THE CHILDREN'S LITERACY CHARITY

England & Wales · Charity number 1124257

Details

Other names	SPRINGBOARD FOR CHILDREN
Status	Registered
Legal form	Charitable company
Company number	06251103
Registered	2008-05-30
Register	View on the Charity Commission register

Contact

Address	44 Webber Street London SE1 8QW
Phone	02077401008
Email	info@theclc.org.uk
Website	www.thechildrensliteracycharity.org.uk

Activities

Objects: The charity’s objects are to advance education to improve the life chances of children in England, in particular but not exclusively children living in areas of economic and educational deprivation; experiencing challenging home lives; having special educational needs or English as an additional language, by the provision of literacy support for children who are behind in their literacy skills, and by providing training for Reading Mentors and literacy support through parental engagement activities.

Activities: The Children's Literacy Charity (formerly Springboard for Children) works within schools and communities, providing an onsite Literacy Lab for children with literacy difficulties. This creates a stable and dedicated environment where our specialist staff and trained volunteers can teach essential literacy skills that will enable them to fulfil their academic potential.

Classification

- **How:** Provides Human Resources, Provides Services
- **What:** Education/training
- **Who:** Children/young People

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Geography

- **Area of benefit:** ENGLAND
- Manchester City
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£901,566	£872,293	£499,965	53
2024-08-31	£673,984	£608,163	£470,692	30
2023-08-31	£628,146	£537,895	£404,870	29
2022-08-31	£480,607	£468,410	-	-
2021-08-31	£432,391	£371,791	-	-

Trustees

Name	Role	Appointed
Andrew Phillip Martin		2017-06-14
Dr Jennifer Thomson		2018-10-09
JEFFREY JACK DEFRIES		2017-04-18
Muriel Tersago		2025-03-18
Nicole Sasha Magoon		2023-11-01
Steven Artist		2016-09-28

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THE CHILDREN'S LITERACY CHARITY

England & Wales - Charity number 1124257

Accounts



THE CHILDREN'S LITERACY CHARITY

Annual Report and Accounts

Year Ended 31st August 2025

Registered Charity Number 1124257
Company Incorporated in England and Wales
Registered Company Number 6251103

Contents of the Annual Report

Legal and administrative details	3
From the Chair and CEO	4
Trustees' report	7
Financial review	16
Independent Auditors' report	23
Financial statements	27

Legal & Administrative Details as at 31st August 2025

Charity Name
The Children's Literacy Charity

Charity Number: 1124257
Company number: 6251103

Registered Address: 44 Webber Street, London SE1 8QW
Telephone: 020 7740 1008
Email: info@theclc.org.uk
Website: www.thechildrensliteracycharity.org.uk

Patron: The Lord Hastings of Scarisbrick CBE

Trustee Board
For the purposes of the Companies Act 2006, the Board of Trustees is regarded as the Board of Directors of the company. The Trustees of the company throughout the year and to the date of signing this report are as follows:

Jeffrey Defries (Chair)
Steven Artist (Deputy Chair)
Nicole Magoon
Andrew Martin
Dr Jenny Thomson
Muriel Tersago (appointed March 2025)

Senior Management
Isabel Greenwood - CEO
Halima Begum – Head of Finance
Michelle Bennett – Head of Fundraising
Julie Taylor – Education Lead

Bankers
Lloyds Bank plc
34 Moorgate, London EC2R 6PL

Auditors
Begbies Chartered Accountants and Registered Auditors
9 Bonhill Street, London EC2A 4DJ

From the Chair and CEO

2024/2025 has proved yet another strong year for the charity as we continued to grow delivery across our two key specialist interventions - Literacy Lab and Reading Lab - as well as starting the trial of Story Lab, our new Early Years programme for nursery and reception children.

With the attainment gap the widest it has been for a decade and the majority (53%) of children from disadvantaged backgrounds leaving primary school without reaching the expected standards for reading, writing and maths, we know our work is needed now more than ever before.

This 'literacy deficit' has a profound impact on children's lives: some will never catch up and all the evidence shows that the attainment gap will grow as they progress through school unless we are able to intervene early.

Low literacy means children often lack confidence and if they struggle to participate in the classroom this can lead to poor behaviour and truancy. Ultimately, they are at greater risk of disengaging from their education and as a result narrowing their life chances.

This year we have, therefore, focused even more closely on how we can best help to close the literacy gap and broaden the horizons for the children who have the most catching up to do.



The key beliefs which inform all our work are:

The importance of all the literacy skills. We have long said our literacy work is so much more than just reading. Our holistic approach to literacy - encompassing comprehension, writing, listening, speaking and reading - is key to effectively supporting children who are struggling in the mainstream classroom.

The value of specialist literacy intervention, as early as possible, in improving attainment outcomes for pupils facing disadvantage. Addressing the literacy deficit for the children who are the furthest behind means they are able to engage with learning, across the curriculum, throughout their education.

A long-standing emphasis on the best quality support possible and high impact outcomes. Children deserve methods that really work, delivered by exceptional, skilled tutors, as well as rigorous assessment of progress and evidence-informed programmes.

The power of partnership. Working collaboratively, supportively and constructively with schools, families and funders has immense long term benefits, especially when our beliefs align around the need for specialist literacy intervention, the urgency of addressing the attainment gap and the goal of an equitable education for all with the opportunity to thrive.

Achieving and maintaining a high level of impact from our tuition has always been a priority and we are delighted to report that 2024/25 saw us maintain our strong outcomes: for our well-established Literacy Lab programme for younger primary school children, 75% of graduates closed their reading age gap entirely and 90% closed or significantly narrowed their reading gap.

Our Reading Lab catch-up programme for older primary and early secondary school pupils goes from strength to strength, with children making on average seven months of progress in just one, 10-week block of expert tuition.

Across both these programmes, feedback from our partner schools and parents provides growing evidence of the positive effect improved literary levels have on confidence, resilience as well as classroom participation and educational engagement.

From the Chair and CEO



Alongside our commitment to maintaining high impact, we continue to focus our delivery on those children needing the most help: 85% of the children we supported in 2024/25 faced social, economic or educational barriers, some experiencing compound levels of disadvantage.

Given the significant role parental support plays in a child's development, we continue to work closely with partner schools to involve parents and families in their child's literacy journey with us. Parent workshops and celebration assemblies are now established strands to our delivery and 2024/25 saw the appointment of a Parental Engagement Manager as part of our Story Lab work.

We also experienced greater demand for our Reader Leader mentoring scheme in which we train older pupils to become reading mentors for younger children. Operating at a national level and across both primary and secondary schools, Reader Leader helps nurture a love of reading, creating young reading ambassadors and helping older pupils develop valuable life skills.

We remain, as always, extremely grateful to the individuals, trusts and foundations and corporate organisations who have supported us this year, helping us to extend our impact and giving children who have not had the best start in life the opportunity to succeed in today's world.

Finally, we continue to attract quite exceptional tutors. Their belief in the power of our life-changing literacy work is humbling and we are forever grateful for their skill and dedication. A huge thank you, also, to all our partner schools; our support team of staff and our trustees who so willingly give their time to our cause.

Jeffrey Defries, Chair of Trustees

Isabel Greenwood, CEO

Literacy Lab Reading Lab Story Lab Reader Leader

Our Vision

Our mission is to close the literacy gap for children facing disadvantage, ensuring those who are the most behind are not left behind, with the goal that every child has the opportunity to catch up and gain the literacy skills and confidence needed to fulfill their true potential.

Our highly skilled specialist tutors – employed, trained and managed by the charity - deliver in-person, low-ratio (1:1 or small group), expert literacy tuition, so that the children we support reach or exceed age-related literacy expectations and have the skills, self-belief and motivation to engage with and benefit from their educational journey.

The charity firmly believes in the power of early intervention, the importance of taking a holistic approach to literacy and covering all the important skills - so not only reading in isolation but comprehension, writing, speaking and listening - and the added value of a highly trained expert tutor supporting children in our dedicated 'Lab' space in schools. Together with rigorous assessment methodology and our focus on working collaboratively with school partners and parents, we deliver remarkable outcomes.







The scale of the need

Children from disadvantaged backgrounds are starting school nearly five months behind their better off peers and if this is not addressed, the attainment gap grows to 10 months by the end of primary school. The attainment gap is now the widest it has been for a decade and while it widened considerably following the pandemic, it was already beginning to grow in 2019. [1]

In 2022/23 more than a quarter of five-year-olds in England (187,000 children) did not meet the expected standard for literacy[2].

In 2025 the majority (53%) of disadvantaged children left primary school not meeting the expected standards for reading, writing and maths and only 4% met the higher standard. [3]

In 2022, over 275,000 children left primary school without a secure grasp of foundational skills.[4] Only 10% of disadvantaged children who leave primary school with their reading below the expected standard get passes in English and maths at GCSE.[5]

For some children, their literacy gap is so significant they struggle to make progress in the mainstream classroom throughout their primary education and ultimately at secondary school too.

Poor literacy at the start of school has a profound effect on the rest of a child's life. As well as affecting confidence and engagement, when children struggle at school they are more likely to misbehave and truant, and, on leaving school, are less likely to find employment and more vulnerable to turning to crime.

[1] Education Policy Institute Annual Report 2024
[2] ProBono Economics 2022/23
[3] Gov.uk Key Stage 2 statistics 2024/25
[4] Cracks in our Foundations, Centre for Social Justice 2023
[5] Supporting struggling readers in secondary school, Ofsted 2022

How we change lives, for good

The Children's Literacy Charity aims to transform the life chances of those children who are at risk of being left behind in the education system. Through the provision of tailored, face to face, specialist tuition, these children not only gain important literacy skills but start to engage with learning, growing in confidence, self-esteem and resilience as a result.

Our focus is to support the children who have the most catching up to do: the vulnerable children we work with have a literacy level that can be between one to two years behind their peers, and sometimes greater.

In 2024/25, 85% of the children we supported faced one or more of the following barriers:

- Coming from a disadvantaged background and living in areas of deprivation, being eligible for pupil premium funding (PP) or free school meals (FSM)
- Learning English as an Additional Language
- Having parents or carers who also struggle with literacy
- Having a special educational need such as dyslexia, dyspraxia or mild autism
- Experiencing a lack of support at home and/or disrupted school attendance

We deliver a structured, multi-sensory literacy intervention which builds on the mechanics of reading, developing language and understanding and ultimately opening up the opportunities that reading fluency provides. Children not only close their literacy gap but we raise their expectations of themselves as learners: with improved literacy skills, children can begin to engage with the curriculum. This approach is the key to addressing the multiple, complex barriers to learning experienced by many children from disadvantaged backgrounds. Our literacy interventions help to close the attainment gap and broaden horizons, giving children who have the most catching up to do a crucial and potentially life changing opportunity to return to the classroom with greater independence and agency.

An important differentiating factor in our literacy work is that we prioritise employing highly experienced tutors, often with a teaching background, who are able to support hard-to-reach children and have the teaching skills needed to deliver our specialist programmes. These dedicated individuals are the key to our remarkable impact.

In 2024/25 the charity in total supported 2,734 children across our specialist literacy interventions and our Reader Leader programme in primary and secondary schools.

Supporting children through our Expert Literacy Programmes

In 2024/25 the charity's Expert Programmes delivered 17,070 tuition sessions, supporting a total of 1,330 children.





280 of these pupils were tutored through our Literacy Lab programme and 915 children were tutored through our Reading Lab programme. A further 135 children were tutored through the rollout of our Story Lab programme.

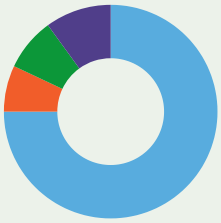


We worked with 39 partner schools across London, Manchester, Norwich, Staffordshire, Stoke-on-Trent, West Midlands, Cheshire and Bedfordshire. In five of these schools we partnered with AllChild, formerly West London Zone.

Impact: Literacy Lab

Each child or 1:3 group on the Literacy Lab programme has two 45-minute literacy sessions per week, in a dedicated space, in person with their tutor. Our intervention is particularly effective because we capitalise on the strengths of each child and focus teaching on the areas where they need the greatest help.
In 2024/25 every child on the programme made progress.

90%
of our Literacy Lab graduates closed or significantly narrowed their literacy gap



75% closed their reading age gap entirely

7% came within 3 months of closing their reading age gap

8% came within 4 to 6 months of closing their reading age gap

10% narrowed their reading age gap

For every one month of twice-weekly Literacy Lab tuition, a child makes on average 4.1 months of progress.

	START OF PROGRAMME		ON GRADUATION
Reading age gap	9 MONTHS BEHIND	→	9 MONTHS AHEAD
Reading comprehension gap	6 MONTHS BEHIND	→	11 MONTHS AHEAD of age-related expectations

84% of children achieved age-related comprehension skills

The pupils graduating from our Literacy Labs achieved remarkable ratio gains for reading. This is the gain in reading age made during a chronological time span. A gain of above 4.0 - that is for every one month on the programme, a child gains over four months in their literacy development - is rated as 'remarkable impact'. In this academic year the ratio gain for both reading and comprehension was 4.1. By comparison, an average pupil in a classroom working at age-related expectations would make a gain of one year in one academic year.

Our approach has been independently validated by the University of Sheffield which found our Literacy Lab Expert programme "demonstrated effectiveness in significantly progressing the literacy skills of the most disadvantaged student groups in the country" and offered "a gold standard in provision".

The launch of 1:3 Literacy Labs in 2022 has been especially successful, delivering outcomes equal to 1:1 tutoring, evidencing the value of small group tuition, even for younger children, and offering schools the ability to support more children needing this intervention at the same time as retaining all the advantages of consistent, in person support by a specialist tutor.

Impact: Reading Lab

As part of the expert programme in 2024/25, our 1:3, 10-week Reading Lab catch-up intervention proved popular and we delivered 61 Reading Lab blocks across 26 schools.

Reading Lab is an intensive intervention aimed at KS2/KS3 pupils who are working towards age-related expectations and who will, with a short catch up, be able to narrow their literacy gaps.

Launched in 2021 and designed to address the learning gaps caused by Covid and absence from school, the focus of the programme is on reading comprehension, fluency and vocabulary, to build confidence and literacy skills as well as to promote genuine engagement with reading and instilling a lifelong habit.

Children attending Reading Lab have two 45-minute sessions each week over the 10-week block, working in person in a dedicated space with our specialist tutors. Many of our partner schools use Reading Lab for Year 5 to support the transition to Year 6, in readiness for the important move to secondary schools. In 2024/25 we also delivered Reading Lab to KS3 pupils at secondary school.

Average progress for a child attending Reading Lab

10 weeks' of tuition → **7** months' of progress

Schools reported:

- Significant impact on children's love for reading, confidence and self-esteem
- Strong evidence of children's improved classroom engagement
- Satisfaction with high quality of CLC tutors



On completion of the 10-week block of tuition, children made on average seven months of progress. 65% of the children attending Reading Lab narrowed their reading gap and 35% narrowed their gap to within six months of the assessed reading age.

Alongside the significant progress in reading, schools also report a positive impact on confidence and improved engagement, behaviour and attendance. This has been particularly striking for the children attending Reading Lab at secondary school.

Impact: Story Lab

With early intervention a founding ethos of the charity, and based on research with Early Years professionals, in 2024/25 we began trialling a new intervention - Story Lab - for children in nursery and reception.

Generously supported by The Mercers' Company, The Charity of Sir Richard Whittington, as part of their focus on Early Years, this expert intervention - again based on our successful model of employed, specialist tutors working in person, in small groups - is designed to support young children who are struggling with language and communication and need extra help to be 'school ready' and able to engage in their first year of formal education.

Over the trial period, January - July 2025, we delivered nine Story Labs in six schools, supporting 135 children. Early results are extremely promising with over 82% of the reception age children achieving their Early Learning Goal in Communication, Language and Literacy.

"Working with Story Lab has made a real difference for our Reception children at Hollydale Primary School in Peckham. Many of our pupils start school with low levels of language, speaking and listening skills, and Story Lab has supported them to make clear progress in all of these areas. We have seen increased confidence, stronger communication and much higher engagement with books and stories. Most importantly, the programme genuinely nurtures a love of reading in our children, which is having a positive impact across the classroom."

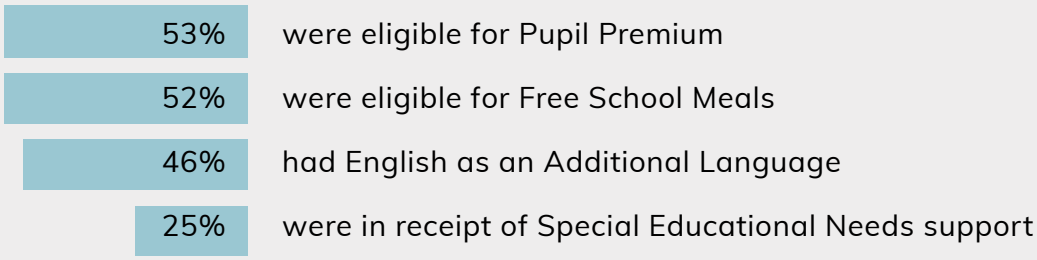
Farhana Sultana, Assistant Headteacher, Hollydale Primary School.





The Children Supported Through Our Expert Programmes

Of the children we helped through our Expert tuition this year:



Reader Leader Training Programme

Alongside our expert literacy interventions, we continue to deliver our Reader Leader programme in schools right across England, training older pupils as 'Leaders' to become reading mentors to younger 'Readers'. The Leaders then read with their Reader once a week for a minimum of 18 weeks and in doing so gain an understanding of the reading process as well as learning important life skills such as how to mentor.

Demand for this programme has grown steadily and in 2024/25 we trained 702 'Leaders' to mentor at least 702 younger 'Readers' across 44 schools of which 17 were primary and 27 were secondary schools.

Teachers find the programme helps promote a culture of reading for pleasure right across the school and we invested time in developing Reader Leader for primary schools as well as secondary.

Charitable objects as set out in our governing document

Our primary goal is to advance education to improve the life chances of children in England, in particular but not exclusively children living in areas of economic and educational deprivation; experiencing challenging home lives; having special educational needs or English as an additional language, by the provision of literacy support for children who are behind in their literacy skills, and by providing training for Reading Mentors and literacy support through parental engagement activities.

Supporters of The Children's Literacy Charity

We are especially grateful to the many individuals and organisations who support our work and would like to extend our sincere thanks to the following donors who have given so generously over the year.

Bain Social Impact Fund
Brown Advisory
Campbell Lutyens
The Girdlers' Company Charitable Trust
The Julia Rausing Trust
Mazars Charitable Trust
Norton Rose Fulbright LLP
Pulse
Recorra
SE Franklin's Charitable Trust
Squarepoint Foundation
Stellantis UK
The Tallow Chandlers' Company
The Buzzacott Stuart Defries Memorial Fund
The Mercers' Company, The Charity of Sir Richard Whittington
The Swire Charitable Trust
The Zochonis Charitable Trust
Walcot Foundation
Wellington Management UK Foundation
William Wates Memorial Trust

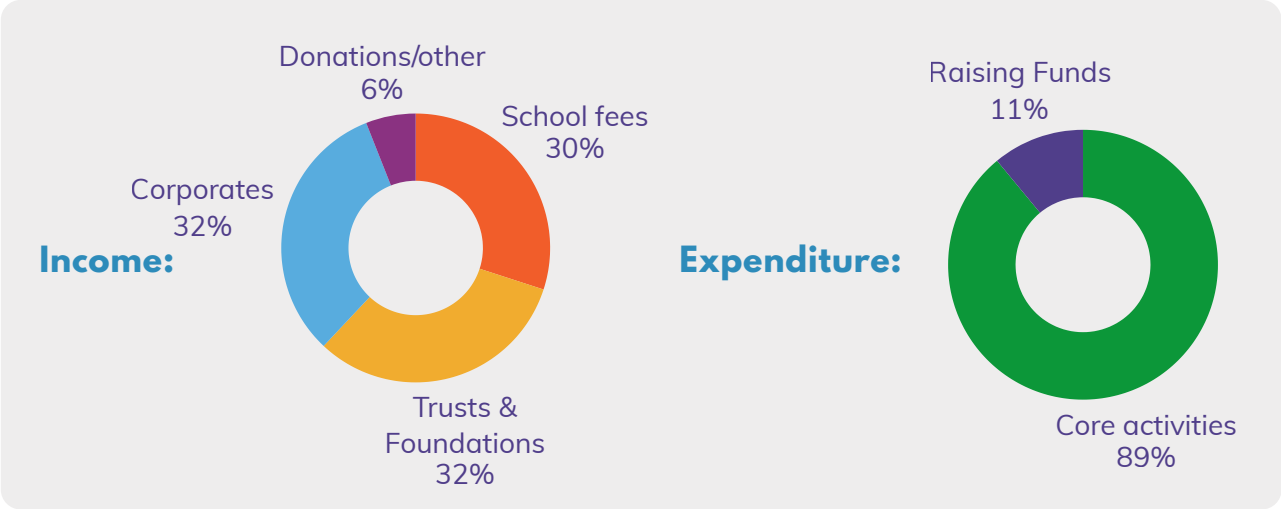






The total income for the year was £901,566 compared with £673,985 in 2023/24. Income from Trusts and Foundations accounted for 32%, with Corporate income also totalling 32%. School fees accounted for 30%, with the remaining 6% being raised from a combination of other income, including individual giving, community fundraising and general donations.

The total expenditure for 2024/25 was £872,293 compared to £608,163 in 2023/24. The increased expenditure in 24/25 reflects the growth in programme delivery over the year, with 89% being spent on core activities and 11% on raising funds.



Reserves Policy

The reserves as at 31st August 2025 totalled £499,965. This is made up of the designated liquidation fund of £420,000 and general funds of £79,965 of which £2,921 is invested in the charity's fixed assets. As at 31st August 2025 the charity's free reserves totalled £77,044.

The charity's reserves policy is to hold six months of expenditure in reserves for the purpose of protecting the work of the charity in the short term should funding targets not be met or if the charity should need to cease/curtail its activities. The policy is reviewed annually, when specific factors affecting the level of reserves are reviewed, primarily relating to contractual obligations for employees. As at 31st August 2025 the charity's free reserves were sufficient to meet the Trustees' reserves policy.

Going concern

The Trustees believe that the charity has adequate resources to continue in operational existence as future funds receivable are anticipated to be sufficient to fund committed projects. Nevertheless, they will continue to monitor the charity's spending and cash flow regularly to ensure that its liabilities are met as they fall due. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Risk Assessment and Management

The Trustees and Senior Management Team are responsible for the assessment and management of risks faced by the charity, ensuring that all risks are reviewed and that there are procedures and policies in place to mitigate against those risks.

A risk register is in place which is reviewed by the Trustees once a year at a board meeting or by exception should there be any significant change in circumstances. A designated trustee (Andrew Martin) is responsible for meeting with the CEO annually for an in depth risk review and discussion. Identified risks are then monitored and controlled on an on-going basis by the Senior Management Team.

The principal risks identified are:

Financial exposure - fundraising shortfall, poor expenditure control; insufficient reserves

Operational - organisational structure, policies and procedures which are able to support: growth, effective management of delivery; safeguarding of children; recruitment of suitable tutors; maintenance of high quality/high impact; the loss of key staff

Statutory – compliance/non-compliance with laws and regulations regarding charitable operations, safeguarding and employment in particular

Changes to the educational landscape - shifting school, local authority, national Government and DfE needs, priorities and policies

Other external factors - population trends, economic downturn, environmental changes

Investment Policy

Reserves are held on deposit with Lloyds Banking Group. A review of the investment return is carried out on a regular basis and decisions on where to hold surplus funds are made on the basis of interest rates and accessibility.

Organisational Structure

Structure, Governance and Management

The Children's Literacy Charity is a charitable company limited by guarantee, incorporated on 17th May 2007 and registered as a charity 30th May 2008. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

Statement of Trustees Responsibility

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

Statement of disclosure to the auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- they have taken all steps required to ensure that they are aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Recruitment and Training of Trustees

Recruitment of Trustees is carried out through nominations from within the Trustee Board and through open recruitment. In order to assess their personal competence and independence, a skills audit is conducted to assess suitability for any vacancies on the Board.

Detailed role profiles and codes of conduct are set out in the Trustee Information/Induction Pack and appointments are based on the results of the skills audit and an assessment process followed by a vote of the existing Trustees. New Trustees are given the last three years' Annual Report and Accounts and are encouraged to read the Charity Commission's document "The Hallmarks of an Effective Charity".

Remuneration of senior staff

Remuneration of the Chief Executive is set by the Trustees and benchmarked using the ACEVO pay review and similar roles in other medium sized charities. The same benchmarks are used to set Senior Management pay. No employee is paid more than £60,000 and employees receive no employee benefits other than their pay and pensions.

Senior Management

Responsibility for day-to-day operations and the leadership of the professional and volunteer team is delegated to the Senior Management Team. The Senior Management Team is responsible for all day-to-day decisions affecting the charity. Decisions of a strategic or directional nature, including the employment of the senior staff, remain the responsibility of the CEO & Trustees.

The Trustees keep up to date with charity regulation through reports from the Senior Management Team which is presented as part of the main agenda in Trustees' meetings. Trustees attend relevant training and are expected to share knowledge and best practice at these meetings.

The charity has no subsidiaries and there were no related party transactions during the year. The Trustees give their time voluntarily and receive no benefits from the charity.

The work of The Children's Literacy Charity is carried out by 61 individuals, comprising 54 paid staff and seven volunteers.

Auditors

Begbies Accountants have indicated their willingness to continue in office and are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

Preparation of the accounts

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 – Charity SORP (FRS102) Revised) the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applied from 1 January 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

Public Benefit

The trustees have had regard to the Charity Commission's guidance on public benefit and are satisfied that the company meets the public benefit requirement.

2025/26: Strategic Aims

Education:

- To continue to deliver high quality, high impact specialist interventions to close the literacy gap for children from disadvantaged backgrounds who need the most help to catch up
- To build strong, collaborative partnerships with schools and MATs, existing and new, working to meet the evolving needs of schools, pupils and families

Income generation and Fundraising:

- To develop income streams and funding partnerships, retaining existing support and growing income from corporates, with a particular focus on significant, unrestricted multi-year grants

Organisation:

- To ensure we have a stable, effective and sustainable infrastructure with the capacity, skills and flexibility to support growth and the focus on reaching more children from disadvantaged backgrounds where the need is greatest

Governance:

- To maximise trustee engagement in support of education and fundraising goals and charitable oversight

2025/26: Plan

Education

- Continue to deliver the core expert intervention programmes - Literacy Lab and Reading Lab – to children experiencing disadvantage, maintaining and growing current reach
- Build on the existing regional presence, in particular, but not exclusively, in urban areas with high Pupil Premium numbers in the Midlands and North West and/or to support communities in areas of economic deprivation or educational disadvantage local to funders
- Assess initial trial of Story Lab, the new Early Years (nursery/reception) intervention and roll out to additional trial schools to help evolve the programme as a core expert intervention alongside Literacy and Reading Labs
- Develop new partnership opportunities with schools and Multi Academy Trusts
- Grow Reader Leader national presence and continue to recruit additional trainers
- Continue to build parental engagement work, utilising effective ways to encourage reading at home, working collaboratively with partner schools
- Maintain high impact delivery through ongoing recruitment of high-quality tutors and ensure effective and efficient pupil progress evaluation

Income generation and Fundraising

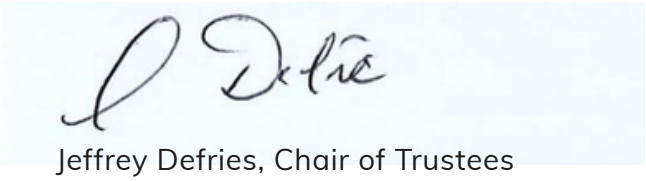
- Raise an overall income of £1,001,325. This will be achieved by raising £845,000 through fundraising, and securing £156,325 from school contributions and Reader Leader training
- Focus on attracting significant, multi-year support from larger Foundations and Corporates to build strong funding partnerships and allow the charity to plan and manage growth
- Continue to grow corporate income through effective targeting of potential funders with aligned interests and a supportive relationship management approach including ongoing evaluation of volunteering opportunities
- Provide excellent account management to existing funders while increasing levels of support through effective and appropriate funding applications
- Ensure effective communication with funders and supporters through regular contact and appropriate reporting

Organisation

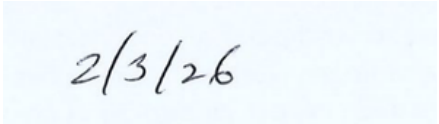
- Continue to refine Education and Finance processes and procedures, building on work done in January 2025, to optimise efficient use of team time and evolve the team structure and responsibilities to support sustainable growth
- Ongoing development of the website, building on the refresh in 2024/25 and launch tailored Family Learning Resources section for parents
- Continue to produce a termly newsletter for schools and supporters
- Ongoing review of evidence base to support our work, ensuring compelling case for intervention
- Ongoing review of assessment methodology to ensure we can continue to evidence our impact through the capture of quantitative and qualitative data of pupil progress
- Ensure that robust safeguarding policies and procedures are in place/adhered to
- Maintain facilities and infrastructure to meet organisational needs

Governance

- Facilitate strong trustee engagement through regular quarterly meetings.
- Ensure trustees are fully informed and risks are recorded and reviewed regularly.
- Build Trustee Board capability with the appointment of additional trustees
- Ensure the charity is meeting its legal obligations through the development and submission of annual accounts in a timely fashion



Jeffrey Defries, Chair of Trustees



Date

Independent Auditors' report to the members of The Children's Literacy Charity

Opinion

We have audited the financial statements of The Children's Literacy Charity (the "Charity") for the year ended 31st August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Charity's affairs as at 31st August 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (incorporating the directors' 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees
The trustees 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 they 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 Charity'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 Charity 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.

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

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;
- Review of minutes of Board meetings throughout the period;
- Incorporating unpredictability into the nature, timing and/or extent of testing.
- Evaluation of the selection and application of the accounting policies chosen by the charity.
- In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud; and
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

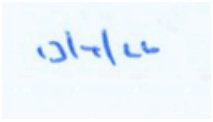
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katherine Dee (Senior Statutory Auditor)
For and on behalf of Begbies Chartered Accountants, Statutory Auditor
9 Bonhill Street, London EC2A 4DJ

Date: 

The Children's Literacy Charity
Statement of Financial Activities year to 31st August 2025
Including Income and Expenditure Account

		Unrestricted	Restricted	Total 2025	Total 2024
	Note	£	£	£	£
Income and endowments from:					
Donations & Legacies	2a	252,949	6,000	258,949	282,743
Charitable activities	2b	266,725	375,233	641,958	390,661
Investments (bank Interest)		660	0	660	580
Total Income		520,334	381,233	901,566	673,985
Expenditure on:	4 & 5				
Raising Funds		98,788	0	98,788	100,328
Charitable Activities		392,273	381,233	773,505	507,835
Total Expenditure		491,061	381,233	872,293	608,163
Net Income/(Expenditure)		29,273	0	29,273	65,822
Net Movement in funds		29,273	0	29,273	65,822
Reconciliation in Funds					
Total Funds brought Forward		470,692	0	470,692	314,619
Total Funds carried Forward	10 &11	499,965	0	499,965	380,441

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

There were no recognised gains and losses in the period other than those shown above.
All of the above results are derived from continuing activities.
The notes 1-15 form a part of these financial statements.

The Children's Literacy Charity
Balance Sheet as at 31st August 2025

		Total 2025	Total 2024
	Note	£	£
Fixed Assets			
Tangible assets	6	2,921	2,104
		2,921	2,104
Current Assets			
Debtors	7	6,995	7,060
Cash at Bank	8	685,724	613,323
		692,718	620,383
Liabilities			
Creditors: Amounts falling due within one year	9	(195,674)	(151,795)
Net Current Assets		497,044	468,588
Net Assets		499,965	470,692
Funds of the Charity			
Restricted		0	0
General	10	79,965	50,692
Designated	10	420,000	420,000
Total Funds		499,965	470,692

The notes 1-15 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved, and authorised for distribution, by the board on and signed on their behalf by:



Jeffrey Defries, Chairman of Trustees

Date: 2/3/26

Registered Company Number 6251103, Charity Number 1124257

The Children's Literacy Charity
Statement of Cashflows, year to 31st August 2025

	Note	Total 2025	Total 2024
		£	£
Cashflows from operating activities:			
Net Cash provided by (used in) operating activities	8a	73,931	102,123
Cashflows from investing activities:			
(Purchase)/sale of tangible Fixed Assets		(2,190)	(1,474)
Interest from investments		660	580
Net cash provided by investing activities		72,401	101,229
Change in cash and cash equivalents in the reporting period		72,401	101,229
Cash and cash equivalents at the beginning of the reporting period		613,322	512,094
Cash and cash equivalents at the end of the reporting period	8b	685,723	613,322

Reconciliation of net debt

The charity had no net debt in the current or prior year.

Notes to the financial statements
Year to 31st August 2025

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 – Charity SORP (FRS102) Revised) the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applied from 1 January 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the next 12 months. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

The reserves comprise the Designated Fund of £420,000 to cover six months of running costs and a further £79,965 is made up of general reserves. Of the general reserves £2,921 are invested in fixed assets leaving £77,044 of free reserves.

Funds Structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the charity for particular purposes.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the charity's objects.

Designated funds are unrestricted funds set aside by the trustees for particular purposes.The funds set aside for this purpose are detailed in the reserves policy.

Incoming Resources

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

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donations in kind are recognised at an estimate of their fair value. Donated books are included at wholesale value and donated professional services at the usual rates charged. No value is placed on general volunteer or trustee time donated.

Grants are recognised at the point when the charity is notified of the grant. Grants shown as donations are only deferred if they relate to a specific future time period as identified by the donor, and the charity is not entitled to spend the funds before this period, or the charity is not entitled to the funds without first meeting criteria which are yet to be met at the year end.

Grants are recognised as restricted if they are donated for a purpose more restrictive than the ongoing operations of the charity. Grants are recognised as unrestricted if the donor does not state and restriction on the use of the grant.

Grants that are received for the general operation of the charity, rather than on the basis of a contract or for a specific level of service, are treated as donations. Were a grant is received with a specified level of service, it would be shown as income from charitable activities and would be deferred to the extent that the charity has yet to fulfil the service level obligations.

School fees and training income are accounted for when they are receivable by the charity to the extent that they are expected to be recoverable.

Income from fundraising activities which are in essence donations, such as sponsorships from marathons and other challenge events are shown in donations and recognised in the year the events took place.

Resources Expended

Expenditure is accounted for in the period to which it relates. The majority of costs are directly attributable to the main activity of the charity which is to teach children with literacy difficulties on a one-to-one basis to help them acquire basic literacy skills to enable them to access the mainstream curriculum in the classroom.

Support costs represent general overheads which cannot be attributed directly to specific activities in furtherance of the charitable object and accordingly have been allocated across activities on the basis of the percentage of staff time or other appropriate cost driver. Governance costs are included in support costs and represent those costs attributable to the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

The costs of generating funds are those costs of seeking potential funders and applying for funding together with any indirect costs incurred in carrying out this work.

Tangible Fixed Assets

All assets costing more than £400 are capitalised and included at cost. Depreciation is recognised so as to write off the cost of the valuation of assets less their residual values over their useful lives of 3 years or 5 years depending on the estimation of their useful life.
The charity does not hold any freehold land or buildings.

Impairment of Fixed assets

At the end of each year the charity reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication of those assets being impaired or damaged. If this is the case the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

Cash and Cash Equivalents

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

Financial Instruments

The charitable company has elevated 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 in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets include debtors, cash and bank balances, are measured initially at transaction price including transaction costs.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not they are presented as non-current liabilities.

De-recognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

Operating Leases

Payments made under operating leases are charged to the Statement of Financial Activities as incurred.

Pensions

The charity enrols eligible workers in workplace pension schemes with NEST. All other employees have a right to join the scheme should they so wish, with the Children's Literacy Charity paying in to the contributions after 6 months of employment. All the pensions are defined contribution bases and as such the assets and liabilities are held separately to those of the charity. Contributions are recorded by the charity as they fall due.

Registered Office

The Charity's registered office is 44 Webber Street, London SE1 8QW.

Government Grants

School fees are received directly from the relevant schools and are not government grants.

Notes to the financial statements (continued) for the year ending 31st August 2025

2a. Donations and Legacies

	Notes	Unrestricted	Restricted	Total 2025
		£	£	£
Donations		50,243	2,000	52,243
Trusts/Foundations/Corporates	3	198,341	4,000	202,341
Sponsorships		4,365	0	4,365
		252,949	6,000	258,949
	Notes	Unrestricted	Restricted	Total 2024
		£	£	£
Donations		32,108	5,000	37,108
Legacies		11,796	0	11,796
Trusts/Foundations/Corporates	3	226,894	4,000	230,894
Sponsorships		2,946	0	2,946
		273,743	9,000	282,743

Notes to the financial statements (continued)
For the year ending 31st August 2025

2b. Charitable Activities

	Notes	Unrestricted	Restricted	Total 2025
		£	£	£
Trusts/Foundations/Corporates	3	0	375,233	375,233
Fees from schools		251,915	0	251,915
Training activities		14,810	0	14,810
		266,725	375,233	641,958

	Notes	Unrestricted	Restricted	Total 2024
		£	£	£
Trusts/Foundations/Corporates	3	0	208,519	208,519
Fees from schools/parents		170,500	0	170,500
Training activities and conferences		11,643	0	11,643
		182,143	208,519	390,661

3. Income from Trusts, Foundations & Corporates

	Unrestricted	Restricted	Total 2025	Unrestricted	Restricted	Total 2024
Within Donations (note 2a)	£	£	£	£	£	£
Deferred income brought forward	8,750	0	8,750	8,750	0	8,750
William Wates Memorial Trust	20,000	0	20,000	15,000	0	15,000
The Swire Charitable Trust (inc. deferred)	15,000	0	15,000	15,000	0	15,000
SE Franklin Charity Trust	0	4,000	4,000	0	4,000	4,000
Squarepoint Foundation	47,000	0	47,000	40,000	0	40,000
Recorra	5,845	0	5,845	5,386	0	5,386
Pulse - donation in kind	7,850	0	7,850	28,568	0	28,568
Artemis Charitable Foundation	0	0	0	5,000	0	5,000
Anonymous donation	20,000	0	20,000	20,000	0	20,000
The Percy Lane Foundation	0	0	0	20,000	0	20,000
Campbell Lutyens	47,370	0	47,370	20,000	0	20,000
News UK	0	0	0	33,000	0	33,000
The Buzzacott Stuart Defries Memorial Fund	5,000	0	5,000	0	0	0
Big Give Anchor Funding	5,000	0	5,000	0	0	0
Mazars Charitable Trust	10,000	0	10,000	0	0	0
Other grants £3000 and under	15,276	0	15,276	24,940	0	24,940
Deferred Income carried forward (See note 9b)	(8,750)	0	(8,750)	(8,750)	0	(8,750)
Total Grants - Donations	198,341	4,000	202,341	226,894	4,000	230,894

3. Income from Trusts, Foundations & Corporates (continued)

	Unrestricted	Restricted	Total 2025	Unrestricted	Restricted	Total 2024
Within Charitable Activities (note 2b)	£	£	£	£	£	£
Deferred income brought forward	0	123,367	123,367	0	84,319	84,319
Received during the year						
The Zochonis Charitable Trust	0	8,400	8,400	0	15,000	15,000
Girdlers' Company Charitable Trust (inc. deferred)	0	11,000	11,000	0	10,000	10,000
St Giles & St George	0	0	0	0	2,000	2,000
Wellington Management UK Foundation	0	40,000	40,000	0	35,000	35,000
Barings LLC (inc. deferred)	0	0	0	0	50,000	50,000
Walcot Foundation	0	19,765	19,765	0	19,189	19,189
Brown Advisory	0	15,348	15,348	0	9,178	9,178
Theo Paphitis Charitable Trust	0	0	0	0	8,000	8,000
IHS Towers	0	0	0	0	12,000	12,000
Tallow Chandlers' Company (inc. deferred)	0	30,000	30,000	0	29,200	29,200
The Mercers' Company (inc. deferred)	0	60,000	60,000	0	55,000	55,000
Stellantis UK	0	117,686	117,686	0	0	0
Norton Rose Fulbright LLP	0	5,000	5,000	0	0	0
The Julia Rausing Trust (inc. deferred)	0	100,000	100,000	0	0	0
Bain Social Impact Fund	0	5,000	5,000	0	0	0
Other grants £3000 and under	0	9,000	9,000	0	3,000	3,000
Deferred Income carried forward (See note 9b)	0	(169,333)	(169,333)	0	(123,367)	(123,367)
Total Grants - Charitable Activities	0	375,233	375,233	0	208,519	208,519

4a. Summary Expenditure

The Children's Literacy Charity has one main activity - closing the literacy gap for children from disadvantaged backgrounds. This involves specialist literacy tuition and the employment, training and management of expert tutors, together with the support costs associated with this activity.

	Raising Funds	Charitable Activities	Total 2025	Raising Funds	Charitable Activities	Total 2024
	£	£	£	£	£	£
Direct Costs	88,954	652,216	741,170	86,474	393,748	480,222
Support Cost	9,834	121,289	131,124	13,853	114,087	127,941
Total	98,788	773,505	872,293	100,328	507,835	608,163

4b. Analysis of Support Costs

Support Costs	Raising Funds	Charitable Activities	Total 2025	Raising Funds	Charitable Activities	Total 2024
	£	£	£	£	£	£
Staff	4,417	54,481	58,898	3,879	31,941	35,820
Office/IT	1,646	20,297	21,942	2,162	17,803	19,964
Finance	16	194	210	21	171	192
HR/Admin	129	1,596	1,725	184	1,519	1,704
Governance	2,403	29,631	32,033	3,872	31,885	35,757
Communications	1,224	15,092	16,315	3,736	30,767	34,503
Total	9,834	121,289	131,124	13,853	114,087	127,941

Allocated based on the proportion of direct charitable activity and fundraising staff time

Total Expenditure for the year includes the following:

	Total 2025	Total 2024
	£	£
Depreciation (see Note 6)	1,373	1,204
Premises and Office costs	21,942	19,964
Auditors remuneration	4,800	4,800

5. Staff Costs

	Total 2025	Total 2024
	£	£
Salaries	695,899	447,364
Social Security Costs	37,773	21,872
Pension Costs	8,695	6,088
Redundancy costs	0	0
Total	742,367	475,324

Staff Numbers

The average number of staff employed during the year was 53, many of whom are part time. In 2024 the average number of staff was 30.

Key Management Staff

Amounts paid to key management staff during the year was £179,533, of which £157,933 was paid through payroll and £21,600 was paid to freelance staff (£160,653 in 2024 of which £128,903 was paid through payroll and £31,750 was paid to freelance staff). This represents the salary of the CEO, Education Lead, Head of Fundraising and Head of Finance. No employee was paid more than £60,000 in 2024 or 2025.

Redundancy Payment

Redundancy payments are recognised in the period in which the redundancy is communicated to the employee. There were no outstanding redundancy payments at the year end.

6. Fixed Assets

	Office & General Equipment	Fixtures & Fittings	Total
Cost:	£	£	£
At 1st September 2024	7,770	1,474	9,245
Additions	1,590	600	2,190
Disposal	0	0	0
As at 31st August 2025	9,360	2,074	11,435
Depreciation:			
At 1st September 2024	7,073	67	7,141
Disposal	0	0	0
Charge for the period	682	691	1,373
As at 31st August 2025	7,755	759	8,513
Net Book Value			
At 1st September 2024	697	1,407	2,104
As at 31st August 2025	1,606	1,316	2,921

7. Debtors and prepayments

	2025	2024
	£	£
Tax reclaimed on gift aid donations	1,335	1,187
Debtors control account	4,187	4,050
Other debtors	0	460
Prepayments	1,473	1,363
Total	6,995	7,060

8a. Reconciliation of net income/(expenditure) to net cashflow from operating activities

	Total 2025	Total 2024
	£	£
Net income for the reporting period (as per SOFA)	29,273	65,822
Adjustments for:		
Depreciation	1,373	1,204
Interest	(660)	(580)
(Increase)/Decrease in debtors	65	1,484
Increase/(Decrease) in creditors	43,880	34,193
Net cash used by operating activities	73,931	102,123

8b. Analysis of cash and cash equivalents

	Total 2025	Total 2024
	£	£
Current Account	254,262	572,402
Deposit Accounts	431,373	40,803
Petty Cash	88	118
	685,724	613,323

9a. Creditors

	Total 2025	Total 2024
	£	£
Tax and social security	11,015	5,601
Accruals	4,800	4,800
Deferred income (see note 9b)	178,083	137,517
Pension	1,157	22
Other creditors	620	3,855
	195,674	151,795

9b. Deferred Income

	Total 2025	Total 2024
	£	£
Brought Forward	137,517	103,869
Transferred to income during the year		
Grants	(137,517)	(103,869)
Schools fees paid in advance	0	5,400
Grants deferred in year	178,083	132,117
Carried Forward	178,083	137,517
Deferred grants are broken down as follows:		
	Total 2025	Total 2024
Barings LLC	0	29,167
Girdlers' Company Charitable Trust	11,000	10,000
The Swire Charitable Trust	8,750	8,750
Tallow Chandlers' Company	30,000	29,200
The Mercers' Company	60,000	55,000
The Julia Rausing Trust	58,333	0
Brown Advisory	7,500	0
Norton Rose Fulbright LLP	2,500	0
Total Grants Received in advance	178,083	132,117

10. Movement in funds

	Balance at 01.09.24	Incoming	Outgoing	Transfers	Balance at 31.08.25
Unrestricted Funds	£	£	£	£	£
Designated Funds – emergency reserve	420,000	0	0	0	420,000
General Funds	50,692	520,334	(491,061)	0	79,965
Total Unrestricted Funds	470,692	520,334	(491,061)	0	499,965
Restricted Funds					
Education	0	381,233	(381,233)	0	0
Total Restricted Funds	0	381,233	(381,233)	0	0
Total Funds	470,692	901,566	(872,293)	0	499,965
2024 Comparative					
	Balance at 01.09.23	Incoming	Outgoing	Transfers	Balance at 31.08.24
Unrestricted Funds	£	£	£	£	£
Designated Funds:					
• Emergency reserve	120,000	0	0	300,000	420,000
• Capacity building	60,000	0	0	(60,000)	0
	180,000	0	0	240,000	420,000
General Funds	224,870	426,466	(360,644)	(240,000)	50,692
Total Unrestricted Funds	404,870	426,466	(360,644)	0	470,692
Restricted Funds					
Education	0	247,519	(247,519)	0	0
Total Restricted Funds	0	247,519	(247,519)	0	0
Total Funds	404,870	673,985	(608,163)	0	470,692

Designated funds

The emergency designated fund is set aside in the event that the charity has to cease operations. It covers roughly six months' salary and other costs, which is the assumed time that would be needed to close the charity.

Restricted Funds

Restricted funds - Education

These represent funds that have been given by donors at the year end for specific education projects that have not been spent at year end or deferred for the next year.

Please refer to the Trustees' report for further explanation of all the above funds.

11. Net Assets by Fund

	General	Designated	Restricted	Total 2025
	£	£	£	£
Fixed Assets	2,921			2,921
Current Assets	94,635	420,000	178,083	692,718
Current Liabilities	(17,591)		(178,083)	(195,674)
	79,965	420,000	0	499,965
2024 Comparative	General	Designated	Restricted	Total 2024
	£	£	£	£
Fixed Assets	2,104			2,104
Current Assets	68,266	420,000	132,117	620,383
Current Liabilities	(19,678)		(132,117)	(151,795)
	50,692	420,000	0	470,692

12. Future Commitments

As at 31st August 2025 The Children's Literacy Charity had no commitments under any operating leases.
The office is occupied under licence terminable at three months' notice equating to £4,388 of rent.

13. Transactions with trustees and related party transactions

Donations from trustees totalled £1,800 (2024: £1,300).
No trustee received any remuneration in the year in 2025 or 2024.
No trustee was paid travel expenses in the year in 2025 (2024: £143).
The trustees are covered under the general office insurance policy.
There were no other transactions with related parties requiring disclosure in 2025 or 2024.

14. Legal Structure

The charitable company's legal structure is that of a company limited by guarantee. In the event of the company winding up, each member is liable to contribute to any deficit to a maximum of £10 per member.

15. SOFA Comparatives

	Unrestricted	Restricted	Total 2024	Total 2023
	£	£	£	£
Income and endowments from:				
Donations & Legacies	273,743	9,000	282,743	198,950
Charitable activities	182,143	208,519	390,662	428,927
Investments (bank Interest)	580	0	580	269
Total Income	456,466	217,519	673,985	628,146
Expenditure on:				
Raising Funds	100,328	0	100,328	100,850
Charitable Activities	260,316	247,519	507,835	437,045
Total Expenditure	360,644	247,519	608,163	537,895
Net Income/(Expenditure)	95,822	(30,000)	65,822	90,251
Reconciliation in Funds				
Total Funds brought Forward	404,870	0	404,870	314,619
Total Funds carried Forward	470,692	0	470,692	404,870



www.thechildrensliteracycharity.org.uk

Registered Charity Number 1124257
Company Incorporated in England and Wales
Registered Company Number 6251103

THE CHILDREN'S LITERACY CHARITY

England & Wales - Charity number 1124257

Accounts



The Children's Literacy Charity

Annual Report and Accounts

Year Ended 31st August 2024

Registered Charity Number 1124257
Company Incorporated in England and Wales
Registered Company Number 6251103

Contents

Legal and administrative details 3

From the Chair and CEO 4

Trustees' report 6

Financial review 10

Independent Auditors' report 15

Financial statements 19

Legal & Administrative Details as at 31st August 2024

Charity Name:	The Children's Literacy Charity
Company Number:	6251103
Charity Number:	1124257
Registered Address:	44 Webber Street, London SE1 8QW Telephone: 020 7740 1008 Email: info@theclc.org.uk Website: www.thechildrensliteracycharity.org.uk
Patrons:	Sarah, Duchess of York The Lord Hastings of Scarisbrick CBE
Trustee Board:	For the purposes of the Companies Act 2006, the Board of Trustees is regarded as the Board of Directors of the company. The Trustees of the company throughout the year and to the date of signing this report are as follows: Jeffrey Defries (Chair) Steven Artist (Deputy Chair) Nicole Magoon Andrew Martin Dr Jenny Thomson
Senior Management:	Isabel Greenwood - CEO Halima Begum – Head of Finance Michelle Bennett – Head of Fundraising Julie Taylor – Education Lead
Bankers:	Lloyds Bank plc 34 Moorgate, London EC2R 6PL Scottish Widows 25 Gresham Street, London EC2V 7HN
Auditors:	Begbies Chartered Accountants and Registered Auditors 9 Bonhill Street, London EC2A 4DJ

From the Chair and CEO

23/24 was an important year for the charity as we expanded delivery of our expert literacy intervention programmes, not just to an increased number of schools and more children needing specialist support but also regionally.

Our overarching goal has always been to successfully close the literacy gap for those children who are the furthest behind, prioritising pupils from disadvantaged backgrounds who, without specialist intervention, will struggle to catch up. Achieving and maintaining a high level of impact from our tuition is, therefore, key and we are delighted to report that 23/24 saw our strongest ever outcomes: for our well-established Literacy Lab programme for younger primary school children, 75% of graduates closed their reading age gap entirely and 89% closed or significantly narrowed their reading gap.

It is also pleasing to report that Reading Lab, our newer catch-up programme for older primary school pupils, goes from strength to strength, with children making seven months of progress in just one, 10-week block of expert tuition.

Across both these programmes, feedback from our partner schools provides growing evidence of the positive effect improved literary levels have on confidence, resilience and engagement in the classroom right across the curriculum.

Alongside our commitment to maintaining high impact, we continue to focus our delivery on those children needing the most help whether due to poor economic circumstances, challenging home lives, English as an additional language or special educational needs. With high levels of educational disadvantage in some regions, we identified the potential to reach more children by expanding out of our traditional London base and through building relationships with Multi Academy Trusts (MATs). We were, therefore, delighted to partner with the St Barts MAT in Stoke-on-Trent to start delivering Reading Lab in a number of their primary schools in the summer term 2024, continuing through 2025. This has been highly successful and provides a strong foundation for future regional growth.

Given the significant role parental support plays in a child's achievements we continue to work closely with partner schools to involve parents and families in their child's literacy journey with us. Parent workshops and celebration assemblies are now established strands to our delivery, supporting schools in their work to improve parental engagement.

An emerging theme during 23/24 was that while we are able to evidence extraordinary results for the children we work with, poor literacy levels continue to be a significant issue for the majority of children from disadvantaged backgrounds.

Whether as a result of the lost school time during Covid and lockdowns or because school absenteeism is currently a major concern, the risk of children being left behind is, sadly, ever present across all age groups.

We have, therefore, continued to adapt our work to meet emerging needs and in 23/24 trialled Reading Lab in secondary schools, supporting Year 7 & 8 children to reach age-related literacy levels.

We also saw greater demand for our Reader Leader mentoring scheme in which we train older pupils to become reading mentors for younger children. Operating at a national level and across both primary and secondary schools, Reader Leader helps nurture a love of reading and creates young reading ambassadors who themselves grow in the process.

While the need for effective literacy intervention is high, with increasing pressure on school budgets and the closure of the Government's National Tutoring Programme, funding remains a continual priority for the charity.

We are, therefore, extremely grateful to the individuals, trusts and foundations and corporate organisations who have supported us this year. The literacy gap is not a new problem but we are encouraged by the increased recognition from the philanthropic world that our work is vitally important to give children who have not had the best start in life the opportunity to succeed in today's world.

As ever we want to acknowledge the contribution of our growing band of tutors. The charity has been fortunate to be able to attract highly skilled and dedicated tutors without whom we would not be able to achieve our goal of supporting more children in need of life-changing literacy. Finally, and equally worthy of mention, a huge thank you to our support team of staff and trustees.

Jeffrey Defries, Chair of Trustees

Isabel Greenwood, CEO

Trustees Report

Our Vision

The vision of The Children's Literacy Charity is to close the literacy gap for those children needing the most help, enabling them to achieve their true potential.

Working in schools in some of the most deprived areas of the country, the charity's specialist tutors provide tailored, one-to-one and small group literacy tuition, giving children from disadvantaged backgrounds the chance to catch up with their peers, grow in skills and confidence and engage with learning.

The charity firmly believes in the value of early intervention, the importance of covering all aspects of literacy - not just reading but comprehension, writing, speaking and listening – and the benefits of a dedicated, highly trained expert tutor working in person with a child. Together with rigorous assessment methodology, and our focus on working collaboratively with school partners and parents, we deliver remarkable outcomes for children struggling with literacy.

The scale of the need

Every year 150,000 of the poorest children start school with language skills one and a half years behind their peers. For some their literacy gap is so significant they struggle to make progress in the mainstream classroom throughout their primary education and ultimately at secondary school too.

Children from the most disadvantaged backgrounds are often the furthest behind and if they do not catch up, their literacy gap will have a profound effect on the rest of their lives. Poor literacy affects confidence and engagement: when children struggle at school they are more likely to truant, and on leaving school, are less likely to find employment and more vulnerable to criminal influences. By 2025 it is estimated that 1.5 million children in the UK will reach age 11 unable to read well.

How we change lives, for good

The Children's Literacy Charity aims to transform the life chances of those children who are at risk of being left behind in the education system. Through the provision of tailored, face to face, specialist tuition, these children not only gain important literacy skills but start to engage with learning, growing in self-esteem and resilience as a result.

The vulnerable children we work with have a literacy level that can be between one to two years behind their peers, and sometimes greater. The barriers to their learning include: coming from socioeconomically disadvantaged backgrounds; speaking English as an additional language; having some form of special educational need such as dyslexia, dyspraxia or mild autism; having parents or carers who also struggle with their literacy; experiencing chaotic home lives and/or disrupted school attendance.

We deliver a structured, multi-sensory literacy intervention which builds on the mechanics of reading, developing language and understanding and ultimately opening up the opportunities that reading fluency provides. Children not only close their literacy gap but we raise their expectations of themselves as learners: with improved literacy skills, children can begin to engage with the curriculum. This approach is the key to addressing the multiple, complex barriers to learning experienced by many children from disadvantaged backgrounds. Our

literacy interventions broaden horizons, giving children who are most behind a crucial and potentially life changing opportunity to return to the classroom with greater independence and confidence.

In 2023/24 the charity directly supported 1,045 children across both our specialist tuition and our wider literacy work in primary and secondary schools.

Supporting children through our Expert Literacy Programmes

In 2023/24 the charity's Expert Programme delivered 10,354 tuition sessions, supporting a total of 603 children. 255 of these pupils were tutored through our Literacy Lab programme and a further 348 children were tutored through the rollout of our Reading Lab programme.

We worked with 27 partner schools across London, Manchester, Norwich, Staffordshire and Stoke-on-Trent. In four of these schools we partnered with AllChild, formerly West London Zone.

Literacy Lab

Each child or 1:3 group on the Literacy Lab programme has two, 45-minute, literacy sessions per week with their tutor. Our intervention is particularly effective because we capitalise on the strengths of each child and focus teaching on the areas where they need the greatest help. In 23/24 every child on the programme made progress and of the children who graduated, the majority (89%) came within six months of closing their reading age gap; 75% closed their reading age gap completely and 78% achieved age-related comprehension skills.

Children who joined our programme had an average reading age gap of 12 months and an average reading comprehension gap of nine months against their chronological age. On graduating from our programme, the children's average reading age was eight months ahead and their reading comprehension age was on average 12 months ahead of age-related expectations.

In 2023/24, the pupils graduating from our Literacy Labs achieved remarkable ratio gains for reading. This is the gain in reading age made during a chronological time span.
A gain of above 4.0 – that is for every one month on the programme, a child gains over four months in their literacy development – is rated as 'remarkable impact'. In this academic year the ratio gain for reading was 4.6 and for comprehension was 4.7. In comparison, an average pupil in a classroom working at age-related expectations would make a gain of one year in one academic year.

Our approach has been independently validated by the University of Sheffield which found our Expert programme "demonstrated effectiveness in significantly progressing the literacy skills of the most disadvantaged student groups in the country" and offered "a gold standard in provision."

The launch of 1:3 Literacy Labs in 2022 has been especially successful, delivering outcomes equal to 1:1, evidencing the value of small group tuition, even for younger children, and offering schools the ability to support more children needing this intervention while still retaining all the advantages of face to face, in person tuition.

Reading Lab

As part of the expert programme in 23/24, our small group Reading Lab intervention is proving popular with schools and we delivered 23 Reading Labs in 16 schools.

Reading Lab is an intensive 10-week, 1:3 intervention aimed at KS2 /KS3 pupils who are working towards age-related expectations and who will, with a short catch-up, be able to narrow their literacy gaps.

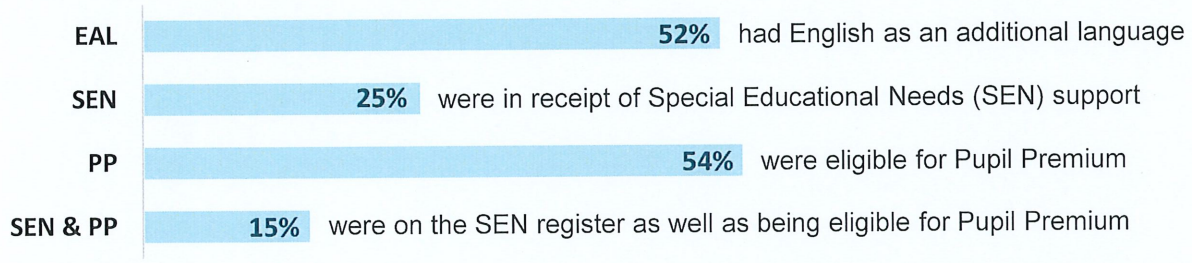
Launched in 2021 and designed to address the learning gaps caused by Covid and absence from school, the focus of the programme is on reading comprehension, fluency and vocabulary to build confidence and literacy skills as well as promote a love of reading.

Children attending Reading Lab have two 45-minute sessions each week over the 10-week block, working with our own specialist tutor. Many of our partner schools use Reading Lab for Year 5 to support the transition to Y6, in readiness for the move to secondary school, and we are now seeing demand to support KS3 in secondary schools.

After the 10-week block of tuition, children made seven months of progress. 55% of the children attending Reading Lab narrowed their reading gap and 29% narrowed their gap to within six months of the assessed reading age. Schools report a significant positive impact on confidence levels and engagement in the classroom.

Children Supported Through Our Expert Programmes

Of the children we helped through our Expert tuition this year (all Literacy/Reading Labs):



Reader Leader Training Programme

Alongside our expert literacy interventions, we continue to deliver our Reader Leader one-day programme, training older 'Leaders' to become mentors to younger 'Readers'.

Demand for this training package continues to grow steadily and in 23/24 we delivered the Reader Leader programme in 21 schools across England, training 321 'Leaders' to mentor at least 321 younger 'Readers'. Leaders then read with their Reader once a week for a minimum of 18 weeks and in doing so gain an understanding of the reading process as well as learning how to mentor. Teachers find the programme helps promote reading for pleasure right across the school and we invested time in developing Reader Leader for primary schools as well as secondary.

Charitable objects as set out in our governing document

Our primary goal is to advance educational equality by the provision of educational support in England, tailored to individual children of primary and secondary school age needing extra help in literacy skills, including those children with specific learning difficulties. We also share our expertise through the delivery of training programmes.

Supporters of The Children's Literacy Charity

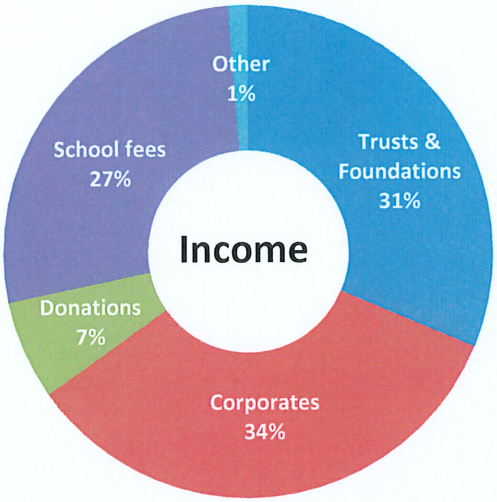
We are especially grateful to the many individuals and organisations who support our work and would like to extend our sincere thanks to the following donors who have given so generously over the year.

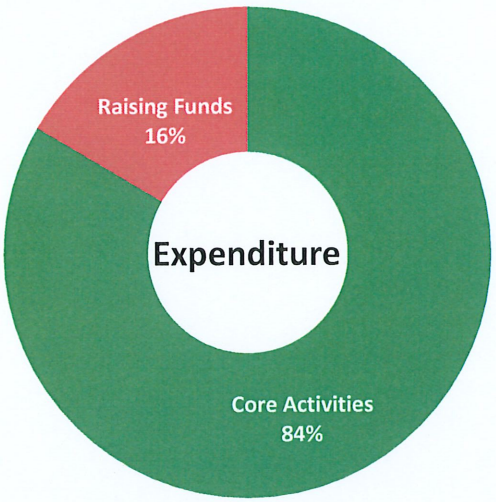
Artemis Charitable Foundation	Barings LLC
Brown Advisory	Campbell Lutyens
Garfield Weston Foundation	Girdlers' Company Charitable Trust
IHS Towers	News UK
Pulse	Recorra
SE Franklin Charity Trust	Squarepoint Foundation
St Giles & St George	Tallow Chandlers' Company
The Swire Charitable Trust	The Zochonis Charitable Trust
Theo Paphitis Charitable Trust	Walcot Foundation
Wellington Management UK Foundation	William Wates Memorial Trust

Financial Review

The total income for the year was £673,985 compared with £628,146 in 2022/23. Income from Trusts and Foundations accounted for 31%, with Corporate income totalling 34%. School fees accounted for 27%, with the remaining 8% being raised from a combination of other income, including individual giving, general donations and training fees.

Total expenditure for 2023/24 was £608,163 compared to £537,895 in 2022/23. The increased expenditure in 23/24 reflects the growth in programme delivery over the year, with 84% being spent on core activities and 16% on raising funds.





Reserves Policy

The reserves as at 31st August 2024 totalled £470,692. This is made up of the designated liquidation fund of £420,000 and general funds of £50,692, of which £2,104 is invested in the charity's fixed assets. As at 31st August 2024 the charity's free reserves totalled £48,588.

The charity's reserves policy is to hold six months of expenditure in reserves for the purpose of protecting the work of the charity in the short term should funding targets not be met or if the charity should need to cease/curtail its activities. The policy is reviewed annually, when specific factors affecting the level of reserves are reviewed, primarily relating to contractual obligations for employees. As at 31st August 2024 the charity's free reserves were sufficient to meet the trustees' reserves policy.

Going concern

The Trustees believe that the charity has adequate resources to continue in operational existence as future funds receivable are anticipated to be sufficient to fund committed projects. Nevertheless, they will continue to monitor the charity's spending and cash flow regularly to ensure that its liabilities are met as they fall due. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Risk Assessment and Management

The Trustees and Senior Management Team are responsible for the assessment and management of risks faced by the charity, ensuring that all risks are reviewed and that there are procedures and policies in place to mitigate against those risks.

A risk register is in place which is reviewed by the Trustees once a year at a board meeting. Risks are identified during the review and are monitored and controlled on an on-going basis. Risks include, but are not limited to, loss of key staff; changes in school needs or Government policy; safeguarding; and shortfalls in fundraising.

Investment Policy

Reserves are held on deposit with Lloyds Banking Group and Scottish Widows. A review of the investment return is carried out on a regular basis and decisions on where to hold surplus funds are made on the basis of interest rates and accessibility.

Organisational Structure

Structure, Governance and Management

The Children's Literacy Charity is a charitable company limited by guarantee, incorporated on 17th May 2007 and registered as a charity 30th May 2008. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

Statement of Trustees Responsibility

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

Statement of disclosure to the auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- they have taken all steps required to ensure that they are aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Recruitment and Training of Trustees
Recruitment of Trustees is carried out through nominations from within the Trustee Board and through open recruitment. In order to assess their personal competence and independence, a skills audit is conducted to assess suitability for any vacancies on the Board.

Detailed role profiles and codes of conduct are set out in the Trustee Information/Induction Pack and appointments are based on the results of the skills audit and an assessment process followed by a vote of the existing Trustees. New Trustees are given the last three years' Annual Report and Accounts and are encouraged to read the Charity Commission's document "The Hallmarks of an Effective Charity".

Remuneration of senior staff
Remuneration of the Chief Executive is set by the Trustees and benchmarked using the ACEVO pay review and similar roles in other medium sized charities. The same benchmarks are used to set Senior Management pay. No employee is paid more than £60,000 and employees receive no employee benefits other than their pay and pensions.

Senior Management
Responsibility for day-to-day operations and the leadership of the professional and volunteer team is delegated to the Senior Management Team. The Senior Management Team is responsible for all day-to-day decisions affecting the charity. Decisions of a strategic or directional nature, including the employment of the senior staff, remain the responsibility of the CEO & Trustees.

The Trustees keep up to date with charity regulation through reports from the Senior Management Team which is presented as part of the main agenda in Trustees' meetings. Trustees attend relevant training and are expected to share knowledge and best practice at these meetings.

The charity has no subsidiaries and there were no related party transactions during the year. The Trustees give their time voluntarily and receive no benefits from the charity.

The work of The Children's Literacy Charity is carried out by 38 individuals, comprising 32 paid staff and 6 volunteers.

Auditors
Begbies Accountants have indicated their willingness to continue in office and are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

Preparation of the accounts
The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 – Charity SORP (FRS102) Revised) the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applied from 1 January 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

Public Benefit
The trustees have had regard to the Charity Commission's guidance on public benefit and are satisfied that the company meets the public benefit requirement.

Future plans and goals 2024/25

Strategic Aims

Education:

- To continue to deliver high quality, high impact specialist interventions to close the literacy gap for children from disadvantaged backgrounds who need the most help to catch up.
- To build strong, collaborative partnerships with schools and MATs, existing and new, working to meet the evolving needs of schools, pupils and families

Organisation:

- To ensure we have a stable, effective and sustainable infrastructure with the capacity, skills and flexibility to support growth and the focus on reaching more children from disadvantaged backgrounds where the need is greatest

Fundraising:

- To develop income streams and funding partnerships, retaining existing support and growing income from corporates, with a particular focus on significant, unrestricted multi-year grants

Governance:

- To maximise trustee engagement in support of education and fundraising goals and charitable oversight.

Education

For 24/25 we aim to:

- Continue to reach more children through the core expert intervention programmes - Literacy Lab and Reading Lab
- Build on the existing regional presence, in particular, but not exclusively, in urban areas with high Pupil Premium numbers in the Midlands and North West and/or to support communities local to funders
- Assess initial trial of the new Early Years (nursery/reception) intervention and roll out to additional trial schools to help evolve the programme as a core expert intervention alongside Literacy and Reading Labs
- Develop new partnership opportunities with Multi Academy Trusts in London and the regions
- Grow Reader Leader national presence and where necessary recruit additional trainers
- Build parental engagement work, utilising effective ways to communicate, working collaboratively with partner schools
- Maintain high impact delivery through recruitment of high-quality tutors and ensure effective and efficient pupil progress evaluation

. Specific targets include:

- Deliver 219 Expert Literacy Lab pupil places through 16 partner schools in disadvantaged communities.
- Deliver 1:3 catch-up Reading Labs, reaching 885 children in 26 schools in disadvantaged areas

Income generation and Fundraising

- Raise an overall income of £931,165. This will be achieved by raising £663,000 through fundraising, and securing £268,165 from school contributions and Reader Leader training.
- Focus on attracting significant, multi-year support from larger Foundations and Corporates to build strong funding partnerships and allow the charity to plan and manage growth
- Continue to grow corporate income through effective targeting of potential funders with aligned interests and a supportive relationship management approach including ongoing evaluation of volunteering opportunities
- Provide excellent account management to existing funders while increasing levels of support through effective and appropriate funding applications
- Ensure effective communication with funders and supporters through regular contact and appropriate reporting.

Organisation

- Implement refinements to Education and Finance processes and procedures to optimise efficient use of team time and create a team structure and responsibilities which supports sustainable growth
- Refresh the website, developing more tailored content for parents and growing communications through social media channels
- Continue to produce a termly newsletter for schools and supporters and evaluate more tailored communications for parents, schools and funders
- Evolve how we tell our story through compelling and engaging content as well as relevant supporting evidence for the need for our work
- Review assessment methodology to ensure we can continue to evidence our impact through the capture of quantitative and qualitative data of pupil progress.
- Ensure that robust safeguarding policies and procedures are in place/adhered to.
- Maintain facilities and infrastructure to meet organisational needs.

Governance

- Facilitate strong trustee engagement through regular quarterly meetings.
- Ensure trustees are fully informed and risks are recorded and reviewed regularly.
- Ensure the charity is meeting its legal obligations through the development and submission of annual accounts in a timely fashion.

Jeffrey Defries

Jeffrey Defries, Chairman of Trustees

08/03/2025

Date:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
The Children's Literacy Charity

Opinion

We have audited the financial statements of The Children's Literacy Charity (the "Charity") for the year ended 31st August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Charity's affairs as at 31st August 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (incorporating the directors' 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees
The trustees 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 they 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 Charity'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 Charity 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.

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

- Agreement of the financial statement disclosures to underlying supporting documentation;

- Enquiries of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;

- Review of minutes of Board meetings throughout the period;

- incorporating unpredictability into the nature, timing and/or extent of testing.

- Evaluation of the selection and application of the accounting policies chosen by the charity.

- In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud; and

- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report
This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katherine Dee (Senior Statutory Auditor)
For and on behalf of Begbies Chartered Accountants, Statutory Auditor
9 Bonhill Street
London
EC2A 4DJ

Date: 25/12/

The Children's Literacy Charity
Statement of Financial Activities
Year to 31st August 2024
Including Income and Expenditure Account

	Note	Unrestricted £	Restricted £	**Total 2024 £**	Total 2023 £
Income and endowments from:					
Donations & Legacies	2a	243,743	9,000	252,743	198,950
Charitable activities	2b	182,143	238,519	420,661	428,927
Investments (bank Interest)		580	0	**580**	269
Total Income		**426,466**	**247,519**	**673,985**	**628,146**
Expenditure on:	4 & 5				
Raising Funds		100,328	0	**100,328**	100,850
Charitable Activities		260,316	247,519	**507,835**	437,045
Total Expenditure		**360,644**	**247,519**	**608,163**	**537,895**
Net Income/(Expenditure)		**65,822**	**0**	**65,822**	**90,251**
Net Movement in funds		**65,822**	**0**	**65,822**	**90,251**
Reconciliation in Funds					
Total Funds brought Forward		404,870	0	404,870	314,619
Total Funds carried Forward	**10 & 11**	**470,692**	**0**	**470,692**	**404,870**

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

There were no recognised gains and losses in the period other than those shown above.

All of the above results are derived from continuing activities.

The notes 1-15 form a part of these financial statements.

The Children's Literacy Charity
Balance Sheet
As at 31st August 2024

	Note	Total 2024 £	Total 2023 £
Fixed Assets			
Tangible assets	6	2,104	1,834
		2,104	1,834
Current Assets			
Debtors	7	7,060	8,544
Cash at Bank	8	613,323	512,094
		620,383	520,638
Liabilities			
Creditors: Amounts falling due within one year	9	(151,795)	(117,602)
Net Current Assets		468,588	403,036
Net Assets		**470,692**	**404,870**
Funds of the Charity			
Restricted		0	0
General	10	50,692	224,870
Designated	10	420,000	180,000
Total Funds		**470,692**	**404,870**

The notes 1-15 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved, and authorised for distribution, by the board on and signed on their behalf by:

Jeffrey Defries

Jeffrey Defries, Chairman of Trustees

Date: 08/03/2025

Registered Company Number 6251103, Charity Number 1124257

The Children's Literacy Charity
Statement of Cashflows
Year to 31st August 2024

	Note	Total 2024	Total 2023
		£	£
Cashflows from operating activities:			
Net Cash provided by (used in) operating activities	8a	**102,123**	**113,129**
Cashflows from investing activities:			
(Purchase)/sale of tangible Fixed Assets		(1,474)	(1,240)
Interest from investments		580	269
Net cash provided by investing activities		**101,229**	**112,158**
Change in cash and cash equivalents in the reporting period		101,229	112,158
Cash and cash equivalents at the beginning of the reporting period		512,094	399,936
Cash and cash equivalents at the end of the reporting period	8b	**613,322**	**512,094**

Reconciliation of net debt
The charity had no net debt in the current or prior year.

Notes to the financial statements
Year to 31st August 2024

1. Accounting Policies

Basis of Accounting
The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 – Charity SORP (FRS102) Revised) the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applied from 1 January 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern
At the time of approving the accounts, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the next 12 months. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

The reserves comprise the Designated Fund of £420,000 to cover six months of running costs and a further £50,692 is made up of general reserves. Of the general reserves £2,104 are invested in fixed assets leaving £48,588 of free reserves.

Funds Structure
Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the charity for particular purposes.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the charity's objects.

Designated funds are unrestricted funds set aside by the trustees for particular purposes. The funds set aside for this purpose are detailed in the reserves policy.

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

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donations in kind are recognised at an estimate of their fair value. Donated books are included at wholesale value and donated professional services at the usual rates charged. No value is placed on general volunteer or trustee time donated.

Grants are recognised at the point when the charity is notified of the grant. Grants shown as donations are only deferred if they relate to a specific future time period as identified by the donor, and the charity is not entitled to spend the funds before this period, or the charity is not entitled to the funds without first meeting criteria which are yet to be met at the year end.

Grants are recognised as restricted if they are donated for a purpose more restrictive than the ongoing operations of the charity. Grants are recognised as unrestricted if the donor does not state and restriction on the use of the grant.

Grants that are received for the general operation of the charity, rather than on the basis of a contract or for a specific level of service, are treated as donations. Were a grant is received with a specified level of service, it would be shown as income from charitable activities and would be deferred to the extent that the charity has yet to fulfil the service level obligations.

School fees and training income are accounted for when they are receivable by the charity to the extent that they are expected to be recoverable.

Income from fundraising activities which are in essence donations, such as sponsorships from marathons and other challenge events are shown in donations and recognised in the year the events took place.

Resources Expended
Expenditure is accounted for in the period to which it relates. The majority of costs are directly attributable to the main activity of the charity which is to teach children with literacy difficulties on a one-to-one basis to help them acquire basic literacy skills to enable them to access the mainstream curriculum in the classroom.

Support costs represent general overheads which cannot be attributed directly to specific activities in furtherance of the charitable object and accordingly have been allocated across activities on the basis of the percentage of staff time or other appropriate cost driver. Governance costs are included in support costs and represent those costs attributable to the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

The costs of generating funds are those costs of seeking potential funders and applying for funding together with any indirect costs incurred in carrying out this work.

Tangible Fixed Assets
All assets costing more than £400 are capitalised and included at cost. Depreciation is recognised so as to write off the cost of the valuation of assets less their residual values over their useful lives of 3 years or 5 years depending on the estimation of their useful life.

The charity does not hold any freehold land or buildings.

Impairment of Fixed assets
At the end of each year the charity reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication of those assets being impaired or damaged. If this is the case the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

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

Financial Instruments
The charitable company has elevated 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 in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets
Basic financial assets include debtors, cash and bank balances, are measured initially at transaction price including transaction costs.

Basic financial liabilities
Basic financial liabilities, including creditors are initially recognised at transaction price.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not they are presented as non-current liabilities.

De-recognition of financial liabilities
Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

Operating Leases
Payments made under operating leases are charged to the Statement of Financial Activities as incurred.

Pensions
The charity enrols eligible workers in workplace pension schemes with NEST. All other employees have a right to join the scheme should they so wish, with the Children's Literacy Charity paying in to the contributions after 6 months of employment. All the pensions are defined contribution bases and as such the assets and liabilities are held separately to those of the charity. Contributions are recorded by the charity as they fall due.

Registered Office
The Charity's registered office is 44 Webber Street, London SE1 8QW.

Government Grants
School fees are received directly from the relevant schools and are not government grants.

2a. Donations and Legacies

	Notes	Unrestricted	Restricted	Total 2024
		£	£	**£**
Donations		32,108	5,000	**37,108**
Legacies		11,796	0	**11,796**
Trusts/Foundations/Corporates	3	196,894	4,000	**200,894**
Sponsorships		2,946	0	**2,946**
		243,743	**9,000**	**252,743**

	Notes	Unrestricted	Restricted	Total 2023
		£	£	£
Donations		42,932	6,000	48,932
Trusts/Foundations/Corporates	3	134,941	7,000	141,941
Sponsorships		8,077	0	8,077
		185,950	13,000	198,950

2b. Charitable Activities	**Notes**	**Unrestricted**	**Restricted**	**Total 2024**
		£	£	**£**
Trusts/Foundations/Corporates	3	0	238,519	**238,519**
Fees from schools		170,500	0	**170,500**
Training activities		11,643	0	**11,643**
		182,143	**238,519**	**420,661**

	Notes	Unrestricted	Restricted	Total 2023
		£	£	£
Trusts/Foundations/Corporates	3	0	261,627	**261,627**
Fees from schools/parents		157,200	0	**157,200**
Training activities and conferences		10,100	0	**10,100**
		167,300	**261,627**	**428,927**

3. Income from Trusts, Foundations & Corporates

	Unrestricted	Restricted	**Total 2024**	Unrestricted	Restricted	Total 2023
Within Donations (note 2a)	£	£	**£**	£	£	£
Informa	0	0	**0**	4,838	0	4,838
SE Franklin Charity Trust	0	4,000	**4,000**	0	4,000	4,000
SELCHP Ltd	0	0	**0**	0	3,000	3,000
Wellington Management UK Foundation	0	0	**0**	15,000	0	15,000
Squarepoint Foundation	40,000	0	**40,000**	41,349	0	41,349
Copyright Licensing Community Fund	0	0	**0**	20,000	0	20,000
Recorra	5,386	0	**5,386**	5,810	0	5,810
Mrs Wordsmith - donation in kind	0	0	**0**	5,500	0	5,500
CVC Advisers Limited	0	0	**0**	8,348	0	8,348
Pulse - donation in kind	28,568	0	**28,568**	14,556	0	14,556
Artemis Charitable Foundation	5,000	0	**5,000**	0	0	0
Anonymous donation	20,000	0	**20,000**	0	0	0
The Percy Lane Foundation	20,000	0	**20,000**	0	0	0
Campbell Lutyens	20,000	0	**20,000**	0	0	0
News UK	33,000	0	**33,000**	0	0	0
Other grants £3000 and under	24,940	0	**24,940**	19,539	0	19,539
Total Grants - Donations	196,894	4,000	**200,894**	134,941	7,000	141,941
Within Charitable Activities (note 2b)	£	£	**£**	£	£	£
Deferred income brought forward	0	93,069	**93,069**	0	86,319	86,319
Received during the year						
The Zochonis Charitable Trust	0	15,000	**15,000**	0	15,000	15,000
Girdlers' Company Charitable Trust (inc. deferred)	0	10,000	**10,000**	0	8,000	8,000
St Giles & St George	0	2,000	**2,000**	0	10,000	10,000
The Swire Charitable Trust (inc. deferred)	0	15,000	**15,000**	0	15,000	15,000
Garfield Weston Foundation	0	0	**0**	0	25,000	25,000
Wellington Management UK Foundation	0	35,000	**35,000**	0	35,000	35,000
Masonic Charitable Foundation	0	0	**0**	0	21,456	21,456
Barings LLC (inc. deferred)	0	50,000	**50,000**	0	50,000	50,000
Banham Foundation	0	0	**0**	0	5,291	5,291
Walcot Foundation	0	19,189	**19,189**	0	21,630	21,630
The Julia and Hans Rausing Trust	0	0	**0**	0	20,000	20,000
Sarah's Trust	0	0	**0**	0	10,000	10,000
Findlay Park	0	0	**0**	0	12,000	12,000
Brown Advisory	0	9,178	**9,178**	0	0	0
Theo Paphitis Charitable Trust	0	8,000	**8,000**	0	0	0
IHS Towers	0	12,000	**12,000**	0	0	0
Tallow Chandlers' Company (inc. deferred)	0	29,200	**29,200**	0	15,000	15,000
William Wates Memorial Trust	0	15,000	**15,000**	0	0	0
The Mercers' Company (inc. deferred)	0	55,000	**55,000**	0	0	0
Other grants £3000 and under	0	3,000	**3,000**	0	5,000	5,000
Deferred Income carried forward (See note 9b)	0	(132,117)	**(132,117)**	0	(93,069)	(93,069)
Total Grants - Charitable Activities	0	238,519	**238,519**	0	261,627	261,627

4a. Summary Expenditure

The Children's Literacy Charity has one main activity - teaching children to read and write. This involves literacy tuition and training volunteers, together with the support costs associated with this activity.

	Raising Funds	**Charitable Activities**	**Total 2024**	Raising Funds	Charitable Activities	Total 2023
	£	£	**£**	£	£	£
Direct Costs	86,474	393,748	**480,222**	91,894	361,181	453,075
Support Cost	13,853	114,087	**127,941**	8,956	75,864	84,820
Total	**100,328**	**507,835**	**608,163**	100,850	437,045	537,895

4b. Analysis of Support Costs

Support Costs	**Raising Funds**	**Charitable Activities**	**Total 2024**	Raising Funds	Charitable Activities	Total 2023
	£	£	**£**	£	£	£
Staff	3,879	31,941	**35,820**	2,966	25,123	28,089
Office/IT	2,162	17,803	**19,964**	1,826	15,471	17,298
Finance	21	171	**192**	20	165	185
HR/Admin	184	1,519	**1,704**	295	2,501	2,796
Governance	3,872	31,885	**35,757**	3,792	32,120	35,911
Communications	3,736	30,767	**34,503**	57	484	541
Total	**13,853**	**114,087**	**127,941**	8,956	75,864	84,820

Allocated based on the proportion of direct charitable activity and fundraising staff time

Total Expenditure for the year includes the following:

	Total 2024	Total 2023
	£	£
Depreciation (see Note 6)	**1,204**	2,319
Premises and Office costs	**19,964**	17,298
Auditors remuneration	**4,800**	4,440

5. Staff Costs

	Total 2024	Total 2023
	£	£
Salaries	**447,364**	397,437
Social Security Costs	**21,872**	18,080
Pension Costs	**6,088**	5,691
Redundancy costs	**0**	1,300
Total	**475,324**	422,508

Staff Numbers
The average number of staff employed during the year was 30, many of whom are part time. In 2023 the average number of staff was 29.

Key Management Staff
Amounts paid to key management staff during the year was £160,653, of which £128,903 was paid through payroll and £31,750 was paid to freelance staff (£147,670 in 2023 of which £120,670 was paid through payroll and £27,000 was paid to freelance staff). This represents the salary of the CEO, Education Lead, Head of Fundraising and Head of Finance. No employee was paid more than £60,000 in 2023 or 2024.

Redundancy Payment
Redundancy payments are recognised in the period in which the redundancy is communicated to the employee. There were no outstanding redundancy payments at the year end.

6. Fixed Assets

	Office & General Equipment	Fixtures & Fittings	**Total**
Cost:	£	£	**£**
At 1st September 2023	25,062	428	**25,490**
Additions	0	1,474	**1,474**
Disposal	(17,291)	(428)	**(17,719)**
As at 31st August 2024	**7,770**	**1,474**	**9,245**
Depreciation:			
At 1st September 2023	23,228	428	**23,656**
Disposal	(17,291)	(428)	**(17,719)**
Charge for the period	1,137	67	**1,204**
As at 31st August 2024	**7,073**	**67**	**7,141**
Net Book Value			
At 1st September 2023	1,834	0	**1,834**
As at 31st August 2024	**697**	**1,407**	**2,104**

7. Debtors & Prepayments

	2024	2023
	£	£
Tax reclaimed on gift aid donations	**1,187**	2,307
Debtors control account	**4,050**	4,093
Other debtors	**460**	881
Prepayments	**1,363**	1,263
Total	**7,060**	8,544

8a. Reconciliation of net income/(expenditure) to net cashflow from operating activities

	Total 2024	Total 2023
	£	£
Net income for the reporting period (as per SOFA)	**65,822**	90,251
Adjustments for:		
Depreciation	**1,204**	2,319
Interest	**(580)**	(269)
(Increase)/Decrease in debtors	**1,484**	5,565
Increase/(Decrease) in creditors	**34,193**	15,263
Net cash used by operating activities	**102,123**	113,129

8b. Analysis of cash and cash equivalents

	Total 2024	Total 2023
	£	£
Current Account	**572,402**	471,652
Deposit Accounts	**40,803**	40,223
Petty Cash	**118**	219
	613,323	512,094

9a. Creditors

	Total 2024	Total 2023
	£	£
Tax and social security	**5,601**	4,429
Accruals	**4,800**	4,440
Deferred income (see note 9b)	**137,517**	103,869
Pension	**22**	948
Other creditors	**3,855**	3,915
	151,795	117,602

9b. Deferred Income

	Total 2024	Total 2023
	£	£
Brought Forward	**103,869**	89,919
Transferred to income during the year		
Grants	**(103,869)**	(89,919)
Schools fees paid in advance	**5,400**	10,800
Grants deferred in year	**132,117**	93,069
Carried Forward	**137,517**	103,869

Deferred grants are broken down as follows:

	Total 2024	Total 2023
Masonic Charitable Foundation	**0**	7,152
Barings LLC	**29,167**	29,167
Girdlers' Company Charitable Trust	**10,000**	8,000
The Swire Charitable Trust	**8,750**	8,750
Tallow Chandlers' Company	**29,200**	15,000
Garfield Weston Foundation	**0**	25,000
The Mercers' Company	**55,000**	0
Total Grants Received in advance	**132,117**	93,069

10. Movement in Funds

	Balance at 01.09.23	Incoming	Outgoing	Transfers	Balance at 31.08.24
Unrestricted Funds	£	£	£	£	**£**
Designated Funds:					
- Emergency reserve	120,000	0	0	300,000	**420,000**
- Capacity building	60,000	0	0	(60,000)	**0**
	180,000	0	0	240,000	**420,000**
General Funds	224,870	426,466	(360,644)	(240,000)	**50,692**
Total Unrestricted Funds	404,870	426,466	(360,644)	0	**470,692**
Restricted Funds					
Education	0	247,519	(247,519)	0	**0**
Total Restricted Funds	0	247,519	(247,519)	0	**0**
Total Funds	404,870	673,985	(608,163)	0	**470,692**

2023 Comparative

	Balance at 01.09.22	Incoming	Outgoing	Transfers	Balance at 31.08.23
Unrestricted Funds	£	£	£	£	£
Designated Funds:					
- Emergency reserve	120,000	0	0	0	120,000
- Capacity building	0	0	0	60,000	60,000
	120,000	0	0	60,000	180,000
General Funds	194,619	353,519	(263,268)	(60,000)	224,870
Total Unrestricted Funds	314,619	353,519	(263,268)	0	404,870
Restricted Funds					
Education	0	274,627	(274,627)	0	0
Total Restricted Funds	0	274,627	(274,627)	0	0
Total Funds	314,619	628,146	(537,895)	0	404,870

Designated funds

The emergency designated fund is set aside in the event that the charity has to cease operations. It covers roughly 6 months salary and other costs, which is the assumed time that would be needed to close the charity.

Restricted Funds

Restricted funds - Education
These represent funds that have been given by donors at the year end for specific education projects that have not been spent at year end or deferred for the next year.

Please refer to the Trustees' report for further explanation of all the above funds.

11. Net Assets by Fund

	General	**Designated**	**Restricted**	**Total 2024**
	£	£	£	**£**
Fixed Assets	2,104			**2,104**
Current Assets	68,266	420,000	132,117	**620,383**
Current Liabilities	(19,678)		(132,117)	**(151,795)**
	50,692	**420,000**	**0**	**470,692**

2023 Comparative	General	Designated	Restricted	Total 2023
	£	£	£	£
Fixed Assets	1,834			1,834
Current Assets	307,569	120,000	93,069	520,638
Current Liabilities	(24,533)		(93,069)	(117,602)
	284,870	120,000	0	404,870

12. Future Commitments

As at 31st August 2024 The Children's Literacy Charity had no commitments under any operating leases.

The office is occupied under licence terminable at three months' notice equating to £3,488 of rent.

13. Transactions with trustees and related party transactions
Donations from trustees totalled £1,300 (2023: £300).
No trustee received any remuneration in the year in 2024 or 2023.
One trustee was paid travel expenses of £143 in 2024 (2023: £0).
The trustees are covered under the general office insurance policy.
There were no other transactions with related parties requiring disclosure in 2024 or 2023.

14. Legal Structure
The charitable company's legal structure is that of a company limited by guarantee. In the event of the company winding up, each member is liable to contribute to any deficit to a maximum of £10 per member.

15. SOFA Comparatives

	Unrestricted	Restricted	Total 2023	Total 2022
	£	£	£	£
Income and endowments from:				
Donations & Legacies	185,950	13,000	198,950	127,793
Charitable activities	167,300	261,627	428,927	342,780
Trading activities - sponsorship	0	0	0	10,000
Investments (bank Interest)	269	0	269	34
Total Income	**353,519**	**274,627**	**628,146**	**480,607**
Expenditure on:				
Raising Funds	100,850	0	100,850	86,457
Charitable Activities	162,418	274,627	437,045	381,954
Total Expenditure	**263,268**	**274,627**	**537,895**	**468,410**
Net Income/(Expenditure)	**90,251**	**0**	**90,251**	**12,197**
Reconciliation in Funds				
Net Movement in funds	90,251	0	90,251	12,197
Total Funds brought Forward	314,619	0	314,619	302,423
Total Funds carried Forward	**404,870**	**0**	**404,870**	**314,619**

THE CHILDREN'S LITERACY CHARITY

England & Wales - Charity number 1124257

Accounts



The Children's Literacy Charity

Annual Report and Accounts

Year Ended 31st August 2023

Registered Charity Number 1124257
Company Incorporated in England and Wales
Registered Company Number 6251103

Contents

Legal and administrative details 3

From the Chair and CEO 4

Trustees' report 6

Financial review 9

Independent Auditors' report 14

Financial statements 18

Legal & Administrative Details
as at 31st August 2023

Charity Name:	The Children's Literacy Charity
Company Number:	6251103
Charity Number:	1124257
Registered Address:	Conrad Court, Cary Avenue, London SE16 7EJ Telephone: 020 7740 1008 Email: info@theclc.org.uk Website: www.thechildrensliteracycharity.org.uk
Patrons:	Sarah, Duchess of York The Lord Harris of Peckham The Lord Hastings of Scarisbrick CBE The Lord Lingfield Noel Gordon Margaret McVeigh
Trustee Board:	For the purposes of the Companies Act 2006, the Board of Trustees is regarded as the Board of Directors of the company. The Trustees of the company throughout the year and to the date of signing this report are as follows: Jeffrey Defries (Chair) Steven Artist (Deputy Chair) Andrew Martin Dr Jenny Thomson Nicole Magoon (appointed November 2023)
Senior Management:	Isabel Greenwood - CEO Halima Begum – Head of Finance Michelle Bennett – Head of Fundraising Julie Taylor – Education Lead
Bankers:	Lloyds Bank plc 34 Moorgate, London EC2R 6PL Scottish Widows 25 Gresham Street, London EC2V 7HN
Auditors:	Begbies Chartered Accountants and Registered Auditors 9 Bonhill Street, London EC2A 4DJ

From the Chair and CEO

22/23 saw continued strong delivery of the charity's work across both our well-established Literacy Lab and our newer Reading Lab programmes as well as encouraging progress in our parental engagement initiatives and increased demand for Reader Leader mentoring.

As a specialist literacy intervention, achieving significant impact through our tuition remains a core goal of the charity and last year we were again successful in closing the literacy gap for the vast majority of children graduating from Literacy Lab: 73% closed their reading age gap entirely and 87% closed or significantly narrowed their reading gap.

These results were particularly pleasing given that the year saw the roll out of our 1:3 Literacy Labs. Assessment data shows that overall this small group programme is as effective as our 1:1 tuition in delivering similar outcomes. After one month of Literacy Lab tuition children are on average making 4.5 months of reading progress and 4.2 months of reading comprehension progress. These ratio gains are outstanding (Brooks 2007) and we are very clearly focused on maintaining this high level of impact.

We also saw our graduation level for Literacy Lab pupils return to pre-pandemic levels: 82% of children leaving the Literacy Lab programme successfully graduated after on average receiving two terms of tutoring.

While Literacy Lab effectively addresses the needs of younger primary school children, the roll out of Reading Lab for older pupils has been positive. Schools report a significant impact on pupils as a result of attending the 10-week programme: children become more confident and resilient; their classroom behaviour and engagement improves and they develop a love of reading. It has also been pleasing to receive school feedback praising the quality of our tutors.

Increasingly, involving parents in their child's literacy journey is an important part of our work and there is much evidence pointing to the significant role parental support plays in a child's success at school.

This is especially so in the post Covid environment where disadvantaged pupils continue to struggle to catch up with lost time and poor attendance at school has become a significant issue, meaning more children are at danger of being left behind.

As well as regular communication throughout the school year, we now invite parents and families to introductory workshops and celebration assemblies and these initiatives are welcomed and valued by our school partners.

Last year also saw increased demand for our Reader Leader mentoring programme where older secondary school pupils become reading mentors for younger children.

It is pleasing to see the positive impact this low-cost training day has in helping to embed a culture of reading across a school but alongside this is evidence that a growing number of children are now starting secondary school needing additional literacy support.

A Centre for Social Justice report shows that in 2022, 57% of disadvantaged pupils left primary school not reaching the expected standard in literacy or maths. With the education attainment gap the widest it has been for a decade, too many children are unable to engage with the school curriculum because of poor literacy.

There is, therefore, no doubt in our minds that the need for effective literacy intervention remains as high as it has ever been and at a time when schools are under considerable pressure.

While we were delighted to become an accredited Tuition Partner for the Department for Education's National Tutoring Programme, we are conscious of doing all that we can to keep the cost of our tuition as low as possible. To that effect, we continue to be extremely grateful to the individuals, trusts and foundations and corporate organisations for their support in helping us address educational inequalities. We see a growing recognition that tackling poor literacy is crucial if children are to thrive in today's world and we will continue to focus our work on those young people who need the most help.

As always, our extraordinary tutors are the backbone of our small charity. We are grateful for their care and dedication in delivering life changing literacy skills to the children we support.

Jeffrey Defries, Chair of Trustees

Isabel Greenwood, CEO

Trustees Report

Our Vision

The vision of The Children's Literacy Charity is to close the literacy gap for all disadvantaged children, enabling them to achieve their true potential.

Working in primary schools in some of the most deprived areas of the country, the charity's specialist tutors provide tailored, one-to-one and small group literacy tuition, giving disadvantaged children the chance to catch up with their peers, grow in skills and confidence and engage with learning.

The charity firmly believes that the earlier the intervention, the greater the benefit and that its focus on all aspects of literacy – reading, writing, comprehension, speaking and listening – as well as the use of high quality, expert tutors delivers remarkable results.

The scale of the need

Every year 150,000 of the poorest children start school with language skills one and a half years behind their peers. For some their literacy gap is so significant they struggle to make progress in the mainstream classroom throughout their primary education and ultimately at secondary school too.

The most disadvantaged children are often the furthest behind and if they do not catch up, their literacy gap will have a profound effect on the rest of their lives. Poor literacy affects confidence and engagement: when children struggle at school they are more likely to truant, and on leaving school, are less likely to find employment and more vulnerable to criminal influences. By 2025 it is estimated that 1.5 million children in the UK will reach 11 unable to read well.

How we change lives, for good

The Children's Literacy Charity aims to transform the life chances of disadvantaged children who are at risk of being left behind in the education system. Through the provision of tailored, face to face, specialist tuition, these children not only gain important literacy skills but start to engage with learning, growing in self-esteem and resilience as a result.

The vulnerable children we work with have a literacy level that can be between one to two years behind their peers, and sometimes greater. The barriers to their learning include: coming from socioeconomically disadvantaged backgrounds; speaking English as an additional language; having some form of special educational need such as dyslexia, dyspraxia or mild autism; having parents or carers who also struggle with their literacy; having chaotic home lives and/or disrupted school attendance.

We deliver a structured, multi-sensory literacy intervention which builds on the mechanics of reading, developing language and understanding and ultimately opening up the opportunities that reading fluency provides. Children not only close their literacy gap but we raise their expectations of themselves as learners: with improved literacy skills, children can begin to engage with the curriculum. This approach is the key to addressing the multiple, complex barriers to learning that many disadvantaged children experience. Our literacy intervention broadens horizons, giving children who are most behind a crucial and potentially life changing opportunity to return to the classroom with greater independence and confidence.

In 2022/23 the charity directly supported 1,045 children across both our specialist tuition and our wider literacy work in primary and secondary schools.

Supporting disadvantaged children through our Expert Literacy Programmes

In 2022/23 the charity's Expert Programme delivered 10,688 tuition sessions, supporting a total of 473 children. 246 of these pupils were tutored through our Literacy Lab programme and a further 227 children were tutored through the rollout of our Reading Lab programme.

We worked with 20 partner schools across London and also in Manchester. In five of these schools we partnered with the West London Zone.

Literacy Lab

Each child or 1:3 group on the Literacy Lab programme has two, 45-minute, literacy sessions per week with their tutor. Our intervention is particularly effective because we capitalise on the strengths of each child and focus teaching on the areas where they need the greatest help. In 22/23 every child on the programme made progress and of the children who graduated, the majority (87%) came within six months of closing their reading age gap; 73% closed their reading age gap completely and 84% achieved age-related comprehension skills.

Children who joined our programme had an average reading age gap of ten months against their chronological age. On graduating from our programme, the children's average reading age showed them to be six months ahead of age-related expectations. Children who began our programme had an average reading comprehension age gap of five months against their chronological age. On graduating, children's average reading comprehension age showed them to be ten months ahead of age-related expectations.

In 2022/23, the pupils graduating from our Literacy Labs have achieved remarkable ratio gains for reading. This is the gain in reading age made during a chronological time span. A gain of above 4.0 – that is for every one month on the programme, a child gains over four months in their literacy development – is rated as 'remarkable impact'. In this academic year the ratio gain for reading was 4.5 and 4.2 for comprehension. An average pupil in a classroom working at age-related expectations would make a gain of one year in one academic year.

Our approach has been independently validated by the University of Sheffield which found our Expert programme "demonstrated effectiveness in significantly progressing the literacy skills of the most disadvantaged student groups in the country" and offered "a gold standard in provision."

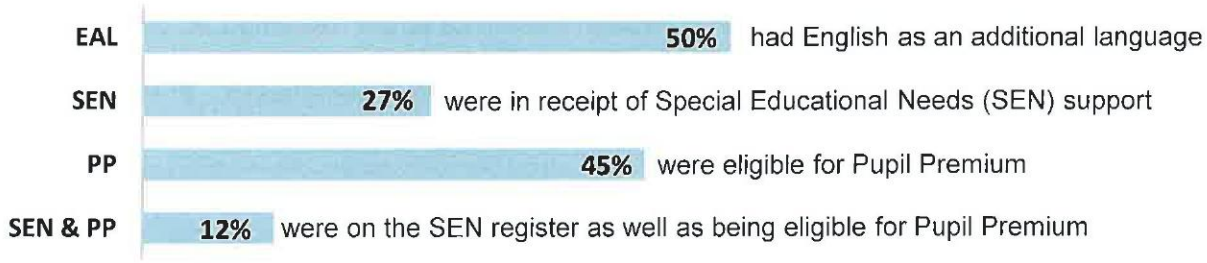
Reading Lab

As part of the expert programme in 22/23, we continued the roll out of our one-to-three, 10-week Reading Lab catch up intervention, delivering 15 Reading Labs in ten schools. The focus of the programme is on reading comprehension, fluency and vocabulary to build confidence and literacy skills ahead of the transition to secondary school.

The results continue to be encouraging: on average, after 10 weeks, children made six months of progress. 55% of the children attending Reading Lab narrowed their reading gap and 29% narrowed their gap to within six months of the assessed reading age.

Children Supported Through Our Expert Programmes

Of the children we helped through our Expert tuition this year (all Literacy/Reading Labs):



Reader Leader Mentoring Programme

Demand for our Reader Leader programme, where we train older secondary school students to mentor younger pupils through one-to-one reading support, had been significantly impacted by post pandemic caution about mixing children from different year groups.

However, in 22/23 we began to see this change and we delivered the one-day Reader Leader programme in nine schools, training 286 'Leaders' to mentor at least 286 younger 'Readers'. This cost-effective training module is well received by schools and during the year we invested time in developing the programme.

Charitable objects as set out in our governing document

Our primary goal is to advance educational equality by the provision of educational support in England, tailored to individual children of primary and secondary school age needing extra help in literacy skills, including those children with specific learning difficulties. We also share our expertise through the delivery of training programmes.

Supporters of The Children's Literacy Charity

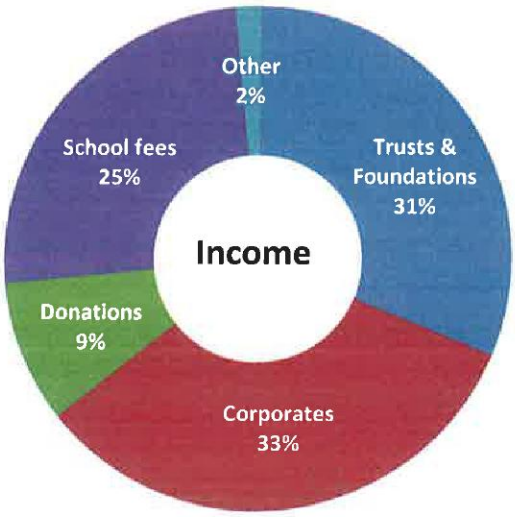
We are especially grateful to the many individuals and organisations who support our work and would like to extend our sincere thanks to the following donors who have given so generously over the year.

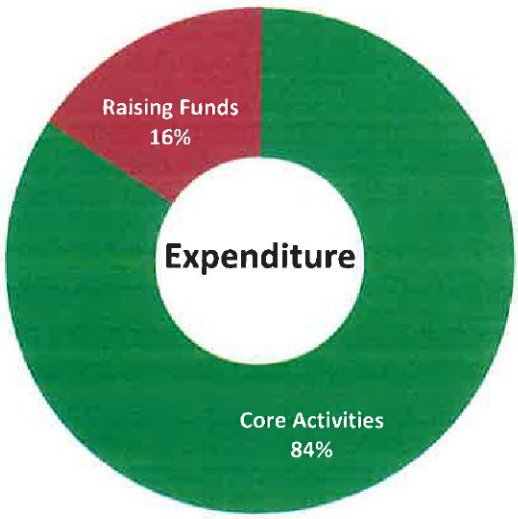
Banham Foundation
Barings LLC
Brown Advisory
Copyright Licensing Community Fund
CVC Advisers Limited
Findlay Park
Garfield Weston Foundation
Girdlers' Company Charitable Trust
Informa
Masonic Charitable Foundation
Mrs Wordsmith
Pulse
Recorra
Sarah's Trust
SE Franklin Charity Trust
SELCHP Ltd
Squarepoint Foundation
St Giles & St George
Julia and Hans Rausing
The Swire Charitable Trust
The Zochonis Charitable Trust
Walcot Foundation
Wellington Management UK Foundation

Financial Review

The total income for the year was £628,146 compared with £480,607 in 2021/22. Income from Trusts and Foundations accounted for 31%, with Corporate income totalling 33%. School fees accounted for 25%, with the remaining 11% being raised from a combination of other income, including individual giving, general donations and training fees.

Total expenditure for 2022/23 was £537,895 compared to £468,410 in 2021/22. The increased expenditure in 22/23 reflects the growth in programme delivery over the year, with 84% being spent on core activities and 16% on raising funds.





Reserves Policy

The reserves as at 31st August 2023 totalled £404,870. This is made up of the designated liquidation fund of £120,000, a further £60,000 to invest in capacity building, and general funds of £224,870, of which £1,834 is invested in the charity's fixed assets. As at 31st August 2023 the charity's free reserves totalled £223,036.

The charity's reserves policy is to hold three months of expenditure in reserves for the purpose of protecting the work of the charity in the short term should funding targets not be met or if the charity should need to cease/curtail its activities. The policy is reviewed annually, when specific factors affecting the level of reserves are reviewed, primarily relating to contractual obligations for employees. As at 31st August 2023 the charity's free reserves were sufficient to meet the trustees' reserves policy.

Going concern

The Trustees believe that the charity has adequate resources to continue in operational existence as future funds receivable are anticipated to be sufficient to fund committed projects. Nevertheless, they will continue to monitor the charity's spending and cash flow regularly to ensure that its liabilities are met as they fall due. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Risk Assessment and Management

The Trustees and Senior Management Team are responsible for the assessment and management of risks faced by the charity, ensuring that all risks are reviewed and that there are procedures and policies in place to mitigate against those risks.

A risk register is in place which is reviewed by the Trustees once a year at a board meeting. Risks are identified during the review and are monitored and controlled on an on-going basis. Risks include, but are not limited to, loss of key staff; changes in school needs or Government policy; safeguarding; and shortfalls in fundraising.

Investment Policy
Reserves are held on deposit with Lloyds Banking Group and Scottish Widows. A review of the investment return is carried out on a regular basis and decisions on where to hold surplus funds are made on the basis of interest rates and accessibility.

Organisational Structure

Structure, Governance and Management
The Children's Literacy Charity is a charitable company limited by guarantee, incorporated on 17th May 2007 and registered as a charity 30th May 2008. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

Statement of disclosure to the auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- they have taken all steps required to ensure that they are aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing

the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Recruitment and Training of Trustees
Recruitment of Trustees is carried out through nominations from within the Trustee Board and through open recruitment. In order to assess their personal competence and independence, a skills audit is conducted to assess suitability for any vacancies on the Board.

Detailed role profiles and codes of conduct are set out in the Trustee Information/Induction Pack and appointments are based on the results of the skills audit and an assessment process followed by a vote of the existing Trustees. New Trustees are given the last three years' Annual Report and Accounts and are encouraged to read the Charity Commission's document "The Hallmarks of an Effective Charity".

Remuneration of senior staff
Remuneration of the Chief Executive is set by the Trustees and benchmarked using the ACEVO pay review and similar roles in other medium sized charities. The same benchmarks are used to set Senior Management pay. No employee is paid more than £60,000 and employees receive no employee benefits other than their pay and pensions.

Senior Management
Responsibility for day-to-day operations and the leadership of the professional and volunteer team is delegated to the Senior Management Team. The Senior Management Team is responsible for all day-to-day decisions affecting the charity. Decisions of a strategic or directional nature, including the employment of the senior staff, remain the responsibility of the CEO & Trustees.

The Trustees keep up to date with charity regulation through reports from the Senior Management Team which is presented as part of the main agenda in Trustees' meetings. Trustees attend relevant training and are expected to share knowledge and best practice at these meetings.

The charity has no subsidiaries and there were no related party transactions during the year. The Trustees give their time voluntarily and receive no benefits from the charity.

The work of The Children's Literacy Charity is carried out by 38 individuals, comprising 32 paid staff and 6 volunteers.

Auditors
Begbies Accountants have indicated their willingness to continue in office and are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

Preparation of the accounts
The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 – Charity SORP (FRS102) Revised) the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applied from 1 January 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

Public Benefit
The trustees have had regard to the Charity Commission's guidance on public benefit and are satisfied that the company meets the public benefit requirement.

Future plans and goals 2023/24

Strategic Aims

Education: To continue to deliver highly effective programmes in closing the literacy gap for the most disadvantaged children in areas of deprivation, achieving an affordable intervention without compromising on quality while building strong relationships with new and existing school partners.
Organisation: To ensure we have a sound, stable infrastructure with the capacity, skills and flexibility to support growth and the goal of reaching more disadvantaged children where the need is greatest
Fundraising: To develop income streams, retaining existing support and growing unrestricted income and income from corporates, with a particular focus on significant, multi-year grants
Governance: To maximise trustee engagement in support of education and fundraising initiatives and charitable oversight.

Education

For 23/24 we aim to consolidate the work to date on Literacy Lab and Reading Lab and, with strong funding support, expand the Reading Lab programme alongside growing our Reader Leader programme. Specific targets include:

- Deliver 189 Expert Literacy Lab pupil places through 14 partner schools in disadvantaged communities.
- Deliver 1:3 catch-up Reading Labs, reaching 180 children in six schools in disadvantaged areas
- Increase Reader Leader delivery to more schools and develop the programme further
- Expand our Parental Engagement programme working closely with partner schools
- Continue to seek opportunities to expand to new geographic areas and work with new partners
- Ensure that our educational delivery is of the highest quality through regular review and quality control of delivery through evaluation of pupil progress.
- Support tutors by providing ongoing professional development opportunities
- Seek opportunities to develop partnerships with like-minded organisations and delivery partners such as the West London Zone.

Income generation and Fundraising

- Raise an overall income of £673,650. This will be achieved by raising £523,000 through fundraising, and securing £150,650 from school contributions and training provision.
- Seek to develop significant, multi year support from larger Foundations and Corporates to allow the charity to plan ahead more effectively
- Provide excellent account management to existing trusts and foundation donors, while increasing levels of support through effective and appropriate funding applications.
- Increase unrestricted corporate income through a supportive relationship management approach for new and existing corporate partnerships and evaluate opportunities for incorporating volunteering
- Develop our community fundraising offer and increase our digital reach.
- Manage our relationships with existing funders and supporters through regular communication, reporting and contact.

Organisation

- Continue to evolve the new website, developing more tailored content for parents and growing communications through social media channels
- Build on the successful launch of our first Newsletter to produce a termly Newsletter for schools and supporters
- Evolve how we tell our story through compelling and engaging content as well as relevant supporting evidence for the need for our work
- Evidence our impact through the capture of quantitative and qualitative data of pupil progress.
- Ensure that robust safeguarding policies and procedures are in place/adhered to.
- Maintain facilities and infrastructure to meet organisational needs.

Governance

- Facilitate strong trustee engagement through regular quarterly meetings.
- Ensure trustees are fully informed and risks are recorded and reviewed regularly.
- Ensure the charity is meeting its legal obligations through the development and submission of annual accounts in a timely fashion.



Jeffrey Defries, Chairman of Trustees Date: 13/2/24

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF The Children's Literacy Charity

Opinion

We have audited the financial statements of The Children's Literacy Charity (the "Charity") for the year ended 31st August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Charity's affairs as at 31st August 2023 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (incorporating the directors' 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees
The trustees 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 they 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 Charity'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 Charity 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.

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

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;
- Review of minutes of Board meetings throughout the period;
- incorporating unpredictability into the nature, timing and/or extent of testing.
- Evaluation of the selection and application of the accounting policies chosen by the charity.
- In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud; and
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report
This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katherine Dee (Senior Statutory Auditor)
For and on behalf of Begbies Chartered Accountants, Statutory Auditor
9 Bonhill Street
London
EC2A 4DJ

Date: 20/6/24

The Children's Literacy Charity
Statement of Financial Activities
Year to 31st August 2023
Including Income and Expenditure Account

	Note	Unrestricted £	Restricted £	**Total 2023 £**	Total 2022 £
Income and endowments from:					
Donations & Legacies	2a	185,950	13,000	198,950	127,793
Charitable activities	2b	167,300	261,627	428,927	342,780
Trading activities - sponsorship		0	0	0	10,000
Investments (bank Interest)		269	0	**269**	34
Total Income		**353,519**	**274,627**	**628,146**	**480,607**
Expenditure on:	4 & 5				
Raising Funds		100,850	0	**100,850**	86,457
Charitable Activities		162,418	274,627	**437,045**	381,954
Total Expenditure		**263,268**	**274,627**	**537,895**	**468,410**
Net Income/(Expenditure)		**90,251**	**0**	**90,251**	**12,197**
Net Movement in funds		**90,251**	**0**	**90,251**	**12,197**
Reconciliation in Funds					
Total Funds brought Forward		314,619	0	314,619	302,423
Total Funds carried Forward	**10 & 11**	**404,870**	**0**	**404,870**	**314,619**

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

There were no recognised gains and losses in the period other than those shown above.

All of the above results are derived from continuing activities.

The notes 1-15 form a part of these financial statements.

The Children's Literacy Charity
Balance Sheet
As at 31st August 2023

	Note	Total 2023 £	Total 2022 £
Fixed Assets			
Tangible assets	6	1,834	2,913
		1,834	2,913
Current Assets			
Debtors	7	8,544	14,109
Cash at Bank	8	512,094	399,937
		520,638	414,046
Liabilities			
Creditors: Amounts falling due within one year	9	(117,602)	(102,340)
Net Current Assets		403,036	311,706
Net Assets		**404,870**	**314,619**
Funds of the Charity			
Restricted		0	0
General	10	224,870	194,619
Designated	10	180,000	120,000
Total Funds		**404,870**	**314,619**

The notes 1-15 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved, and authorised for distribution, by the board on and signed on their behalf by:

J. Defries

Jeffrey Defries, Chairman of Trustees

Date: 13/2/24

Registered Company Number 6251103, Charity Number 1124257

The Children's Literacy Charity
Statement of Cashflows
Year to 31st August 2023

	Note	Total 2023	Total 2022
		£	£
Cashflows from operating activities:			
Net Cash provided by (used in) operating activities	8a	**113,129**	**(32,133)**
Cashflows from investing activities:			
(Purchase)/sale of tangible Fixed Assets		(1,240)	0
Interest from investments		269	34
Net cash provided by investing activities		**112,158**	**(32,098)**
Change in cash and cash equivalents in the reporting period		112,158	(32,098)
Cash and cash equivalents at the beginning of the reporting period		399,936	432,035
Cash and cash equivalents at the end of the reporting period	8b	**512,094**	**399,936**

Reconciliation of net debt
The charity had no net debt in the current or prior year.

Notes to the financial statements
Year to 31st August 2023

1. Accounting Policies

Basis of Accounting

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 – Charity SORP (FRS102) Revised) the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applied from 1 January 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the next 12 months. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

The reserves comprise the Designated Fund of £120,000 to cover three months of running costs, another £60,000 is allocated to invest in capacity building, and a further £224,870 is made up of general reserves. Of the general reserves £1,834 are invested in fixed assets leaving £223,036 of free reserves.

Funds Structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the charity for particular purposes.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the charity's objects.

Designated funds are unrestricted funds set aside by the trustees for particular purposes. The funds set aside for this purpose are detailed in the reserves policy.

Incoming Resources

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

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donations in kind are recognised at an estimate of their fair value. Donated books are included at wholesale value and donated professional services at the usual rates charged. No value is placed on general volunteer or trustee time donated.

Grants are recognised at the point when the charity is notified of the grant. Grants shown as donations are only deferred if they relate to a specific future time period as identified by the donor, and the charity is not entitled to spend the funds before this period, or the charity is not entitled to the funds without first meeting criteria which are yet to be met at the year end.

Grants are recognised as restricted if they are donated for a purpose more restrictive than the ongoing operations of the charity. Grants are recognised as unrestricted if the donor does not state and restriction on the use of the grant.

Grants that are received for the general operation of the charity, rather than on the basis of a contract or for a specific level of service, are treated as donations. Were a grant is received with a specified level of service, it would be shown as income from charitable activities and would be deferred to the extent that the charity has yet to fulfil the service level obligations.

School fees and training income are accounted for when they are receivable by the charity to the extent that they are expected to be recoverable.

Income from fundraising activities which are in essence donations, such as sponsorships from marathons and other challenge events are shown in donations and recognised in the year the events took place.

Resources Expended
Expenditure is accounted for in the period to which it relates. The majority of costs are directly attributable to the main activity of the charity which is to teach children with literacy difficulties on a one-to-one basis to help them acquire basic literacy skills to enable them to access the mainstream curriculum in the classroom.

Support costs represent general overheads which cannot be attributed directly to specific activities in furtherance of the charitable object and accordingly have been allocated across activities on the basis of the percentage of staff time or other appropriate cost driver. Governance costs are included in support costs and represent those costs attributable to the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

The costs of generating funds are those costs of seeking potential funders and applying for funding together with any indirect costs incurred in carrying out this work.

Tangible Fixed Assets
All assets costing more than £400 are capitalised and included at cost. Depreciation is recognised so as to write off the cost of the valuation of assets less their residual values over their useful lives of 3 years or 5 years depending on the estimation of their useful life.

The charity does not hold any freehold land or buildings.

Impairment of Fixed assets
At the end of each year the charity reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication of those assets being impaired or damaged. If this is the case the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

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

Financial Instruments
The charitable company has elevated 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 in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets
Basic financial assets include debtors, cash and bank balances, are measured initially at transaction price including transaction costs.

Basic financial liabilities
Basic financial liabilities, including creditors are initially recognised at transaction price.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not they are presented as non-current liabilities.

De-recognition of financial liabilities
Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

Operating Leases
Payments made under operating leases are charged to the Statement of Financial Activities as incurred.

Pensions
The charity enrols eligible workers in workplace pension schemes with NEST. All other employees have a right to join the scheme should they so wish, with the Children's Literacy Charity paying in to the contributions after 6 months of employment. All the pensions are defined contribution bases and as such the assets and liabilities are held separately to those of the charity. Contributions are recorded by the charity as they fall due.

Registered Office
The Charity's registered office is Conrad Court, Cary Avenue, London SE16 7EJ.

Government Grants
School fees are received directly from the relevant schools and are not government grants.

2a. Donations and Legacies

	Notes	Unrestricted	Restricted	Total 2023
		£	£	£
Donations		42,932	6,000	**48,932**
Trusts/Foundations/Corporates	3	134,941	7,000	**141,941**
Sponsorships		8,077	0	**8,077**
		185,950	**13,000**	**198,950**

	Notes	Unrestricted	Restricted	Total 2022
		£	£	£
Donations		27,141	0	**27,141**
Legacies		49,927	0	**49,927**
Trusts/Foundations/Corporates	3	32,969	11,400	**44,369**
Sponsorships		6,356	0	**6,356**
		116,393	**11,400**	**127,793**

2b. Charitable Activities	**Notes**	**Unrestricted**	**Restricted**	**Total 2023**
		£	£	£
Trusts/Foundations/Corporates	3	0	261,627	**261,627**
Fees from schools		157,200	0	**157,200**
Training activities		10,100	0	**10,100**
		167,300	**261,627**	**428,927**

	Notes	Unrestricted	Restricted	Total 2022
		£	£	£
Trusts/Foundations/Corporates	3	0	218,922	**218,922**
Fees from schools/parents		118,267	0	**118,267**
Training activities and conferences		5,591	0	**5,591**
		123,858	**218,922**	**342,780**

3. Income from Trusts, Foundations & Corporates

	Unrestricted	Restricted	**Total 2023**	Unrestricted	Restricted	Total 2022
Within Donations (note 2a)	£	£	**£**	£	£	£
Informa	4,838	0	**4,838**	4,979	0	4,979
SE Franklin Charity Trust	0	4,000	**4,000**	0	8,000	8,000
Girdlers' Company Charitable Trust	0	0	**0**	4,547	0	4,547
SELCHP Ltd	0	3,000	**3,000**	0	3,400	3,400
Wellington Management UK Foundation	15,000	0	**15,000**	0	0	0
Squarepoint Foundation	41,349	0	**41,349**	0	0	0
Copyright Licensing Community Fund	20,000	0	**20,000**	0	0	0
Recorra	5,810	0	**5,810**	0	0	0
Mrs Wordsmith - donation in kind	5,500	0	**5,500**	0	0	0
CVC Advisers Limited	8,348	0	**8,348**	0	0	0
Pulse - donation in kind	14,556	0	**14,556**	0	0	0
Other grants £3000 and under	19,539	0	**19,539**	23,443	0	23,443
Total Grants - Donations	134,941	7,000	**141,941**	32,969	11,400	44,369

Within Charitable Activities (note 2b)	£	£	**£**	£	£	£
Deferred income brought forward	0	86,319	**86,319**	0	124,785	124,785
Received during the year						
The Zochonis Charitable Trust	0	15,000	**15,000**	0	25,000	25,000
Girdlers' Company Charitable Trust (inc. deferred)	0	8,000	**8,000**	0	8,000	8,000
St Giles & St George	0	10,000	**10,000**	0	0	0
The Swire Charitable Trust (inc. deferred)	0	15,000	**15,000**	0	0	0
Garfield Weston Foundation (inc. deferred)	0	25,000	**25,000**	0	25,000	25,000
Wellington Management UK Foundation	0	35,000	**35,000**	0	35,000	35,000
Charterhouse in Southwark	0	0	**0**	0	5,000	5,000
Masonic Charitable Foundation (inc. deferred)	0	21,456	**21,456**	0	21,456	21,456
Barings LLC (inc. deferred)	0	50,000	**50,000**	0	50,000	50,000
Unum	0	0	**0**	0	5,000	5,000
Banham Foundation	0	5,291	**5,291**	0	0	0
Walcot Foundation	0	21,630	**21,630**	0	0	0
The Julia and Hans Rausing Trust	0	20,000	**20,000**	0	0	0
Sarah's Trust	0	10,000	**10,000**	0	0	0
Findlay Park	0	12,000	**12,000**	0	0	0
Tallow Chandlers' Company (inc. deferred)	0	15,000	**15,000**	0	0	0
Other grants £3000 and under	0	5,000	**5,000**	0	6,000	6,000
Deferred Income carried forward (See note 9b)	0	(93,069)	**(93,069)**	0	(86,319)	(86,319)
Total Grants - Charitable Activities	0	261,627	**261,627**	0	218,922	218,922

4a. Summary Expenditure

The Children's Literacy Charity has one main activity - teaching children to read and write. This involves literacy tuition and training volunteers, together with the support costs associated with this activity.

	Raising Funds	**Charitable Activities**	**Total 2023**	Raising Funds	Charitable Activities	Total 2022
	£	£	**£**	£	£	£
Direct Costs	91,894	361,181	**453,075**	75,646	303,738	379,385
Support Cost	8,956	75,864	**84,820**	10,810	78,215	89,026
Total	**100,850**	**437,045**	**537,895**	86,457	381,954	468,410

4b. Analysis of Support Costs

Support Costs	**Raising Funds**	**Charitable Activities**	**Total 2023**	Raising Funds	Charitable Activities	Total 2022
	£	£	**£**	£	£	£
Staff	2,966	25,123	**28,089**	3,327	24,074	27,401
Office/IT	1,826	15,471	**17,298**	1,997	14,452	16,450
Finance	20	165	**185**	23	164	187
HR/Admin	295	2,501	**2,796**	437	3,159	3,595
Governance	3,792	32,120	**35,911**	4,244	30,709	34,954
Communications	57	484	**541**	782	5,657	6,439
Total	**8,956**	**75,864**	**84,820**	10,810	78,215	89,026

Allocated based on the proportion of direct charitable activity and fundraising staff time

Total Expenditure for the year includes the following:

	Total 2023	Total 2022
	£	£
Depreciation (see Note 6)	**2,319**	3,384
Premises and Office costs	**17,298**	16,450
Auditors remuneration	**4,440**	4,440

5. Staff Costs

	Total 2023	Total 2022
	£	£
Salaries	**397,437**	355,879
Social Security Costs	**18,080**	16,642
Pension Costs	**5,691**	5,939
Redundancy costs	**1,300**	10,000
Total	**422,508**	388,460

Staff Numbers
The average number of staff employed during the year was 29, many of whom are part time. In 2022 the average number of staff was 27.

Key Management Staff
Amounts paid to key management staff during the year was £147,670, of which £120,670 was paid through payroll and £27,000 was paid to freelance staff (£150,087 in 2022 of which £125,587 was paid through payroll and £24,500 was paid to freelance staff). This represents the salary of the CEO, Education Lead, Head of Fundraising and Head of Finance. No employee was paid more than £60,000 in 2022 or 2023.

Redundancy Payment
Redundancy payments are recognised in the period in which the redundancy is communicated to the employee. There were no outstanding redundancy payments at the year end.

6. Fixed Assets

	Office & General Equipment	Fixtures & Fittings	**Total**
Cost:	£	£	**£**
At 1st September 2022	24,671	428	**25,099**
Additions	1,240	0	**1,240**
Disposal	(850)	0	**(850)**
As at 31st August 2023	**25,062**	**428**	**25,490**
Depreciation:			
At 1st September 2022	21,759	428	**22,187**
Disposal	(850)	0	**(850)**
Charge for the period	2,319	0	**2,319**
As at 31st August 2023	**23,228**	**428**	**23,656**
Net Book Value			
At 1st September 2022	2,913	0	**2,913**
As at 31st August 2023	**1,834**	**0**	**1,834**

7. Debtors & Prepayments

	2023	2022
	£	£
Tax reclaimed on gift aid donations	**2,307**	2,244
Debtors control account	**4,093**	3,280
Other debtors	**881**	5,033
Prepayments	**1,263**	3,552
Total	**8,544**	14,109

8a. Reconciliation of net income/(expenditure) to net cashflow from operating activities

	Total 2023	Total 2022
	£	£
Net income for the reporting period (as per SOFA)	**90,251**	12,197
Adjustments for:		
Depreciation	**2,319**	3,384
Interest	**(269)**	(34)
(Increase)/Decrease in debtors	**5,565**	(9,998)
Increase/(Decrease) in creditors	**15,263**	(37,681)
Net cash used by operating activities	**113,129**	(32,133)

8b. Analysis of cash and cash equivalents

	Total 2023	Total 2022
	£	£
Current Account	**471,652**	359,763
Deposit Accounts	**40,223**	39,954
Petty Cash	**219**	219
	512,094	399,937

9a. Creditors

	Total 2023	Total 2022
	£	£
Tax and social security	**4,429**	4,933
Accruals	**4,440**	4,440
Deferred income (see note 9b)	**103,869**	89,919
Pension	**948**	1,199
Other creditors	**3,915**	1,848
	117,602	102,340

9b. Deferred Income

	Total 2023	Total 2022
	£	£
Brought Forward	**89,919**	128,385
Transferred to income during the year		
Grants	**(89,919)**	(83,385)
Schools fees paid in advance	**10,800**	3,600
Grants deferred in year	**93,069**	41,319
Carried Forward	**103,869**	89,919

Deferred grants are broken down as follows:

	Total 2023	Total 2022
Charterhouse in Southwark	**0**	5,000
Houlihan Lokey	**0**	45,000
Masonic Charitable Foundation	**7,152**	7,152
Barings LLC	**29,167**	29,167
Girdlers' Company Charitable Trust	**8,000**	0
The Swire Charitable Trust	**8,750**	0
Tallow Chandlers' Company	**15,000**	0
Garfield Weston Foundation	**25,000**	0
Total Grants Received in advance	**93,069**	86,319

10. Movement in Funds

	Balance at 01.09.22	Incoming	Outgoing	Transfers	Balance at 31.08.23
Unrestricted Funds	£	£	£	£	**£**
Designated Funds:					
- Emergency reserve	120,000	0	0	0	**120,000**
- Capacity building	0	0	0	60,000	**60,000**
	120,000	0	0	60,000	**180,000**
General Funds	194,619	353,519	(263,268)	(60,000)	**224,870**
Total Unrestricted Funds	314,619	353,519	(263,268)	0	**404,870**
Restricted Funds					
Education	0	274,627	(274,627)	0	**0**
Total Restricted Funds	0	274,627	(274,627)	0	**0**
Total Funds	314,619	628,146	(537,895)	0	**404,870**

2022 Comparative

	Balance at 01.09.21	Incoming	Outgoing	Transfers	Balance at 31.08.22
Unrestricted Funds	£	£	£	£	£
Designated Fund	120,000	0	0	0	120,000
General Funds	182,423	250,285	(238,088)		194,619
Total Unrestricted Funds	302,423	250,285	(238,088)	0	314,619
Restricted Funds					
Education	0	230,322	(230,322)	0	0
Total Restricted Funds	0	230,322	(230,322)	0	0
Total Funds	302,423	480,607	(468,410)	0	314,619

Designated funds

The designated fund is set aside in the event that the charity has to cease operations. It covers roughly 3 months salary and other costs, which is the assumed time that would be needed to close the charity.

Restricted Funds

Restricted funds - Education

These represent funds that have been given by donors at the year end for specific education projects that have not been spent at year end or deferred for the next year.

Please refer to the Trustees' report for further explanation of all the above funds.

11. Net Assets by Fund

	General	Designated	Restricted	Total 2023
	£	£	£	£
Fixed Assets	1,834			**1,834**
Current Assets	307,569	120,000	93,069	**520,638**
Current Liabilities	(24,533)		(93,069)	**(117,602)**
	284,870	**120,000**	**0**	**404,870**

2022 Comparative	General	Designated	Restricted	Total 2022
	£	£	£	£
Fixed Assets	2,913			**2,913**
Current Assets	207,727	120,000	86,319	**414,046**
Current Liabilities	(16,021)		(86,319)	**(102,340)**
	194,619	**120,000**	**0**	**314,619**

12. Future Commitments

As at 31st August 2023 The Children's Literacy Charity had no commitments under any operating leases.

The office is occupied under licence terminable at 30 days' notice.

13. Transactions with trustees and related party transactions

Donations from trustees totalled £300 (2022: £2,775).
No trustee received any remuneration in the year in 2023 or 2022.
No trustee was paid any travel expenses in the year in 2023 or 2022.
The trustees are covered under the general office insurance policy.
There were no other transactions with related parties requiring disclosure in 2023 or 2022.

14. Legal Structure

The charitable company's legal structure is that of a company limited by guarantee. In the event of the company winding up, each member is liable to contribute to any deficit to a maximum of £10 per member.

15. SOFA Comparatives

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
Income and endowments from:				
Donations & Legacies	116,393	11,400	127,793	89,813
Charitable activities	123,858	218,922	342,780	322,164
Trading activities - sponsorship	10,000	0	10,000	0
Other Income – CJRS grant	0	0	0	20,397
Investments (bank Interest)	34	0	34	17
Total Income	**250,285**	**230,322**	**480,607**	**432,391**
Expenditure on:				
Raising Funds	86,457	0	86,457	57,102
Charitable Activities	151,632	230,322	381,954	314,689
Total Expenditure	**238,088**	**230,322**	**468,410**	**371,791**
Net Income/(Expenditure)	**12,197**	**0**	**12,197**	**60,600**
Reconciliation in Funds				
Net Movement in funds	12,197	0	12,197	60,600
Total Funds brought Forward	302,423	0	302,423	241,823
Total Funds carried Forward	**314,619**	**0**	**314,619**	**302,423**

THE CHILDREN'S LITERACY CHARITY

England & Wales - Charity number 1124257

Accounts



The Children's Literacy Charity

Annual Report and Accounts

Year Ended 31st August 2022

Registered Charity Number 1124257
Company Incorporated in England and Wales
Registered Company Number 6251103

Contents

Legal and administrative details 3

From the Chair and CEO 4

Trustees' report 5

Financial review 8

Independent Auditors' report 14

Financial statements 18

Legal & Administrative Details
as at 31st August 2022

Charity Name:	The Children's Literacy Charity
Company Number:	6251103
Charity Number:	1124257
Registered Address:	Conrad Court, Cary Avenue, London SE16 7EJ Telephone: 020 7740 1008 Email: info@theclc.org.uk Website: www.thechildrensliteracycharity.org.uk
Patrons:	Sarah, Duchess of York The Lord Harris of Peckham The Lord Hastings of Scarisbrick CBE The Lord Lingfield Noel Gordon Margaret McVeigh
Trustee Board:	For the purposes of the Companies Act 2006, the Board of Trustees is regarded as the Board of Directors of the company. The Trustees of the company throughout the year and to the date of signing this report are as follows: Jeffrey Defries (Chair) Steven Artist (Deputy Chair) Andrew Martin Neal Lodhia (resigned 22 June 2022) Dr Jenny Thomson
Senior Management:	Isabel Greenwood - CEO Halima Begum – Head of Finance Michelle Bennett – Head of Fundraising Julie Taylor – Education Lead
Bankers:	Lloyds Bank plc 34 Moorgate, London EC2R 6PL Scottish Widows 25 Gresham Street, London EC2V 7HN
Auditors:	Begbies Chartered Accountants and Registered Auditors 9 Bonhill Street, London EC2A 4DJ

From the Chair and CEO

While 21/22 saw the charity celebrate its 30th anniversary it was also an important transition year as we focussed efforts on supporting schools tackling the post pandemic needs of those children who had fallen behind the furthest and needed the most help in catching up.

Disadvantaged children were particularly hard hit by lockdowns and our experience in schools has been that the children with the greatest literacy gap need our specialist tuition support more than ever before.

In response, we strengthened our Head Office Education Team and devoted considerable energies to a number of initiatives. Firstly, we adapted our expert tuition intervention to reflect both Government changes in phonics guidelines but also a growing need to focus on comprehension and vocabulary development. We also successfully trialled the core 1:1 Literacy Lab as a 1:3 intervention. Secondly, we expanded our 10-week Reading Lab programme for older primary school children to help support those pupils needing extra help ahead of the important transition to secondary school. Finally, we relaunched our parental engagement programme and revitalised our Reader Leader mentoring scheme.

As ever, our remarkable tutors have stepped up and helped implement the programmes with skill and dedication and we are grateful for their commitment to our work and the difference they are able to make to the lives of the children we support.

The impact of our tuition remains an outstanding feature of the charity with the majority of children supported closing or narrowing their literacy gap: for every one month of our tuition, children make on average five months of progress.

Alongside this evolution of our tutoring work, we also sought to grow our corporate base of supporters thus achieving more balance in our income generation. This was successful and corporate funding now accounts for roughly 25% of our overall income reflecting both the efforts of the Fundraising team but also growing interest among companies in reducing educational inequality and closing the literacy gap for young children.

While we have a stable financial base, we remain cognisant of the pressures on schools and school budgets as well as the challenging economic environment. By working in close partnership with our schools, being adaptable and responding to their needs, as well as focusing our work on the most disadvantaged children, we will continue to deliver our life changing literacy support where it is most needed.

We remain, as always, grateful to the individuals, trusts and foundations and corporates who have been so generous in supporting our work.

Jeffrey Defries, Chair of Trustees

Isabel Greenwood, CEO

Trustees Report

Our Vision

The vision of The Children's Literacy Charity is to close the literacy gap for all disadvantaged children, enabling them to achieve their true potential.

Working in primary schools in some of the most deprived areas of the country, the charity's specialist tutors provide tailored, one-to-one and small group literacy tuition, giving disadvantaged children the chance to catch up with their peers, grow in skills and confidence and engage with learning.

The charity firmly believes that the earlier the intervention, the greater the benefit and that its focus on all aspects of literacy – reading, writing, comprehension, speaking and listening – as well as the use of high quality, expert tutors delivers remarkable results.

The scale of the need

Every year 150,000 of the poorest children start school with language skills one and a half years behind their peers. For some their literacy gap is so significant they struggle to make progress in the mainstream classroom throughout their primary education and ultimately at secondary school too.

The most disadvantaged children are often the furthest behind and if they do not catch up, their literacy gap will have a profound effect on the rest of their lives. Poor literacy affects confidence and engagement: when children struggle at school they are more likely to truant and ultimately less likely to find a job and more likely to turn to crime. This is a growing problem: by 2025 it is estimated that 1.5 million children in the UK will reach 11 unable to read well.

How we change lives, for good

The Children's Literacy Charity aims to transform the life chances of disadvantaged children who are at risk of being left behind in the education system. Through the provision of tailored, face to face, specialist tuition, these children not only gain important literacy skills but start to engage with learning, growing in self-esteem and resilience as a result.

The vulnerable children we work with have a literacy level that is often between one to two years behind their peers, and sometimes greater. The barriers to their learning include: coming from socioeconomically disadvantaged backgrounds; speaking English as an additional language; having some form of special educational need such as dyslexia, dyspraxia or mild autism; having parents or carers who also struggle with their literacy; having chaotic home lives and/or disrupted school attendance.

We deliver a structured, multi-sensory literacy intervention which builds on the mechanics of reading, developing language and understanding and ultimately opening up the opportunities that reading fluency provides. Children not only close their literacy gap but we raise their expectations of themselves as learners: with improved literacy skills, children can begin to engage with the curriculum. This approach is the key to addressing the multiple, complex barriers to learning that many disadvantaged children experience. Our literacy intervention broadens horizons, giving children who are most behind a crucial and potentially life changing opportunity to return to the classroom with greater independence and confidence.

In 2021/22 the charity directly supported 566 children across both our specialist tuition and our wider literacy work in primary and secondary schools.

Supporting disadvantaged children through our Expert Literacy Programmes

In 2021/22 the charity's Expert Programme delivered 9,850 tuition sessions, supporting a total of 283 children. 223 of these pupils were tutored through our Literacy Lab programme and a further 60 children were tutored through the rollout of our Reading Lab programme.

We worked with 14 partner schools across London and also in Manchester. In four of these schools we partnered with the West London Zone.

Literacy Lab

Each child on the Literacy Lab programme has two, 45-minute, one-to-one literacy sessions per week with their tutor. Our intervention is particularly effective because we capitalise on the strengths of each child and focus teaching on the areas where they need the greatest help. In 21/22 every child on the programme made progress and of the children who graduated, the majority (83%) came within six months of closing their reading age gap; 65% closed their reading age gap completely and 73% achieved age-related comprehension skills.

Children who joined our programme had an average reading age gap of 15 months against their chronological age. On graduating from our programme, the children's average reading age showed them to be four months ahead of age-related expectations. Children who began our programme had an average reading comprehension age gap of 10 months against their chronological age. On graduating, children's average reading comprehension age showed them to be seven months ahead of age-related expectations.

In 2021/22, the pupils graduating from our Literacy Labs have achieved remarkable ratio gains for reading. This is the gain in reading age made during a chronological time span. A gain of above 4.0 – that is for every one month on the programme, a child gains over four months in their literacy development – is rated as 'remarkable impact'. In this academic year the ratio gain for both reading and comprehension was 4.9. An average pupil in a classroom working at age-related expectations would make a gain of one year in one academic year.

Our approach has been independently validated by the University of Sheffield which found our Expert programme "demonstrated effectiveness in significantly progressing the literacy skills of the most disadvantaged student groups in the country" and offered "a gold standard in provision."

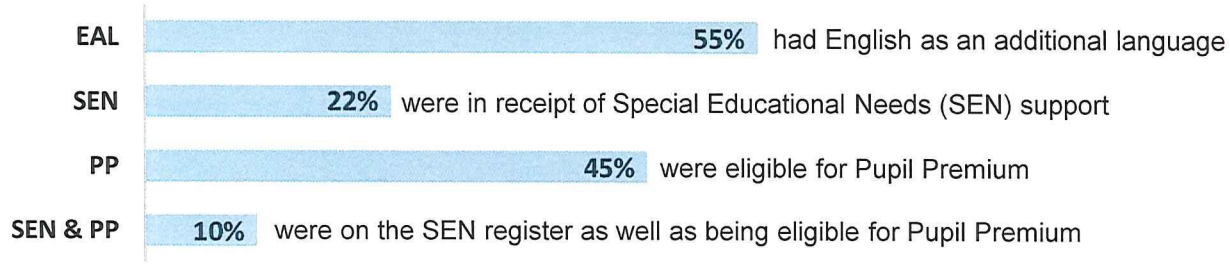
Reading Lab

As part of the expert programme in 21/22, we continued the trial of our new one-to-three Reading Lab catch up intervention, delivering the programme over four 10-week blocks in two schools. The focus of the programme is on reading comprehension and vocabulary to build confidence and literacy skills ahead of the transition to secondary school.

The results were very encouraging: on average, after 10 weeks, children made 10 months of progress - this equates to a ratio gain of 5.0; 75% of the children on the trial narrowed their reading gap and 52% narrowed their gap to within six months of the assessed reading age.

Children Supported Through Our Expert Programmes

Of the children we helped through our Expert tuition this year (all Literacy/Reading Labs):



Our Community Literacy Labs

2021/22 was the last year we ran our Community Literacy Lab programme, giving literacy support to 24 children in Westminster, delivered online due to ongoing Covid concerns. While this was successful and a useful complement to our core work, allowing us to reach children outside of the school setting, we have decided to review the community model going forward to ensure we are able to deliver our tuition as effectively as possible directly to the children most in need of catch up support

Reader Leader Mentoring Programme

Demand for our Reader Leader programme, where we train older secondary school students to mentor younger pupils through one-to-one reading support, was significantly impacted by post pandemic caution about mixing children from different year groups.

In 21/22 we delivered the one-day Reader Leader programme in nine schools, training 119 'Leaders' to mentor some 140 younger 'Readers'. This cost-effective training module is well received by schools and during the year we invested time in developing the programme.

Sharing our expertise

We have always sought to share our literacy expertise with school partners by providing training opportunities where appropriate. This work was, again, limited by post pandemic caution but we were able to deliver training to 38 teachers and teaching assistants, indirectly benefitting over a thousand children.

Charitable objects as set out in our governing document

Our primary goal is to advance educational equality by the provision of educational support in England, tailored to individual children of primary and secondary school age needing extra help in literacy skills, including those children with specific learning difficulties. We also share our expertise through the delivery of training programmes.

Supporters of The Children's Literacy Charity

We are especially grateful to the many supporters who fund our work and would like to extend our sincere thanks to the following donors who have given so generously over the year.

Barings LLC

Charterhouse in Southwark

Garfield Weston Foundation

Girdlers' Company Charitable Trust

Houlihan Lokey

Informa

Masonic Charitable Foundation

Readingmate Ltd

SE Franklin Charity Trust

SELCHP Ltd

The Zochonis Charitable Trust

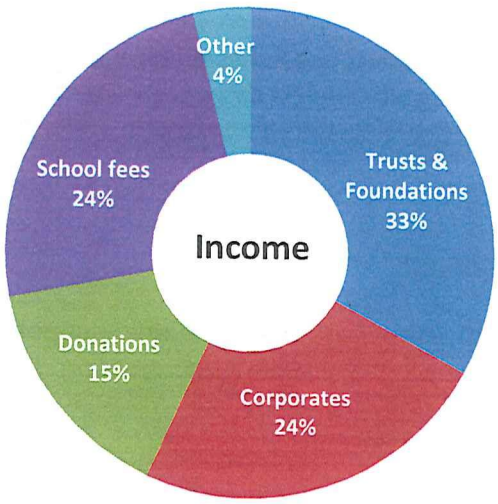
Wellington Management UK Foundation

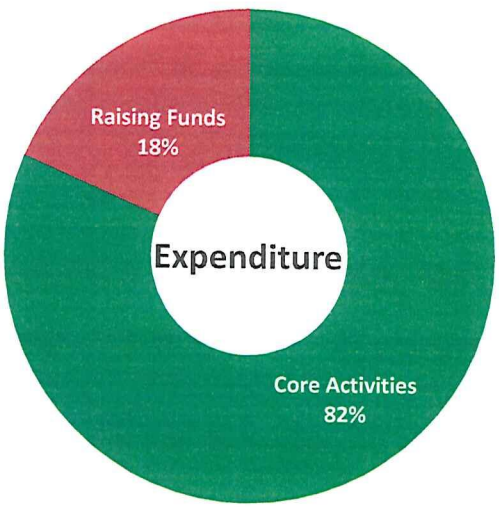
Unum

Financial Review

The total income for the year was £480,607 compared with £432,391 in 2020/21. The principal funding source was income from Trusts and Foundations, accounting for 33% of the overall income. Corporate income and fees for tuition each accounted for 24%, with the remaining 19% being raised from a combination of other income, including individual giving and general donations

Total expenditure for 2021/22 was £468,410 compared to £371,791 in 2020/21 The reduced expenditure in 20/21 was mainly as a result of school closures during the pandemic. The expenditure for 21/22 reflects a more normal period of operation, in line with the programme delivery for the year, with 82% being spent on core activities and 18% on raising funds.





Reserves Policy
The reserves as at 31st August 2022 totalled £314,619. This is made up of the designated liquidation fund of £120,000 and general funds of £194,619, of which £2,913 is invested in the charity's fixed assets. As at 31st August 2022 the charity's free reserves totalled £191,706.

The charity's reserves policy is to hold three months of expenditure in reserves for the purpose of protecting the work of the charity in the short term should funding targets not be met or if the charity should need to cease/curtail its activities. The policy is reviewed annually, when specific factors affecting the level of reserves are reviewed, primarily relating to contractual obligations for employees. As at 31st August 2022 the charity's free reserves were sufficient to meet the trustees' reserves policy.

Going concern
The Trustees believe that the charity has adequate resources to continue in operational existence as future funds receivable are anticipated to be sufficient to fund committed projects. Nevertheless, they will continue to monitor the charity's spending and cash flow regularly to ensure that its liabilities are met as they fall due. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Principal risks and related matters
The Trustees of The Children's Literacy Charity are responsible for the management of the risks faced by the charity. Detailed consideration of risk is delegated to the Senior Management Team and reviewed in October each year. Risks are identified during the review and are monitored and controlled on an on-going basis.
The Trustees are satisfied that all major risks have been reviewed and procedures put in place to mitigate against those risks. Other external risks to which the charity may be exposed to are identified and discussed at regular Trustee meetings and any appropriate actions implemented.

Investment Policy
Reserves are held on deposit with Lloyds Banking Group and Scottish Widows. A review of the investment return is carried out on a regular basis and decisions on where to hold surplus funds are made on the basis of interest rates and accessibility.

Organisational Structure

Structure, Governance and Management
The Children's Literacy Charity is a charitable company limited by guarantee, incorporated on 17th May 2007 and registered as a charity 30th May 2008. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

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

Company law requires the Trustees to prepare financial statements for each financial year. These give a true and fair view of the state of affairs of the charitable company and of the incoming and outgoing resources and application of resources, including income and

expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

Statement of disclosure to the auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- they have taken all steps required to ensure that they are aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Recruitment and Training of Trustees

Recruitment of Trustees is carried out through nominations from within the Trustee Board and through open recruitment. In order to assess their personal competence and independence, a skills audit is conducted to assess suitability for any vacancies on the Board.

Detailed role profiles and codes of conduct are set out in the Trustee Information/Induction Pack and appointments are based on the results of the skills audit and an assessment process followed by a vote of the existing Trustees. New Trustees are given the last three years' Annual Report and Accounts and are encouraged to read the Charity Commission's document "The Hallmarks of an Effective Charity".

Remuneration of senior staff

Remuneration of the Chief Executive is set by the Trustees and benchmarked using the ACEVO pay review and similar roles in other medium sized charities. The same benchmarks are used to set Senior Management pay. No employee is paid more than £60,000 and employees receive no employee benefits other than their pay and pensions.

Senior Management

Responsibility for day-to-day operations and the leadership of the professional and volunteer team is delegated to the Senior Management Team. The Senior Management Team is responsible for all day-to-day decisions affecting the charity. Decisions of a strategic or directional nature, including the employment of the senior staff, remain the responsibility of the CEO & Trustees.

The Trustees keep up to date with charity regulation through reports from the Senior Management Team which is presented as part of the main agenda in Trustees' meetings.

Trustees attend relevant training and are expected to share knowledge and best practice at these meetings.

The charity has no subsidiaries and there were no related party transactions during the year. The Trustees give their time voluntarily and receive no benefits from the charity.

The work of The Children's Literacy Charity is carried out by 40 individuals, comprising 27 paid staff and 13 volunteers.

Auditors
Begbies Accountants have indicated their willingness to continue in office and are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

Preparation of the accounts
The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 – Charity SORP (FRS102) Revised) the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applied from 1 January 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

Public Benefit
The trustees have had regard to the Charity Commission's guidance on public benefit and are satisfied that the company meets the public benefit requirement.

Future plans and goals 2022/23

Strategic Aims

Education: To continue to deliver highly effective programmes in closing the literacy gap for the most disadvantaged children in areas of deprivation, achieving an affordable intervention without compromising on quality while building strong relationships with new and existing school partners.
Organisation: To ensure we have a sound, stable infrastructure with the capacity, skills and flexibility to support growth and the goal of reaching more disadvantaged children where the need is greatest
Fundraising: To diversify income streams with a focus on growing unrestricted income and income from corporates
Governance: To maximise trustee engagement in support of education and fundraising initiatives and charitable oversight.

Education

For 22/23 we aim to consolidate the work to date on Literacy Lab and Reading Lab and, with strong funding support, expand the Reading Lab programme alongside growing our Reader Leader programme. Specific targets include:

- Deliver 174 Expert Literacy Lab pupil places through 12 partner schools in disadvantaged communities.
- Extend delivery of our new 1:3 catch-up Reading Lab programme, reaching 195 children in six schools in disadvantaged areas
- Increase Reader Leader delivery to more schools and develop the programme further
- Relaunch our Parental Engagement programme working closely with partner schools
- Continue to seek opportunities to expand to new geographic areas and work with new partners
- Ensure that our educational delivery is of the highest quality through regular review and quality control of delivery through evaluation of pupil progress.
- Support tutors by providing ongoing professional development opportunities
- Seek opportunities to develop partnerships with like-minded organisations and delivery partners such as the West London Zone.

Income generation and Fundraising

- Raise an overall income of £588,010. This will be achieved by raising £428,000 through fundraising, and securing £160,010 from school contributions and training provision.
- Provide excellent account management to existing trusts and foundation donors, while increasing levels of support through effective and appropriate funding applications.
- Increase unrestricted corporate income through a supportive relationship management approach for new and existing corporate partnerships and evaluate opportunities for incorporating volunteering
- Develop our community fundraising offer and increase our digital reach.
- Manage our relationships with existing funders and supporters through regular communication, reporting and contact.

Organisation

- Build on the launch of the new website to grow communications through social media channels and develop content to support parents
- Evolve how we tell our story through compelling and engaging content as well as relevant supporting evidence for the need for our work
- Evidence our impact through the capture of quantitative and qualitative data of pupil progress.
- Ensure that robust safeguarding policies and procedures are in place/adhered to.
- Maintain facilities and infrastructure to meet organisational needs.

Governance

- Facilitate strong trustee engagement through regular quarterly meetings.
- Ensure trustees are fully informed and risks are recorded and reviewed regularly.
- Ensure the charity is meeting its legal obligations through the development and submission of annual accounts in a timely fashion.



Jeffrey Defries, Chairman of Trustees

Date: 9/2/2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
The Children's Literacy Charity

Opinion

We have audited the financial statements of The Children's Literacy Charity (the "Charity") for the year ended 31st August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Charity's affairs as at 31st August 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (incorporating the directors' 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees
The trustees 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 they 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 Charity'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 Charity 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.

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

– Agreement of the financial statement disclosures to underlying supporting documentation;

– Enquiries of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;

– Review of minutes of Board meetings throughout the period;

– incorporating unpredictability into the nature, timing and/or extent of testing.

– Evaluation of the selection and application of the accounting policies chosen by the charity.

– In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud; and

– We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report
This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katherine Dee (Senior Statutory Auditor)
For and on behalf of Begbies Chartered Accountants, Statutory Auditor
9 Bonhill Street
London
EC2A 4DJ

Date: 21/2/23

The Children's Literacy Charity
Statement of Financial Activities
Year to 31st August 2022
Including Income and Expenditure Account

	Note	Unrestricted £	Restricted £	**Total 2022 £**	Total 2021 £
Income and endowments from:					
Donations & Legacies	2a	116,393	11,400	**127,793**	89,813
Charitable activities	2b	123,858	218,922	**342,780**	322,164
Trading activities - sponsorship		10,000	0	**10,000**	0
Other Income – CJRS		0	0	**0**	20,397
Investments (bank Interest)		34	0	**34**	17
Total Income		**250,285**	**230,322**	**480,607**	**432,391**
Expenditure on:	4 & 5				
Raising Funds		86,457	0	**86,457**	57,102
Charitable Activities		151,632	230,322	**381,954**	314,689
Total Expenditure		**238,088**	**230,322**	**468,410**	**371,791**
Net Income/(Expenditure)		**12,197**	**0**	**12,197**	**60,600**
Net Movement in funds		**12,197**	**0**	**12,197**	**60,600**
Reconciliation in Funds					
Total Funds brought Forward		302,423	0	302,423	241,823
Total Funds carried Forward	**10 & 11**	**314,619**	**0**	**314,619**	**302,423**

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

There were no recognised gains and losses in the period other than those shown above.

All of the above results are derived from continuing activities.

The notes 1-15 form a part of these financial statements.

The Children's Literacy Charity
Balance Sheet
As at 31st August 2022

	Note	Total 2022 £	Total 2021 £
Fixed Assets			
Tangible assets	6	2,913	6,297
		2,913	6,297
Current Assets			
Debtors	7	14,109	4,112
Cash at Bank	8	399,937	432,035
		414,046	436,147
Liabilities			
Creditors: Amounts falling due within one year	9	(102,340)	(140,021)
Net Current Assets		311,706	296,126
Net Assets		**314,619**	**302,423**
Funds of the Charity			
Restricted		0	0
General	10	194,619	182,423
Designated	10	120,000	120,000
Total Funds		**314,619**	**302,423**

The notes 1-15 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved, and authorised for distribution, by the board on and signed on their behalf by:

D Defries

Jeffrey Defries, Chairman of Trustees

Date: 9/2/2023

Registered Company Number 6251103, Charity Number 1124257

The Children's Literacy Charity
Statement of Cashflows
Year to 31st August 2022

	Note	Total 2022	Total 2021
		£	£
Cashflows from operating activities:			
Net Cash provided by (used in) operating activities	8a	**(32,133)**	**141,171**
Cashflows from investing activities:			
(Purchase)/sale of tangible Fixed Assets		0	(6,530)
Interest from investments		34	17
Net cash provided by investing activities		**(32,098)**	**134,658**
Change in cash and cash equivalents in the reporting period		(32,098)	134,658
Cash and cash equivalents at the beginning of the reporting period		432,035	297,377
Cash and cash equivalents at the end of the reporting period	8b	**399,936**	**432,035**

Reconciliation of net debt
The charity had no net debt in the current or prior year.

Notes to the financial statements
Year to 31st August 2022

1. Accounting Policies

Basis of Accounting
The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 – Charity SORP (FRS102) Revised) the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applied from 1 January 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern
At the time of approving the accounts, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the next 12 months. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

The reserves comprise the Designated Fund of £120,000 to cover three months of running costs and a further £194,619 of general reserves. Of the general reserves £2,913 are invested in fixed assets leaving £191,706 of free reserves.

Funds Structure
Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the charity for particular purposes.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the charity's objects.

Designated funds are unrestricted funds set aside by the trustees for particular purposes. The funds set aside for this purpose are detailed in the reserves policy.

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

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donations in kind are recognised at an estimate of their value. No value is placed on general volunteer or trustee time donated.

Grants are recognised at the point when the charity is notified of the grant. Grants shown as donations are only deferred if they relate to a specific future time period as identified by the

donor, and the charity is not entitled to spend the funds before this period, or the charity is not entitled to the funds without first meeting criteria which are yet to be met at the year end.

Grants are recognised as restricted if they are donated for a purpose more restrictive than the ongoing operations of the charity. Grants are recognised as unrestricted if the donor does not state and restriction on the use of the grant.

Grants that are received for the general operation of the charity, rather than on the basis of a contract or for a specific level of service, are treated as donations. Were a grant is received with a specified level of service, it would be shown as income from charitable activities and would be deferred to the extent that the charity has yet to fulfil the service level obligations.

School fees and training income are accounted for when they are receivable by the charity to the extent that they are expected to be recoverable.

Income from fundraising activities which are in essence donations, such as sponsorships from marathons and other challenge events are shown in donations and recognised in the year the events took place.

Resources Expended
Expenditure is accounted for in the period to which it relates. The majority of costs are directly attributable to the main activity of the charity which is to teach children with literacy difficulties on a one-to-one basis to help them acquire basic literacy skills to enable them to access the mainstream curriculum in the classroom.

Support costs represent general overheads which cannot be attributed directly to specific activities in furtherance of the charitable object and accordingly have been allocated across activities on the basis of the percentage of staff time or other appropriate cost driver. Governance costs are included in support costs and represent those costs attributable to the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

The costs of generating funds are those costs of seeking potential funders and applying for funding together with any indirect costs incurred in carrying out this work.

Tangible Fixed Assets
All assets costing more than £400 are capitalised and included at cost. Depreciation is recognised so as to write off the cost of the valuation of assets less their residual values over their useful lives of 3 years or 5 years depending on the estimation of their useful life.

The charity does not hold any freehold land or buildings.

Impairment of Fixed assets
At the end of each year the charity reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication of those assets being impaired or damaged. If this is the case the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

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

Financial Instruments
The charitable company has elevated 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 in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets
Basic financial assets include debtors, cash and bank balances, are measured initially at transaction price including transaction costs.

Basic financial liabilities
Basic financial liabilities, including creditors are initially recognised at transaction price.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not they are presented as non-current liabilities.

De-recognition of financial liabilities
Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

Operating Leases
Payments made under operating leases are charged to the Statement of Financial Activities as incurred.

Pensions
The charity enrols eligible workers in workplace pension schemes with NEST. All other employees have a right to join the scheme should they so wish, with the Children's Literacy Charity paying in to the contributions after 6 months of employment. All the pensions are defined contribution bases and as such the assets and liabilities are held separately to those of the charity. Contributions are recorded by the charity as they fall due.

Registered Office
The Charity's registered office is Conrad Court, Cary Avenue, London SE16 7EJ.

Government Grants
School fees are received directly from the relevant schools and are not government grants. During the year the charity received £529 of Coronavirus Statutory Sick Pay for which no conditions remained unfulfilled at the year end.

2a. Donations and Legacies

	Notes	Unrestricted	Restricted	Total 2022
		£	£	£
Donations		27,141	0	**27,141**
Legacies		49,927	0	**49,927**
Trusts/Foundations/Corporates	3	32,969	11,400	**44,369**
Sponsorships		6,356	0	**6,356**
		116,393	**11,400**	**127,793**

	Notes	Unrestricted	Restricted	Total 2021
		£	£	£
Donations		30,075	0	**30,075**
Trusts/Foundations/Corporates	3	55,289	3,400	**58,689**
Sponsorships		1,049	0	**1,049**
		86,413	**3,400**	**89,813**

2b. Charitable Activities

	Notes	Unrestricted	Restricted	Total 2022
		£	£	£
Trusts/Foundations/Corporates	3	0	218,922	**218,922**
Fees from schools/parents		118,267	0	**118,267**
Training activities		5,591	0	**5,591**
		123,858	**218,922**	**342,780**

	Notes	Unrestricted	Restricted	Total 2021
		£	£	£
Trusts/Foundations/Corporates	3	0	207,287	**207,287**
Fees from schools/parents		113,675	0	**113,675**
Training activities and conferences		1,202	0	**1,202**
		114,877	**207,287**	**322,164**

3. Income from Trusts, Foundations & Corporates

	Unrestricted	Restricted	**Total 2022**	Unrestricted	Restricted	Total 2021
Within Donations (note 2a)	£	£	**£**	£	£	£
Informa	4,979	0	**4,979**	14,695	0	14,695
SE Franklin Charity Trust	0	8,000	**8,000**	0	0	0
Donald Forrester Trust	0	0	**0**	5,000	0	5,000
Girdlers' Company Charitable Trust	4,547	0	**4,547**	0	0	0
SELCHP Ltd	0	3,400	**3,400**	0	3,400	3,400
Wellington Management UK Foundation	0	0	**0**	11,000	0	11,000
Anonymous	0	0	**0**	10,000	0	10,000
Other grants £3000 and under	23,443	0	**23,443**	14,594	0	14,594
Total Grants - Donations	32,969	11,400	**44,369**	55,289	3,400	58,689
Within Charitable Activities (note 2b)	£	£	**£**	£	£	£
Deferred income brought forward	0	124,785	**124,785**	0	55,833	55,833
Receivable during the year						
TTEES Man Group Plc	0	0	**0**	0	25,000	25,000
The Zochonis Charitable Trust	0	25,000	**25,000**	0	25,000	25,000
Girdlers' Company Charitable Trust	0	8,000	**8,000**	0	8,000	8,000
St Giles & St George (inc. deferred)	0	0	**0**	0	15,833	15,833
The Swire Charitable Trust	0	0	**0**	0	15,000	15,000
DCR Allen Charitable Trust	0	0	**0**	0	3,000	3,000
Garfield Weston Foundation	0	25,000	**25,000**	0	25,000	25,000
Wellington Management UK Foundation	0	35,000	**35,000**	0	20,000	20,000
Charterhouse in Southwark (inc. deferred)	0	5,000	**5,000**	0	5,000	5,000
Masonic Charitable Foundation (inc. deferred)	0	21,456	**21,456**	0	21,456	21,456
Houlihan Lokey (inc. deferred)	0	0	**0**	0	90,000	90,000
Barings LLC (inc. deferred)	0	50,000	**50,000**	0	16,800	16,800
Unum	0	5,000	**5,000**	0	0	0
Other grants £3000 and under	0	6,000	**6,000**	0	6,150	6,150
Deferred Income carried forward (See note 9b)	0	(86,319)	**(86,319)**	0	(124,785)	(124,785)
Total Grants - Charitable Activities	0	218,922	**218,922**	0	207,287	207,287

4a. Summary Expenditure

The Children's Literacy Charity has one main activity - teaching children to read and write. This involves literacy tuition and training volunteers, together with the support costs associated with this activity.

	Raising Funds	**Charitable Activities**	**Total 2022**	Raising Funds	Charitable Activities	Total 2021
	£	£	**£**	£	£	£
Direct Costs	75,646	303,738	**379,385**	49,062	248,224	297,285
Support Cost	10,810	78,215	**89,026**	8,040	66,465	74,505
Total	**86,457**	**381,954**	**468,410**	57,102	314,689	371,791

4b. Analysis of Support Costs

Support Costs	**Raising Funds**	**Charitable Activities**	**Total 2022**	Raising Funds	Charitable Activities	Total 2021
	£	£	**£**	£	£	£
Staff	3,327	24,074	**27,401**	2,811	23,235	26,045
Office/IT	1,997	14,452	**16,450**	1,555	12,854	14,409
Finance	23	164	**187**	9	74	83
HR/Admin	437	3,159	**3,595**	838	6,926	7,763
Governance	4,244	30,709	**34,954**	2,709	22,390	25,099
Communications	782	5,657	**6,439**	119	987	1,106
Total	**10,810**	**78,215**	**89,026**	8,040	66,465	74,505

Allocated based on the proportion of direct charitable activity and fundraising staff time

Total Expenditure for the year includes the following:

	Total 2022	Total 2021
	£	£
Depreciation (see Note 6)	**3,384**	3,066
Premises and Office costs	**16,450**	14,409
Auditors remuneration	**4,440**	4,440

5. Staff Costs

	Total 2022	Total 2021
	£	£
Salaries	**355,879**	301,357
Social Security Costs	**16,642**	7,993
Pension Costs	**5,939**	4,560
Redundancy costs	**10,000**	0
Total	**388,460**	313,910

Staff Numbers
The average number of staff employed during the year was 27, many of whom are part time. In 2021 the average number of staff was 26.

Key Management Staff
Amounts paid to key management staff during the year was £150,087, of which £125,587 was paid through payroll and £24,500 was paid to freelance staff (£138,927 in 2021 of which £121,552 was paid through payroll and £17,375 was paid to freelance staff). This represents the salary of the CEO, Education Lead, Head of Fundraising and Head of Finance. No employee was paid more than £60,000 in 2021 or 2022.

Redundancy Payment
Redundancy payments are recognised in the period in which the redundancy is communicated to the employee. There were no outstanding redundancy payments at the year end.

6. Fixed Assets

	Office & General Equipment	Fixtures & Fittings	**Total**
Cost:	£	£	**£**
At 1st September 2021	24,671	428	**25,099**
Additions	0	0	**0**
Disposal	0	0	**0**
As at 31st August 2022	**24,671**	**428**	**25,099**
Depreciation:			
At 1st September 2021	18,375	428	**18,803**
Disposal	0	0	**0**
Charge for the period	3,384	0	**3,384**
As at 31st August 2022	**21,759**	**428**	**22,187**
Net Book Value			
At 1st September 2021	6,297	0	**6,297**
At 31st August 2022	**2,913**	**0**	**2,913**

7. Debtors & Prepayments

	2022	2021
	£	£
Tax reclaimed on gift aid donations	**2,244**	2,080
Debtors control account	**3,280**	500
Other debtors	**5,033**	460
Prepayments	**3,552**	1,071
Total	**14,109**	4,112

8a. Reconciliation of net income/(expenditure) to net cashflow from operating activities

	Total 2022	Total 2021
	£	£
Net income for the reporting period (as per SOFA)	**12,197**	60,600
Adjustments for:		
Depreciation	**3,384**	3,066
Interest	**(34)**	(17)
(Increase)/Decrease in debtors	**(9,998)**	4,505
Increase/(Decrease) in creditors	**(37,681)**	73,018
Net cash used by operating activities	**(32,133)**	141,171

8b. Analysis of cash and cash equivalents

	Total 2022	Total 2021
	£	£
Current Account	**359,763**	392,109
Deposit Accounts	**39,954**	39,920
Petty Cash	**219**	6
	399,937	432,035

9a. Creditors

	Total 2022	Total 2021
	£	£
Tax and social security	**4,933**	4,278
Accruals	**4,440**	5,821
Deferred income (see note 9b)	**89,919**	128,385
Pension	**1,199**	1,063
Other creditors	**1,848**	474
	102,340	140,021

9b. Deferred Income

	Total 2022	Total 2021
	£	£
Brought Forward	**128,385**	55,833
Transferred to income during the year		
Grants	**(83,385)**	(55,833)
Schools fees paid in advance	**3,600**	3,600
Grants deferred in year	**41,319**	124,785
Carried Forward	**89,919**	128,385

Deferred grants are broken down as follows:

	Total 2022	Total 2021
St Giles & St George	**0**	5,833
Charterhouse in Southwark	**5,000**	5,000
Houlihan Lokey	**45,000**	90,000
Masonic Charitable Foundation	**7,152**	7,152
Barings LLC	**29,167**	16,800
Total Grants Received in advance	**86,319**	124,785

10. Movement in Funds

	Balance at 01.09.21	Incoming	Outgoing	Transfers	Balance at 31.08.22
Unrestricted Funds	£	£	£	£	**£**
Designated Fund	120,000	0	0	0	**120,000**
General Funds	182,423	250,285	(238,088)		**194,619**
Total Unrestricted Funds	302,423	250,285	(238,088)	0	**314,619**
Restricted Funds					
Education	0	230,322	(230,322)		**0**
Total Restricted Funds	0	230,322	(230,322)	0	**0**
Total Funds	302,423	480,607	(468,410)	0	**314,619**

2021 Comparative

	Balance at 01.09.20	Incoming	Outgoing	Transfers	Balance at 31.08.21
Unrestricted Funds	£	£	£	£	£
Designated Fund	120,000	0	0	0	120,000
General Funds	121,823	201,307	(140,707)	0	182,423
Total Unrestricted Funds	241,823	201,307	(140,707)	0	302,423
Restricted Funds					
Education	0	231,084	(231,084)		0
Total Restricted Funds	0	231,084	(231,084)	0	0
Total Funds	241,823	432,391	(371,791)	0	302,423

Designated funds

The designated fund is set aside in the event that the charity has to cease operations. It covers roughly 3 months salary and other costs, which is the assumed time that would be needed to close the charity.

Restricted Funds

Restricted funds - Education

These represent funds that have been given by donors at the year end for specific education projects that have not been spent at year end or deferred for the next year.

Please refer to the Trustees' report for further explanation of all the above funds.

11. Net Assets by Fund

	General	Designated	Restricted	Total 2022
	£	£	£	£
Fixed Assets	2,913			**2,913**
Current Assets	207,727	120,000	86,319	**414,046**
Current Liabilities	(16,021)		(86,319)	**(102,340)**
	194,619	**120,000**	**0**	**314,619**

2021 Comparative	General	Designated	Restricted	Total 2021
	£	£	£	£
Fixed Assets	6,297	0	0	**6,297**
Current Assets	191,362	120,000	124,785	**436,147**
Current Liabilities	(15,236)	0	(124,785)	**(140,021)**
	182,423	**120,000**	**0**	**302,423**

12. Future Commitments

As at 31st August 2022 The Children's Literacy Charity had total commitments under operating leases as follows:

		Total 2022	Total 2021
Operating leases which expires:		£	£
Office Equipment (photocopier lease)	within one year	**0**	607
Office Equipment (photocopier lease)	2 - 5 Years	**0**	0
		0	607

The office is occupied under licence terminable at 30 days' notice.

13. Transactions with trustees and related party transactions

Donations from trustees totalled £2,775 (2021: £800).
No trustee received any remuneration in the year in 2022 or 2021.
No trustee was paid any travel expenses in the year in 2022 or 2021.
The trustees are covered under the general office insurance policy.
There were no other transactions with related parties requiring disclosure in 2022 or 2021.

14. Legal Structure

The charitable company's legal structure is that of a company limited by guarantee. In the event of the company winding up, each member is liable to contribute to any deficit to a maximum of £10 per member.

15. SOFA Comparatives

	Unrestricted	Restricted	Total 2021	Total 2020
	£	£	£	£
Income and endowments from:				
Donations & Legacies	86,413	3,400	89,813	88,185
Charitable activities	114,877	207,287	322,164	328,709
Other Income – CJRS grant	0	20,397	20,397	68,723
Investments (bank Interest)	17	0	17	202
Total Income	**201,307**	**231,084**	**432,391**	**485,818**
Expenditure on:				
Raising Funds	57,102	0	57,102	69,172
Charitable Activities	83,605	231,084	314,689	370,076
Total Expenditure	**140,707**	**231,084**	**371,791**	**439,248**
Net Income/(Expenditure)	**60,600**	**0**	**60,600**	**46,571**
Reconciliation in Funds				
Net Movement in funds	60,600	0	60,600	46,571
Total Funds brought Forward	241,823	0	241,823	195,252
Total Funds carried Forward	**302,422**	**0**	**302,422**	**241,823**

THE CHILDREN'S LITERACY CHARITY

England & Wales - Charity number 1124257

Accounts



The Children's Literacy Charity

Annual Report and Accounts

Year Ended 31st August 2021

Registered Charity Number 1124257
Company Incorporated in England and Wales
Registered Company Number 6251103

Contents

Legal and administrative details 3

From the Chair 4

Trustees' report 5

Financial review 8

Independent Auditors' report 13

Financial statements 17

Legal & Administrative Details as at 31st August 2020

Charity Name:	The Children's Literacy Charity
Company Number:	6251103
Charity Number:	1124257
Registered Address:	Conrad Court, Cary Avenue, London SE16 7EJ Telephone: 020 7740 1008 E-mail: info@theclc.org.uk Website: www.thechildrensliteracycharity.org.uk
Patrons:	Sarah, Duchess of York The Lord Harris of Peckham The Lord Hastings of Scarisbrick CBE The Lord Lingfield Noel Gordon Margaret McVeigh
Trustee Board:	For the purposes of the Companies Act 2006, the Board of Trustees is regarded as the Board of Directors of the company. The Trustees of the company throughout the year and to the date of signing this report are as follows: Jeffrey Defries (Chair) Steven Artist (Deputy Chair) Isabel Greenwood (resigned 18 November 2020) Andrew Martin Neal Lodhia Dr Jenny Thomson
Senior Management:	Isabel Greenwood - CEO Halima Begum – Head of Finance Michelle Bennett – Head of Fundraising Alex Charalambous – Head of Educational Development
Bankers:	Lloyds Bank plc 34 Moorgate, London EC2R 6PL Scottish Widows 25 Gresham Street, London EC2V 7HN
Auditors:	Begbies Chartered Accountants and Registered Auditors 9 Bonhill Street, London EC2A 4DJ

From the Chair

Our work here at The Children's Literacy Charity has in this last year proved to be more important than ever before.

The Covid pandemic has cast a long shadow over education: all the evidence shows it is disadvantaged children who have been most affected and at the greatest risk of being left behind.

Over the course of the 20/21 academic year we have heard from many of our school partners about the pressing need for catch up support at the same time as their own budgets have come under considerable pressure.

It is, therefore, a testament to the skill and hard work of our tutors and support staff that we have continued to deliver our programmes despite the challenges of school lockdowns, social distancing and sometimes entire year groups isolating. We have learned to be adaptable and flexible both as an organisation and in delivering our intervention.

We briefly furloughed our tutors at the start of January until we could make arrangements to continue to deliver our work in the majority of our schools. Within days our wonderful tutors were working 1:1 with the children we support. Additionally, we diverted some resources to trialling a new 'catch up' initiative: a ten-week, 1:3 reading and vocabulary intervention for Year 6 children. Due to Covid, many older primary school pupils are significantly behind where they should be and therefore lacking in both the skills and confidence needed to make a successful transition to secondary school.

Yet in spite of a second disrupted year, our impact data remains as impressive as ever, with the children making remarkable gains in reading and reading comprehension.

98 per cent of our Expert Literacy Programme graduates closed or significantly narrowed their literacy gap; over two-thirds closed their reading age gap completely, gaining on average two years and six months in their reading age. For every one month of our tuition, a graduating child made on average over five months of progress in their reading.

We are proud, therefore, that we have been able to continue to support the children who need our help the most in the provision of our high quality, life changing literacy tuition at the same time as ensuring the charity is on a strong and stable financial footing.

We are also hugely grateful to our school partners as well as our generous donors - whether individuals, trusts or corporates - for their continuing support of our vital work at a time when the economic climate has also presented its own challenges. We have seen some incredible gestures of support as recognition grows for the profound impact of Covid on the lives of the most disadvantaged children.

Jeffrey Defries
Chair of Trustees

Trustees Report

Our Vision

The vision of The Children's Literacy Charity is to close the literacy gap for all disadvantaged children, enabling them to achieve their true potential.

Working in primary schools in some of the most deprived areas of the country, the charity's specialist tutors provide tailored, one-to-one and small group literacy tuition, giving disadvantaged children the chance to catch up with their peers, grow in skills and confidence and engage with learning.

The charity firmly believes that the earlier the intervention, the greater the benefit and that its focus on all aspects of literacy – reading, writing, comprehension, speaking and listening – as well as the use of high quality, expert tutors produces remarkable results.

The scale of the need

Every year 150,000 of the poorest children start school with language skills one and a half years behind their peers. For some their literacy gap is so significant they struggle to make progress in the mainstream classroom throughout their primary education.

The most disadvantaged children are often the furthest behind and if they do not catch up, their literacy gap will have a profound effect on the rest of their lives. Poor literacy affects confidence and engagement: when children struggle at school they are more likely to truant and ultimately less likely to find a job and more likely to turn to crime. This is a growing problem: by 2025 it is estimated that 1.5 million children in the UK will reach 11 unable to read well.

How we change lives, for good

The Children's Literacy Charity aims to transform the life chances of disadvantaged children who are at risk of being left behind in the education system. Through the provision of tailored, face to face, specialist tuition, these children not only gain important literacy skills but start to engage with learning, growing in confidence and resilience as a result.

The vulnerable children we work with have a literacy level that is often between one to two years behind their peers, and sometimes greater. The barriers to their learning include: coming from socioeconomically disadvantaged backgrounds; speaking English as an additional language; having some form of special educational need such as dyslexia, dyspraxia or mild autism; having parents or carers who also struggle with their literacy; and having chaotic home lives and/or disrupted school attendance.

We deliver multi-sensory, phonics-based tuition that builds skills and grows confidence. We raise children's expectations of themselves as learners, strengthen their self-esteem and broaden their horizons. This approach is the key to addressing the multiple, complex barriers to learning that many disadvantaged children experience. Our literacy intervention gives those children who are most behind a crucial and potentially life changing step up.

Supporting disadvantaged children through our Expert Literacy Programme

In 2020/21 the Children's Literacy Charity supported 243 pupils. Due to the Spring lockdown, 49 of these children were tutored online.

Each child on the programme had two, 45-minute, one-to-one literacy sessions per week with their tutor. Our intervention is particularly effective because we capitalise on the strengths of each child and focus teaching on the areas where they need the greatest help. Every child on the programme made progress and of the children who graduated, the overwhelming majority (98%) came within six months of closing their reading age gap); 71% closed their reading age gap completely and 66% achieved age-related comprehension skills.

Of the children we helped through our Expert tuition this year:

49% of pupils had English as an additional language
25% were in receipt of Special Educational Needs (SEN) support
46% were eligible for Pupil Premium
14% of pupils were on the SEN register as well as being eligible for Pupil Premium

Children who joined our programme had an average reading age gap of 12 months against their chronological age. On graduating from our programme, the children's average reading age showed them to be six months ahead of age related expectations. Children who began our programme had an average reading comprehension age gap of eight months against their chronological age. On graduating our programme, children's average reading comprehension age showed them to be seven months ahead of age related expectations.

In 2020/21, the pupils graduating from our Literacy Labs have achieved our highest ever ratio gain for reading. This is the gain in reading age made during a chronological time span - a gain of above 4.0 indicates remarkable impact, i.e. for every month on the programme the child gained over four months in their literacy development. In this academic year the ratio gain for reading was 5.1 and for comprehension was 4.2. An average pupil in a classroom working at age-related expectations would make a gain of one year in one academic year.

Our approach has been independently validated by the University of Sheffield which found our Expert programme "demonstrated effectiveness in significantly progressing the literacy skills of the most disadvantaged student groups in the country" and offered "a gold standard in provision."

As part of the expert programme in 20/21, our new one-to-three catch up intervention was trialled with five, Year 6 groups to help prepare them for the transition to secondary school.

Due to Covid these Year 6 children had a significant literacy gap.

The trial was very encouraging: on average, after 10 weeks, children made eight months of progress - this equates to a ratio gain of 4.1; 93% of the children on the trial narrowed their reading gap and 40% narrowed their gap to within six months of the assessed reading age.

Reaching children through our Community Literacy Labs

In 2020/21 we ran two Community Literacy Labs benefiting 39 children in some of the most deprived wards of London. This year due to concerns about Covid and mixing children from different schools one of the programmes was delivered online. Under normal circumstances our Community programme differs from the Expert programme in that it can reach children outside of the school setting, either at a centre within their local community or as an afterschool club. As a consequence, there is a greater opportunity to engage parents in their child's learning, and children also have a chance to develop some of their softer skills such as turn-taking, listening and problem solving.

Sharing our expertise

We deliver a range of courses and continued professional development opportunities externally to schools and a range of organisations. This is a way for us to share our knowledge and expertise to impact the lives of many more children. In 2020/21, we trained 80 teachers and teaching assistants. We estimate that 2,400 children would have indirectly benefitted from the training their teachers and teaching assistants received.

Our Reader Leader programme, where we train older school students to mentor younger pupils through one to one reading support, was significantly impacted by the pandemic as even when open, schools were rightly cautious about mixing children from different year groups. We held only one session in 20/21, training 12 students, but already in 21/22 we have seen renewed interest in this valuable programme.

Charitable objects as set out in our governing document

To advance education by the provision of educational support in England tailored to individual children of primary and secondary school age needing extra help in literacy skills, including those children with specific learning difficulties, and to train people to provide such support.

Supporters of The Children's Literacy Charity

We are especially grateful to the many supporters who fund our work and would like to extend our sincere thanks to the following donors who have given so generously over the year.

Charterhouse in Southwark

DCR Allen Charitable Trust

Donald Forrester Trust

Garfield Weston Foundation

Informa

Masonic Charitable Foundation

People's Postcode Trust

SELCHP Ltd

St Giles & St George

Girdlers' Company Charitable Trust

The Swire Charitable Trust

The Zochonis Charitable Trust

TTEES Man Group Plc

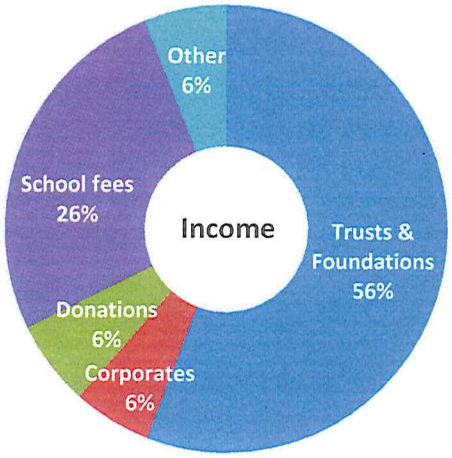
Walcot Foundation

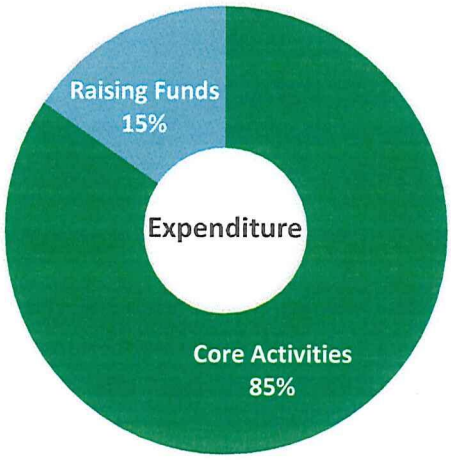
Wellington Management UK Foundation

Financial Review

The total income for the year was £432,391 compared with £485,818 in 2019/20. The principal funding source was income from Trusts and Foundations, accounting for 56% of the overall income. Fees for services accounted for 26%, with the remaining 18% being raised from a combination of other income, including individual giving and corporate donations.

Total expenditure for 2020/21 was £371,791 compared to £439,248 in 2019/20. 85% of this was spent on core activities and 15% on raising funds.





Reserves Policy

The reserves as at 31st August 2021 totalled £302,423. This is made up of the designated liquidation fund of £120,000 and general funds of £182,423, of which £6,297 is invested in the charity's fixed assets. As at 31st August 2021 the charity's free reserves totalled £176,126.

The charity's reserves policy is to hold three months of expenditure in reserves for the purpose of protecting the work of the charity in the short term should funding targets not be met or if the charity should need to cease/curtail its activities. The policy is reviewed annually, when specific factors affecting the level of reserves are reviewed, primarily relating to contractual obligations for employees. As at 31st August 2021 the charity's free reserves were sufficient to meet the trustees' reserves policy.

Going concern

The Trustees believe that the charity has adequate resources to continue in operational existence as future funds receivable are anticipated to be sufficient to fund committed projects. Nevertheless, they will continue to monitor the charity's spending and cash flow regularly to ensure that its liabilities are met as they fall due. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Principal risks and related matters

The Trustees of The Children's Literacy Charity are responsible for the management of the risks faced by the charity. Detailed consideration of risk is delegated to the Senior Management Team and reviewed in October each year. Risks are identified during the review and are monitored and controlled on an on-going basis.
The Trustees are satisfied that all major risks have been reviewed and procedures put in place to mitigate against those risks. Other external risks to which the charity may be exposed to are identified and discussed at regular Trustee meetings and any appropriate actions implemented.

Investment Policy
Reserves are held on deposit with Lloyds Banking Group and Scottish Widows. A review of the investment return is carried out on a regular basis and decisions on where to hold surplus funds are made on the basis of interest rates and accessibility.

Organisational Structure

Structure, Governance and Management
The Children's Literacy Charity is a charitable company limited by guarantee, incorporated on 17th May 2007 and registered as a charity 30th May 2008. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- they have taken all steps required to ensure that they are aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Recruitment and Training of Trustees
Recruitment of Trustees is carried out through nominations from within the Trustee Board and through open recruitment. In order to assess their personal competence and

independence, a skills audit is conducted to assess suitability for any vacancies on the Board.

Detailed role profiles and codes of conduct are set out in the Trustee Information/Induction Pack and appointments are based on the results of the skills audit and an assessment process followed by a vote of the existing Trustees. New Trustees are given the last three years' Annual Report and Accounts and are encouraged to read the Charity Commission's document "The Hallmarks of an Effective Charity".

Remuneration of senior staff
Remuneration of the Chief Executive is set by the Trustees and benchmarked using the ACEVO pay review and similar roles in other medium sized charities. The same benchmarks are used to set Senior Management pay. No employee is paid more than £60,000 and employees receive no employee benefits other than their pay and pensions.

Senior Management
Responsibility for day-to-day operations and the leadership of the professional and volunteer team is delegated to the Senior Management Team. The Senior Management Team is responsible for all day to day decisions affecting the charity. Decisions of a strategic or directional nature, including the employment of the senior staff, remain the responsibility of the Trustees.

The Trustees keep up to date with charity regulation through reports from the Senior Management Team which is presented as part of the main agenda in Trustees' meetings. Trustees attend relevant training and are expected to share knowledge and best practice at these meetings.

The charity has no subsidiaries and there were no related party transactions during the year. The Trustees give their time voluntarily and receive no benefits from the charity.

The work of The Children's Literacy Charity is carried out by 45 individuals, comprising 28 paid staff and 17 volunteers.

Auditors
Begbies Accountants have indicated their willingness to continue in office and are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

Preparation of the accounts
The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 – Charity SORP (FRS102) Revised) the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applied from 1 January 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

Public Benefit
The trustees have had regard to the Charity Commission's guidance on public benefit and are satisfied that the company meets the public benefit requirement.

Future plans and goals 2021/22

Strategic Aims

Education: To deliver highly effective programmes in closing the literacy gap for the most disadvantaged children in areas of deprivation, achieving a valued intervention without compromising on quality while building strong relationships with school partners.
Fundraising: To diversify income streams with a focus on growing unrestricted income and income from corporates
Organisation: To ensure we have a sound, stable infrastructure with the capacity, skills and flexibility to support growth.
Governance: To maximise trustee engagement for robust planning and charitable oversight.

Education

- Deliver 141 Expert pupil places through 11 partner schools in disadvantaged communities.
- Deliver our new 1:3 Catch-Up programme at a partner school, reaching 15 children each term.
- Trial a 1:3 Expert programme alongside our core 1:1 Expert programme to compare the effectiveness of tutoring in a small group setting, reaching a minimum of 15 children.
- Continue to provide places for 12 children through a Community Literacy Lab alongside an assessment of the effectiveness of the Community programme in reaching the most disadvantaged children
- Evaluate the community based Holiday Reading Club trial run in October 21 and assess potential to roll out
- With schools fully open, revitalise the Reader Leader programme
- Ensure that our educational delivery is of the highest quality through regular review and quality control of delivery through evaluation of pupil progress.
- Support tutors by providing ongoing professional development opportunities.

Income generation and Fundraising

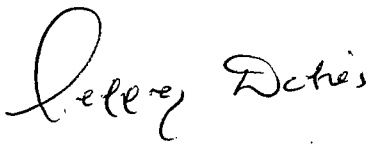
- Raise an overall income of £545,900. This will be achieved by raising £435,000 through fundraising, and securing £110,900 from school contributions and training provision.
- Provide excellent account management to existing trusts and foundation donors, whilst increasing levels of support through effective and appropriate funding applications.
- Increase unrestricted corporate income through a supportive relationship management approach for new and existing corporate partnerships and evaluate opportunities for incorporating volunteering
- Develop our community fundraising offer utilizing a new fundraising pack and increasing our digital reach.
- Manage our relationships with existing funders and supporters through regular communication, reporting and contact.

Organisation

- Drive our marketing & fundraising communications through our website and social media channels.
- Build how we tell our story through compelling, engaging and relevant content.
- Evidence our impact through the capture of quantitative data of pupil progress.
- Ensure that robust safeguarding policies and procedures are in place/adhered to.
- Maintain facilities and infrastructure to meet organisational needs.

Governance

- Facilitate strong trustee engagement through regular quarterly meetings.
- Ensure trustees are fully informed and risks are recorded and reviewed regularly.
- Ensure the charity is meeting its legal obligations through the development and submission of annual accounts in a timely fashion.



1/12/2021

Jeffrey Defries, Chairman of Trustees Date:

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF The Children's Literacy Charity

Opinion

We have audited the financial statements of The Children's Literacy Charity (the "Charity") for the year ended 31st August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 Charity's affairs as at 31st August 2021 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material

misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (incorporating the directors' 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of the trustees
The trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

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

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

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

– Agreement of the financial statement disclosures to underlying supporting documentation;

– Enquiries of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;

– Review of minutes of Board meetings throughout the period;

– incorporating unpredictability into the nature, timing and/or extent of testing.

– Evaluation of the selection and application of the accounting policies chosen by the charity.

– In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud; and

– We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katherine Dee (Senior Statutory Auditor)
For and on behalf of Begbies Chartered Accountants, Statutory Auditor
9 Bonhill Street
London
EC2A 4DJ

Date: 9/12/21

The Children's Literacy Charity
Statement of Financial Activities
Year to 31st August 2021
Including Income and Expenditure Account

	Note	Unrestricted £	Restricted £	**Total 2021 £**	Total 2020 £
Income and endowments from:					
Donations & Legacies	2a	86,413	3,400	**89,813**	88,185
Charitable activities	2b	114,877	207,287	**322,164**	328,709
Other Income – CJRS grant		0	20,397	**20,397**	68,723
Investments (bank Interest)		17	0	**17**	202
Total Income		**201,307**	**231,084**	**432,391**	**485,818**
Expenditure on:	4 & 5				
Raising Funds		57,102	0	**57,102**	69,172
Charitable Activities		83,605	231,084	**314,689**	370,076
Total Expenditure		**140,707**	**231,084**	**371,791**	**439,248**
Net Income/(Expenditure)		**60,600**	**0**	**60,600**	**46,571**
Net Movement in funds		**60,600**	**0**	**60,600**	**46,571**
Reconciliation in Funds					
Total Funds brought Forward		241,823	0	241,823	195,252
Total Funds carried Forward	**10 & 11**	**302,423**	**0**	**302,423**	**241,823**

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

There were no recognised gains and losses in the period other than those shown above.

All of the above results are derived from continuing activities.

The notes 1-15 form a part of these financial statements.

The Children's Literacy Charity
Balance Sheet
As at 31st August 2021

	Note	Total 2021 £	Total 2020 £
Fixed Assets			
Tangible assets	6	6,297	2,832
		6,297	2,832
Current Assets			
Debtors	7	4,112	8,616
Cash at Bank	8	432,035	297,377
		436,147	305,994
Liabilities			
Creditors: Amounts falling due within one year	9	(140,021)	(67,003)
Net Current Assets		296,126	238,990
Net Assets		**302,423**	**241,823**
Funds of the Charity			
Restricted		0	0
General	10	182,423	121,823
Designated	10	120,000	120,000
Total Funds		**302,423**	**241,823**

The notes 1-15 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved, and authorised for distribution, by the board on and signed on their behalf by:

Jeffrey Defries

Jeffrey Defries, Chairman of Trustees

Date: 1/12/2021

Registered Company Number 6251103, Charity Number 1124257

The Children's Literacy Charity
Statement of Cashflows
Year to 31st August 2021

	Note	Total 2021	Total 2020
		£	£
Cashflows from operating activities:			
Net Cash provided by (used in) operating activities	8a	**141,171**	**97,291**
Cashflows from investing activities:			
(Purchase)/sale of tangible Fixed Assets		(6,530)	450
Interest from investments		17	202
Net cash provided by investing activities		**134,658**	**97,942**
Change in cash and cash equivalents in the reporting period		134,658	97,942
Cash and cash equivalents at the beginning of the reporting period		297,377	199,434
Cash and cash equivalents at the end of the reporting period	8b	**432,035**	**297,377**

Reconciliation of net debt
The charity had no net debt in the current or prior year.

Notes to the financial statements
Year to 31st August 2021

1. Accounting Policies

Basis of Accounting
The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 – Charity SORP (FRS102) Revised) the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applied from 1 January 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern
At the time of approving the accounts, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the next 12 months. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

The reserves comprise the Designated Fund of £120,000 to cover three months of running costs and a further £182,423 of general reserves. Of the general reserves £6,297 are invested in fixed assets leaving £176,126 of free reserves.

Funds Structure
Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the charity for particular purposes.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the charity's objects.

Designated funds are unrestricted funds set aside by the trustees for particular purposes. The funds set aside for this purpose are detailed in the reserves policy.

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

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donations in kind are recognised at an estimate of their value. No value is placed on general volunteer or trustee time donated.

Grants are recognised at the point when the charity is notified of the grant. Grants shown as donations are only deferred if they relate to a specific future time period as identified by the

donor, and the charity is not entitled to spend the funds before this period, or the charity is not entitled to the funds without first meeting criteria which are yet to be met at the year end.

Grants are recognised as restricted if they are donated for a purpose more restrictive than the ongoing operations of the charity. Grants are recognised as unrestricted if the donor does not state and restriction on the use of the grant.

Grants that are received for the general operation of the charity, rather than on the basis of a contract or for a specific level of service, are treated as donations. Were a grant is received with a specified level of service, it would be shown as income from charitable activities and would be deferred to the extent that the charity has yet to fulfil the service level obligations.

School fees and training income are accounted for when they are receivable by the charity to the extent that they are expected to be recoverable.

Income from fundraising activities which are in essence donations, such as sponsorships from marathons and other challenge events are shown in donations and recognised in the year the events took place.

Resources Expended
Expenditure is accounted for in the period to which it relates. The majority of costs are directly attributable to the main activity of the charity which is to teach children with literacy difficulties on a one-to-one basis to help them acquire basic literacy skills to enable them to access the mainstream curriculum in the classroom.

Support costs represent general overheads which cannot be attributed directly to specific activities in furtherance of the charitable object and accordingly have been allocated across activities on the basis of the percentage of staff time or other appropriate cost driver. Governance costs are included in support costs and represent those costs attributable to the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

The costs of generating funds are those costs of seeking potential funders and applying for funding together with any indirect costs incurred in carrying out this work.

Tangible Fixed Assets
All assets costing more than £400 are capitalised and included at cost. Depreciation is recognised so as to write off the cost of the valuation of assets less their residual values over their useful lives of 3 years or 5 years depending on the estimation of their useful life.

The charity does not hold any freehold land or buildings.

Impairment of Fixed assets
At the end of each year the charity reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication of those assets being impaired or damaged. If this is the case the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

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

Financial Instruments
The charitable company has elevated 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 in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets
Basic financial assets include debtors, cash and bank balances, are measured initially at transaction price including transaction costs.

Basic financial liabilities
Basic financial liabilities, including creditors are initially recognised at transaction price.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not they are presented as non-current liabilities.

De-recognition of financial liabilities
Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

Operating Leases
Payments made under operating leases are charged to the Statement of Financial Activities as incurred.

Pensions
The charity enrols eligible workers in workplace pension schemes with NEST. All other employees have a right to join the scheme should they so wish, with the Children's Literacy Charity paying in to the contributions after 6 months of employment. All the pensions are defined contribution bases and as such the assets and liabilities are held separately to those of the charity. Contributions are recorded by the charity as they fall due.

Registered Office
The Charity's registered office is Conrad Court, Cary Avenue, London SE16 7EJ.

Government Grants
School fees are received directly from the relevant schools and are not government grants. During the year the charity received £20,397 of Coronavirus Job Retention Scheme grants for which no conditions remained unfulfilled at the year end.

2a. Donations and Legacies

	Notes	Unrestricted	Restricted	Total 2021
		£	£	£
Donations		30,075	0	**30,075**
Trusts/Foundations/Corporates	3	55,289	3,400	**58,689**
Sponsorships		1,049	0	**1,049**
		86,413	**3,400**	**89,813**

	Notes	Unrestricted	Restricted	Total 2020
		£	£	£
Donations		24,104	5,000	**29,104**
Trusts/Foundations/Corporates	3	27,851	19,000	**46,851**
Sponsorships		12,229	0	**12,229**
		64,185	**24,000**	**88,185**

2b. Charitable Activities

	Notes	Unrestricted	Restricted	Total 2021
		£	£	£
Trusts/Foundations/Corporates	3	0	207,287	**207,287**
Fees from schools/parents		113,675	0	**113,675**
Training activities		1,202	0	**1,202**
		114,877	**207,287**	**322,164**

	Notes	Unrestricted	Restricted	Total 2020
		£	£	£
Trusts/Foundations/Corporates	3	0	176,243	**176,243**
Fees from schools/parents		149,610	0	**149,610**
Training activities and conferences		2,856	0	**2,856**
		152,466	**176,243**	**328,709**

3. Income from Trusts, Foundations & Corporates

	Unrestricted	Restricted	**Total 2021**	Unrestricted	Restricted	Total 2020
Within Donations (note 2a)	£	£	**£**	£	£	£
Informa (including donations in kind)	14,695	0	**14,695**	4,951	0	4,951
The Leathersellers' Grant	0	0	**0**	0	10,000	10,000
SE Franklin Charity Trust	0	0	**0**	0	4,000	4,000
Grocers' Company Charitable Trust	0	0	**0**	0	5,000	5,000
Donald Forrester Trust	5,000	0	**5,000**	5,000	0	5,000
SELCHP Ltd	0	3,400	**3,400**	0	0	0
Wellington Management UK Foundation	11,000	0	**11,000**	0	0	0
Anonymous	10,000	0	**10,000**	0	0	0
Other grants £3000 and under	14,594	0	**14,594**	17,900	0	17,900
Total Grants - Donations	55,289	3,400	**58,689**	27,851	19,000	46,851
Within Charitable Activities (note 2b)	£	£	**£**	£	£	£
Deferred income brought forward	0	55,833	**55,833**	0	10,833	10,833
Receivable during the year						
Walcot Foundation	0	0	**0**	0	25,000	25,000
TTEES Man Group Plc	0	25,000	**25,000**	0	0	0
The Zochonis Charitable Trust	0	25,000	**25,000**	0	25,000	25,000
M&G Investments	0	0	**0**	0	24,453	24,453
William Wates Memorial Trust	0	0	**0**	0	12,500	12,500
Girdlers' Company Charitable Trust	0	8,000	**8,000**	0	8,000	8,000
St Giles & St George (inc. deferred)	0	15,833	**15,833**	0	11,907	11,907
The Swire Charitable Trust	0	15,000	**15,000**	0	15,000	15,000
DCR Allen Charitable Trust	0	3,000	**3,000**	0	5,000	5,000
Sir John Cass's Foundation	0	0	**0**	0	10,000	10,000
Garfield Weston Foundation	0	25,000	**25,000**	0	0	0
Wellington Management UK Foundation	0	20,000	**20,000**	0	30,000	30,000
Charterhouse in Southwark (inc. deferred)	0	5,000	**5,000**	0	5,000	5,000
Hyde Park Place Estate Charity	0	0	**0**	0	5,000	5,000
The Westminster Foundation	0	0	**0**	0	5,000	5,000
Wates Foundation	0	0	**0**	0	5,000	5,000
People's Postcode Trust	0	0	**0**	0	20,000	20,000
The Schroder Charity Trust	0	0	**0**	0	4,000	4,000
The Vintners' Company	0	0	**0**	0	3,483	3,483
Masonic Charitable Foundation (inc. deferred)	0	21,456	**21,456**	0	0	0
Houlihan Lokey (inc. deferred)	0	90,000	**90,000**	0	0	0
Barings LLC (inc. deferred)	0	16,800	**16,800**	0	0	0
Other grants £3000 and under	0	6,150	**6,150**	0	6,900	6,900
Deferred Income carried forward (See note 9b)	0	-124,785	**-124,785**	0	-55,833	-55,833
Total Grants - Charitable Activities	0	207,287	**207,287**	0	176,243	176,243

4a. Summary Expenditure

The Children's Literacy Charity has one main activity - teaching children to read and write. This involves literacy tuition and training volunteers, together with the support costs associated with this activity.

	Raising Funds	**Charitable Activities**	**Total 2021**	Raising Funds	Charitable Activities	Total 2020
	£	£	**£**	£	£	£
Direct Costs	49,062	248,224	**297,285**	61,805	313,165	**374,970**
Support Cost	8,040	66,465	**74,505**	7,367	56,911	**64,278**
Total	**57,102**	**314,689**	**371,791**	**69,172**	**370,076**	**439,248**

4b. Analysis of Support Costs

Support Costs	**Raising Funds**	**Charitable Activities**	**Total 2021**	Raising Funds	Charitable Activities	Total 2020
	£	£	**£**	£	£	£
Staff	2,811	23,235	**26,045**	4,620	35,691	40,311
Office/IT	1,555	12,854	**14,409**	1,395	10,778	12,173
Finance	9	74	**83**	18	138	155
HR/Admin	838	6,926	**7,763**	366	2,830	3,197
Governance	2,709	22,390	**25,099**	875	6,758	7,632
Communications	119	987	**1,106**	93	716	809
Total	**8,040**	**66,465**	**74,505**	7,367	56,911	64,278

Allocated based on the proportion of direct charitable activity and fundraising staff time

Total Expenditure for the year includes the following:

	Total 2021	Total 2020
	£	£
Depreciation (see Note 6)	**3,066**	1,711
Premises and Office costs	**14,409**	12,173
Auditors remuneration	**4,440**	4,440

5. Staff Costs

	Total 2021	Total 2020
	£	£
Salaries	**301,357**	373,072
Social Security Costs	**7,993**	20,998
Pension Costs	**4,560**	5,468
Redundancy costs	**0**	5,280
Total	**313,910**	404,818

Staff Numbers
The average number of staff employed during the year was 26, many of whom are part time. In 2020 the average number of staff was 32.

Key Management Staff
Amounts paid to key management staff during the year was £138,927, of which £121,552 was paid through payroll and £17,375 was paid to freelance staff (£138,879 in 2020 for payroll staff). This represents the salary of the CEO, Head of Education, Head of Fundraising and Head of Finance. No employee was paid more than £60,000 in 2020 or 2021.

Redundancy Payment
Redundancy payments are recognised in the period in which the redundancy is communicated to the employee. There were no outstanding redundancy payments at the year end. Redundancy payments are made in line with statutory minimums. No ex gratia redundancy payments were made.

6. Fixed Assets

	Office & General Equipment	Fixtures & Fittings	**Total**
Cost:	£	£	**£**
At 1st September 2020	18,141	428	**18,569**
Additions	6,530	0	**6,530**
Disposal	0	0	**0**
As at 31st August 2021	**24,671**	**428**	**25,099**
Depreciation:			
At 1st September 2020	15,309	428	**15,737**
Disposal	0	0	**0**
Charge for the period	3,066	0	**3,066**
As at 31st August 2021	**18,375**	**428**	**18,803**
Net Book Value			
At 1st September 2020	2,832	0	**2,832**
At 31st August 2021	**6,297**	**0**	**6,297**

7. Debtors & Prepayments

	2021	2020
	£	£
Tax reclaimed on gift aid donations	**2,080**	3,063
Debtors control account	**500**	0
Other debtors	**460**	4,627
Prepayments	**1,071**	927
Total	**4,112**	8,616

8a. Reconciliation of net income/(expenditure) to net cashflow from operating activities

	Total 2021	Total 2020
	£	£
Net income for the reporting period (as per SOFA)	**60,600**	**46,571**
Adjustments for:		
Depreciation	**3,066**	**1,711**
Interest	**(17)**	**(202)**
Loss on disposal of fixed assets	**0**	**19**
(Increase)/Decrease in debtors	**4,505**	**8,923**
Increase/(Decrease) in creditors	**73,018**	**40,268**
Net cash used by operating activities	**141,171**	**97,291**

8b. Analysis of cash and cash equivalents

	Total 2021	Total 2020
	£	£
Current Account	**392,109**	257,416
Deposit Accounts	**39,920**	39,903
Petty Cash	**6**	59
	432,035	297,377

9a. Creditors

	Total 2021	Total 2020
	£	£
Tax and social security	**4,278**	4,207
Accruals	**5,821**	4,440
Deferred income (see note 9b)	**128,385**	55,833
Pension	**1,063**	1,046
Other creditors	**474**	1,477
	140,021	67,003

9b. Deferred Income

	Total 2021	Total 2020
	£	£
Brought Forward	**55,833**	10,833
Transferred to income during the year		
Grants	**(55,833)**	(10,833)
Schools fees paid in advance	**3,600**	0
Grants (See note 3)	**124,785**	55,833
Carried Forward	**128,385**	55,833

Deferred grants are broken down as follows:

	Total 2021	Total 2020
St Giles & St George	**5,833**	0
Charterhouse in Southwark	**5,000**	5,000
People's Postcode Trust	**0**	20,000
Walcot Foundation	**0**	20,833
Wellington Management UK Foundation	**0**	10,000
Houlihan Lokey	**90,000**	0
Masonic Charitable Foundation	**7,152**	0
Barings LLC	**16,800**	0
Total Grants Received in advance	**124,785**	55,833

10. Movement in Funds

	Balance at 01.09.20	Incoming	Outgoing	Transfers	Balance at 31.08.21
Unrestricted Funds	£	£	£	£	**£**
Designated Fund	120,000	0	0	0	**120,000**
General Funds	121,823	201,307	(140,707)	0	**182,423**
Total Unrestricted Funds	241,823	201,307	(140,707)	0	**302,423**
Restricted Funds					
Education	0	231,084	(231,084)		**0**
Total Restricted Funds	0	231,084	(231,084)	0	**0**
Total Funds	241,823	432,391	(371,791)	0	**302,423**

2020 Comparative

	Balance at 01.09.19	Incoming	Outgoing	Transfers	Balance at 31.08.20
Unrestricted Funds	£	£	£	£	£
Designated Fund	175,000	0	0	(55,000)	120,000
General Funds	12,511	216,852	(162,540)	55,000	121,823
Total Unrestricted Funds	187,511	216,852	(162,540)	0	241,823
Restricted funds					
Education	0	268,966	(268,966)	0	0
Big Give	7,741	0	(7,741)	0	0
Total Restricted Funds	7,741	268,966	(276,707)	0	0
Total Funds	195,252	485,818	(439,248)	0	241,823

Designated funds

The designated fund is set aside in the event that the charity has to cease operations. It covers roughly 3 months salary and other costs, which is the assumed time that would be needed to close the charity.

Restricted Funds

Restricted funds - Education

These represent funds that have been given by donors at the year end for specific education projects that have not been spent at year end or deferred for the next year.

Restricted Funds - Big Give

These represented funds restricted as part of the Big Give Christmas Challenge.

Please refer to the Trustees' report for further explanation of all the above funds.

11. Net Assets by Fund

	General	Designated	Restricted	Total 2021
	£	£	£	£
Fixed Assets	6,297	0	0	**6,297**
Current Assets	191,362	120,000	124,785	**436,147**
Current Liabilities	(15,236)	0	(124,785)	**(140,021)**
	182,423	**120,000**	**0**	**302,423**

2020 Comparative	General	Designated	Restricted	Total 2020
	£	£	£	£
Fixed Assets	2,832	0	0	2,832
Current Assets	130,161	120,000	55,833	305,994
Current Liabilities	(11,170)	0	(55,833)	(67,003)
	121,823	120,000	0	241,823

12. Future Commitments

As at 31st August 2021 The Children's Literacy Charity had total commitments under operating leases as follows:

		Total 2021	Total 2020
Operating leases which expires:		£	£
Office Equipment (photocopier lease)	within one year	**607**	1,216
Office Equipment (photocopier lease)	2 - 5 Years	**0**	607
		607	1,823

The office is occupied under licence terminable at 30 days notice.

13. Transactions with trustees and related party transactions

Donations from trustees totalled £800 (2020: £1,353).
No trustee received any remuneration in the year in 2021 or 2020.
No trustee was paid any travel expenses in the year in 2021 or 2020.
The trustees are covered under the general office insurance policy.
There were no other transactions with related parties requiring disclosure in 2021 or 2020.
After the resignation of I Greenwood from the trustee board, £17,375 was paid to her on a freelance basis for short term strategic and management consultancy in the absence of a CEO.

14. Legal Structure

The charitable company's legal structure is that of a company limited by guarantee. In the event of the company winding up, each member is liable to contribute to any deficit to a maximum of £10 per member.

15. SOFA Comparatives

	Unrestricted	Restricted	Total 2020	Total 2019
	£	£	£	£
Income and endowments from:				
Donations & Legacies	64,185	24,000	88,185	152,708
Charitable activities	152,466	176,243	328,709	441,903
Other Income – CJRS grant	0	68,723	68,723	0
Investments (bank Interest)	202	0	202	410
Total Income	**216,852**	**268,966**	**485,818**	**595,022**
Expenditure on:				
Raising Funds	69,172	0	69,172	137,167
Charitable Activities	93,368	276,707	370,076	560,059
Total Expenditure	**162,540**	**276,707**	**439,248**	**697,226**
Net Income/(Expenditure)	**54,312**	**(7,741)**	**46,571**	**(102,205)**
Reconciliation in Funds				
Net Movement in funds	54,312	(7,741)	46,571	(102,205)
Total Funds brought Forward	187,511	7,741	195,252	297,457
Total Funds carried Forward	**241,823**	**0**	**241,823**	**195,252**