

# CHAPTER ONE (U.K.) LTD

England & Wales · Charity number 1179625

## Details

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Other names	INNOVATIONS FOR LEARNING UK LTD, Chapter One, INNOVATIONS FOR LEARNING UK
Status	Registered
Legal form	Charitable company
Company number	<a href="#">11116416</a>
Registered	2018-08-21
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Torriano Avenue  
London  
NW5 2TA

**Phone** 03333 355 817

**Email** [hellouk@chapterone.org](mailto:hellouk@chapterone.org)

**Website** [www.chapterone.org/uk](http://www.chapterone.org/uk)

## Activities

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**Objects:** THE OBJECTS OF THE CHARITY ARE TO ADVANCE EDUCATION FOR THE BENEFIT OF THE PUBLIC IN PARTICULAR (BUT WITHOUT LIMITATION) IN THE FIELD OF LITERACY.

**Activities:** At Chapter One, we want to create a world where all children have the literacy skills needed to thrive, so we provide one to one reading support at the time they need it most. We provide thousands of children across the UK with online reading volunteers, and also run an early literacy intervention programme. Please visit our website to learn more about our work!

## Classification

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- **How:** Provides Advocacy/advice/information
- **What:** Education/training
- **Who:** Children/young People

## Geography

- Scotland
- Throughout England

## Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£1,816,178	£1,627,708	£1,066,481	44
2024-07-31	£1,470,541	£1,213,014	£878,011	34
2023-07-31	£958,586	£834,823	£620,484	22
2022-07-31	£691,595	£467,291	£496,721	13
2021-07-31	£457,377	£263,450	-	-

## Trustees

Name	Role	Appointed
<b>SETH WEINBERGER</b>	Chair	2017-12-18
Alexander James Stuart Green		2021-04-26
Dr Lucy Clare Heady		2020-05-18
Jonathan Lloyd		2024-05-10
Lisa Jane Hayes		2021-04-26
Marie Helen Broad		2023-08-14
<b>SARAH BELL</b>		2017-12-18
Zoe Amelia Pierre		2020-01-17

**CHAPTER ONE (U.K.) LTD**

England & Wales - Charity number 1179625

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# Accounts

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Company no. 11116416  
Charity no. 1179625

**Chapter One (U.K.) Ltd**  
**Report and Audited Financial Statements**  
**31 July 2025**

## **Chapter One (U.K.) Ltd**

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**For The Year Ended 31 July 2025**

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## Chapter One (U.K.) Ltd

### Reference and administrative details

For the year ended 31 July 2025

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<b>Company number</b>	11116416
<b>Charity number</b>	1179625
<b>Registered office and operational address</b>	4 Torriano Cottages London NW5 2TA
<b>Trustees</b>	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:  Sarah Bell Marie Broad Alexander Green Lisa Hayes Lucy Heady Jonathan Lloyd Zoe Pierre Seth Weinberger Jeffrey Williams
<b>Chief executive officer</b>	Emma Bell
<b>Bankers</b>	CAF Bank 25 Kings Hill Ave Kings Hill West Malling ME19 4JQ  United Trust Bank 1 Ropemaker Street London EC2Y 9AW
<b>Auditors</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

## **Chapter One (U.K.) Ltd**

### **Report of the trustees**

#### **For the year ended 31 July 2025**

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The trustees, who are also directors for the purposes of company law, present their report and the audited financial statements of the charity for the year ended 31 July 2025.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

### **OBJECTIVES AND ACTIVITIES**

#### **Aims and objectives**

Chapter One's vision is a world where all children have the literacy skills needed to thrive. Our charitable mission addresses a critical educational inequality: we close the reading gap by providing children with targeted one-to-one support during the crucial early years of their education. Our evidence-based model combines corporate volunteering, trained staff, and technology to deliver sustained human connections that demonstrably improve reading outcomes for young children facing disadvantage.

Our theory of change details five desired outcomes that we strive to achieve for children across our programmes. Children will:

- become better readers;
- become more confident in reading;
- enjoy reading more, including reading for pleasure;
- become more confident at communicating; and
- become inspired and more motivated to read.

Ultimately, we aim to give all children the same opportunities to benefit from everything that reading provides, enabling them to thrive in life.

Chapter One operates four complementary programmes that address different literacy needs: our flagship Online Reading Volunteers programme; Early Literacy Intervention for children lacking foundational phonics skills; Book Clubs targeting older reluctant readers; and our Global Free Library. This report details our progress against strategic objectives for each programme during 2024-25.

#### **Online reading volunteers: overview of need and delivery model**

Our flagship programme is an online volunteer reading support programme (ORV) that helps 5- to 8-year-old children facing disadvantage, who have low levels of reading confidence and enjoyment, and are struggling to read. We aim to set children up as confident readers as early as possible in their educational journey so that they can thrive through school and beyond. To be eligible to partner with Chapter One, a school requires a higher-than-national-average Pupil Premium rate (which includes FSM6 and looked-after children). FSM6 (also known as Ever 6 FSM) indicates the percentage of pupils who have been eligible for free school meals at any point in the past six years.

Department for Education statistics (2024) show that 38% of disadvantaged 11-year-olds leave primary school below the expected reading standard, compared to 22% of those not known to be disadvantaged—a persistent gap. Research demonstrates this attainment gap emerges as early as age 4-5 and widens without intervention, creating lifelong barriers to educational achievement, employment prospects and social mobility. Our programme specifically targets this early intervention window when support can be most transformative.

## Chapter One (U.K.) Ltd

### Report of the trustees

#### **For the year ended 31 July 2025**

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The National Literacy Trust (2024) identifies key barriers our target demographic faces: 32% of disadvantaged children lack access to books at home, 28% have no quiet reading space, and 43% receive inconsistent reading support from family members. Rising child poverty rates (4.3 million children, House of Commons Library 2024) compound these challenges. Our programme addresses these systemic inequalities through direct intervention and aligns with evidence demonstrating the benefits of external 'reading influencers' for children (Booktrust 2024).

Chapter One's delivery model recruits and trains employees from partner businesses as volunteer readers, creating a scalable resource that schools cannot access independently. This partnership approach ensures programme sustainability while providing meaningful volunteering opportunities for corporate partners, enabling them to fulfil corporate social responsibility goals and social value obligations.

For the entire academic year, corporate volunteers are paired with identified pupils for the entire academic year. The pairs enjoy a weekly 30-minute online reading session using our secure, bespoke reading platform and a voice connection to link from the volunteer's workplace or home to a dedicated classroom laptop. The curriculum-aligned platform features diverse, engaging content targeting fluency, comprehension and reading enjoyment.

In each participating class Chapter One supports up to 10 children, enabling schools to provide additional reading sessions at a scale that would otherwise require prohibitive staffing costs. The model's flexibility—requiring minimal time commitment and no travel for volunteers—attracts corporate partners while ensuring programme sustainability and scalability.

The Chapter One ORV Programme has been proven to improve the reading enjoyment, ability and confidence of young children facing disadvantage. We believe that this flexible, time-efficient model has the potential to galvanise significant numbers of adults to improve the life chances of children.

#### **Online reading volunteers: review of year 2024-25**

During 2024-25, our sixth year of ORV programme operation, we delivered services across 354 classrooms in 113 schools spanning 12 strategically selected areas of England and Scotland. These locations—Birmingham, Bradford, Doncaster, Edinburgh, East Sussex, Glasgow, Leeds, London, Manchester, Middlesbrough, Peterborough and West Cumbria—were chosen based on deprivation indices, educational outcomes data, and local partnership opportunities.

Despite the challenging economic environment, we were encouraged that many new partners decided to join us in 2024-25, particularly to support children in Birmingham which was a new area for Chapter One this year. Many of these newer partners are connected to infrastructure and construction projects and are working with Chapter One to fulfil their social value commitments.

Overall, 3,155 children were supported by 2,957 volunteer readers from 149 corporate partners, who collectively provided almost 2.8 years of reading (24,410 reading hours) from September 2024 to July 2025. The corporate partners who provided volunteers and associated financial sponsorship to sustain the Chapter One programme are listed below. We are very grateful to them all for their support.

## Chapter One (U.K.) Ltd

### Report of the trustees

For the year ended 31 July 2025

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A&O Shearman	FM Conway	OCS
ABN Amro	Google	Optos
Adyen	Graham	Optum
Amazon Customer Services	Hachette	Orano
Amentum	Heidelberg Materials	Paramount
Apple	High Speed Training	Pega
Arch Insurance International	Hogan Lovells	Reed Smith
Arena	Howden Group	Restoration & Renewal
Arnold & Porter	HS2	Ridge and Partners
Artemis Foundation	HWF Partners	Rothschild & Co
Ashurst	IM Properties	Royal London
Assura	Infosys	RS Integrated Supply
AtkinsRealis	Irwin Mitchell	RTC
Atos	ISA	RWM
Azets	ISEP	Sage
Balfour Beatty	Jacobs STEAM	Salesforce
BCLP	Jaguar Land Rover	Samsara
BDO	Janus Henderson Investors	Scottish Qualifications Authority
BE Offices	JPMorgan Chase	Sellafield
Bendalls	KBR	Serco
BEP	Keighley Made	Severfield
Bevan Brittan	Keltbray	Siemens Energy
Blackbaud	Kennedys	Sir Robert McAlpine
Bloomsbury	Kier	Slaughter and May
CACI	KPMG	Smiths
Cavendish Nuclear	L&G	Social Value Portal
Cisco	Lewis Silkin	Sodexo Stop Hunger Foundation
Cisco Partners	Liberty Global	Solenis
Clarion Housing Group	Mace Dragados	Solihull MBC
Clyde & Co	Macquarie	Southern Water
CMC Markets	Marsh	Stork
CMS	Maybank	SUSE
Columbia Threadneedle	McCann	T. Rowe Price
CPC Project Services	McLaughlin & Harvey	Tara Group
CTM	MetLife	Taylor & Francis
Datagraphic	Microsoft	Thakeham
DDP	Midlands Rail Alliance	Timothy Taylor & Co
Deloitte	Mishcon de Reya	Tribal Group
Dentons	MITIE	Turner & Townsend
Durham University	Morgan Sindall	Tutorfair Foundation
Emerald Publishing	Morgan Stanley	UNUM
Encore Packaging Solutions	Mott MacDonald UK	Vanquis Banking Group
Equinix	NCR	Vaultex
Euromonitor	NG Bailey	Wavenet
Eversheds Sutherland	NHS Property Services	White & Case
FactSet	Nuclear Waste Services	William Hare
Fidelity International	NVIDIA	Wincanton
Fidelity Investments	Oakland International	Wood
Fieldfisher	Ocado	Yondr

## **Chapter One (U.K.) Ltd**

### **Report of the trustees**

#### **For the year ended 31 July 2025**

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Many partners worked closely with us throughout the year to support school communities in a myriad of ways which were additional to their Chapter One volunteers (book donations, library improvements, themed workshops), and we were delighted to recognise many of these at our annual recognition event in the summer of 2025. This event also celebrated the contribution of outstanding volunteers—some of whom read with as many as three children.

During the latter part of the year, we were successful in gaining the support of a group of our partner organisations to expand Chapter One's programme into Warrington in 2025-26. We are also delighted that for 2025-26 we have five platinum partners, supporting us with more than 100 volunteers each: Amentum, Eversheds Sutherland, Deloitte, KPMG and the Sodexo Stop Hunger Foundation.

#### **Early Literacy Intervention**

Our Early Literacy Intervention (ELI) programme, now in its third year, addresses a specific gap in provision for children lacking the foundational phonics knowledge required for reading development. Trained interventionists deliver intensive one-to-one support using evidence-based methods and bespoke tablet technology across five schools in London, Warwickshire and East Sussex.

The programme's effectiveness is demonstrated through National Phonics Screening outcomes: 93% of ELI participants achieved the expected standard compared to 83% of comparable non-participants—a 10 percentage point improvement. This represents significant educational value.

Planned expansion to ten schools in 2025-26 is contingent on securing sustainable funding arrangements. The Board is actively reviewing funding options to ensure programme continuation while maintaining financial sustainability.

#### **Book Clubs**

Research evidence shows declining reading for pleasure among children aged 8+, with only 45% reading daily outside school (National Literacy Trust, 2024). Responding to partner school requests and this evidence base, we piloted Book Clubs in 2024-25 to address older reluctant readers' needs.

Four schools participated—two in London and two in Peterborough—in sessions emphasising student choice and autonomy, principles shown to increase reading motivation. The Reading for Pleasure unit at the Open University provided staff training and conducted independent evaluation, confirming positive outcomes (detailed findings available on request).

Based on the pilot's success, we plan to expand provision in 2025-26, subject to funding availability and strategic capacity assessment by the Board.

#### **Global Free Library**

Chapter One's Global Free Library is a free, publicly available online library of stories from around the world that children and adults can enjoy together.

We continued to add diverse stories to our Global Free Library this year, a number of which were sponsored by our corporate partners. We plan to invest more resources to grow this programme in future years.

## **Chapter One (U.K.) Ltd**

### **Report of the trustees**

#### **For the year ended 31 July 2025**

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##### **A story of growth**

Our corporate partner retention demonstrates programme sustainability and value: 84% of 2023-24 partners continued support in 2024-25, with 85% projected retention for 2025-26. These rates significantly exceed sector benchmarks for corporate volunteering programmes (typically 65-70%), indicating strong partner satisfaction.

Feedback from schools was also very positive, with our school retention rate at 88% and many schools increasing the numbers of participating classes. Again, as we look ahead to 2025-26, our school retention rate is forecast to remain high at 88%.

The Chief Executive Officer led a growing team of staff (44 by July 2025, 30 FTE) to ensure Chapter One's programmes ran effectively for UK volunteers and schools and that participating children received maximum benefit. To keep overheads low, we operate as a fully remote workforce.

With 3,388 children supported this year across all our programmes, we were delighted to exceed our strategic goal, set in our 2025-2029 Strategic Plan, to support 3,300 children in the 2024-25 academic year. Additional staff were recruited in the summer of 2025 to increase organisational capacity for the next school year.

Our small fundraising team has worked hard to continue to diversify our sources of income, and we've grown the number of trusts and foundations that support our work. A list of those who have provided us with generous support can be found in the accounts. We also participated in the Big Give Christmas Challenge campaign in December 2024.

Joint team and Board evaluation in July 2025 assessed first-year performance against our 2025-2029 Strategic Plan KPIs. All four strategic pillars showed strong progress: Best in Class Online Reading Programme (exceeded beneficiary targets); Innovation to Boost Reading (successful ELI and Book Club pilots); Maximising Partnerships (149 corporate partners, expanded geographic reach, income growth of 20%); and Internal Transformation (enhanced evaluation systems, increased staffing capacity).

##### **Impact and evaluation**

During 2024-25, our Evidence & Impact Manager systematically embedded our Board-approved Theory of Change across all evaluation frameworks, ensuring consistent measurement of intended outcomes. Enhanced evaluation methodology included, for the first time, multi-timepoint child surveys and qualitative research (interviews, focus groups and development of case studies) providing direct beneficiary voice. In addition, we worked with an external provider to fully assess and quantify the social impact and social value of our model.

At the time of writing, the full results of our 2024-25 impact evaluation of ORV are not available, but they will be accessible on the Impact page of our website in early 2026. Previous impact reports are also available on this page. Information about the evaluation/outcomes of ELI and Book Club is contained in their respective sections above.

## **Chapter One (U.K.) Ltd**

### **Report of the trustees**

#### **For the year ended 31 July 2025**

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Data from our 2023-24 Impact report (published in January 2025 and on our website Impact page), showed that children who participated in Chapter One ORV programme had an increase of 3.2 levels in their reading attainment. 46% more pupils were reading to the expected standard at the end of the year using Chapter One than at the start, and there was a 28% gain in children's positive reading attitudes and behaviours and a 31% gain in their reading knowledge and functional skills. 96% of teachers believed Chapter One was beneficial for their pupils and 97% of volunteers would recommend the programme to a colleague or friend.

### **FINANCES**

#### **Financial review**

During the year, Chapter One UK's income was £1,816,178 (2024: £1,470,541) and expenditure of £1,627,708 (2024: £1,213,014). The net surplus for the year was £188,470 (2024: £257,527).

#### **Fundraising**

Chapter One UK is registered with the Fundraising Regulator. The charity's principal funding source is corporate partners. Additional income was also raised from Trusts and Foundations and individual donors. All fundraising has been carried out by in-house fundraisers employed directly by the charity. A complaints policy is included on our website. The relevant fundraising standards have been complied with and no complaints were made concerning fundraising activities during the year.

#### **Reserves policy**

The level of unrestricted funding received in year has allowed the trustees to act on their plans to build up reserves to provide financial stability. We intend to maintain our reserves at a level which is equivalent to four months' worth of current expenditure/running costs, currently £680k (as per 2025-26 budget, which includes significant growth in staff and delivery). Note: our reserves at year end are in excess of the Board's target of 4 months. As the bulk of our income is generated between November and July in each financial year, we therefore need a buffer at the end of July to support cash flow at the start of our financial year—August to October. This reserve is naturally depleted by the end of October each year.

It is the policy of Chapter One to continue to fundraise from corporate partners and from Trusts and Foundations to generate sufficient unrestricted income to allow us to further build up our level of reserves in line with current operations.

The Board regularly (twice-yearly) reviews the amount of reserves that are required to ensure that they are adequate to fulfil our continuing obligations.

### **Principal risks and uncertainties**

#### **Financial**

Chapter One operates in a challenging and demanding area where there are very few certainties over funding, particularly with the economic pressures the UK is facing. This is inherently risky and as an organisation we operate strict financial controls and continually review the situation, including regular forecasting. The annual budgets, reforecasts and management accounts are regularly reviewed. Key controls used by the charity are:

- Formal agendas and minutes for the Board of Trustees;
- Annual budget and regular monthly accounts;
- An annual business plan with key targets; and
- A risk management framework and risk register.

## **Chapter One (U.K.) Ltd**

### **Report of the trustees**

#### **For the year ended 31 July 2025**

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Application of these controls has successfully managed financial risks and established a track record of sustainable growth and consistent reserves management.

#### **Operational**

The nature of our work presents operational risks. These are managed through the implementation of suitable policies, procedures and processes including staff training, supervision and reporting structures as well as through the maintenance of the risk register and Business Continuity Plan which is regularly reviewed. The Board of Trustees is satisfied that all major risks have been identified and adequately minimised.

#### **Plans for future periods**

As indicated above, Chapter One's programmes will expand in 2025-26. We anticipate that online reading volunteers will support at least 3,800 children and operate in: Birmingham, Bradford, Doncaster, East Sussex, Edinburgh, Glasgow, Leeds, London, Manchester, Middlesbrough, Peterborough, Warrington and West Cumbria.

#### **Acknowledgements**

The trustees would like to express great thanks to Chapter One's funders, as well as to individuals and groups who donated to us throughout the period.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Emma Bell is the CEO of the charity and leads a team of key management personnel, with Board reporting responsibilities, consisting of the following staff: Head of Programme Delivery & Engagement, Head of Corporate Partnerships, Head of Volunteer Strategy & Engagement and Head of Finance & IT.

The remuneration of the Chief Executive and key management personnel is set by the trustees with reference to market trends and is benchmarked against comparable organisations.

#### **Governing document**

Chapter One (U.K.) Ltd (Chapter One) is a registered charity (1179625) and company limited by shares (11116416). Our governing document consists of a Memorandum and Articles of Association which incorporated the organisation on 18 December 2017. The company was registered as a charity (originally in its former name of Innovations for Learning) on 21 August 2018.

#### **Organisational structure**

Chapter One (U.K.) Ltd has a Board of Trustees and one Member under Company Law, which is Chapter One NFP (a 501c3 non-profit).

#### **Appointment of trustees**

Trustees are recruited by a process of co-option and election. The Board consists of at least three and not more than twelve individuals.

#### **Public benefit**

As laid out in our objects, Chapter One aims to advance education for the benefit of the public in particular (but without limitation) in the field of literacy. The trustees confirm that Chapter One operates for the public benefit and that we have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and planning future activities. Our summary of activities above lay out the ways in which we have worked to further our charitable aims for the public benefit throughout the period.

## **Chapter One (U.K.) Ltd**

### **Report of the trustees**

#### **For the year ended 31 July 2025**

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#### **Risk management**

Chapter One's Board of trustees is aware of its responsibility to identify and review the major risks to which the organisation is exposed and implement systems to mitigate those risks. Internal risks are minimised by the implementation of appropriate financial management policies and procedures.

#### **RELATED PARTIES**

Refer to note 14 in the financial statements.

#### **Statement of responsibilities of the trustees**

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. Chapter One NFP (US) is the sole member of the charity. The trustees have no beneficial interest in the charity.

**Chapter One (U.K.) Ltd**

**Report of the trustees**

**For the year ended 31 July 2025**

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**Auditors**

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 5 November 2025 and signed on their behalf by

*Seth Weinberger*

Seth Weinberger - Trustee

## **Independent auditors' report**

**To the members of**

### **Chapter One (U.K.) Ltd**

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#### **Opinion**

We have audited the financial statements of Chapter One (U.K.) Ltd (the 'charity') for the year ended 31 July 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related 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 31 July 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

## **Independent auditors' report**

**To the members of**

### **Chapter One (U.K.) Ltd**

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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.

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

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

#### **Responsibilities of the trustees**

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

In preparing the financial statements, the trustees are responsible for assessing the 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.

## Independent auditors' report

To the members of

### Chapter One (U.K.) Ltd

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#### **Our 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

## Independent auditors' report

To the members of

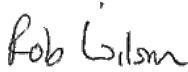
### Chapter One (U.K.) Ltd

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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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the 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.



Date: 5 November 2025

**Robert Wilson FCA**  
**(Senior Statutory Auditor)**

For and on behalf of:  
**GODFREY WILSON LIMITED**  
Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

## Chapter One (U.K.) Ltd

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

**For the year ended 31 July 2025**

	Note	Restricted £	Unrestricted £	2025 Total £	2024 Total £
<b>Income from:</b>					
Donations	3	416,039	1,285,668	<b>1,701,707</b>	1,397,937
Charitable activities	4	-	79,750	<b>79,750</b>	59,000
Investments		-	34,721	<b>34,721</b>	13,604
<b>Total income</b>		<u>416,039</u>	<u>1,400,139</u>	<u><b>1,816,178</b></u>	<u>1,470,541</u>
<b>Expenditure on:</b>					
Raising funds		-	53,456	<b>53,456</b>	35,499
Charitable activities		<u>398,412</u>	<u>1,175,840</u>	<u><b>1,574,252</b></u>	<u>1,177,515</u>
<b>Total expenditure</b>	5	<u>398,412</u>	<u>1,229,296</u>	<u><b>1,627,708</b></u>	<u>1,213,014</u>
<b>Net income</b>		17,627	170,843	<b>188,470</b>	257,527
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>	6	17,627	170,843	<b>188,470</b>	257,527
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>80,664</u>	<u>797,347</u>	<u><b>878,011</b></u>	<u>620,484</u>
<b>Total funds carried forward</b>		<u><u>98,291</u></u>	<u><u>968,190</u></u>	<u><u><b>1,066,481</b></u></u>	<u><u>878,011</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 13 to the accounts.

## Chapter One (U.K.) Ltd

### Balance sheet

As at 31 July 2025

	Note	£	2025 £	2024 £
<b>Fixed assets</b>				
Investments	9		<u>-</u>	<u>154,500</u>
<b>Current assets</b>				
Debtors	10	<b>100,050</b>		152,822
Current asset investments		<b>246,952</b>		200,000
Cash at bank and in hand		<b>745,251</b>		<u>383,416</u>
		<b>1,092,253</b>		736,238
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	11	<u>(25,772)</u>		<u>(12,727)</u>
<b>Net current assets</b>			<u><b>1,066,481</b></u>	<u>723,511</u>
<b>Net assets</b>	12		<u><b>1,066,481</b></u>	<u>878,011</u>
<b>Funds</b>	13			
Restricted funds			<b>98,291</b>	80,664
General funds			<u><b>968,190</b></u>	<u>797,347</u>
<b>Total charity funds</b>			<u><b>1,066,481</b></u>	<u>878,011</u>

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

Approved by the trustees on 5 November 2025 and signed on their behalf by

*Seth Weinberger*

Seth Weinberger - Trustee

## Chapter One (U.K.) Ltd

### Statement of cash flows

For the year ended 31 July 2025

	2025 £	2024 £
<b>Cash used in operating activities:</b>		
Net movement in funds	188,470	257,527
Adjustments for:		
Interest received	(34,721)	(13,604)
Loss on the sale of fixed assets	-	51,261
Increase / (decrease) in debtors	52,772	(100,265)
Decrease / (increase) in creditors	13,045	(4,098)
<b>Net cash provided by operating activities</b>	<b>219,566</b>	<b>190,821</b>
<b>Cash flows from investing activities:</b>		
Transfer / (purchase) of investments	154,500	(154,500)
Interest received	34,721	13,604
<b>Net cash used in investing activities</b>	<b>189,221</b>	<b>(140,896)</b>
<b>Increase in cash and cash equivalents in the year</b>	<b>408,787</b>	<b>49,925</b>
Cash and cash equivalents at the beginning of the year	583,416	533,491
<b>Cash and cash equivalents at the end of the year</b>	<b>992,203</b>	<b>583,416</b>
Analysed as:		
Cash at bank and in hand	745,251	383,416
Cash held in current asset investments	246,952	200,000
	<b>992,203</b>	<b>583,416</b>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

## Chapter One (U.K.) Ltd

### Notes to the financial statements

#### For the year ended 31 July 2025

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#### 1. Accounting policies

##### a) Basis of preparation and general information

Chapter One (U.K.) Ltd is a charitable company limited by guarantee registered in England and Wales. The registered office address is 4 Torriano Cottages, London, NW5 2TA.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

##### b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

##### c) Income

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

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

Income received in advance of provision of a specific project is deferred until criteria for income recognition are met.

##### d) Interest receivable

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

##### e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

## Chapter One (U.K.) Ltd

### Notes to the financial statements

#### For the year ended 31 July 2025

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#### 1. Accounting policies (continued)

##### f) Expenditure and irrecoverable VAT

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

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

##### g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on the proportion of staff time occupied by each activity as follows:

	2025	2024
Raising funds	4%	3%
Charitable activities	96%	97%

##### h) Tangible fixed assets

Items of equipment are capitalised when the purchase price exceeds £1,000.

##### i) Unlisted investments

Unlisted investments consist of cash held on deposit in interest bearing accounts with maturity dates exceeding one year. Such investments are measured at their fair value.

##### j) Current asset investments

Current asset investments consist of cash held on deposit in interest bearing accounts. Such investments are measured at their fair value.

##### k) Debtors

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

##### l) Cash at bank and in hand

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

##### m) Creditors

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

## Chapter One (U.K.) Ltd

### Notes to the financial statements

#### For the year ended 31 July 2025

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#### 1. Accounting policies (continued)

##### n) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

##### o) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

##### p) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

##### q) Accounting estimates and key judgements

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

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

In the trustees' opinion, there are no critical accounting estimates.

#### 2. Prior period comparatives: statement of financial activities

	Restricted	Unrestricted	2024 Total
	£	£	£
<b>Income from:</b>			
Donations	226,828	1,171,109	1,397,937
Charitable activities	-	59,000	59,000
Investments	-	13,604	13,604
<b>Total income</b>	<u>226,828</u>	<u>1,243,713</u>	<u>1,470,541</u>
<b>Expenditure on:</b>			
Raising funds	-	35,499	35,499
Charitable activities	201,294	976,221	1,177,515
<b>Total expenditure</b>	<u>201,294</u>	<u>1,011,720</u>	<u>1,213,014</u>
<b>Net income and net movement in funds</b>	<u>25,534</u>	<u>231,993</u>	<u>257,527</u>

## Chapter One (U.K.) Ltd

### Notes to the financial statements

For the year ended 31 July 2025

#### 3. Income from donations

	Restricted £	Unrestricted £	2025 Total £
Chapter One US	123,377	-	<b>123,377</b>
Charitable trusts	260,339	12,356	<b>272,695</b>
Individual donors and gift aid	3,645	44,191	<b>47,836</b>
Corporate donations	-	1,229,121	<b>1,229,121</b>
Other grants	28,678	-	<b>28,678</b>
<b>Total income from donations</b>	<b><u>416,039</u></b>	<b><u>1,285,668</u></b>	<b><u>1,701,707</u></b>

#### Prior period comparative:

	Restricted £	Unrestricted £	2024 Total £
Chapter One US	-	162,627	162,627
Charitable trusts	126,737	9,200	135,937
Individual donors and gift aid	5,832	23,979	29,811
Corporate donations	-	972,835	972,835
Other grants	94,259	2,468	96,727
<b>Total income from donations</b>	<b><u>226,828</u></b>	<b><u>1,171,109</u></b>	<b><u>1,397,937</u></b>

#### 4. Income from charitable activities

	2025 Total £	2024 Total £
School contributions	<b><u>79,750</u></b>	<b><u>59,000</u></b>

Income from charitable activities was unrestricted in the current and prior year.

## Chapter One (U.K.) Ltd

### Notes to the financial statements

For the year ended 31 July 2025

#### 5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance £	2025 Total £
Staff costs (note 7)	46,816	1,227,261	149,898	1,423,975
Consultancy	-	19,259	-	19,259
Other project costs	-	128,307	-	128,307
Equipment	-	30,900	-	30,900
Administration costs	211	-	15,848	16,059
Accountancy fees	-	-	9,000	9,000
Trustee costs	-	-	208	208
<b>Sub-total</b>	<b>47,027</b>	<b>1,405,727</b>	<b>174,954</b>	<b>1,627,708</b>
Allocation of support and governance costs	6,429	168,525	(174,954)	-
<b>Total expenditure</b>	<b>53,456</b>	<b>1,574,252</b>	<b>-</b>	<b>1,627,708</b>

Total governance costs were £19,147 (2024: £18,108).

Prior period comparative	Raising funds £	Charitable activities £	Support and governance £	2024 Total £
Staff costs (note 7)	31,094	870,619	103,893	1,005,606
Consultancy	-	3,612	-	3,612
Other project costs	-	98,267	-	98,267
Equipment	-	81,851	-	81,851
Administration costs	6	-	14,995	15,001
Accountancy fees	-	-	8,640	8,640
Trustee costs	-	-	37	37
<b>Sub-total</b>	<b>31,100</b>	<b>1,054,349</b>	<b>127,565</b>	<b>1,213,014</b>
Allocation of support and governance costs	4,399	123,166	(127,565)	-
<b>Total expenditure</b>	<b>35,499</b>	<b>1,177,515</b>	<b>-</b>	<b>1,213,014</b>

## Chapter One (U.K.) Ltd

### Notes to the financial statements

#### For the year ended 31 July 2025

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#### 6. Net movement in funds

This is stated after charging:

	<b>2025</b>	2024
	£	£
Depreciation	Nil	Nil
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	208	37
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	7,900	7,200
▪ Other services	Nil	Nil
	<u>          </u>	<u>          </u>

Trustee reimbursed expenses relate to travel costs for one trustees (2024: One).

#### 7. Staff costs and numbers

Staff costs were as follows:

	<b>2025</b>	2024
	£	£
Salaries and wages	1,265,257	904,390
Social security costs	115,007	77,941
Pension costs	43,711	23,275
	<u>1,423,975</u>	<u>1,005,606</u>

Three employees earned more than £60,000 during the year, two earning between £80,001 and £90,000, and one between £90,001 and £100,000 (2024: Two employees earned between £80,001 and £90,000).

The key management personnel of the charitable company comprise the senior management team. The total employee benefits of the key management personnel were £275,087 (2024: £176,879).

	<b>2025</b>	2024
	No.	No.
Average head count	<u>43.7</u>	<u>33.5</u>

#### 8. Taxation

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

## Chapter One (U.K.) Ltd

### Notes to the financial statements

#### For the year ended 31 July 2025

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#### 9. Investments

	2025 £	2024 £
Market value at 1 August 2024	154,500	-
Additions	-	154,500
Transfers	<u>(154,500)</u>	<u>-</u>
<b>Market value at 31 July 2025</b>	<b><u>-</u></b>	<b><u>154,500</u></b>

Investments comprise solely of 2 year fixed term bonds, with a maturity date of 4 January 2026. These are now part of current asset investments.

#### 10. Debtors

	2025 £	2024 £
Trade debtors	85,033	117,436
Prepayments and accrued income	<u>15,017</u>	<u>35,386</u>
	<b><u>100,050</u></b>	<b><u>152,822</u></b>

Included within prepayments and accrued income are amounts falling due after more than one year of £1,522.

#### 11. Creditors : amounts due within 1 year

	2025 £	2024 £
Trade creditors	748	2,080
Accruals	<u>25,024</u>	<u>10,647</u>
	<b><u>25,772</u></b>	<b><u>12,727</u></b>

## Chapter One (U.K.) Ltd

### Notes to the financial statements

For the year ended 31 July 2025

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#### 12. Analysis of net assets between funds

	Restricted funds £	General funds £	Total funds £
Current assets	98,291	993,962	<b>1,092,253</b>
Current liabilities	-	(25,772)	<b>(25,772)</b>
<b>Net assets at 31 July 2025</b>	<b><u>98,291</u></b>	<b><u>968,190</u></b>	<b><u>1,066,481</u></b>
<b>Prior period comparative</b>			
	Restricted funds £	General funds £	Total funds £
Investments	-	154,500	154,500
Current assets	80,664	655,574	736,238
Current liabilities	-	(12,727)	(12,727)
<b>Net assets at 31 July 2024</b>	<b><u>80,664</u></b>	<b><u>797,347</u></b>	<b><u>878,011</u></b>

## Chapter One (U.K.) Ltd

### Notes to the financial statements

For the year ended 31 July 2025

#### 13. Movements in funds

	At 1 August 2024 £	Income £	Expenditure £	Transfers between funds £	At 31 July 2025 £
<b>Restricted funds</b>					
Activity Books	3,000	-	(3,000)	-	-
Book Club	-	39,000	(39,000)	-	-
Evidence, Impact and Research	1,634	-	(1,634)	-	-
Story Creation	1,190	18,678	(18,868)	-	1,000
Early Literacy Intervention	3,775	24,195	(25,970)	-	2,000
Champions for Children	8,832	-	(8,832)	-	-
Hardware sets	18,529	20,413	(24,230)	-	14,712
Platform Development	-	170,432	(114,182)	-	56,250
Online Reading Programme					
National	-	39,500	(39,500)	-	-
East of England	10,916	10,000	(20,916)	-	-
West Midlands	19,867	18,000	(23,617)	-	14,250
North East	1,000	3,000	(3,000)	-	1,000
Yorkshire	2,062	41,821	(41,504)	-	2,379
London	9,859	29,000	(32,159)	-	6,700
North West	-	2,000	(2,000)	-	-
<b>Total restricted funds</b>	<b>80,664</b>	<b>416,039</b>	<b>(398,412)</b>	<b>-</b>	<b>98,291</b>
<b>Unrestricted funds</b>					
General funds	797,347	1,400,139	(1,229,296)	-	968,190
<b>Total unrestricted funds</b>	<b>797,347</b>	<b>1,400,139</b>	<b>(1,229,296)</b>	<b>-</b>	<b>968,190</b>
<b>Total funds</b>	<b>878,011</b>	<b>1,816,178</b>	<b>(1,627,708)</b>	<b>-</b>	<b>1,066,481</b>

#### Purposes of restricted funds

Online Reading Programme	Funding for the online reading volunteer programme in particular parts of the UK.
Platform Development	Technical development of the online reading platform (web-based application) used by volunteers and schools.
Activity Books	Providing physical books to pupils as part of the end of year reading celebrations.
Evidence, Impact and Research:	Gathering and presenting evidence on the impact of Chapter One's programmes.
Story Creation	Funding for the writing and illustrating of new stories for the online reading platform.

## Chapter One (U.K.) Ltd

### Notes to the financial statements

#### For the year ended 31 July 2025

#### 13. Movements in funds (continued)

##### Purposes of restricted funds (continued)

Early Literacy Intervention	A growing programme that provides in-person specialist phonics support to pupils in their school setting.
Book Club	A new programme this year that enables small groups of older children (Year 4-5) to meet and read books with a facilitator.
Champions for Children	Funding provided to charities working to alleviate the impact of poverty on children across London.
Hardware sets	Funding for the dedicated laptops and headsets provided to classrooms to enable online reading sessions to take place.

##### Prior period comparative

	At 1 August 2023 £	Income £	Expenditure £	Transfers between funds £	At 31 July 2024 £
<b>Restricted funds</b>					
Activity Books	-	3,000	-	-	3,000
Evidence, Impact and Research	11,670	8,279	(18,315)	-	1,634
Story Creation	-	4,000	(2,810)	-	1,190
Early Literacy Intervention	1,109	8,200	(5,534)	-	3,775
Volunteer Teams	-	29,380	(29,380)	-	-
Champions for Children	-	8,832	-	-	8,832
Hardware sets	-	42,600	(24,071)	-	18,529
Online Reading Programme					
West Midlands	1,000	24,100	(5,233)	-	19,867
London	17,906	44,984	(53,031)	-	9,859
Yorkshire	5,129	28,153	(31,220)	-	2,062
North East	-	3,000	(2,000)	-	1,000
East of England	13,416	22,300	(24,800)	-	10,916
North West	4,900	-	(4,900)	-	-
<b>Total restricted funds</b>	<u>55,130</u>	<u>226,828</u>	<u>(201,294)</u>	<u>-</u>	<u>80,664</u>
<b>Unrestricted funds</b>					
General funds	<u>565,354</u>	<u>1,243,713</u>	<u>(1,011,720)</u>	<u>-</u>	<u>797,347</u>
<b>Total unrestricted funds</b>	<u>565,354</u>	<u>1,243,713</u>	<u>(1,011,720)</u>	<u>-</u>	<u>797,347</u>
<b>Total funds</b>	<u><u>620,484</u></u>	<u><u>1,470,541</u></u>	<u><u>(1,213,014)</u></u>	<u><u>-</u></u>	<u><u>878,011</u></u>

In the current year, funds previously presented by specific locations have been grouped into broader geographical areas. Prior year comparatives have been re-mapped to align with the revised regional classifications. This change affects only the presentation of fund headings and has no impact on the level of restricted income or expenditure reported.

## Chapter One (U.K.) Ltd

### Notes to the financial statements

For the year ended 31 July 2025

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#### 14. Related party transactions

Sarah Bell (Trustee) is the sister-in-law of Emma Bell, Chief Executive, however the Board are satisfied that any potential conflict has been mitigated, and Sarah has not been involved in any decisions relating to Emma's remuneration.

#### ***Controlling party***

Chapter One US (NFP), a 501c3 non-profit in the US, is the sole shareholder of Chapter One (U.K.) Ltd. During the year, a grant of £123,377 was received from Chapter One US (2024: £162,627). No amounts were outstanding at year end.

**CHAPTER ONE (U.K.) LTD**

England & Wales - Charity number 1179625

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# Accounts

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Company no. 11116416  
Charity no. 1179625

**Chapter One (U.K.) Ltd**  
**Report and Audited Financial Statements**  
**31 July 2024**

## **Chapter One (U.K.) Ltd**

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**For The Year Ended 31 July 2024**

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## Chapter One (U.K.) Ltd

### Reference and administrative details

For the year ended 31 July 2024

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<b>Company number</b>	11116416
<b>Charity number</b>	1179625
<b>Registered office and operational address</b>	4 Torriano Cottages London NW5 2TA
<b>Trustees</b>	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:  Sarah Bell Marie Broad Alexander Green Lisa Hayes Lucy Heady Jonathan Lloyd Zoe Pierre Jennifer Reindorp Seth Weinberger Jeffrey Williams  appointed 14 August 2023  appointed 10 May 2024  resigned 10 May 2024  appointed 10 May 2024
<b>Chief executive officer</b>	Emma Bell
<b>Bankers</b>	CAF Bank 25 Kings Hill Ave Kings Hill West Malling ME19 4JQ  United Trust Bank 1 Ropemaker Street London EC2Y 9AW
<b>Auditors</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD

## **Chapter One (U.K.) Ltd**

### **Report of the trustees**

#### **For the year ended 31 July 2024**

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The trustees, who are also directors for the purposes of company law, present their report and the audited financial statements of the charity for the year ended 31 July 2024.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

### **OBJECTIVES AND ACTIVITIES**

#### **Aims and objectives**

Chapter One has a vision of a world in which all children have the literacy skills needed to thrive. Our mission is to close the reading gap by providing children with one-to-one support at the time they need it the most. We innovatively combine corporate volunteering, expert staff and technology to enable the meaningful human interaction that improves reading outcomes for young children.

#### **Online reading volunteers: overview**

Our flagship programme is an online volunteer reading support programme that helps 5 to 8 year-old children who are attending schools in disadvantaged communities who have low levels of reading confidence and enjoyment, and are struggling to read. We aim to set children up as confident readers as early as possible in their educational journey so that they can thrive through school and beyond.

In 2023, 40% of 11-year-olds from disadvantaged backgrounds in England left primary school not reading to the expected standard. This can throw their whole life off track and make it difficult for them to reach their full potential. This attainment gap between disadvantaged children and their more advantaged peers is seen early in a child's school journey; as early as 5 or 6 years of age, and so it's vital to intervene early to ensure it does not widen and affect children's future learning and opportunities.

Too many children simply do not have consistent, encouraging, reading support at home, or a quiet space at home for reading, or they grow up in households where there is little or no access to books. The challenges which prevent families from reading with their children are now being exacerbated by the cost of living crisis, with engagement in learning likely to be further affected.

The Chapter One model supports these struggling readers by partnering with a range of local and national businesses and recruiting their employees as reading volunteers who provide sustained, weekly reading practice.

For the entire academic year, corporate volunteers are paired with pupils who need additional reading support. The pairs enjoy a weekly 30-minute online reading session using our secure, bespoke reading platform and a voice connection to link from the volunteer's workplace or home to a dedicated classroom laptop. The platform contains a variety of fun and engaging stories and literacy activities which focus on fluency, comprehension and reading for pleasure. Up to 10 children in each Year 1, Year 2 or Year 3 class participate, giving the programme a reach and scale that schools are otherwise unable to achieve. The flexibility of the model makes it attractive to businesses who wish to give their employees a time-efficient way to volunteer.

## Chapter One (U.K.) Ltd

### Report of the trustees

#### For the year ended 31 July 2024

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The Chapter One programme has been proven to improve the reading enjoyment, ability and confidence of young children facing disadvantage. We believe that this flexible, time-efficient model has the potential to galvanise significant numbers of adults to improve the life chances of children.

#### **Online reading volunteers: academic year 2023-24**

2023-24 was Chapter One's sixth year of operation in England and Scotland. The programme was implemented in 328 classrooms across 97 schools in 11 areas of the UK: Bradford, Doncaster, Edinburgh, East Sussex, Glasgow, Leeds, London, Manchester, Middlesbrough, Peterborough and West Cumbria.

Despite the challenging economic environment, we were encouraged that many new partners decided to join us in 2023-24, particularly to support children in Manchester and West Cumbria. Many of these newer partners are connected to infrastructure and construction projects and are working with Chapter One to fulfil their social value commitments.

We are grateful for the support of a consortium of businesses, including Cisco / Virgin Media O2, Clyde & Co, CMS, GRAHAM, KPMG, and Marsh to enable our expansion into Manchester.

Overall, 2,909 children were supported by 2,744 volunteer readers from 132 corporate partners, who collectively provided almost 2.5 years of reading (21,155 reading hours, over 55,444 sessions) from September 2023 to July 2024. The corporate partners who provided volunteers and associated financial sponsorship to sustain the Chapter One programme are listed below. We are very grateful to them all for their support.

3S Money	Kier
ABN Amro	KPMG
Allen & Overy (A&O Shearman)	Lewis Silkin
Amazon Customer Services	Liberty Global
Ansaldo Nuclear	Macquarie Investment Management
Apple	Marsh
Arena	Maybank
Artemis Foundation	McLaughlin & Harvey
Ashurst	MetLife
AtkinsRealis	Microsoft
Atos	Mishcon de Reya
Azets	MITIE
Balfour Beatty	Morgan Sindall
BCLP	Morgan Stanley
BDO	National Highways
BE Offices	NCR
Bendalls	NG Bailey
BEP	NHS Property Services
Bilfinger	NVIDIA
Blackbaud	NWEC
BT	Ocado
CACI	Optum
Capita	Orano
Cavendish Nuclear	Paramount
Cisco	Pega
Cisco Partners	Phoenix Group

## Chapter One (U.K.) Ltd

### Report of the trustees

#### For the year ended 31 July 2024

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Citi	Reed Smith
Clyde & Co	Restoration & Renewal
CMC Markets	Ridge & Partners
CMS	Rothschild & Co
Columbia Threadneedle	Royal London
Copper Consultancy	RS Integrated Supply
CPC Project Services	RWM
CTM	Sage
Daisy	Salesforce
Datagraphic	Samsara
DDP	Sellafield
Deloitte	Serco
Dentons	Siemens Energy
Draeger	Sir Robert McAlpine
Durham University	Slaughter and May
Encore Packaging Solutions	Smiths Group
Equinix	Social Value Portal
Euromonitor	Sodexo (Stop Hunger Foundation)
FactSet	Solenis
Fidelity International	Solutions 4 Health
Fidelity Investments	Story
Foresters	Sunbelt Rentals
Google	SUSE
Graham	T. Rowe Price
Guardian Financial Services	Taylor & Francis
Hachette	TCS
Hanson (Heidelberg Materials)	Thakeham
Hogan Lovells	Tribal Group
Howden Group	Turner and Townsend
Hymans Robertson	Tutorfair Foundation
IEMA	UK Community Volunteers
ISA	UNUM
ISG Ltd	Vanquis Banking Group
J Murphy & Sons (Transportation)	VAT IT
Jacobs	Veritas
Janus Henderson Investors	Virgin Media O2
JPMorgan Chase	Wates
KBR	White & Case
Keltbray	William Hare
Kennedys	William King Construction

Several partners worked closely with us throughout the year to support school communities in a myriad of ways which were additional to their Chapter One volunteers, and we were delighted to recognise many of these at our annual recognition event in the summer of 2024. This event also celebrated the contribution of outstanding volunteers - some of whom read with as many as three children.

## **Chapter One (U.K.) Ltd**

### **Report of the trustees**

#### **For the year ended 31 July 2024**

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During the latter part of the year we were successful in gaining the support of a group of our partner organisations to expand Chapter One's programme into Birmingham in 2024-25. We are also delighted that for 2024-25 we have four platinum partners, supporting us with more than 100 volunteers: Deloitte, KPMG, Sodexo and Amentum.

#### **Early Literacy Intervention**

In addition to the Online Reading Volunteer programme, Chapter One also ran its second full year of a new Early Literacy Intervention (ELI) programme, which has been developed to address the needs of disadvantaged children who don't have the basic phonics knowledge to allow them to begin to read. Using a bespoke technology tool on a touch-screen tablet, a trained Early Literacy Interventionist worked in three schools, providing target children with daily, face-to-face, one-to-one, tailored seven minute phonics sessions. Results for the programme were strong (with 100% of children in one school passing the National phonics screening check) and an ELI will continue in four schools in 2024-25. We are seeking ways to ensure that the funding model for this programme is sustainable.

#### **A story of growth**

Overall, our partner retention rate from 2022-23 to 2023-24 was 87% with our volunteer growth rate at 28%. As we look ahead to 2024-25, our partner retention rate from 2023-24 is forecast to be 88%.

Feedback from schools was also very positive, with our school retention rate at 89% and many schools increasing the numbers of participating classes. Again, as we look ahead to 2024-25, our school retention rate is forecast to be high at 88%.

The Chief Executive Officer led a growing team of staff (38 by July 2024, 25 FTE) to ensure Chapter One's programmes ran effectively for UK volunteers and schools and that participating children received maximum benefit. With 2,909 children supported this year, we were delighted to get very close to our strategic goal, set in our 2021 – 2024 Strategic Plan, to support 3,000 children in the 2023-24 academic year. Additional staff were recruited in the summer of 2024 to increase organisational capacity.

Our fundraiser has worked hard to continue to diversify our sources of income, and we've grown the number of Trusts and Foundations that support our work. A list of those who have provided us with the generous support can be found in the accounts. We also participated in the Big Give Champions for Children Summer Challenge in 2024.

The Chapter One team and Board spent much of 2023-24 in developing a new strategic plan for 2025-29. We now have four pillars that describe our future ambition: Best in Class Online Reading Programme; Innovation to Boost Reading; Maximising Partnerships and Internal Transformation. These are underpinned by a refreshed Theory of Change which will inform our evaluation and impact framework, and our organisational values: ambitious, empowering, energetic, inclusive, optimistic. With projected growth of 20% year on year, and the development of new facets to our work, we hope to reach at least 19,000 children annually by 2029.

## **Chapter One (U.K.) Ltd**

### **Report of the trustees**

#### **For the year ended 31 July 2024**

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##### **Impact and evaluation**

With the appointment of our first staff Evidence & Impact Manager in the summer of 2023, 2023-24 was a year of review and consolidation. We delved deeply into our Theory of Change and refreshed it; we improved our survey tools and data collection mechanisms for teachers volunteers and parents; we collaborated with Bookmark Reading Charity on a project to gather children's voice about their Chapter One experience, and piloted it successfully in three schools; and we developed a new model for the collection of case studies. At the time of writing, the full results of our 2023-24 impact evaluation are not available, but they will be accessible on the impact page of our website in early 2025. Previous impact reports are also available on this page.

Data from our 2022-23 Impact report (published in January 2024), showed that children who participated in Chapter One programmes had an increase of 3.49 levels in their reading attainment. 25% more pupils were reading to the expected standard at the end of a year using Chapter One than at the start, and there was a 12% gain in children's positive reading attitudes and behaviours. 89% of teachers and 98% of volunteers would recommend the programme to a colleague or friend.

##### **FINANCES**

###### **Financial review**

During the year, Chapter One UK's income was £1,470,541 (2023: £958,586) and expenditure of £1,213,014 (2023: £834,823). The net surplus for the year was £257,527 (2023: £123,763).

###### **Fundraising**

Chapter One UK is registered with the Fundraising Regulator (June 2023). The charity's principal funding source is corporate partners. In 2023-24, for each team of 10 volunteers fielded by a business, we asked for financial sponsorship of £3,250. Additional income was also raised from Trusts and Foundations and Individual Donors. All fundraising has been carried out by in-house fundraisers employed directly by the charity. A complaints policy is included on our website. The relevant fundraising standards have been complied with and no complaints were made concerning fundraising activities during the year.

###### **Reserves policy**

The level of unrestricted funding received in year has allowed the trustees to act on their plans to build up reserves to provide financial stability. We intend to maintain our reserves at a level which is equivalent to four months' worth of current expenditure/running costs, currently £558k (as per 2024-25 budget, which includes significant growth in staff and delivery). Note: our reserves at year end are in excess of the Board's target of 4 months. As the bulk of our income is generated between November and July in each financial year, we therefore need a buffer at the end of July to support cash flow at the start of our financial year – August to October. This reserve is naturally depleted by the end of October each year.

It is the policy of Chapter One to continue to fundraise from corporate partners and from Trusts and Foundations to generate sufficient unrestricted income to allow us to further build up our level of reserves in line with current operations.

The Board regularly (twice-yearly) reviews the amount of reserves that are required to ensure that they are adequate to fulfil our continuing obligations.

## **Chapter One (U.K.) Ltd**

### **Report of the trustees**

**For the year ended 31 July 2024**

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#### **RISK MANAGEMENT POLICY**

##### **Financial**

Chapter One operates in a challenging and demanding area where there are very few certainties over funding, particularly with the economic pressures the UK is facing. This is inherently risky and as an organisation we operate strict financial controls and continually review the situation, including regular forecasting. The annual budgets, reforecasts and management accounts are regularly reviewed. Key controls used by the charity are:

- Formal agendas and minutes for the Board of Trustees;
- Annual budget and regular monthly accounts;
- An annual business plan with key targets; and
- A risk management framework and risk register.

Application of these controls has successfully managed financial risks and established a track record of sustainable growth and consistent reserves management.

##### **Operational**

The nature of our work presents operational risks. These are managed through the implementation of suitable policies, procedures and processes including staff training, supervision and reporting structures as well as through the maintenance of the risk register and Business Continuity Plan which is regularly reviewed. The Board of Trustees is satisfied that all major risks have been identified and adequately minimised.

##### **Plans for future periods**

As indicated above, Chapter One's programmes will expand in 2024-25. We anticipate that online reading volunteers will support at least 3,300 children and operate in: Birmingham, Bradford, Doncaster, East Sussex, Edinburgh, Glasgow, Leeds, London, Manchester, Middlesbrough, Peterborough and West Cumbria.

##### **Acknowledgements**

The trustees would like to express great thanks to Chapter One's funders, as well as to individuals and groups who donated to us throughout the period.

#### **THE TRUSTEES**

The trustees who served the charity during the period were as follows:

Seth Weinberger  
Jennifer Reindorp  
Sarah Bell  
Lucy Heady  
Zoe Pierre  
Alexander Green  
Lisa Hayes  
Marie Broad  
Jonathan Lloyd  
Jeffrey Williams

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Emma Bell is the CEO of the charity and leads a team of key management personnel, with Board reporting responsibilities, consisting of the following staff: Head of Programme Delivery & Engagement, Corporate Partnerships Manager and Head of Finance.

## **Chapter One (U.K.) Ltd**

### **Report of the trustees**

#### **For the year ended 31 July 2024**

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##### **Governing document**

Chapter One (U.K.) Ltd (Chapter One) is a registered charity (1179625) and company limited by shares (11116416). Our governing document consists of a Memorandum and Articles of Association which incorporated the organisation on 18 December 2017. The company was registered as a charity (originally in its former name of Innovations for Learning) on 21 August 2018.

##### **Organisational structure**

Chapter One (U.K.) Ltd has a Board of Trustees and one Member under Company Law, which is Chapter One NFP (a 501c3 non-profit).

##### **Appointment of trustees**

Trustees are recruited by a process of co-option and election. The Board consists of at least three and not more than twelve individuals.

##### **Public benefit**

As laid out in our objects, Chapter One aims to advance education for the benefit of the public in particular (but without limitation) in the field of literacy. The trustees confirm that Chapter One operates for the public benefit and that we have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and planning future activities. Our summary of activities above lay out the ways in which we have worked to further our charitable aims for the public benefit throughout the period.

##### **Risk management**

Chapter One's Board of trustees is aware of its responsibility to identify and review the major risks to which the organisation is exposed and implement systems to mitigate those risks. Internal risks are minimised by the implementation of appropriate financial management policies and procedures.

##### **RELATED PARTIES**

Refer to note 15 in the financial statements.

##### **Statement of responsibilities of the trustees**

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

## **Chapter One (U.K.) Ltd**

### **Report of the trustees**

#### **For the year ended 31 July 2024**

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. Chapter One NFP (US) is the sole member of the charity. The trustees have no beneficial interest in the charity.

#### **Auditors**

Godfrey Wilson Limited were appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 4 November 2024 and signed on their behalf by



Seth Weinberger - Trustee

## **Independent auditors' report**

**To the members of**

### **Chapter One (U.K.) Ltd**

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#### **Opinion**

We have audited the financial statements of Chapter One (U.K.) Ltd (the 'charity') for the year ended 31 July 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related 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 31 July 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

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

## **Independent auditors' report**

**To the members of**

### **Chapter One (U.K.) Ltd**

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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.

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

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

#### **Responsibilities of the trustees**

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

In preparing the financial statements, the trustees are responsible for assessing the 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.

## Independent auditors' report

To the members of

### Chapter One (U.K.) Ltd

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#### **Our 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

## **Independent auditors' report**

**To the members of**

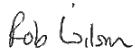
### **Chapter One (U.K.) Ltd**

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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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### **Use of our report**

This report is made solely to the 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.



Date: 4 November 2024

**Robert Wilson FCA**  
**(Senior Statutory Auditor)**

For and on behalf of:  
**GODFREY WILSON LIMITED**  
Chartered accountants and statutory auditors  
5th Floor Mariner House  
62 Prince Street  
Bristol  
BS1 4QD

## Chapter One (U.K.) Ltd

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

For the year ended 31 July 2024

	Note	Restricted £	Unrestricted £	2024 Total £	Restated 2023 Total £
<b>Income from:</b>					
Donations	3	226,828	1,171,109	<b>1,397,937</b>	921,037
Charitable activities	4	-	59,000	<b>59,000</b>	35,765
Investments		-	13,604	<b>13,604</b>	1,784
<b>Total income</b>		<u>226,828</u>	<u>1,243,713</u>	<u><b>1,470,541</b></u>	<u>958,586</u>
<b>Expenditure on:</b>					
Raising funds		-	35,499	<b>35,499</b>	33,924
Charitable activities		201,294	976,221	<b>1,177,515</b>	800,899
<b>Total expenditure</b>	5	<u>201,294</u>	<u>1,011,720</u>	<u><b>1,213,014</b></u>	<u>834,823</u>
<b>Net income</b>		25,534	231,993	<b>257,527</b>	123,763
Transfers between funds		-	-	-	-
<b>Net movement in funds</b>	6	25,534	231,993	<b>257,527</b>	123,763
<b>Reconciliation of funds:</b>					
Total funds brought forward		<u>55,130</u>	<u>565,354</u>	<u><b>620,484</b></u>	<u>496,721</u>
<b>Total funds carried forward</b>		<u><u>80,664</u></u>	<u><u>797,347</u></u>	<u><u><b>878,011</b></u></u>	<u><u>620,484</u></u>

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

Prior period income and expenditure have been reclassified to reflect the requirements of the Charities SORP (FRS 102) and to be comparable with the current year. The restatements are purely reclassifications of income and expenditure and do not affect net income.

## Chapter One (U.K.) Ltd

### Balance sheet

As at 31 July 2024

	Note	£	2024 £	2023 £
<b>Fixed assets</b>				
Tangible assets	9		-	51,261
Investments	10		<u>154,500</u>	<u>-</u>
			<b>154,500</b>	51,261
<b>Current assets</b>				
Debtors	11	<b>152,822</b>		52,557
Current asset investment		<b>200,000</b>		150,000
Cash at bank and in hand		<u><b>383,416</b></u>		<u>383,491</u>
		<b>736,238</b>		586,048
<b>Liabilities</b>				
Creditors: amounts falling due within 1 year	12	<u><b>(12,727)</b></u>		<u>(16,825)</u>
<b>Net current assets</b>			<u><b>723,511</b></u>	<u>569,223</u>
<b>Net assets</b>	13		<u><u><b>878,011</b></u></u>	<u><u>620,484</u></u>
<b>Funds</b>	14			
Restricted funds			<b>80,664</b>	55,130
General funds			<u><b>797,347</b></u>	<u>565,354</u>
<b>Total charity funds</b>			<u><u><b>878,011</b></u></u>	<u><u>620,484</u></u>

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

Approved by the trustees on 4 November 2024 and signed on their behalf by



Seth Weinberger - Trustee

## Chapter One (U.K.) Ltd

### Statement of cash flows

For the year ended 31 July 2024

	Note	2024 £	2023 £
<b>Cash used in operating activities:</b>			
Net cash provided by operating activities	16	<u>190,821</u>	<u>147,527</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		-	(45,359)
Purchase of investments		<b>(154,500)</b>	-
Interest received		<u>13,604</u>	<u>1,784</u>
<b>Net cash used in investing activities</b>		<b><u>(140,896)</u></b>	<b><u>(43,575)</u></b>
<b>Increase in cash and cash equivalents in the year</b>		<b>49,925</b>	103,952
Cash and cash equivalents at the beginning of the year		<u>533,491</u>	<u>429,539</u>
<b>Cash and cash equivalents at the end of the year</b>		<b><u>583,416</u></b>	<b><u>533,491</u></b>
Analysed as:			
Cash at bank and in hand		<b>383,416</b>	383,491
Cash held in current asset investments		<u>200,000</u>	<u>150,000</u>
		<b><u>583,416</u></b>	<b><u>533,491</u></b>

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

## Chapter One (U.K.) Ltd

### Notes to the financial statements

#### For the year ended 31 July 2024

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#### 1. Accounting policies

##### a) Basis of preparation

Chapter One (U.K.) Ltd is a charitable company limited by guarantee registered in England and Wales. The registered office address is 4 Torriano Cottages, London, NW5 2TA.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

##### b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

##### c) Income

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

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

Income received in advance of provision of a specific project is deferred until criteria for income recognition are met.

##### d) Interest receivable

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

##### e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

## Chapter One (U.K.) Ltd

### Notes to the financial statements

#### For the year ended 31 July 2024

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#### 1. Accounting policies (continued)

##### f) Expenditure and irrecoverable VAT

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

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

##### g) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on the proportion of staff time occupied by each activity as follows:

	2024	2023
Raising funds	3%	5%
Charitable activities	97%	95%

##### h) Tangible fixed assets

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

Computer equipment	3 years
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Items of equipment are capitalised when the purchase price exceeds £1,000.

##### i) Unlisted investments

Unlisted investments consist of cash held on deposit in interest bearing accounts with maturity dates exceeding one year. Such investments are measured at their fair value.

##### j) Current asset investments

Current asset investments consist of cash held on deposit in interest bearing accounts. Such investments are measured at their fair value.

##### k) Debtors

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

##### l) Cash at bank and in hand

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

## Chapter One (U.K.) Ltd

### Notes to the financial statements

For the year ended 31 July 2024

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#### 1. Accounting policies (continued)

##### m) Creditors

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

##### n) Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

##### o) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

##### p) Foreign currency transactions

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

##### q) Accounting estimates and key judgements

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

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

In the trustees' opinion, there are no critical accounting estimates.

Chapter One (U.K.) Ltd

Notes to the financial statements

For the year ended 31 July 2024

2. Prior period comparatives: statement of financial activities (restated)

	Restricted £	Unrestricted £	2023 Total £
<b>Income from:</b>			
Donations	112,487	808,550	921,037
Charitable activities	-	35,765	35,765
Investments	-	1,784	1,784
<b>Total income</b>	<b>112,487</b>	<b>846,099</b>	<b>958,586</b>
<b>Expenditure on:</b>			
Raising funds	-	33,924	33,924
Charitable activities	126,555	674,344	800,899
<b>Total expenditure</b>	<b>126,555</b>	<b>708,268</b>	<b>834,823</b>
<b>Net income / (expenditure)</b>	<b>(14,068)</b>	<b>137,831</b>	<b>123,763</b>
Transfers between funds	(9,126)	9,126	-
<b>Net movement in funds</b>	<b>(23,194)</b>	<b>146,957</b>	<b>123,763</b>

3. Income from donations

	Restricted £	Unrestricted £	2024 Total £
Chapter One US	-	162,627	<b>162,627</b>
Charitable trusts	126,737	9,200	<b>135,937</b>
Individual donors	5,832	23,979	<b>29,811</b>
Corporate donations	-	972,835	<b>972,835</b>
Grants and gift aid	94,259	2,468	<b>96,727</b>
<b>Total income from donations</b>	<b>226,828</b>	<b>1,171,109</b>	<b>1,397,937</b>

Prior period comparative (restated):

	Restricted £	Unrestricted £	2023 Total £
Chapter One US	-	58,474	58,474
Charitable trusts	112,487	41,665	154,152
Individual donors	-	28,513	28,513
Corporate donations	-	667,905	667,905
Grants and gift aid	-	11,993	11,993
<b>Total income from donations</b>	<b>112,487</b>	<b>808,550</b>	<b>921,037</b>

## Chapter One (U.K.) Ltd

### Notes to the financial statements

**For the year ended 31 July 2024**

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#### 4. Income from charitable activities

	<b>2024</b>	Restated
	<b>Total</b>	2023
	£	Total
		£
School contributions	<u><b>59,000</b></u>	<u>35,765</u>

Income from charitable activities was unrestricted in the current and prior year.

## Chapter One (U.K.) Ltd

### Notes to the financial statements

For the year ended 31 July 2024

#### 5. Total expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2024 Total £
Staff costs (note 7)	31,094	870,619	103,893	1,005,606
Consultancy	-	3,612	-	3,612
Other project costs	-	98,267	-	98,267
Equipment	-	81,851	-	81,851
Administration costs	6	-	14,995	15,001
Accountancy fees	-	-	8,640	8,640
Trustee costs	-	-	37	37
<b>Sub-total</b>	<b>31,100</b>	<b>1,054,349</b>	<b>127,565</b>	<b>1,213,014</b>
Allocation of support and governance costs	4,399	123,166	(127,565)	-
<b>Total expenditure</b>	<b>35,499</b>	<b>1,177,515</b>	<b>-</b>	<b>1,213,014</b>

Total governance costs were £18,108 (2023: £12,245).

Prior period comparative	Raising funds £	Charitable activities £	Support and governance costs £	2023 Total £
Staff costs (note 7)	27,013	548,205	89,166	664,384
Direct fundraising costs	1,908	-	-	1,908
Consultancy	-	3,452	-	3,452
Other project costs	-	105,426	-	105,426
Equipment	-	42,284	-	42,284
Administration costs	-	-	14,261	14,261
Accountancy fees	-	-	3,000	3,000
Trustee costs	-	-	108	108
<b>Sub-total</b>	<b>28,921</b>	<b>699,367</b>	<b>106,535</b>	<b>834,823</b>
Allocation of support and governance costs	5,003	101,532	(106,535)	-
<b>Total expenditure</b>	<b>33,924</b>	<b>800,899</b>	<b>-</b>	<b>834,823</b>

## Chapter One (U.K.) Ltd

### Notes to the financial statements

#### For the year ended 31 July 2024

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#### 6. Net movement in funds

This is stated after charging:

	2024	2023
	£	£
Depreciation	Nil	35,192
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	37	Nil
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	7,200	Nil
Independent examiners' remuneration (excluding VAT):		
▪ Independent examination	Nil	2,200
▪ Other services	Nil	300
	<u>Nil</u>	<u>300</u>

Trustee reimbursed expenses relate to travel costs for 1 trustee (2023: nil).

#### 7. Staff costs and numbers

Staff costs were as follows:

	2024	2023
	£	£
Salaries and wages	904,390	601,731
Social security costs	77,941	48,563
Pension costs	23,275	14,090
	<u>1,005,606</u>	<u>664,384</u>

Two employees earned more than £60,000 during the year, both earning between £80,001 and £90,000 (2023: One employee earned between £70,001 and £80,000).

The key management personnel of the charitable company comprise the senior management team. The total employee benefits of the key management personnel were £176,879 (2023: £91,373).

	2024	2023
	No.	No.
Average head count	<u>33.5</u>	<u>25.0</u>

#### 8. Taxation

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

## Chapter One (U.K.) Ltd

### Notes to the financial statements

For the year ended 31 July 2024

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#### 9. Tangible fixed assets

	Total £
<b>Cost</b>	
At 1 August 2023	116,565
Disposals	<u>(116,565)</u>
At 31 July 2024	<u>-</u>
<b>Depreciation</b>	
At 1 August 2023	65,304
On disposals	<u>(65,304)</u>
At 31 July 2024	<u>-</u>
<b>Net book value</b>	
<b>At 31 July 2024</b>	<u><u>-</u></u>
At 31 July 2023	<u><u>51,261</u></u>

A fixed asset capitalisation threshold of £1,000 has been implemented in the year. None of the assets shown on the register exceeded this value, and their net book value has been expensed in the current year.

#### 10. Investments

	2024 £	2023 £
Market value at 1 August 2023	-	-
Additions	<u>154,500</u>	<u>-</u>
<b>Market value at 31 July 2024</b>	<u><u>154,500</u></u>	<u><u>-</u></u>

Investments comprise solely of 2 year fixed term bonds, with a maturity date of 4 January 2026.

Chapter One (U.K.) Ltd

Notes to the financial statements

For the year ended 31 July 2024

11. Debtors

	2024 £	2023 £
Trade debtors	117,436	50,240
Prepayments	2,564	2,317
Accrued income	32,822	-
	<u>152,822</u>	<u>52,557</u>

12. Creditors : amounts due within 1 year

	2024 £	2023 £
Trade creditors	2,080	1,330
Accruals	10,647	15,495
	<u>12,727</u>	<u>16,825</u>

13. Analysis of net assets between funds

	Restricted funds £	General funds £	Total funds £
Investments	-	154,500	154,500
Current assets	80,664	655,574	736,238
Current liabilities	-	(12,727)	(12,727)
<b>Net assets at 31 July 2024</b>	<u>80,664</u>	<u>797,347</u>	<u>878,011</u>

Prior period comparative

	Restricted funds £	General funds £	Total funds £
Tangible fixed assets	-	51,261	51,261
Current assets	59,296	526,752	586,048
Current liabilities	(4,166)	(12,659)	(16,825)
<b>Net assets at 31 July 2023</b>	<u>55,130</u>	<u>565,354</u>	<u>620,484</u>

## Chapter One (U.K.) Ltd

### Notes to the financial statements

For the year ended 31 July 2024

#### 14. Movements in funds

	At 1 August 2023 £	Income £	Expenditure £	Transfers between funds £	At 31 July 2024 £
<b>Restricted funds</b>					
Activity Books	-	3,000	-	-	<b>3,000</b>
Evidence, Impact and Research	11,670	8,279	(18,315)	-	<b>1,634</b>
Story Creation	-	4,000	(2,810)	-	<b>1,190</b>
Early Literacy Intervention	1,109	8,200	(5,534)	-	<b>3,775</b>
Volunteer Teams	-	29,380	(29,380)	-	-
Champions for Children	-	8,832	-	-	<b>8,832</b>
Hardware sets	-	42,600	(24,071)	-	<b>18,529</b>
Birmingham	-	24,100	(4,233)	-	<b>19,867</b>
Earlsmead	6,240	-	(3,380)	-	<b>2,860</b>
Bradford	5,129	11,517	(14,584)	-	<b>2,062</b>
Teeside	-	1,000	-	-	<b>1,000</b>
East Sussex	11,666	12,300	(16,800)	-	<b>7,166</b>
Yorkshire	-	16,636	(16,636)	-	-
London	11,666	44,984	(49,651)	-	<b>6,999</b>
Manchester	4,900	-	(4,900)	-	-
Middlesbrough	-	2,000	(2,000)	-	-
Peterborough	1,750	10,000	(8,000)	-	<b>3,750</b>
Warwickshire	1,000	-	(1,000)	-	-
<b>Total restricted funds</b>	<b>55,130</b>	<b>226,828</b>	<b>(201,294)</b>	-	<b>80,664</b>
<b>Unrestricted funds</b>					
General funds	565,354	1,243,713	(1,011,720)	-	<b>797,347</b>
<b>Total unrestricted funds</b>	<b>565,354</b>	<b>1,243,713</b>	<b>(1,011,720)</b>	-	<b>797,347</b>
<b>Total funds</b>	<b>620,484</b>	<b>1,470,541</b>	<b>(1,213,014)</b>	-	<b>878,011</b>

#### Purposes of restricted funds

Geographic locations	Funding for the online reading volunteer programme in particular parts of the UK.
Activity Books	Providing physical books to pupils as part of the end of year reading celebrations.
Evidence, Impact and Research:	Gathering and presenting evidence on the impact of Chapter One's programmes.
Story Creation	Funding for the writing and illustrating of new stories for the online reading platform.

## Chapter One (U.K.) Ltd

### Notes to the financial statements

#### For the year ended 31 July 2024

#### 14. Movements in funds (continued)

##### Purposes of restricted funds (continued)

Early Literacy Intervention	A growing programme that provides in-person specialist phonics support to pupils in their school setting.
Volunteer Teams	Supporting volunteer participation the online reading volunteer programme.
Champions for Children	Funding provided to charities working to alleviate the impact of poverty on children across London.
Hardware sets	Funding for the dedicated laptops and headsets provided to classrooms to enable online reading sessions to take place.

##### Prior period comparative

	At 1 August 2022 £	Income £	Expenditure £	Transfers between funds £	At 31 July 2023 £
<b>Restricted funds</b>					
Research	10,000	-	(10,000)	-	-
Marketing and Communications	10,037	-	(10,037)	-	-
Evidence, Impact and Research	-	11,670	-	-	11,670
Storytelling	6,000	-	-	(6,000)	-
Early Literacy Intervention	6,148	-	(5,039)	-	1,109
Parent Involvement	11,126	-	(11,126)	-	-
Earlsmead	9,360	-	(3,120)	-	6,240
Bradford	6,329	15,017	(16,217)	-	5,129
Cumbria	-	10,000	(10,000)	-	-
East Sussex	7,981	18,000	(14,315)	-	11,666
Glasgow	9,360	-	(9,360)	-	-
London	-	30,800	(16,334)	(2,800)	11,666
Manchester	-	7,000	(2,100)	-	4,900
Middlesbrough	1,983	-	(1,983)	-	-
North East	-	-	-	-	-
Peterborough	-	19,000	(16,924)	(326)	1,750
Warwickshire	-	1,000	-	-	1,000
<b>Total restricted funds</b>	<b>78,324</b>	<b>112,487</b>	<b>(126,555)</b>	<b>(9,126)</b>	<b>55,130</b>
<b>Unrestricted funds</b>					
General funds	418,397	846,099	(708,268)	9,126	565,354
<b>Total unrestricted funds</b>	<b>418,397</b>	<b>846,099</b>	<b>(708,268)</b>	<b>9,126</b>	<b>565,354</b>
<b>Total funds</b>	<b>496,721</b>	<b>958,586</b>	<b>(834,823)</b>	<b>-</b>	<b>620,484</b>

## Chapter One (U.K.) Ltd

### Notes to the financial statements

#### For the year ended 31 July 2024

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#### 15. Related party transactions

##### **Controlling party**

Chapter One US (NFP), a 501c3 non-profit in the US, is the sole shareholder of Chapter One (U.K.) Ltd. During the year, a grant of £162,627 was received from Chapter One US (2023: £58,474). No amounts were outstanding at year end.

Sarah Bell (Trustee) is the sister-in-law of Emma Bell, Chief Executive, however the Board are satisfied that any potential conflict has been mitigated, and Sarah has not been involved in any decisions relating to Emma's remuneration.

#### 16. Net cash provided by operating activities

	<b>2024</b>	2023
	<b>Total</b>	Total
	<b>£</b>	£
<b>Cash used in operating activities:</b>		
Net movement in funds	257,527	123,763
Adjustments for:		
Depreciation charges	-	35,192
Dividends, interest and rents from investments	(13,604)	(1,784)
Loss on the sale of fixed assets	51,261	-
Increase in debtors	(100,265)	(16,934)
(Decrease) / increase in creditors	<u>(4,098)</u>	<u>7,290</u>
<b>Net cash provided by operating activities</b>	<u><u>190,821</u></u>	<u><u>147,527</u></u>

**CHAPTER ONE (U.K.) LTD**

England & Wales - Charity number 1179625

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# Accounts

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COMPANY REGISTRATION No. 11116416 (England & Wales)

# **CHAPTER ONE (U.K.) Ltd**

*A company limited by shares*

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2023**

Charity registration No. 1179625

# CHAPTER ONE (U.K.) LTD

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

## LEGAL AND ADMINISTRATIVE INFORMATION

<b>Registered charity name</b>	Chapter One (U.K.) Ltd (until March 2023, known as Innovations for Learning UK Ltd)
<b>Charity number</b>	1179625
<b>Company registration number</b>	11116416
<b>Registered office</b>	4 Torriano Cottages London NW5 2TA
<b>Trustees</b>	Seth Weinberger Jennifer Reindorp Sarah Bell Zoe Pierre Lucy Heady Alexander Green Lisa Hayes Marie Broad (appointed 14 August 2023)
<b>Chief Executive</b>	Emma Bell
<b>Independent examiner</b>	Godfrey Wilson Limited Chartered accountants and statutory auditors 5 <sup>th</sup> Floor, Mariner House 62 Prince Street Bristol BS1 4QD
<b>Banker</b>	CAF Bank 25 Kings Hill Ave Kings Hill West Malling ME19 4JQ  United Trust Bank 1 Ropemaker Street London EC2Y 9AW

# CHAPTER ONE (U.K.) LTD

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

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# CHAPTER ONE (U.K.) LTD

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

## TRUSTEES' ANNUAL REPORT

### YEAR ENDED 31 JULY 2023

The Trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 July 2023.

#### OBJECTIVES & ACTIVITIES

##### **Aims and objectives**

Chapter One has a vision of a world in which all children have the literacy skills needed to thrive. Our mission is to close the reading gap by providing children with one-to-one support at the time they need it the most. We innovatively combine corporate volunteering, expert staff and technology to enable the meaningful human interaction that improves reading outcomes for young children.

*Note: until March 2023 Chapter One was known as Innovations for Learning. The charity was then rebranded and renamed as Chapter One, with a new website and identity, however its programmes remained the same.*

##### **Online Reading Volunteers: overview**

Our flagship programme is an online volunteer reading support programme that helps 5 to 7 year-old children who are attending schools in disadvantaged communities and are struggling to read. We aim to set children up to succeed early in their educational journey.

In 2022, 38% of 11-year-olds from disadvantaged backgrounds in England left primary school not reading to the expected standard. This can throw their whole life off track and make it difficult for them to reach their full potential. This attainment gap between disadvantaged children and their more advantaged peers is seen early in a child's school journey; as early as 5 and 6 years of age, and Covid-19 and school closures had a devastating impact on these children, widening the gap between them and their more advantaged counterparts.

A recent study by the National Foundation for Educational Research on the impact of the pandemic on younger pupils' attainment showed that the age group that Chapter One targets is still three months behind in reading and that there has been an increase in the proportion of very low attaining pupils, particularly for reading. Families face various challenges which prevent them from reading with their children, including access to books, time and space. These challenges are now being exacerbated by the cost of living crisis, with engagement in learning likely to be further affected.

The Chapter One model supports these struggling readers by partnering with a range of local and national businesses and recruiting their employees as reading volunteers who provide sustained, weekly reading practice.

Volunteers use a sophisticated internet platform and a voice connection to link from their workplace to a dedicated classroom laptop for 30 minutes a week, during the school day, over one academic year. Up to 10 children in each Year 1, Year 2 or Year 3 class participate, giving the programme a reach and scale that schools are otherwise unable to achieve. The flexibility of the model makes it attractive to businesses who wish to give their employees a time-efficient way to volunteer.

The Chapter One programme has been proven to improve the reading enjoyment, ability and confidence of young children from disadvantaged backgrounds. We believe that this flexible, time-efficient model has the potential to galvanise significant numbers of adults to improve the life chances of children.

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## **Online Reading Volunteers: Academic Year 2022-23**

2022-23 was Chapter One's fifth year of operation in England, and until February 2023 its Online Reading Volunteer programme was known by its former name, TutorMate. The programme was implemented in 239 classrooms across 75 schools in 10 areas of the UK: Bradford, Doncaster, Edinburgh, East Sussex, Glasgow, Leeds, London, Middlesbrough, Peterborough and West Cumbria.

Despite the challenging economic environment, we were encouraged that many new partners decided to join us in 2022-23, particularly to support West Cumbrian children. The leadership of the Programme and Project Partners team at Sellafield was instrumental in recruiting over 100 volunteers who read with children in Cumbria from January 2023.

It was also the first year of Chapter One in Scotland – Glasgow and Edinburgh, which was made possible through the support of a consortium of businesses, including Ashurst, CMS, McLaughlin & Harvey and Royal London.

Overall, 2,151 children were supported by volunteer readers from 113 corporate partners, who provided 37,230 reading sessions (or 14,382 hours of reading) from September 2022 to July 2023. The corporate partners who provided volunteers and associated financial sponsorship to sustain the Chapter One programme are listed below. We are very grateful to them all for their support.

ABN Amro	Lotus
Allen & Overy	Macquarie Investment Management
Amazon Customer Services	Marsh
Apple	McLaughlin & Harvey
Arena	MetLife
Ashurst	Mishcon de Reya
Atalian Servest	MITIE
Azets	Morgan Stanley
Balfour Beatty	NCR
BCLP	NG Bailey
BE Offices	NVIDIA
BEP	NWEC
Blackbaud	Ocado
Bupa	Optum
CACI	Orano
Capita	Paramount
Cavendish Nuclear	Pega
Cisco	Phoenix Group
Clyde & Co	Reed Smith
CMS	Rothschild & Co
Costain	Royal London

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CPC Project Services	RTC
CTM	Sage
Daisy	Salesforce
Deloitte	Samsara
Dentons	Sellafield
Draeger	Serco
Energieo	Sir Robert McAlpine
Euromonitor	SISK
FactSet	Skanska
Faithful+Gould	Slaughter and May
Fidelity International	Smart DCC
Fidelity Investments	Smiths Group
Fitch Group	Social Value Portal
Foresters	Sodexo
GE Renewable Energy	Sunbelt Rentals
Google	SUSE
Graham	T. Rowe Price
Hachette	Taylor & Francis
Hanson	Thakeham
Hogan Lovells	The Body Shop
Hymans Robertson	Turner and Townsend
IEMA	Tutorfair Foundation
ISG Ltd	UNUM
Jacobs	UPS
Janus Henderson Investors	Vanquis Banking Group
JPMorgan Chase	VAT IT
Kier	Wates
KPMG	White & Case
Liberty Global	

Several partners worked closely with us throughout the year to support school communities in a myriad of ways which were additional to their Chapter One volunteers. Janus Henderson Investors donated school supplies and books to all children at their partner school and many other businesses, like Ashurst, organised book drives and donations for the children and classes they supported. A number of companies, including Ocado, worked with

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Chapter One to sponsor bespoke stories to be used on the platform – and often engaged their own staff as story authors.

Our founding UK partner, Janus Henderson Investors, generously sponsored a celebration event in June 2023 to mark 5 years of Chapter One in the UK. We used this as an opportunity to celebrate the achievements of our volunteers, and present awards to many volunteers and organisations who have supported children’s literacy since 2018.

During the latter part of the year we were successful in gaining the support of a group of our partner organisations to expand Chapter One’s programme into Manchester in 2023-24. We are also delighted that we have now entered into substantial multi-year partnerships with two companies – Marsh and Sodexo – from 2023-24 onwards.

### **Early Literacy Intervention**

In addition to the Online Reading Volunteer programme, Chapter One also ran its first full year of a new Early Literacy Intervention (ELI) programme, which has been developed to address the needs of disadvantaged children who don’t have the basic phonics knowledge to allow them to begin to read. Using a bespoke technology tool on a touch-screen tablet, a trained Early Literacy Interventionist worked in two schools, providing target children with daily, face-to-face, one-to-one, tailored seven minute phonics sessions. Results for the programme were strong (with 100% and 92% of children in the two schools passing the National phonics screening check) and an ELI will continue in one of the schools in 2023-24. We are seeking other schools to join us.

The programme was implemented in two Warwickshire schools and supported Reception and Year 1 children that have struggled to achieve good phonics screening and/or Key Stage 1 SATs (Standard Assessment Tests) results.

### **A story of growth**

Overall, our partner retention rate from 2021-22 to 2022-23 was 86% with our volunteer growth rate at 36%. As we look ahead to 2023-24, our partner retention rate from 2022-23 is forecast to be 90%, with a volunteer growth rate of 35%.

Feedback from schools was also very positive, with our school retention rate averaging 85% and many schools increasing the numbers of participating classes. Again, as we look ahead to 2023-24, our school retention rate is forecast to be high at 88%.

The Chief Executive led a growing team of staff (26 by July 2023) to ensure Chapter One’s programmes ran effectively for UK volunteers and schools and that participating children received maximum benefit. We are focused on achieving the goal set in our 2021 – 2024 Strategic Plan to support 3,000 children in the 2023-24 academic year. Additional staff were recruited in the summer of 2023 to increase organisational capacity. We also benefited from the appointment of a Marketing and Communications manager, who has grown our social media presence and commissioned a new film to showcase our work.

One of our key strategic goals for 2022-23 was to diversify our income, and the appointment of our first fundraiser has allowed us to increase the number of Trusts and Foundations that support our work all over the country. A list of those who have provided us with the generous support can be found in the accounts.

### **Impact and Evaluation**

During 2022-23 we carried out an impact evaluation of our work with ImpactEd, our independent evaluation partner. At the time of writing, the full results of this study are not available, but will be accessible on the impact page of our website. Previous impact reports are also available on this page.

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Data from our 2021-22 Impact report (published in January 2023) showed that, with statistical significance, the more Chapter One reading sessions a child had, the better their reading became. On average children's reading progress increased by 3.9 levels. 95% of teachers judged the programme to be beneficial/very beneficial for their pupils and 97% of teachers AND volunteers would recommend the programme to a friend.

In June 2023 we appointed our first in-house Evidence and Impact Manager, who will be instrumental in developing our evaluation approach as we grow.

## FINANCES

### Financial Review

During the year, Chapter One UK's income was £958,586 (2022: £691,595) and expenditure of £834,823 (2022: £467,291). The net surplus for the year was £123,763 (2022: £224,304).

### Fundraising

Chapter One UK is registered with the Fundraising Regulator (June 2023). The charity's principal funding source is corporate partners. In 2022-23, for each team of 10 volunteers fielded by a business, we asked for financial sponsorship of £3,120. Additional income was also raised from Trusts and Foundations and Individual Donors. All fundraising has been carried out by in-house fundraisers employed directly by the charity. A complaints policy is included on our website. The relevant fundraising standards have been complied with and no complaints were made concerning fundraising activities during the year.

### Reserves Policy

The level of unrestricted funding received in year has allowed the Trustees to act on their plans to build up reserves to provide financial stability. We intend to maintain our reserves at a level which is equivalent to four months' worth of current expenditure/running costs, currently £394k (as per 2023-24 budget, which includes significant growth in staff and delivery). Note: our reserves at year end are in excess of the Board's target of 4 months. As the bulk of our income is generated between November and July in each financial year, we therefore need a buffer at the end of July to support cash flow at the start of our financial year – August to October. This reserve is naturally depleted by the end of October each year.

It is the policy of Chapter One to continue to fundraise from corporate partners and from Trusts and Foundations to generate sufficient unrestricted income to allow us to further build up our level of reserves in line with current operations.

The Board regularly (twice-yearly) reviews the amount of reserves that are required to ensure that they are adequate to fulfil our continuing obligations.

## RISK MANAGEMENT POLICY

### Financial

Chapter One operates in a challenging and demanding area where there are very few certainties over funding, particularly with the economic pressures the UK is facing. This is inherently risky and as an organisation we operate strict financial controls and continually review the situation, including regular forecasting. The annual budgets, reforecasts and management accounts are regularly reviewed. Key controls used by the charity are:

- Formal agendas and minutes for board Trustees
- Annual budget and regular monthly accounts
- An annual business plan with key targets
- A risk management framework and risk register.

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### **Operational**

The nature of our work presents operational risks. These are managed through the implementation of suitable policies, procedures and processes including staff training, supervision and reporting structures as well as through the maintenance of the risk register and Business Continuity Plan which is regularly reviewed. The Board of Trustees is satisfied that all major risks have been identified and adequately minimised.

### **Plans for future periods**

As indicated above, Chapter One's programmes will expand in 2023-24. We anticipate that online reading volunteers will support 3,000 children and operate in: Bradford, Doncaster, East Sussex, Edinburgh, Glasgow, Leeds, London, Manchester, Middlesbrough, Peterborough and West Cumbria.

### **Acknowledgements**

The Trustees would like to express great thanks to Chapter One's funders, as well as to individuals and groups who donated to us throughout the period.

### **THE TRUSTEES**

The Trustees who served the charity during the period were as follows:

Seth Weinberger

Jennifer Reindorp

Sarah Bell

Lucy Heady

Zoe Pierre

Alexander Green

Lisa Hayes

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Emma Bell is the CEO of the charity and leads a senior management team consisting of the following staff: Business Development Manager, Senior Programme Manager, Performance and Data Manager, Chat Team Leader.

### **Governing Document**

Chapter One (U.K.) Ltd (Chapter One) is a registered charity (1179625) and company limited by shares (11116416). Our governing document consists of a Memorandum and Articles of Association which incorporated the organisation on 18<sup>th</sup> December 2017. The company was registered as a charity (originally in its former name of Innovations for Learning) on 21<sup>st</sup> August 2018.

### **Organisational Structure**

Chapter One (U.K.) Ltd has a Board of Trustees and one Member under Company Law, which is Chapter One NFP (a 501c3 non-profit).

### **Appointment of Trustees**

Trustees are recruited by a process of co-option and election. The Board consists of at least three and not more than twelve individuals.

### **Public Benefit**

As laid out in our objects, Chapter One aims to advance education for the benefit of the public in particular (but without limitation) in the field of literacy. The Trustees confirm that Chapter One operates for the public benefit and that we have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and planning future activities. Our summary of activities above lay out the ways in which we have worked to further our charitable aims for the public benefit throughout the period.

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## **Risk Management**

Chapter One's Board of Trustees is aware of its responsibility to identify and review the major risks to which the organisation is exposed and implement systems to mitigate those risks. Internal risks are minimised by the implementation of appropriate financial management policies and procedures.

## **RELATED PARTIES**

Refer to note 16 in the financial statements.

## **Statement of responsibilities of the Trustees**

The Trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The sole member of the charity is Chapter One NFP (US). The Trustees have no beneficial interest in the charity.

## **Independent examiners**

Godfrey Wilson Limited were re-appointed as independent examiners to the charitable company during the year and have expressed their willingness to continue in that capacity.

## **On behalf of the board of Trustees**

*Seth Weinberger*

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Seth Weinberger  
Chair

30 October 2023

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Dated

# CHAPTER ONE (U.K.) LTD

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COMPANY REGISTRATION No. 11116416 (England & Wales)

## INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 JULY 2023

I report to the Trustees on my examination of the accounts of Chapter One (U.K.) Ltd (the charitable company) for the year ended 31 July 2023, which are set out on pages 12 to 25.

### Responsibilities and basis of report

As the Trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

### Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

- (1) accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

*Alison Godfrey*

Date: 31 October 2023

**Alison Godfrey FCA**

**Member of the ICAEW**

For and on behalf of:

**Godfrey Wilson Limited**

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

## CHAPTER ONE (U.K.) LTD

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COMPANY REGISTRATION No. 11116416 (England & Wales)

STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating an income and expenditure account)  
FOR THE YEAR ENDED 31 JULY 2023

		General Funds 2023	Restricted Funds 2023	Total Funds 2023	General Funds 2022	Restricted Funds 2022	Total Funds 2022
	Note	£	£	£	£	£	£
<b><u>Income from:</u></b>							
Donations and legacies	2	844,315	112,487	956,802	529,706	161,847	691,553
Investment income		1,784	-	1,784	42	-	42
<b>Total income</b>		<b>846,099</b>	<b>112,487</b>	<b>958,586</b>	<b>529,748</b>	<b>161,847</b>	<b>691,595</b>
<b><u>Expenditure on:</u></b>							
Raising funds	3	33,924	-	33,924	8,321	-	8,321
Charitable activities	4	674,344	126,555	800,899	321,558	137,412	458,970
<b>Total expenditure</b>		<b>708,268</b>	<b>126,555</b>	<b>834,823</b>	<b>329,879</b>	<b>137,412</b>	<b>467,291</b>
<b>Transfers between funds</b>	13	<b>9,126</b>	<b>(9,126)</b>	-	800	(800)	-
<b>Net movement in funds</b>		<b>146,957</b>	<b>(23,194)</b>	<b>123,763</b>	200,669	23,635	224,304
<b>Reconciliation of funds:</b>							
<b>Total funds brought forward</b>		<b>418,397</b>	<b>78,324</b>	<b>496,721</b>	<b>217,728</b>	<b>54,689</b>	<b>272,417</b>
<b>Total funds carried forward</b>		<b>565,354</b>	<b>55,130</b>	<b>620,484</b>	<b>418,397</b>	<b>78,324</b>	<b>496,721</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

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### BALANCE SHEET FOR THE YEAR ENDED 31 JULY 2023

		2023	2022	
	Note	£	£	£
<b>Fixed assets</b>	9		<b>51,261</b>	41,094
<b>Current assets</b>				
Debtors	10	<b>52,557</b>	35,623	
Current asset investment		<b>150,000</b>	-	
Cash at bank and in hand		<b>383,491</b>	429,539	
		<b>586,048</b>	465,162	
<b>Creditors: amounts falling due within one year</b>	11	<b>(16,825)</b>	(9,535)	
<b>Net current assets</b>			<b>569,223</b>	455,627
<b>Net assets</b>	14		<b>620,484</b>	<b>496,721</b>
<b>Income funds</b>				
General funds			<b>565,354</b>	418,397
Designated funds			-	-
Restricted funds			<b>55,130</b>	78,324
<b>Total funds</b>	<b>13</b>		<b>620,484</b>	<b>496,721</b>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2023. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. The accounts were approved by the Trustees and signed on their behalf by:

*Seth Weinberger*

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Seth Weinberger  
Trustee

30 October 2023

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Dated

## CHAPTER ONE (U.K.) LTD

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### CASHFLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2023

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		<b>2023</b>	<b>2022</b>
	Note	£	£
<b>Cashflows from operating activities</b>			
Net cash provided by operating activities	15	<b>147,527</b>	213,435
<b>Cashflows from investing activities</b>			
Purchase of tangible fixed assets		<b>(45,359)</b>	(30,756)
Interest received		<b>1,784</b>	42
<b>Change in cash and cash equivalents in the reporting period</b>		<b>103,952</b>	182,721
Cash and cash equivalents at beginning of year		<b>429,539</b>	246,818
Cash and cash equivalents at end of year		<b>533,491</b>	<b>429,539</b>
Analysed as:			
Cash at bank and in hand		<b>383,491</b>	429,539
Cash held in current asset investments		<b>150,000</b>	-
		<b>533,491</b>	<b>429,539</b>

The charity has not provided an analysis of changes in net debt as it does not have any long-term financing arrangements.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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### 1 Accounting policies

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

#### 1.2 Income

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

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

Income received in advance of provision of a specific project is deferred until criteria for income recognition are met.

#### 1.3 Tangible fixed assets

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

<i>Computer equipment</i>	<i>33.33% straight line method</i>
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All items of equipment are capitalised that relate specifically to equipment supplied to volunteers to deliver the TutorMate programme.

#### 1.4 Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

#### 1.5 Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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### 1.6 Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the Trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

### 1.7 Financial instruments

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

### 1.8 Interest receivable

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

### 1.9 Cash at bank and in hand

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

### 1.10 Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

### 1.11 Support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. In the prior year, support and governance costs were allocated in full to expenditure on charitable activities, based on the minimal time spent on raising funds. This year, these costs have been allocated between the cost of raising funds and expenditure on charitable activities based on the proportion of staff time as follows:

	2023	2022
Raising funds	5%	0%
Charitable activities	95%	100%

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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### **1.12 Debtors**

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

### **1.13 Creditors**

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

### **1.14 Foreign currency transactions**

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

### **1.15 Accounting estimates and key judgements**

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

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

In the Trustees' opinion, there are no critical accounting estimates.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

<b>2 Donations and legacies</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2023 £</b>
Chapter One US	58,474	-	<b>58,474</b>
Janus Henderson	21,840	-	<b>21,840</b>
Charitable Trusts	41,665	112,487	<b>154,152</b>
Individual donors	28,513	-	<b>28,513</b>
Corporate donations	646,065	-	<b>646,065</b>
Grants and Gift Aid	11,993	-	<b>11,993</b>
School contributions	35,765	-	<b>35,765</b>
	<b>844,315</b>	<b>112,487</b>	<b>956,802</b>

<b>Prior period comparative:</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2022 £</b>
Chapter One US	1,458	3,677	5,135
Janus Henderson	-	41,000	41,000
Charitable Trusts	-	69,950	69,950
Individual donors	2,021	-	2,021
Corporate donations	464,558	38,720	503,278
Grants and Gift Aid	38,064	8,500	46,564
School contributions	23,605	-	23,605
	<b>529,706</b>	<b>161,847</b>	<b>691,553</b>

<b>Government grants</b>	<b>2023 £</b>	<b>2022 £</b>
DWP	-	1,500
Kickstart	-	6,064
	<b>-</b>	<b>7,564</b>

## CHAPTER ONE (U.K.) LTD

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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<b>3 Fundraising Costs</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Staff costs	<b>27,013</b>	2,677
Direct fundraising costs	<b>1,908</b>	5,644
	<b>28,921</b>	<b>8,321</b>
Share of support costs (see note 5)	<b>4,428</b>	-
Share of governance costs (see note 5)	<b>575</b>	-
	<b>33,924</b>	-
<b>4 Charitable activities</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Staff costs	<b>548,205</b>	292,452
Consultancy costs	<b>3,452</b>	7,514
Other project costs	<b>147,710</b>	79,332
	<b>699,367</b>	<b>379,298</b>
Share of support costs (see note 5)	<b>89,862</b>	67,679
Share of governance costs (see note 5)	<b>11,670</b>	11,993
	<b>800,899</b>	<b>458,970</b>
<b><u>Analysis by fund</u></b>		
<b>Restricted funds</b>	<b>126,555</b>	<b>137,412</b>
<b>Unrestricted funds</b>	<b>674,344</b>	<b>321,558</b>

## CHAPTER ONE (U.K.) LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

#### 5 Support and governance costs

	Support costs 2023	Governance costs 2023	Total Support and Governance costs 2023	Total Support and Governance costs 2022
	£	£	£	£
Staff costs	80,029	9,137	89,166	66,400
Administration costs	14,261	-	14,261	10,203
Accountancy fees	-	3,000	3,000	3,069
Trustee costs	-	108	108	-
	<b>94,290</b>	<b>12,245</b>	<b>106,535</b>	<b>79,672</b>

Support and governance costs are apportioned based on estimated staff time.  
Governance cost includes £3,000 (2022: £3,069) for independent examination fees.

#### 6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, and no Trustees were reimbursed for expenses (2022: £Nil).

#### 7 Employees

The average monthly number of employees during the period was 25 (2022: 13).

#### 8 Employment costs

	2023	2022
	£	£
Salaries	601,731	329,629
Social security costs	48,563	25,326
Pension contributions	14,090	6,574
	<b>664,384</b>	<b>361,529</b>

The total amount of employee remuneration benefits received by the senior management team was £91,373 (2022: £89,242). There was one employee whose annual emolument was between £70,001 and £80,000 (2022: one employee earned between £70,001-£80,000).

# CHAPTER ONE (U.K.) LTD

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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### 9 Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
At 1 August 2022	71,206
Additions	45,359
At 31 July 2023	<u>116,565</u>
<b>Depreciation</b>	
At 1 August 2022	30,112
Depreciation charged in the year	35,192
At 31 July 2023	<u>65,304</u>
<b>Carrying amount</b>	
At 31 July 2023	<u>51,261</u>
At 31 July 2022	<u>41,094</u>

### 10 Debtors

	2023	2022
	£	£
Prepayments and accrued income	2,317	1,663
Debtors	50,240	33,960
	<u>52,557</u>	<u>35,623</u>

### 11 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	1,330	7,135
Accruals and deferred income	15,495	2,400
	<u>16,825</u>	<u>9,535</u>

### 12 Share Capital

	2023	2022
	£	£
<b>Ordinary share capital (issued, fully paid)</b>		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

Share capital is included within general funds.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023

**13 Movement in funds**

	At 1 August 2021	Incoming resources	Outgoing resources	Transfers	At 1 August 2022	Incoming resources	Outgoing resources	Transfers	At 31 July 2023
	£	£	£	£	£	£	£	£	£
<b>Restricted funds</b>									
Research	5,000	5,000	-	-	10,000	-	(10,000)	-	-
Marketing & Communications	-	30,000	(19,963)	-	10,037	-	(10,037)	-	-
Evidence, Impact & Research	-	-	-	-	-	11,670	-	-	11,670
Storytelling	-	6,000	-	-	6,000	-	-	(6,000)	-
Books	1,800	-	(1,800)	-	-	-	-	-	-
Early Literacy Intervention	-	17,677	(11,529)	-	6,148	-	(5,039)	-	1,109
Parent Involvement	-	36,000	(24,474)	(400)	11,126	-	(11,126)	-	-
Earlsmead	-	9,360	-	-	9,360	-	(3,120)	-	6,240
Bradford	3,000	11,450	(8,121)	-	6,329	15,017	(16,217)	-	5,129
Cumbria	-	-	-	-	-	10,000	(10,000)	-	-
East Sussex	-	25,000	(16,619)	(400)	7,981	18,000	(14,315)	-	11,666
Glasgow	-	9,360	-	-	9,360	-	(9,360)	-	-
London	-	12,000	(12,000)	-	-	30,800	(16,334)	(2,800)	11,666
Manchester	-	-	-	-	-	7,000	(2,100)	-	4,900
Middlesbrough	14,690	-	(12,707)	-	1,983	-	(1,983)	-	-
North East	30,199	-	(30,199)	-	-	-	-	-	-
Peterborough	-	-	-	-	-	19,000	(16,924)	(326)	1,750

**CHAPTER ONE (U.K.) LTD**  
*A company limited by shares*  
 COMPANY REGISTRATION No. 11116416 (England & Wales)

	At 1 August 2021	Incoming resources	Outgoing resources	Transfers	At 1 August 2022	Incoming resources	Outgoing resources	Transfers	At 31 July 2023
	£	£	£	£	£	£	£	£	£
Warwickshire	-	-	-	-	-	1,000	-	-	1,000
<b>Total restricted funds</b>	<b>54,689</b>	<b>161,847</b>	<b>(137,412)</b>	<b>(800)</b>	<b>78,324</b>	<b>112,487</b>	<b>(126,555)</b>	<b>(9,126)</b>	<b>55,130</b>
<b>Unrestricted funds</b>									
General funds	217,728	529,748	(329,879)	800	418,397	846,099	(708,268)	9,126	565,354
<b>Total funds</b>	<b>272,417</b>	<b>691,595</b>	<b>(467,291)</b>	<b>-</b>	<b>496,721</b>	<b>958,586</b>	<b>(834,823)</b>	<b>-</b>	<b>620,484</b>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2023

Restricted funds in year constituted the following, and any unspent funds will be fully expended in 2023-24 financial year:

Factset Europe	Evidence, Impact & Research
Chapter One US	Early literacy intervention
Provident Financial	London, Earlsmead
Sir Ken and Lady Morrison Fund	Bradford programme delivery
The Shears Foundation	Bradford programme delivery
Ernest Kleinwort Charitable Trust	East Sussex programme delivery
The Lawson Trust	East Sussex programme delivery
Drapers Charitable Fund	London – core costs
Allen & Overy Foundation	London programme delivery
DWF Foundation	Manchester – setup costs
KPMG	Manchester – setup costs
The W O Street Charitable Foundation	Manchester – setup costs
Earl Fitzwilliam Charitable Trust	Peterborough programme delivery
William A Cadbury Charitable Trust	Warwickshire ELI project
Research	Impact evaluation – external report
Marketing and Communications	Updated marketing film
Parental Involvement	Chapter One Home programme costs
Cumbria	Cumbria programme delivery
Glasgow	Glasgow programme delivery
Middlesbrough	Middlesbrough programme delivery

The transfer of funds represents funds used to purchase fixed assets on which the restriction is now completed. In year a restricted grant of £6,000 from KPMG for storytelling was moved from restricted to unrestricted to support volunteer costs.

#### 14 Analysis of net assets between funds

Fund balances at 31 July 2023 are represented by:

	General Funds	Restricted Funds	Total 2023	General Funds	Restricted Funds	Total 2022
	£	£	£	£	£	£
Tangible assets	51,261	-	51,261	41,094	-	41,094
Current assets	526,752	59,296	586,048	386,838	78,324	465,162
Creditors: amounts falling due within one year	(12,659)	(4,166)	(16,825)	(9,535)	-	(9,535)
	<b>565,354</b>	<b>55,130</b>	<b>620,484</b>	<b>418,397</b>	<b>78,324</b>	<b>496,721</b>

## CHAPTER ONE (U.K.) LTD

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

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#### 15 Net cash provided by operating activities

	2023	2022
	£	£
Surplus/(deficit) for the year	123,763	224,304
Adjustments for:		
Investment income recognised in profit or loss	(1,784)	(42)
Depreciation and impairment of tangible fixed assets	35,192	17,008
Movements in working capital:		
Decrease/(increase) in debtors	(16,934)	(34,813)
(Decrease)/increase in creditors	7,290	6,978
<b>Cash generated from operations</b>	<b>147,527</b>	<b>213,435</b>

#### 16 Related party transactions

##### ***Controlling party***

The company is a wholly owned subsidiary of Chapter One US (NFP), a 501c3 non-profit in the US. During the year, a grant of £58,474 was received from Chapter One US (2022: £5,135). No amounts were outstanding at year end.

Sarah Bell (Trustee) is the sister-in-law of Emma Bell, Chief Executive, however the Board are satisfied that any potential conflict has been mitigated, and Sarah has not been involved in any decisions relating to Emma's remuneration.

**CHAPTER ONE (U.K.) LTD**

England & Wales - Charity number 1179625

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# Accounts

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# **INNOVATIONS FOR LEARNING UK Ltd**

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

COMPANY REGISTRATION No. 11116416 (England & Wales)

## **INNOVATIONS FOR LEARNING UK Ltd**

*A company limited by shares*

### **ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2022**

Charity registration No 1179625

# INNOVATIONS FOR LEARNING UK Ltd

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

## LEGAL AND ADMINISTRATIVE INFORMATION

<b>Registered charity name</b>	Innovations for Learning UK Ltd
<b>Charity number</b>	1179625
<b>Company registration number</b>	11116416
<b>Registered office</b>	4 Torriano Cottages London NW5 2TA
<b>Trustees</b>	Seth Weinberger Jennifer Reindorp Sarah Bell Zoe Pierre Lucy Heady Alexander Green Lisa Hayes
<b>Executive Director</b>	Emma Bell
<b>Independent examiner</b>	Godfrey Wilson Ltd Chartered accountants and statutory auditors 5 <sup>th</sup> Floor, Mariner House 62 Prince Street Bristol BS1 4QD
<b>Banker</b>	CAF Bank 25 Kings Hill Ave Kings Hill West Malling ME19 4JQ

# INNOVATIONS FOR LEARNING UK Ltd

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

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## TRUSTEES' ANNUAL REPORT

### YEAR ENDED 31 JULY 2022

The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 July 2022.

## OBJECTIVES & ACTIVITIES

### Aims and objectives

IFL UK has a vision of a world in which all children, regardless of background, are confidently reading to learn, grow and thrive throughout life. We believe in the power of literacy to transform lives. We innovatively combine corporate volunteering, expert staff and technology to enable the meaningful human interaction that improves reading outcomes for young children.

### TutorMate

Our flagship programme is TutorMate, an online volunteer reading support programme that helps 5 to 7 year-old children who are struggling to read.

A shocking 36% of 11-year-olds from disadvantaged backgrounds in England left primary school in 2019 unable to read well. The disruption to schooling caused by the Covid pandemic was devastating for these children and its legacy is still being felt. Over 50% of pupils at schools in the most deprived areas lost four months or more of schooling during lockdown in 2020 (NFER 2020). Following 2021 partial school closures, evidence on reading attainment pointed towards the youngest children being further negatively affected and a widening of the gap between disadvantaged and non-disadvantaged pupils by the end of the 2020/21 academic year (NFER 2022).

The TutorMate model targets these struggling readers by partnering with a range of local and national businesses and recruiting their employees as reading tutors who provide sustained, weekly reading practice.

Volunteers use a sophisticated internet platform and a voice connection to link from their workplace to a dedicated classroom laptop for 30 minutes a week, during the school day, over one academic year. Up to 10 children in each Year 1 or Year 2 class participate, giving the programme a reach and scale that schools are otherwise unable to achieve. The flexibility of the model makes it attractive to businesses who wish to give their employees a time-efficient way to volunteer.

TutorMate has been proven to improve the reading enjoyment, ability and confidence of young children from disadvantaged backgrounds. We believe that this flexible, time-efficient model has the potential to galvanise significant numbers of adults to improve the life chances of children.

### Academic Year 2021-22

2021-22 was TutorMate's fourth year of operation in England. The programme was implemented in 156 classrooms across 52 schools: Bradford (4), Dewsbury (2), Doncaster (7), East Sussex (3), Leeds (2), London (29), Middlesbrough (3), Peterborough (2).

We launched the programme in three new areas this year: East Sussex, Middlesbrough and Peterborough. This was made possible due to generous support from East Sussex County Council and the Anjoli Stewart Trust (East Sussex), The Dulverton and Swire Charitable Trusts (Middlesbrough) and the BGL Group (Peterborough). Overall, 1,599 children were supported by volunteer readers from 71 corporate partners, who provided 32,296 reading sessions (or 12,505 hours of reading) from October 2020 to July 2021. The corporate partners who provide volunteers and associated financial sponsorship to sustain TutorMate are listed below. We are very grateful to them all for their support:

# INNOVATIONS FOR LEARNING UK Ltd

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COMPANY REGISTRATION No. 11116416 (England & Wales)

Amazon	NCR
Apple	NVIDIA
Ashurst LLP	Ocado
Baker McKenzie LLP	Paramount Pictures
BCLP LLP	Phoenix Group
BGL Group	PIMCO
Box	Preact
CSC Global	Provident Financial
CISCO	Publisher's Alliance
CMS LLP	QBE Insurance
CSC Global	Quadpack
Compare the Market	Reed Smith
Deloitte	Rothschild & Co
Euromonitor	RTC
Faber	RWS
Factset	Salesforce
Fidelity International	Sage
Fidelity Investments	Samsara
Fitch Group	Slaughter & May LLP
Google	Smiths
Hachette	Sodexo
Hogan Lovells LLP	Sunbelt Rentals
Hymans Robertson	SUSE
IEMA	Takepayments
Jacobs	Taylor & Francis
Janus Henderson Investors	Teleperformance
John Lewis	T.Rowe Price
KPMG	The Body Shop
Macquarie Investment Management	TRN
Marsh	Turner & Townsend
MetLife	UNUM
Microstrategy	UPS
Minster Law	Veritas
Mishcon de Reya	Warner Media
Morgan Stanley	Wates
Naylor Wintersgill	White & Case LLP

The Executive Director led a growing team of staff to ensure that TutorMate ran effectively for UK volunteers and schools and that participating children received maximum benefit.

During the year, with support from the Janus Henderson Foundation, we were also pleased to develop and consolidate our TutorMate Home programme, in which volunteers offered additional home-based sessions to 163 children whose parents were able to facilitate home reading.

A number of other partners worked closely with us throughout the year to support school communities in a myriad of ways which were additional to their TutorMate volunteers. Ocado ran workshops at a school on women in engineering and sponsored the creation of 10 new stories on the platform, Janus Henderson donated two books from a diverse and inclusive bookseller to all children at their partner school and many other businesses organised book drives and donations for the children and classes they supported.

# INNOVATIONS FOR LEARNING UK Ltd

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COMPANY REGISTRATION No. 11116416 (England & Wales)

During the latter part of the year we were successful in gaining the support of a consortium of our partner organisations to expand TutorMate into Scotland (Edinburgh and Glasgow) in 2022-23. We are hoping for a successful roll-out of the programme in the 2022-23 academic year.

In the final term of the academic year, we initiated a pilot of an Early Literacy Intervention model that has been developed by IFL in the US and Canada. This provides trained specialists to give 1:1 short, daily phonics sessions to children in Reception and Year 1 in two schools in Warwickshire. The technology platform that the model uses had to be adapted significantly for use in England. We look forward to developing this pilot further in 2022-23.

One of our key strategic goals for 2021-22 was to refresh and update our story library in line with the 2021 Reading Framework. We achieved this in summer 2022 and our library now contains fully decodable texts at appropriate reading levels, designed to be very supportive of the Systematic Synthetic Phonics programmes that schools are using in Key Stage 1.

## **A story of growth**

Although Covid-19 left a legacy of uncertainty in the business world during the year, we were encouraged that many new partners decided to join us for 2021-22. Many of our existing corporate partners, building on the positive experience of their volunteers and our effective and rapid response to the pandemic, increased their level of participation and financial support in 2021-22. Overall, our partner retention rate from 2020-21 to 2021-22 was 93% with our volunteer growth rate at 68%.

As we look ahead to 2022-23, our partner retention rate from 2021-22 is forecast to be 90%, with a volunteer growth rate of 50%.

Feedback from schools was also very positive, with 87% of schools returning for 2021-22 and many increasing the numbers of participating classes. Again, as we look ahead to 2022-23, our school retention rate is forecast to be high at 89%.

We are focused on achieving the goal set in our 2021 – 2024 Strategic Plan to support 2300 children in the 2022-23 academic year. Additional staff were recruited in the summer of 2022 to increase organisational capacity.

## **Impact and Evaluation**

During 2021-22 we carried out an impact evaluation of our work with ImpactEd, our independent evaluation partner. At the time of writing, the full results of this study are not available, but can be accessed by December 2022 on the impact page of our website. Previous impact reports are also available on this page.

## **FINANCES**

### **Financial Review**

During the year, IFL UK's income was £691,595 (2021: £457,377) and expenditure of £467,291 (2021: £263,450). The net surplus for the year was £224,304 (2021: £193,927).

### **Fundraising**

IFL UK's principal funding source is corporate partners. In 2021-22, for each team of 10 volunteers fielded by a business, we asked for financial sponsorship of £3,000. Additional income was also raised from Trusts and Foundations and Major Donors.

# INNOVATIONS FOR LEARNING UK Ltd

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## **Reserves Policy**

The level of unrestricted funding received in year has allowed the Trustees to act on their plans to build up reserves to provide financial stability. We intend to maintain our reserves at a level which is equivalent to four months' worth of current expenditure/running costs, currently £296,000 (as per 2022-23 budget, which includes significant growth in staff and delivery, our monthly expenditure is approx. £74k).

It is the policy of IFL UK to continue to fundraise from corporate partners and from Trusts and Foundations to generate sufficient unrestricted income to allow us to further build up our level of reserves.

The Board regularly (twice-yearly) reviews the amount of reserves that are required to ensure that they are adequate to fulfil our continuing obligations.

## **RISK MANAGEMENT POLICY**

### **Financial**

IFL UK operates in a challenging and demanding area where there are very few certainties over funding, particularly with the economic pressures the UK is facing. This is inherently risky and as an organisation we operate strict financial controls and continually review the situation, including regular forecasting. The annual budgets, reforecasts and management accounts are regularly reviewed. Key controls used by the charity are:

- Formal agendas and minutes for board trustees
- Annual budget and regular monthly accounts
- An annual business plan with key targets
- A risk management framework and risk register.

### **Operational**

The nature of our work presents operational risks. These are managed through the implementation of suitable policies, procedures and processes including staff training, supervision and reporting structures as well as through the maintenance of the risk register which is regularly reviewed. Through these the Board of Trustees is satisfied that all major risks have been identified and adequately minimised.

### **Plans for future periods**

As indicated above, the TutorMate programme will expand in 2022-23. We anticipate that TutorMate will support 2300 children with 2000+ volunteers and operate in: Bradford, Doncaster, East Sussex, Edinburgh, Glasgow, Leeds, London, Middlesbrough, Peterborough and West Cumbria.

### **Acknowledgements**

The Trustees would like to express great thanks to IFL UK's funders, as well as to individuals and groups who donated to us throughout the period.

### **THE TRUSTEES**

The trustees who served the charity during the period were as follows:

Seth Weinberger  
Jennifer Reindorp  
Sarah Bell  
Lucy Heady  
Zoe Pierre  
Alexander Green  
Lisa Hayes

# INNOVATIONS FOR LEARNING UK Ltd

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COMPANY REGISTRATION No. 11116416 (England & Wales)

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Emma Bell is the Executive Director of the charity and leads a senior management team consisting of the following staff: Business Development Manager, Senior Programme Manager, Performance and Data Manager.

### **Governing Document**

The Innovations for Learning UK Ltd (IFL UK) is a registered charity (1179625) and company limited by shares (11116416). Our governing document consists of a Memorandum and Articles of Association which incorporated the organisation on 18<sup>th</sup> December 2017. The company was registered as a charity on 21<sup>st</sup> August 2018.

### **Organisational Structure**

IFL UK has a Board of Trustees and one Member under Company Law, which is Innovations for Learning USA (a 501c3 non-profit).

### **Appointment of Trustees**

Trustees are recruited by a process of co-option and election. The Board consists of at least three and not more than twelve individuals.

### **Public Benefit**

As laid out in our objects, IFL UK aims to advance education for the benefit of the public in particular (but without limitation) in the field of literacy. The Trustees confirm that IFL UK operates for the public benefit and that we have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and planning future activities. Our summary of activities above lay out the ways in which we have worked to further our charitable aims for the public benefit throughout the period.

### **Risk Management**

IFL UK's Board of Trustees is aware of its responsibility to identify and review the major risks to which the organisation is exposed and implement systems to mitigate those risks. Internal control risks are minimised by the implementation of appropriate financial management policies and procedures.

## **RELATED PARTIES**

Refer to note 16 in the financial statements.

### **Statement of responsibilities of the trustees**

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those 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 accounting estimates that are reasonable and prudent;

# INNOVATIONS FOR LEARNING UK Ltd

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- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

## **Independent examiners**

Godfrey Wilson Limited were appointed as independent examiners to the charitable company during the year and have expressed their willingness to continue in that capacity.

## **On behalf of the board of trustees**



-----  
Seth Weinberger  
Chair

1 November 2022

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Dated

# INNOVATIONS FOR LEARNING UK Ltd

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

## INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 JULY 2022

I report to the trustees on my examination of the accounts of Innovations For Learning UK Ltd (the charitable company) for the year ended 31 July 2022, which are set out on pages 11 to 23.

### **Responsibilities and basis of report**

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

### **Independent examiner's statement**

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

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

accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act;  
or

the accounts do not accord with those records; or

the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or

the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

*Alison Godfrey*

Date: 3 November 2022

**Alison Godfrey FCA**

**Member of the ICAEW**

For and on behalf of:

**Godfrey Wilson Limited**

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

# INNOVATIONS FOR LEARNING UK Ltd

A company limited by shares

COMPANY REGISTRATION No. 11116416 (England & Wales)

## STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an income and expenditure account) FOR THE YEAR ENDED 31 JULY 2022

	Note	General Funds 2022 £	Designated Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	General Funds 2021 £	Designated Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
<b><u>Income from:</u></b>									
Donations and legacies	2	529,706	-	161,847	691,553	390,405	-	66,972	457,377
Investment income		42	-	-	42	-	-	-	-
<b>Total income</b>		<b>529,748</b>	<b>-</b>	<b>161,847</b>	<b>691,595</b>	<b>390,405</b>	<b>-</b>	<b>66,972</b>	<b>457,377</b>
<b><u>Expenditure on:</u></b>									
Raising funds	3	8,321	-	-	8,321	4,321	-	-	4,321
Charitable activities	4	321,558	-	137,412	458,970	245,646	-	13,483	259,129
<b>Total</b>		<b>329,879</b>	<b>-</b>	<b>137,412</b>	<b>467,291</b>	<b>249,967</b>	<b>-</b>	<b>13,483</b>	<b>263,450</b>
<b>Transfers between funds</b>	13	<b>800</b>	<b>-</b>	<b>(800)</b>	<b>-</b>	<b>30,332</b>	<b>(21,147)</b>	<b>(9,185)</b>	<b>-</b>
<b>Net movement in funds</b>		<b>199,869</b>	<b>-</b>	<b>24,435</b>	<b>224,304</b>	<b>170,770</b>	<b>(21,147)</b>	<b>44,304</b>	<b>193,927</b>
<b>Reconciliation of funds:</b>		<b>217,728</b>	<b>-</b>	<b>54,689</b>	<b>272,417</b>	<b>46,958</b>	<b>21,147</b>	<b>10,385</b>	<b>78,490</b>
<b>Total funds brought forward</b>									
<b>Total funds carried forward</b>		<b>418,397</b>	<b>-</b>	<b>78,324</b>	<b>496,721</b>	<b>217,728</b>	<b>-</b>	<b>54,689</b>	<b>272,417</b>

All of the above results are derived from continuing activities. There were no other recognized gains or losses other than those stated above.

Prior period expenditure was restated for classification only, for comparability with the current year. Total expenditure is not affected.

# INNOVATIONS FOR LEARNING UK Ltd

A company limited by shares

COMPANY REGISTRATION No. 11116416 (England & Wales)

## BALANCE SHEET FOR THE YEAR ENDED 31 JULY 2022


		2022	2021	
	Note	£	£	£
<b>Fixed assets</b>	9		<b>41,094</b>	27,346
<b>Current assets</b>				
Debtors	10	<b>35,623</b>	810	
Cash at bank and in hand		<b>429,539</b>	246,818	
		<b>465,162</b>	247,628	
<b>Creditors: amounts falling due within one year</b>	11	<b>(9,535)</b>	(2,557)	
<b>Net current assets</b>		<b>455,627</b>		245,071
<b>Net assets</b>	14	<b>496,721</b>		<b>272,417</b>
<b>Income funds</b>				
General funds		<b>418,397</b>		217,728
Designated funds		-		-
Restricted funds		<b>78,324</b>		54,689
<b>Total funds</b>	15	<b>496,721</b>		<b>272,417</b>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2022. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The accounts were approved by the trustees

  
-----  
Seth Weinberger  
Trustee

1 November 2022  
-----  
Dated

# INNOVATIONS FOR LEARNING UK Ltd

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

## CASHFLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2022

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		<b>2022</b>	<b>2021</b>
	Note	£	£
<b>Cashflows from operating activities</b>			
Net cash provided by operating activities	15	<b>213,435</b>	204,725
<b>Cashflows from investing activities</b>			
Purchase of tangible fixed assets		<b>(30,756)</b>	(26,802)
Proceeds on disposal of fixed assets			
Interest received		<b>42</b>	-
<b>Change in cash and cash equivalents in the reporting period</b>		<b>182,721</b>	177,923
Cash and cash equivalents at beginning of year		<b>246,818</b>	68,895
Cash and cash equivalents at end of year		<b>429,539</b>	246,818

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022

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**1 Accounting policies****1.1 Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

**1.2 Income**

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

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

Income received in advance of provision of a specific project is deferred until criteria for income recognition are met.

**1.3 Tangible fixed assets**

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

Computer equipment	33.33% Straight line method
--------------------	-----------------------------

All items of equipment are capitalised that relate specifically to equipment supplied to volunteers to deliver the TutorMate programme.

**1.4 Pension costs**

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

**1.5 Funds accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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### **1.6 Going concern basis of accounting**

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

### **1.7 Financial instruments**

The charitable company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

### **1.8 Interest receivable**

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

### **1.9 Cash at bank and in hand**

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

### **1.10 Expenditure and irrecoverable VAT**

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

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

### **1.11 Support and governance costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated in full to expenditure on charitable activities.

### **1.12 Debtors**

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

### **1.13 Creditors**

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

### **1.14 Foreign currency transactions**

Transactions in foreign currencies are translated at rates prevailing at the date of the transaction. Balances denominated in foreign currencies are translated at the rate of exchange prevailing at the year end.

# INNOVATIONS FOR LEARNING UK Ltd

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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### 1.15 Accounting estimates and key judgements

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

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

In the trustee members' opinion, there are no critical accounting estimates.

<b>2 Donations and legacies</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Innovations for Learning US	<b>5,135</b>	-
Janus Henderson	<b>41,000</b>	6,000
Charitable Trusts	<b>69,950</b>	69,942
Major donors	<b>2,021</b>	859
Corporate donations	<b>503,278</b>	364,675
Grants and Gift Aid	<b>46,564</b>	2,201
School contributions	<b>23,605</b>	13,700
	<b><u>691,553</u></b>	<b><u>457,377</u></b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Government grants:		
DWP	<b>1,500</b>	-
Kickstart	<b>6,064</b>	1,893
	<b><u>7,564</u></b>	<b><u>1,893</u></b>

# INNOVATIONS FOR LEARNING UK Ltd

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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### 3 Fundraising costs

	2022	Restated 2021
	£	£
Staff costs	2,677	2,571
Direct fundraising costs	5,644	1,750
	<b>8,321</b>	<b>4,321</b>

### 4 Charitable activities

	2022	Restated 2021
	£	£
Staff costs	292,452	83,024
Consultancy costs	7,514	840
Other project costs	79,332	110,165
	<b>379,298</b>	<b>194,029</b>
Share of support costs (see note 5)	67,679	54,372
Share of governance costs (see note 5)	11,993	10,728
	<b>458,970</b>	<b>259,129</b>
<b>Analysis by fund</b>		
Restricted funds	137,412	13,483
Unrestricted funds	321,558	245,646

# INNOVATIONS FOR LEARNING UK Ltd

A company limited by shares

COMPANY REGISTRATION No. 11116416 (England & Wales)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

### 5 Support and governance costs

	Support costs 2022	Governance costs 2022	Total Support and Governance costs 2022	Restated Total Support and Governance costs 2021
	£	£	£	£
Legal and professional fees	-	-	-	763
Staff costs	57,476	8,924	66,400	59,250
Administration costs	10,203	-	10,203	10,203
Accountancy fees	-	3,069	3,069	2,160
	<b>67,679</b>	<b>11,993</b>	<b>79,672</b>	<b>65,100</b>

Support and governance costs are apportioned to the one charitable activity.  
Governance cost includes £3,069 (2021: £2,160) for independent examination fees.

### 6 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, and no trustees were reimbursed for expenses (2021: £Nil).

### 7 Employees

The average monthly number of employees during the period was 13 (2021:5).

### 8 Employment costs

	2022	2021
	£	£
Salaries	329,629	132,565
Social security costs	25,326	8,418
Pension contributions	6,574	3,862
	<b>361,529</b>	<b>144,845</b>

The total amount of employee remuneration benefits received by the senior management team was £89,242 (2021: £85,684). There was one employee whose annual emolument was between £70,001 and £80,000 (2021: one employee between £70,001 and £80,000).

# INNOVATIONS FOR LEARNING UK Ltd

A company limited by shares

COMPANY REGISTRATION No. 11116416 (England & Wales)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

### 9 Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
At 1 August 2021	40,450
Additions	30,756
At 31 July 2022	<u>71,206</u>
<b>Depreciation</b>	
At 1 August 2021	13,104
Depreciation charged in the year	17,008
At 31 July 2022	<u>30,112</u>
<b>Carrying amount</b>	
At 31 July 2022	<u><b>41,094</b></u>
At 31 July 2021	<u>27,346</u>

### 10 Debtors

	2022 £	2021 £
Prepayments and accrued income	1,663	810
Debtors	<u>33,960</u>	<u>-</u>
	<u><b>35,623</b></u>	<u><b>810</b></u>

### 11 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	7,135	375
Pensions, taxes & social security	-	22
Accruals and deferred income	<u>2,400</u>	<u>2,160</u>
	<u><b>9,535</b></u>	<u><b>2,557</b></u>

### 12 Share Capital

	2022 £	2021 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1 Ordinary share of £1	<u>1</u>	<u>1</u>
	<u><b>1</b></u>	<u><b>1</b></u>

Share capital is included within general funds.

# INNOVATIONS FOR LEARNING UK Ltd

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

### 13 Movement in funds

	At 1 August 2020	Incoming resources	Outgoing resources	Transfers	At 1 August 2021	Incoming resources	Outgoing resources	Transfers	At 31 July 2022
	£	£	£	£	£	£	£	£	£
<b>Restricted funds</b>									
Janus Henderson	9,185	-	-	(9,185)	-	-	-	-	-
English Charitable Trust	1,200	-	-	-	1,200	-	(1,200)	-	-
Sir George Martin Charitable Trust	-	3,000	-	-	3,000	-	(3,000)	-	-
The Tallow Chandlers Benevolent Fund	-	2,000	(2,000)	-	-	-	-	-	-
The Swire Charitable Trust	-	15,000	(310)	-	14,690	-	(12,707)	-	1,983
BGL	-	5,000	-	-	5,000	-	-	-	5,000
The Dulverton Trust	-	30,199	-	-	30,199	-	(30,199)	-	-
Box	-	600	-	-	600	-	(600)	-	-
The Drapers Charitable Fund	-	-	-	-	-	10,000	(10,000)	-	-
Bulldog Trust	-	-	-	-	-	30,000	(19,963)	-	10,037
KPMG	-	-	-	-	-	6,000	-	-	6,000
Anjoli Stewart Charitable Trust	-	-	-	-	-	10,000	(6,107)	(400)	3,493
East Sussex County Council	-	-	-	-	-	15,000	(10,512)	-	4,488
Sir Ken & Lady Morrison	-	8,173	(8,173)	-	-	9,450	(5,121)	-	4,329
Ocado	-	-	-	-	-	14,000	(11,529)	-	2,471
IFL US	-	-	-	-	-	3,677	-	-	3,677

# INNOVATIONS FOR LEARNING UK Ltd

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

Janus Henderson	-	-	-	-	-	5,000	-	-	5,000
Janus Henderson	-	-	-	-	-	36,000	(24,474)	(400)	11,126
Sir George Martin Charitable Trust	-	-	-	-	-	2,000	-	-	2,000
Sodexo	-	-	-	-	-	9,360	-	-	9,360
Makers Playing Card Trust	-	3,000	(3,000)	-	-	2,000	(2,000)	-	-
Provident Financial	-	-	-	-	-	9,360	-	-	9,360
<b>Total restricted funds</b>	<b>10,385</b>	<b>66,972</b>	<b>(13,483)</b>	<b>(9,185)</b>	<b>54,689</b>	<b>161,847</b>	<b>(137,412)</b>	<b>(800)</b>	<b>78,324</b>
<b>Unrestricted funds</b>									
Designated	21,147	-	-	(21,147)	-	-	-	-	-
General funds	46,958	390,405	(249,967)	30,332	217,728	529,748	(329,879)	800	418,397
<b>Total unrestricted funds</b>	<b>68,105</b>	<b>390,405</b>	<b>(249,967)</b>	<b>9,185</b>	<b>217,728</b>	<b>529,748</b>	<b>(329,879)</b>	<b>800</b>	<b>418,397</b>
<b>Total funds</b>	<b>78,490</b>	<b>457,377</b>	<b>(263,450)</b>	<b>-</b>	<b>272,417</b>	<b>691,595</b>	<b>(467,291)</b>	<b>-</b>	<b>496,721</b>

# INNOVATIONS FOR LEARNING UK Ltd

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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Restricted funds constitute the following and will be fully expended in the 2022-23 financial year with the exception of Provident Financial which is a two year grant and will be fully expended in the 2023-24 financial year:

The Swire Charitable Trust	£1,983	Middlesborough
BGL	£5,000	Research
The Bulldog Trust	£10,037	Marketing and communications, video and impact report
KPMG	£6,000	Storytelling
Anjoli Stewart Charitable Trust	£3,493	East Sussex
East Sussex County Council	£4,488	East Sussex
Sir Ken and Lady Morrison	£4,329	Bradford
Ocado	£2,471	Tutormate stories
IFL US	£3,677	Early literacy intervention
Janus Henderson	£5,000	Research
Janus Henderson	£11,126	Parent involvement
Sire George Martin Charitable Trust	£2,000	Bradford
Sodexo	£9,360	Glasgow
Provident Financial	£9,360	London, Earlsmead

The transfer of funds represents funds used to purchase fixed assets on which the restriction is now completed.

### 14 Analysis of net assets between funds

Fund balances at 31 July 2022 are represented by:

	General Funds	Designated Funds	Restricted Funds	Total 2022	General Funds	Designated Funds	Restricted Funds	Total 2021
	£	£	£	£	£	£	£	£
Tangible assets	41,094	-	-	41,094	27,346	-	-	27,346
Current assets	386,838	-	78,324	465,162	192,939	-	54,689	247,628
Creditors: amounts falling due within one year	(9,535)	-	-	(9,535)	(2,557)	-	-	(2,557)
	<b>418,397</b>	<b>-</b>	<b>78,324</b>	<b>496,721</b>	<b>217,728</b>	<b>-</b>	<b>54,689</b>	<b>272,417</b>

# INNOVATIONS FOR LEARNING UK Ltd

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

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### 15 Net cash provided by operating activities

	2022	2021
	£	£
Surplus/(deficit) for the year	224,304	193,927
Adjustments for:		
Investment income recognised in profit or loss	(42)	-
Depreciation and impairment of tangible fixed assets	17,008	7,902
Movements in working capital:		
Decrease/(increase) in debtors	(34,813)	7,416
(Decrease)/increase in creditors	6,978	(4,520)
<b>Cash generated from operations</b>	<b>213,435</b>	<b>204,725</b>

### 16 Related party transactions

A grant of £3,677 was received from Innovations for Learning (IFL) US for Early Literacy Intervention work and £1,458 from IFL US for a staff bonus payment. IFL US is the legal owner of Innovations for Learning UK Limited, owning 100% of the share capital.

**CHAPTER ONE (U.K.) LTD**

England & Wales - Charity number 1179625

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# Accounts

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COMPANY REGISTRATION No. 11116416 (England & Wales)

**INNOVATIONS FOR LEARNING UK Ltd**

*A company limited by shares*

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2021**

Charity registration No 1179625

# INNOVATIONS FOR LEARNING UK Ltd

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

## LEGAL AND ADMINISTRATIVE INFORMATION

<b>Registered charity name</b>	Innovations for Learning UK Ltd	
<b>Charity number</b>	1179625	
<b>Company registration number</b>	11116416	
<b>Registered office</b>	4 Torriano Cottages London NW5 2TA	
<b>Trustees</b>	Seth Weinberger Jennifer Reindorp Sarah Bell Zoe Pierre Lucy Heady Alexander Green (appointed on 27 <sup>th</sup> April 2021) Lisa Hayes (appointed on 26 <sup>th</sup> April 2021)	
<b>Executive Director</b>	Emma Bell	
<b>Independent examiner</b>	<b>Sailesh Mehta</b> c/o HW Fisher LLP Acre House 11-15 William Rd London NW1 3ER	
<b>Banker</b>	CAF Bank 25 Kings Hill Ave Kings Hill West Malling ME19 4JQ	

# INNOVATIONS FOR LEARNING UK Ltd

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

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# INNOVATIONS FOR LEARNING UK Ltd

*A company limited by shares*

COMPANY REGISTRATION No. 11116416 (England & Wales)

## TRUSTEES' ANNUAL REPORT

### YEAR ENDED 31 JULY 2021

The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 July 2021.

## OBJECTIVES & ACTIVITIES

### Aims and objectives

IFL UK has a vision of a world in which all children, regardless of background, are confidently reading to learn, grow and thrive throughout life. We believe in the power of literacy to transform lives. We innovatively combine corporate volunteering, expert staff and technology to enable the meaningful human interaction that improves reading outcomes for young children.

### TutorMate

Our flagship programme is TutorMate, an online volunteer reading support programme that helps 5 to 7 year-old children who are struggling to read.

A shocking 36% of 11-year-olds from disadvantaged backgrounds in England left primary school in 2019 unable to read well. The disruption to schooling caused by the pandemic has been devastating for these children. A recent study by the National Foundation for Educational Research found that the reading attainment of 7-year-olds in late 2020 was already two months behind that of a similar sample from 2017 - equivalent to undoing a third of the progress made to close the attainment gap in primary schools over the last decade. And, more importantly, the learning gap between disadvantaged pupils and their peers had widened to seven months since 2019.

The TutorMate model targets these struggling readers by partnering with a range of local and national businesses and recruiting their employees as reading tutors.

Volunteers use a sophisticated internet platform and a voice connection to link from their workplace to a dedicated classroom laptop for 30 minutes a week, during the school day, over one academic year. Up to 10 children in each Year 1 or Year 2 class participate, giving the programme a reach and scale that schools are otherwise unable to achieve. The flexibility of the model makes it attractive to businesses who wish to give their employees a time-efficient way to volunteer.

TutorMate has been proven to improve the reading enjoyment, ability and confidence of young children from disadvantaged backgrounds. We believe that this flexible, time-efficient model has the potential to galvanise significant numbers of adults to improve the life chances of children whose education has been severely disrupted by the pandemic.

### Academic Year 2020-21

2020-21 was TutorMate's third year of operation in England. The programme was implemented in 37 schools across London (24), Leeds (2), Bradford (6) and Doncaster (5). Doncaster schools joined us in January 2021 with generous support from Deloitte.

Overall, 965 children were supported by volunteer readers from 43 corporate partners, who provided 13, 622 reading sessions from October 2020 to July 2021. The corporate partners who provide volunteers and associated financial sponsorship to sustain TutorMate are listed below. We are very grateful to them all for their support:

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Apple  
Ashurst LLP  
Aviva  
Baker McKenzie LLP  
BGL Group  
Box  
CSC Global  
CISCO  
CMS LLP  
Deloitte  
Faber  
Factset  
Fidelity International  
Fidelity Investments  
Fitch Group  
Google  
Hogan Lovells  
Janus Henderson Investors  
John Lewis  
KPMG  
Macquarie Investment Management  
Mastercard  
MetLife  
Naylor Wintersgill  
NCR  
Ocado  
Paramount Pictures  
Phoenix Group  
PIMCO  
Profile Books  
Provident Financial  
Reed Smith  
Rothschild & Co  
RTC  
Salesforce  
Sage  
Samsara  
Slaughter & May LLP  
Societe Generale  
Taylor & Francis  
T.Rowe Price  
UPS  
Warner Media

The Executive Director led a growing team of part-time staff and part-time contractors to ensure that TutorMate ran effectively for UK volunteers and schools and that participating children received maximum benefit.

## **Responding to the Covid Pandemic**

The repercussions of the Covid pandemic dominated the 2020-21 school year. Although children returned to school in September 2020 after many months of home learning, schools were required to make significant

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timetable and curriculum adjustments to keep pupils safe and plug learning gaps. Reading therefore started later than hoped in the autumn term of 2020. 'Burst bubbles' (where entire classes were required to isolate at home if there was a positive case in the class) led to further disruptions. Finally, the second lockdown and school closures of Jan – March 2021 prevented the majority of TutorMate's in-school sessions going ahead (although we still continued sessions for vulnerable and key worker children in many schools).

In response to these exceptional circumstances during the January - March 2021 lockdown, we were proud to be able to build on the success of the summer 2020 TutorMate at Home pilot and rapidly offer reading sessions to over 150 children while they were learning from home. We were only able to do this for families who had consented for IFL to contact them, who had access to technology at home and where an adult was available to supervise the reading sessions. We received immensely positive feedback from tutors and parents alike on the TutorMate Home model, and we're delighted that our longstanding partner, Janus Henderson Investors, has provided additional financial support for us to expand TutorMate Home in 2021-22 and beyond.

## **A story of growth**

Although Covid-19 has led to much uncertainty in the business world during the year, we were encouraged that many new partners decided to join us for 2021-22. Many of our existing corporate partners, building on the positive experience of their volunteers and our effective and rapid response to the pandemic, increased their level of participation and financial support in 2021-22, notably the BGL Group who made a commitment in June 2021 for 300 volunteers and supported our expansion into Peterborough schools. Overall, our partner retention rate from 2020-21 to 2021-22 is 93% with our volunteer growth rate at 68%.

Feedback from schools was also very positive, with 87% of schools returning for 2021-22 and many increasing the numbers of participating classes.

We were also delighted to secure, in summer 2021, external funding from two charitable trusts to support our expansion into Middlesbrough and East Sussex in 2021-22. In both of these areas we will be using this funding to enable us to involve community volunteers as volunteer readers as well as staff of our corporate partners.

## **Impact and Evaluation**

Unfortunately, Covid closures meant that the research study we had planned with ImpactEd for the 2020-21 school year was also disrupted. Strong findings did emerge from the limited study we were able to conduct, which demonstrated that with statistical significance, the more TutorMate sessions a child had the more they progressed in reading.

Children with 0-5 sessions achieved only 1.74 reading levels of progress. Children with 21 - 25 sessions achieved 3.41 reading levels of progress. These results suggest that in future (non-Covid) years, participating pupils would see significantly greater progress in reading attainment than non-participants with the same reading challenges.

Teacher assessments also demonstrated that the more sessions a child received, the more confident and motivated that child was about their own learning (their self-efficacy). Interviews with teachers and parents underlined the value of TutorMate's 1:1 supported reading model as a way improving reading comprehension and confidence, ensuring children felt special and supported. A follow-up survey showed that 90% of teachers would recommend TutorMate to other teachers.

TutorMate volunteers reported a deep sense of satisfaction from supporting a child with their reading. They could see their paired child's progress with reading and remarked how children showed improved social skills. Many were keen to volunteer again.

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A series of improvements to our research and evaluation design will be implemented for the 2021-22 evaluation which we hope will not be similarly disrupted.

## **FINANCES**

### **Financial Review**

During the year, IFL UK's income was £457,377 (2020: £253,750) and expenditure of £263,450 (2020: £197,855). The net surplus for the year was £193,927 (2020: £55,895).

### **Fundraising**

IFL UK's principal funding source is corporate partners. In 2020-21, for each team of 10 volunteers fielded by a business, we asked for financial sponsorship of £3,000. Additional income was also raised from Trusts and Foundations and Major Donors.

### **Reserves Policy**

As a newly established charity IFL UK held a low level of reserves in 2020-21. However, the level of unrestricted funding received in year has allowed the Trustees to act on their plans to build up reserves to provide financial stability. We intend to maintain our reserves at a level which is at least equivalent to four months' worth of current expenditure/running costs.

It is the policy of IFL UK to continue to fundraise from corporate partners and from Trusts and Foundations to generate sufficient unrestricted income to allow us to further build up our level of reserves. We anticipate that after our early years of operation our level of reserves will increase.

The Board regularly (twice-yearly) reviews the amount of reserves that are required to ensure that they are adequate to fulfil our continuing obligations.

## **RISK MANAGEMENT POLICY**

### **Financial**

IFL UK operates in a challenging and demanding area where there are very few certainties over funding, particularly following Covid-19. This is inherently risky and as an organization we operate strict financial controls and continually review the situation, including regular forecasting. The annual budgets, reforecasts and management accounts are regularly reviewed. Key controls used by the charity are:

- Formal agendas and minutes for board trustees
- Annual budget and regular monthly accounts
- An annual business plan with key targets

The charity has concluded that the Covid-19 outbreak is unlikely to cause any long-term disruption to the charity's services, and that the charity can continue to operate for the foreseeable future.

### **Operational**

The nature of our work presents operational risks. These are managed through the implementation of suitable policies, procedures and processes including staff training, supervision and reporting structures as well as the maintenance of an organizational risk register which is regularly reviewed. Through these the Board of Trustees is satisfied that major risks have been identified and adequately minimized.

### **Plans for future periods**

As indicated above, the TutorMate programme will expand in 2021-22. We anticipate that TutorMate will support 1500 children with 1500 volunteers and operate in: Bradford/Dewsbury/Leeds, Doncaster, East Sussex, London, Middlesbrough and Peterborough.

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## Acknowledgements

The Trustees would like to express great thanks to IFL UK's funders, as well as to individuals and groups who donated to us throughout the period.

## THE TRUSTEES

The trustees who served the charity during the period were as follows:

Seth Weinberger

Jennifer Reindorp

Sarah Bell

Lucy Heady

Zoe Pierre

Alexander Green (appointed on 27<sup>th</sup> April 2021)

Lisa Hayes (appointed on 26<sup>th</sup> April 2021)

## STRUCTURE, GOVERNANCE AND MANAGEMENT

Emma Bell is the Executive Director of the charity is the key management personnel.

## Governing Document

The Innovations for Learning UK Ltd (IFL UK) is a registered charity (1179625) and company limited by shares (11116416). Our governing document consists of a Memorandum and Articles of Association which incorporated the organization on 18<sup>th</sup> December 2017. The company was registered as a charity on 21<sup>st</sup> August 2018.

## Organizational Structure

IFL UK has a Board of Trustees and one Member under Company Law, which is Innovations for Learning USA (a 501c3 non-profit).

## Appointment of Trustees

Trustees are recruited by a process of co-option and election. The Board consists of at least three and not more than twelve individuals.

## Public Benefit

As laid out in our objects, IFL UK aims to advance education for the benefit of the public in particular (but without limitation) in the field of literacy. The Trustees confirm that IFL UK operates for the public benefit and that we have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and planning future activities. Our summary of activities below lay out the ways in which we have worked to further our charitable aims for the public benefit throughout the period.

## Risk Management

IFL UK's Board of Trustees is aware of its responsibility to identify and review the major risks to which the organization is exposed and implement systems to mitigate those risks. Internal control risks are minimized by the implementation of appropriate financial management policies and procedures.

## RELATED PARTIES

Refer to note 14 in the financial statements.

On behalf of the board of trustees



Seth Weinberger

Chair

22/03/22

Dated

# INNOVATIONS FOR LEARNING UK Ltd

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## INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 JULY 2021

I report to the trustees on my examination of the financial statements of Innovations for Learning UK Ltd (the charity) for the year ended 31 July 2021.

### Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the ICAEW, which is one of the listed bodies.

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

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and

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

Sailesh Mehta  
c/o HW Fisher LLP  
Chartered Accountants  
Acre House  
11-15 William Road  
London  
NW1 3ER  
United Kingdom

Dated:

22 March 2022

# INNOVATIONS FOR LEARNING UK Ltd

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COMPANY REGISTRATION No. 11116416 (England & Wales)

STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating an income and expenditure account)  
FOR THE YEAR ENDED 31 JULY 2021

	Unrestricted Funds 2021	Designated Funds 2021	Restricted Funds 2021	Total Funds 2021	Unrestricted Funds 2020	Designated Funds 2020	Restricted Funds 2020	Total Funds 2020	
Note	£		£		£	£	£	£	
<b><u>Income from:</u></b>									
Donations and legacies	2	390,405	-	66,972	457,377	219,324	18,106	16,320	253,750
<b>Total income</b>		<b>390,405</b>	<b>-</b>	<b>66,972</b>	<b>457,377</b>	<b>219,324</b>	<b>18,106</b>	<b>16,320</b>	<b>253,750</b>
<b><u>Expenditure on:</u></b>									
Raising funds		1,750	-	-	1,750	-	-	-	-
Charitable activities	3	248,217	-	13,483	261,700	197,855	-	-	197,855
<b>Total</b>		<b>249,967</b>	<b>-</b>	<b>13,483</b>	<b>263,450</b>	<b>197,855</b>	<b>-</b>	<b>-</b>	<b>197,855</b>
<b>Transfers between funds</b>	12	<b>30,332</b>	<b>(21,147)</b>	<b>(9,185)</b>	<b>-</b>	<b>5,935</b>	<b>-</b>	<b>(5,935)</b>	<b>-</b>
<b>Net movement in funds</b>		<b>170,770</b>	<b>(21,147)</b>	<b>44,304</b>	<b>193,927</b>	<b>27,404</b>	<b>18,106</b>	<b>10,385</b>	<b>55,895</b>
<b>Reconciliation of funds:</b>									
<b>Total funds brought forward</b>		<b>46,958</b>	<b>21,147</b>	<b>10,385</b>	<b>78,490</b>	<b>19,554</b>	<b>3,041</b>	<b>-</b>	<b>22,595</b>
<b>Total funds carried forward</b>		<b>217,728</b>	<b>-</b>	<b>54,689</b>	<b>272,417</b>	<b>46,958</b>	<b>21,147</b>	<b>10,385</b>	<b>78,490</b>

All of the above results are derived from continuing activities. There were no other recognized gains or losses other than those stated above.

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## BALANCE SHEET FOR THE YEAR ENDED 31 JULY 2021

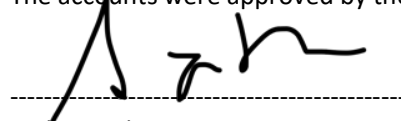
		2021	2020	
	Note	£	£	£
<b>Fixed assets</b>	8	<b>27,346</b>	8,446	
<b>Current assets</b>				
Debtors	9	<b>810</b>	8,226	
Cash at bank and in hand		<b>246,818</b>	68,895	
		<b>274,974</b>	85,567	
<b>Creditors: amounts falling due within the period</b>	10	<b>(2,557)</b>	(7,077)	
<b>Net current assets/(liabilities)</b>		<b>272,417</b>	78,490	
<b>Total assets less current liabilities</b>		<b>272,417</b>	<b>78,490</b>	
<b>Income funds</b>				
Unrestricted funds		<b>217,728</b>	46,958	
Designated funds		-	21,147	
Restricted funds		<b>54,689</b>	10,385	
<b>Total funds</b>		<b>272,417</b>	<b>78,490</b>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2021. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The accounts were approved by the trustees

  
-----  
Seth Weinberger  
Trustee

22/03/22

Dated

# INNOVATIONS FOR LEARNING UK Ltd

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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### 1 Accounting policies

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), and the Companies Act 2006. The Charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognized at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

#### 1.2 Incoming resources

Income comprises grants, donations and other income receivable during the period.

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

#### 1.3 Resources expended

Expenditure is recognized on an accruals basis.

Charitable activities include costs associated with the management and running of programmes, for instance, staff salaries, telephone and communication costs, rent, contractor costs etc.

Support costs include central functions and shared overhead costs and have been apportioned to activity cost categories on the basis consistent with the use of resources.

Governance costs represent costs incurred by the charity in respect of management of the charity's assets, organizational administration and compliance with constitutional and statutory requirements.

All apportionments are made on the basis of time spent on different activities by specific staff responsible for related tasks.

#### 1.4 Tangible fixed assets

The fixed assets are used to achieve the charitable purposes of the charity. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life.

Computer equipment	33.33% Straight line method
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognized in net income/(expenditure) for the year.

#### 1.5 Pensions

The charity contributes 3% of an employee's salary. The pension costs included in the financial statements are those incurred during the period.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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### **1.6 Accumulated funds**

Restricted funds are subject to specific conditions set by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts. Designated funds are funds set aside for specific uses by the Trustees. This includes funds received in advance of an academic year where applicable.

### **1.7 Going Concern**

The Trustees consider that as the level of engagement with existing corporate partners continues there are no material uncertainties about the charitable company's ability to continue as a going concern. Covid-19 has not materially affected the organisation's ability to operate in the future.

### **1.8 Financial instruments**

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

Financial instruments are recognized in the charity's balance sheet when the charity 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 recognized amounts and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

### **1.9 Basic financial assets**

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

### **1.10 Cash and cash equivalents**

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

### **1.11 Basic financial liabilities**

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

Debt instruments are subsequently carried at amortized cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or 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. Trade creditors are recognized initially at transaction price and subsequently measured at amortized cost using the effective interest method.

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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### 1.12 Key judgements and assumptions

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

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

In the trustee members' opinion, there are no critical accounting estimates.

<b>2 Donations and legacies</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Innovations for Learning US	-	3,916
Janus Henderson	<b>6,000</b>	29,120
Charitable Trusts	<b>69,942</b>	17,400
Major donors	<b>859</b>	16,335
Corporate donations	<b>364,675</b>	172,322
Grants and Gift Aid	<b>2,201</b>	6,782
School contributions	<b>13,700</b>	7,875
	<b>457,377</b>	<b>253,750</b>

<b>3 Charitable activities</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Staff costs	<b>144,845</b>	119,638
Consultancy costs	<b>840</b>	800
Other project costs	<b>110,165</b>	73,502
	<b>255,850</b>	<b>193,940</b>
Share of support costs (see note 4)	<b>3,690</b>	1,755
Share of governance costs (see note 4)	<b>2,160</b>	2,160
	<b>261,700</b>	<b>197,855</b>

<b>Analysis by fund</b>		
<b>Restricted funds</b>	<b>13,483</b>	-
<b>Unrestricted funds</b>	<b>248,217</b>	<b>197,855</b>

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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### 4 Support and governance costs

	Support costs 2021 £	Governance costs 2021 £	<b>Total Support 2021 £</b>	Total Support 2020 £
Legal and professional fees	763	-	<b>763</b>	13
Administration costs	2,927	-	<b>2,927</b>	1,742
Accountancy fees	-	2,160	<b>2,160</b>	2,160
	<hr/> <b>3,690</b>	<hr/> <b>2,160</b>	<hr/> <b>5,850</b>	<hr/> <b>3,915</b>

Support and governance costs are apportioned to the one charitable activity.  
Governance cost includes £2,160 (2020: £2,160) for independent examination fees.

### 5 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, and no trustees were reimbursed for expenses (2020: £Nil).

### 6 Employees

The average monthly number of employees (full time equivalent) during the period was 5 (2020:3).

### 7 Employment costs

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Salaries	<b>132,565</b>	112,016
Social security costs	<b>8,418</b>	4,262
Pension contributions	<b>3,862</b>	3,360
	<hr/> <b>144,845</b>	<hr/> <b>119,638</b>

The total amount of employee remuneration benefits received by the senior management team was £85,684 (2020: £87,989). There was one employee whose annual emolument was between £70,001 and £80,000 (2020: one employee between £70,001 and £80,000).

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

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### 8 Tangible fixed assets

	Computer equipment £
<b>Cost</b>	
At 1 August 2020	13,648
Additions	26,802
At 31 July 2021	<u>40,450</u>
<b>Depreciation</b>	
At 1 August 2020	5,202
Depreciation charged in the year	7,902
At 31 July 2021	<u>13,104</u>
<b>Carrying amount</b>	
At 31 July 2021	<u><u>27,346</u></u>
At 31 July 2020	<u><u>8,446</u></u>

### 9 Debtors

	2021 £	2020 £
Prepayments and accrued income	810	1,226
Employment allowance recoverable	-	7,000
	<u>810</u>	<u>8,226</u>

### 10 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	375	4,917
Pensions, taxes & social security	22	-
Accruals and deferred income	2,160	2,160
	<u>2,557</u>	<u>7,077</u>

### 11 Share Capital

	2021 £	2020 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1 Ordinary share of £1	<u>1</u>	<u>1</u>
	<u>1</u>	<u>1</u>

# INNOVATIONS FOR LEARNING UK Ltd

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021

### 12 Movement in funds

	Brought forward	Movement in funds	Transfers	Total 2021	Brought forward	Movement in funds	Transfers	Total 2020
	£	£	£	£	£	£	£	£
Unrestricted funds	46,958	140,438	30,332	217,728	19,554	21,469	5,935	46,958
Designated funds	21,147	-	(21,147)	-	3,041	18,106	-	21,147
Restricted funds	10,385	53,489	(9,185)	54,689	-	16,320	(5,935)	10,385
<b>Total funds</b>	<b>78,490</b>	<b>193,927</b>	<b>-</b>	<b>272,417</b>	<b>22,595</b>	<b>55,895</b>	<b>-</b>	<b>78,490</b>

Restricted funds constitute the following and will be fully expended in the 2021-22 financial year:

Promotion of English Charitable Trust	£1,200
Sir George Martin Charitable Trust	£3,000
The Swire Charitable Trust	£14,690
BGL	£5,000
The Dulverton Trust	£30,199
Box	£600

The transfer of funds represents funds used to purchase fixed assets on which the restriction is now completed, £9,185 and designated donations for operations in 2020-21 of £21,147.

### 13 Analysis of net assets between funds

Fund balances at 31 July 2021 are represented by:

	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2021	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£	£	£
Tangible assets	27,346	-	-	27,346	8,446	-	-	8,446
Current assets	192,939	-	54,689	247,628	45,589	21,147	10,385	77,121
Creditors: amounts falling due within one year	(2,557)	-	-	(2,557)	(7,077)	-	-	(7,077)
	<b>217,728</b>	<b>-</b>	<b>54,689</b>	<b>272,417</b>	<b>46,958</b>	<b>21,147</b>	<b>10,385</b>	<b>78,490</b>

### 14 Related party transactions

There were no related party transactions in the period.