlieb and Lancome. Our Words for Work programmes include Words for Work Key Stage 3, Words for Work Post 16, Words for Work: Women in Leadership and Words for Work: Dream Big (Key Stage 1).

**Young Readers Programme** - motivating children from disadvantaged backgrounds to read for enjoyment and giving them the chance to choose new books to keep through a series of fun events. Funded by Corporates including British Land, WH Smith Plc, Slaughter & May, Goldman Sachs and Trusts and Foundations including John Laing Charitable Trust, The Unwin Charitable Trust and the Philip and Marjorie Trust.

**Young Writers Programme and Newswise** - providing memorable experiences, a real purpose and audience, access to professional writers and structured writing strategies to inspire and improve students' writing. Funded by Trusts and Foundations including Alasol, Paul Hamlyn Foundation and Corporates including Audible, Google (via Guardian Foundation), Royal British Legion. Our Young Writers programmes include NewsWise, Young City Poets and IPEEL.

## 14. Analysis of net assets between funds

	Fixed Assets	Net Current Assets	Long Term Liabilities	2024 Total
	£	£	£	£
<b>RESTRICTED FUNDS</b>				
Adult Literacy	-	2,028	-	2,028
Audible Project	-	49,468	-	49,468
Birmingham Hub	-	(11,068)	-	(11,068)
Black Country Hub	-	6,415	-	6,415
Blackpool Hub	-	7,368	-	7,368
Books Unlocked	-	105,871	-	105,871
Bradford Hub	-	908	-	908
Competitions	-	12,678	-	12,678
Connecting Stories	-	(138,306)	-	(138,306)
Connecting Stories 2	-	111,079	-	111,079
Cornwall Hub	-	(31,601)	-	(31,601)
Criminal Justice Employability	-	9,625	-	9,625
Doncaster Hub	-	(1,375)	-	(1,375)
Dundee Hub	-	17,463	-	17,463
Early Years	-	327,286	-	327,286
Hastings Hub	-	75,233	-	75,233
HMPPS Literacy Innovation Fund	-	35,050	-	35,050
Home Learning Environment	-	(187,008)	-	(187,008)
Literacy Champions	-	(934)	-	(934)
Literacy For Learning	-	(1,810)	-	(1,810)
Literacy Hubs	-	312,885	-	312,885
Love Our Libraries	-	1,024,078	-	1,024,078
Manchester Hub	-	(5,920)	-	(5,920)
Middlesbrough Hub	-	2,136	-	2,136
New Chapters	-	66,017	-	66,017
Newswise	-	4,237	-	4,237
Nottingham Big Lottery	-	(733)	-	(733)
Nottingham Hub	-	37,829	-	37,829
Other Restricted Projects	-	617,000	-	617,000
Peterborough Big Lottery	-	6,278	-	6,278
Peterborough Hub	-	(16,761)	-	(16,761)
Redcar Hub	-	2,895	-	2,895
Rural Hubs	-	17,639	-	17,639
Satellite Hubs	-	35,733	-	35,733
Scarborough Hub	-	17,230	-	17,230
South Coast Campaign	-	(32)	-	(32)
Sport and Literacy	-	196,699	-	196,699
Stoke Hub	-	9,956	-	9,956
Story Quest	-	(69)	-	(69)
Suffolk Campaign	-	205,629	-	205,629
Swindon Hub	-	16,886	-	16,886
Wales Hub	-	1,226	-	1,226
Words For Work	-	46,792	-	46,792
Young Readers Programme	-	335,078	-	335,078
Young Writers Programme	-	79,979	-	79,979
	-	3,401,057	-	3,401,057
<b>UNRESTRICTED FUNDS</b>	29,886	462,836	(63,111)	429,611
	29,886	3,863,893	(63,111)	3,830,668

#### 14. Analysis of net assets between funds (continued) 2022-23

	Fixed Assets	Net Current Assets	Long Term Liabilities	2023 Total
	£	£	£	£
<b>RESTRICTED FUNDS</b>				
Adult Literacy	-	14,824	-	14,824
Audible Project	-	34,129	-	34,129
Birmingham Hub	-	14,407	-	14,407
Black Country Hub	-	4,979	-	4,979
Blackpool Hub	-	28,621	-	28,621
Books Unlocked	-	93,231	-	93,231
Bradford Hub	-	14,575	-	14,575
Connecting Stories	-	(156,646)	-	(156,646)
Cornwall Hub	-	11,472	-	11,472
Criminal Justice Employability	-	9,258	-	9,258
Doncaster Hub	-	2,368	-	2,368
Dundee Hub	-	7,836	-	7,836
Early Years	-	82,278	-	82,278
Game Changers DCMS 2021	-	136,980	-	136,980
Hastings Hub	-	63,811	-	63,811
Home Learning Environment	-	153,387	-	153,387
Literacy For Learning	-	31,668	-	31,668
Literacy Hubs	-	158,755	-	158,755
Love Our Libraries	-	1,001,364	-	1,001,364
Manchester Hub	-	31,943	-	31,943
Middlesbrough Hub	-	18,337	-	18,337
New Chapters	-	92,356	-	92,356
Nottingham Big Lottery	-	1	-	1
Nottingham Hub	-	61,151	-	61,151
Other Restricted Projects	-	200,000	-	200,000
Peterborough Big Lottery	-	251	-	251
Peterborough Hub	-	3,548	-	3,548
Premier League Reading Stars	-	(45,736)	-	(45,736)
Redcar Hub	-	2,895	-	2,895
Rural Hubs	-	27,039	-	27,039
Scarborough Hub	-	81,123	-	81,123
Sport and Literacy	-	2,247	-	2,247
Stoke Hub	-	38,360	-	38,360
Story Quest	-	38	-	38
Suffolk Campaign	-	362,876	-	362,876
Swindon Hub	-	14,501	-	14,501
Teachers Wellbeing Campaign	-	63,544	-	63,544
Wales Hub	-	10,664	-	10,664
Words For Work	-	305,207	-	305,207
Young Readers Programme	-	482,544	-	482,544
Young Writers Programme	-	111,960	-	111,960
	-	3,572,146	-	3,572,146
<b>UNRESTRICTED FUNDS</b>	41,304	812,775	(80,879)	773,200
	41,304	4,384,921	(80,879)	4,345,346

## 15. Pension Costs

The Charity operates an auto enrolment defined contribution pension scheme, employees are offered the opportunity to contribute from 1% of their basic salary. There is no obligation to make a personal contribution. The charity contributes 8% of basic salary and Royal London is our pension provider.

Besides, the total unpaid pension contributions relating to Section 75 debt on withdrawal from the Pension Trust Scheme at financial year ending 31 March 2023 were £80,879 (2023: £98,096). These amounts are within Other Creditors due within one year of £17,768 (2023: £17,217) and Other Creditors due after one year of £63,111 (2023: £80,879).

## 16. Grants Awarded

	Number of grants	2024 £	Number of grants	2023 £
Birmingham Community Healthcare NHS Foundation Trust	1	24,062	-	-
Black Country Healthcare NHS FT	1	8,630	-	-
Early Years Alliance Central England Service Hub	1	3,800	-	-
Sandwell & West Birmingham Hospitals NHS Trust	1	5,148	-	-
South Tyneside & Sunderland NHS Foundation Trust	1	11,831	-	-
Foundation Years Trust	-	-	1	31,301
Coast & Vale Community Action	-	-	1	23,784
Institute of Wellbeing	-	-	1	31,300
West Smethwick Enterprise- Birmingham	-	-	1	23,989
West Smethwick Enterprise- Black Country	-	-	1	23,996
Doncaster Council	-	-	1	29,364
	5	53,471	6	163,734

There were no support costs allocated to grant making activities in both years 2024 or 2023.

## 17. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net movement in funds	(514,678)	(408,694)
Adjustments for:		
Depreciation	17,138	17,052
Investment income	(40,344)	(6,876)
Interest paid	2,795	3,329
Decrease in stocks	402	4,400
(Increase) in debtors	(552,660)	(425,468)
Increase / (Decrease) in creditors	370,262	(12,062)
Net cash (used in) by operating activities	(717,085)	(828,319)

## 18. Funds received as agent

The charity has agreed to administer a bank account on behalf of Annington Management Ltd for a campaign to show the benefits of using subtitles in children's television programmes. At the balance sheet date funds of -£9,634 (2023: £61,349 in restricted funds) were held in the account. During the year funds of £21,375 (2023: £86,100) were received into the account and £92,377 were paid out (2023: £45,368). An admin fee of £1,125 was received (2023: £4,305).