

# **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**

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**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2022**

Charity registration No 1179625

# INNOVATIONS FOR LEARNING UK Ltd

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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

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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:

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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.

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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.

## **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

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## **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;



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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**



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Seth Weinberger  
Chair

1 November 2022

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Dated

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## 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

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

		General Funds 2022	Designated Funds 2022	Restricted Funds 2022	Total Funds 2022	General Funds 2021	Designated Funds 2021	Restricted Funds 2021	Total Funds 2021
	Note	£	£	£	£	£	£	£	£
<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>Total funds brought 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>
<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.

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## 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

  
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Seth Weinberger  
Trustee

1 November 2022  
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Dated

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## 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
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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.

**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.

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

### 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>691,553</b>	<b>457,377</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>7,564</b>	<b>1,893</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

### 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

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### 5 Support and governance costs

	Support costs 2022	Governance costs 2022	<b>Total Support and Governance costs 2022</b>	Restated Total Support and Governance costs 2021
	£	£	£	£
Legal and professional fees	-	-	-	763
Staff costs	57,476	8,924	<b>66,400</b>	59,250
Administration costs	10,203	-	<b>10,203</b>	10,203
Accountancy fees	-	3,069	<b>3,069</b>	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

	<b>2022</b>	<b>2021</b>
	£	£
Salaries	<b>329,629</b>	132,565
Social security costs	<b>25,326</b>	8,418
Pension contributions	<b>6,574</b>	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).

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### 9 Tangible fixed assets

#### Computer equipment £

#### Cost

At 1 August 2021	40,450
Additions	30,756
At 31 July 2022	<u>71,206</u>

#### Depreciation

At 1 August 2021	13,104
Depreciation charged in the year	17,008
At 31 July 2022	<u>30,112</u>

#### Carrying amount

At 31 July 2022	<u>41,094</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>35,623</u>	<u>810</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>9,535</u>	<u>2,557</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>1</u>	<u>1</u>

Share capital is included within general funds.

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## 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

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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>

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

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)
	418,397	-	78,324	496,721	217,728	-	54,689	272,417

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## 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.