

Charity Registration No. 1145669

Company Registration No. 07886294 (England and Wales)

**NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020**



**NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustees

Belinda Vernon (Chair)
Andrew Haldane (Vice-Chair)
E Brunel-Cohen (Honorary Treasurer)
Paul Coffey
Wendy Jones
Catherine McClure
Graham Keniston-Cooper
Chris Linton
Catherine Paulson-Ellis

Chief Executive

Samuel Sims

Charity number

1145669

Company number

07886294

Registered office & principal address

Suite 8
Waterside Centre
North Street
Lewes
East Sussex
BN7 2PE

Auditors

TC Group
The Courtyard
Shoreham Road
Upper Beeding
Steyning
West Sussex
BN44 3TN

Main bankers

Clydesdale Bank
Virgin Money Store
170 North Street
Brighton
BN1 1EA

NATIONAL NUMERACY (LIMITED BY GUARANTEE)

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NATIONAL NUMERACY

(LIMITED BY GUARANTEE)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees of National Numeracy are pleased to present their report together with the audited financial statements of the charitable company for the year 1 January 2020 to 31 December 2020. The trustees confirm that the Annual Report and Financial Statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the company and the group qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic report and Director's Report) Regulations 2013 is not required.

Objectives and activities

The objectives of the charity are to promote education for the public benefit in mathematics and numeracy. The policies and activities adopted in furtherance of these objects are set out below. The trustees have paid due regard to guidance on public benefit issued by the Charity Commission in deciding what activities the charity should undertake.

Performance and achievements

A message from our Chair

2020 was always going to be a significant year for National Numeracy. Sam Sims was taking over the reins from founding CEO Mike Ellicock and we had developed a new growth strategy for the next 3-5 years. The additional challenge of the Covid-19 pandemic forced us to rethink how best to help people boost their number confidence and skills so they could better manage their money, cope with often adverse work circumstances and support children's learning through this uncertain time.

Although it has been difficult, the challenge brought out the best in National Numeracy. We moved many of our services online, including our third National Numeracy Day, and accelerated the development of digital learning resources for use at home. As a result, we exceeded many of our targets and are well placed to accelerate our impact even further this year. As well as demonstrating the strength of National Numeracy as an organisation, this performance clearly shows there is a huge demand for our services. This demand will continue and possibly even increase, especially as many people face a challenging future, and so we believe our work to help people get on with numbers is as important as ever.

We could not have achieved so much this year without the continued support from our partners and funders. I would like to thank them wholeheartedly for this support which is making a real difference to so many people's lives. As we increasingly reach out to those individuals who would benefit most from being more confident and competent with numbers, we plan to work even more closely with our partners and hope to attract others to join us.

In April 2021 I will have served three terms as a trustee (two as Chair) and it is time for me to step down. It has been a great privilege to serve National Numeracy over this period and work with so many dedicated and talented people. I would like to thank every one of them – trustees, staff and funders – for sharing the vision of the founding trustees and working so hard to build National Numeracy into the organisation it is today. Although challenges remain, National Numeracy has an exciting future with the opportunity to make a transformational impact on numeracy in the UK. I wish my successor all the very best and hope they enjoy the role as much as I have.

Summary

The UK begins 2021 with a challenging year behind it, and uncertainty ahead, but at National Numeracy our resolve has never been greater. The past months during the Covid-19 pandemic have seen unprecedented levels of demand for our work supporting those with low confidence and competence with numbers, as adults and children struggle to adapt to the ever-changing world around them. We had a record-breaking 725,000 engagements with people in 2020, supporting our users to improve their numeracy, and having a direct impact on individuals, communities and society as a whole. Through the National Numeracy Challenge, more than 47,000 people accessed our learning resources and over 12,000 people demonstrably improved their numeracy skills. At work, home and school, or home-school, the importance of being able to understand and use numbers has come into

NATIONAL NUMERACY (LIMITED BY GUARANTEE) TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

stark relief. For finding a job or adapting to new ways of working, supporting children with schoolwork, managing a tight household budget, or understanding daily Covid-19 statistics in the news, the need for getting on with numbers became critical to lives and livelihoods in 2020.

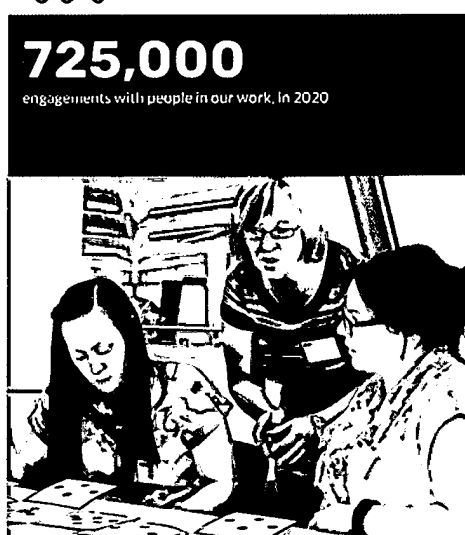
In the early stages of the pandemic, some of our projects, particularly those in schools and with the health service, were understandably affected, requiring us to adapt to complete these projects and continue in those sectors. However, our quick-fire response to the crisis included revising a year's worth of planning for National Numeracy Day within a single month to offer the nation free resources and practical help for using numbers in a radically different landscape; pivoting all our training programmes to be online; offering free resource and support packages to schools; and launching a brand-new campaign, Number Confidence Week, to empower people to take the first step towards developing their number skills. All this was only achieved with the invaluable help of our supporters and partners, for whose commitment we are enormously grateful.

We begin 2021 armed with a refreshed strategy focussed on helping disadvantaged communities where the need is greatest and an ambitious goal to have nearly 3 million engagements with people over the next three years. There has never been such a compelling need to empower children and adults to get on with numbers so they can fulfil their potential. Our work sparks better opportunities, and we are working with passion, commitment and resolve to contribute to brighter, more equitable futures for all.

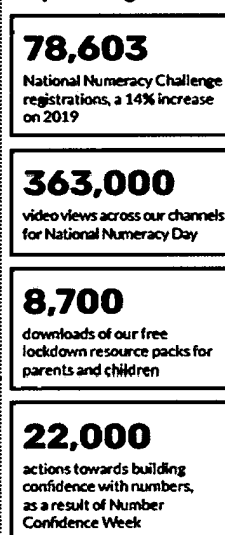
"We had a record-breaking 725,000 engagements with people in 2020, supporting our users to improve their numeracy, having a direct impact on individuals, communities and society as a whole."

Our impact in 2020

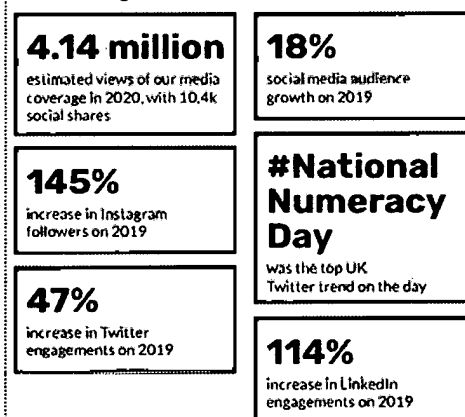
Engaging



Empowering



Influencing



Case study - Stacey Killon - NHS manager

I had a really bad relationship with maths. Even the thought of it would dry my mouth and make my palms sweaty. I remember the first day of school with everyone reciting their times tables and feeling totally lost, and at secondary school it carried on.

Fifteen years later, when I joined the NHS, I realised that I'd been muddling through, but struggling with maths was always in the back of my mind. Doing reports using numbers would make me anxious. I'm an apprenticeship lead and encourage people to take Functional Skills courses, but I felt like a fraud and thought: "If I don't do this, how on earth can I expect other people to?"

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I heard about the National Numeracy Challenge and how other people struggled with maths and thought: "That's me!" I decided I really needed to give it a go. Initially my score was low, but I expected that, so I went back again, and my score started improving. When I got to my top score it felt amazing!

I just want people to know that it is achievable. I was talking to a deputy director who was scared to do a Chartered Manager Degree Apprenticeship because of the maths. I said: "If I can do it, you can do it!" and now she is! It gives everyone more confidence to think that if they find maths hard, that's okay, but they can do it.

You might not think maths impacts your life, but it does. Simple things like measurements when you're cooking, you're able to do those conversions. Being able to do maths makes me feel proud and empowered. If you could bottle the feeling it gives you, people would buy it. I wouldn't be where I am today without National Numeracy."

"If you could bottle the feeling it gives you, people would buy it. I wouldn't be where I am today without National Numeracy."

Rapid Covid response

The seismic impact of the Covid-19 crisis in 2020 reinforced the urgent need for our work and demanded plans be significantly revised. We adapted quickly, pivoting the whole charity to service the greatest need, digitally. What we have learnt about our beneficiaries and the charity's strengths will inform our work for many years to come.

A record-breaking National Numeracy Day

On 13 May 2020, our third National Numeracy Day engaged more people than ever before. Our Virtual Festival saw 30 video sessions hosted by influencers, supporters, heroes and ambassadors help meet the needs of a nation at home. The day provided practical numeracy support for people across three areas: helping children with homework, self-confidence for skills building, and getting to grips with finances. We saw a 60% increase in on-the-day registrations to the National Numeracy Challenge compared to 2019, made possible by Founding Supporter KPMG and 39 supporting organisations. For more information see our [National Numeracy Day Impact Report](#). National Numeracy would like to thank all those who contributed and helped us bring the campaign alive in 2020.



Rachel Riley launches the virtual festival



Martin Lewis on Maths and Money

Number Confidence Week



Santander ambassador
Dame Jessica Ennis-Hill

Our new campaign launched on 2 November in response to continuing deep uncertainty in areas crucial to the UK's resilience and wellbeing. With an urgent need for people to feel more in control in tackling challenges faced due to Covid-19, gaining number confidence offered practical help; it is the first step towards gaining number skills that help in everyday life, for getting into work, managing money, or helping children with their learning. With the support of Founding Partner TP ICAP and Lead Partners Experian, KPMG and Santander, Number Confidence Week inspired 22,000 actions towards building confidence with numbers.

Taking our training online

The pandemic only strengthened our determination to support people to develop positive attitudes towards numeracy and boost their number confidence. Our 'face-to-face' workshops went online, with our Becoming a Numeracy Champion programme for workplaces seeing 79% of newly trained champions rating the programme 5/5, and all participants scoring it at least 4. A huge 94% of participants said they will use their learning to make changes in their organisation. **"The course is exceptional, other online programmes I have done have not been so well designed and delivered. The National Numeracy team should be congratulated,"** said one participant.

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Lockdown support for parents, carers and teachers


During the lockdown school closures we supported parents, carers and teachers to help children with maths at home by offering a package of 28 free activities for primary school age alongside advice and resources on how to help children be positive about numbers. In 2020, 8,700 of our lockdown packs were downloaded,

Real life stories

Low number confidence affects millions of people. When dealing with maths in everyday life – shopping, working out a budget or supporting children in our care – many of us feel a degree of stress, anxiety and even fear. In 2020 many of our beneficiaries spoke about why improving their numeracy has had far-reaching and sometimes life-changing effects. The examples below are part of a series of stories and videos that were disseminated through our National Numeracy Day campaign and social media thereafter in 2020 and we are very grateful to all the National Numeracy Heroes who helped bring our work alive and were key in enabling us to broaden our campaign work.

Jason
Improving his number confidence has helped Jason apply for new kinds of jobs and support his children's learning.

"Without number confidence I wouldn't have had the courage to take on a new role, and I wouldn't now be applying for the jobs that I am."



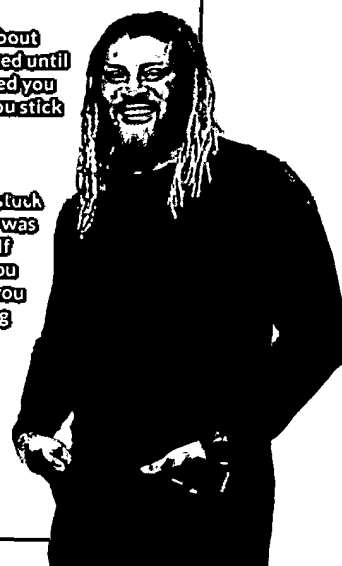
Maryam
She used to be terrified of maths, but now it is helping Maryam achieve her dream of opening a bakery business.

"Numeracy should not stop you from progressing or taking opportunities... it has opened so many doors for me, and it's exciting. I can't wait for other doors to open."



Orele
His anxiety about maths persisted until Orele realised you can learn if you stick at it.

"The anxiety stuck around until I was nearly thirty. If you believe you can improve you can keep going until you get there."



The all-new National Numeracy Challenge

We launched two major updates to our online learning tool in 2020 and are strengthening support for our users in 2021 thanks to support from TP ICAP and Ufi VocTech Trust. To help people who feel anxiety, fear or panic about maths, we wanted to show they are not alone. So, we put confidence and attitude at the heart of the Challenge, asking people how they feel about maths and serving them content and videos from people who feel the same. One learner said: "I loved that it asked about how I feel about maths, it showed me that the Challenge is to help people like me, not there to trip me up!" In 2021 we are creating new content for the Challenge based around attitudes and confidence as the feedback on this unique aspect of the Challenge has been universally positive.

Our second update to the Challenge has fundamentally changed how people use and interact with it: the Challenge now shows you how to solve the questions it poses. No more searching for answers or wondering where you went 'wrong'. Users are shown animations of how to arrive at the correct answer. Everything you need to learn and improve your numeracy is now at your fingertips, on mobile, tablet or computer.

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Overall, more than 78,000 people registered to use the Challenge tool in 2020, with 51,000 quick check completions and more than 47,000 learners. These figures exceeded our targets for the year.

Supporting children's numeracy

Confidence and attitudes to numbers and maths develop from a young age and have a crucial impact on attainment, progression and the ability to use numbers in everyday life. The strongest determinant of a child's number confidence and attitudes towards maths is the approach of the adults who support them. Yet, we know that millions of adults in the UK suffer from low confidence with numbers. This creates a vicious, intergenerational cycle that entrenches negative attitudes and passes down the myth that you are just 'not a numbers person'.

In 2020 we continued with practical projects in schools to support children's numeracy by working with non-maths specialist teachers, teaching support workers, parents, carers and families, as well as experts in helping to build confidence, competence and positive attitudes to numbers and maths.

In February 2020 we launched a brand-new workshop for parents, aiming to help them address their own feelings about maths and to feel more confident to support their children's learning. These were part of our "Parental Engagement in Scotland" project funded by the Garfield Weston Foundation. The trial workshops reached 88 parents from three schools. The feedback showed parents really benefited from the session: 96% said they would feel more able to support their child with maths learning.

"There were kids where I could see their maths anxiety lifting throughout the project, because we took the time to celebrate their work each week... It's win-win, because the resources and support are there from National Numeracy. I couldn't fault any part of the project."

Gillian, teacher, St Aidan's Primary School, Scotland

In addition, as part of National Numeracy Day, Founding Partner KPMG and The Economist Education Foundation created a Numbers in the News online workshop for 11–13-year-olds for the day. Supporting children to understand and interpret the numbers they are hearing in the media has never been more valuable than during this era of constant Covid data.

Looking ahead to 2021

A key activity in 2020 was the process of refreshing our organisational strategy, with trustees, staff and a wide range of stakeholders working together to clarify our mission and vision and to examine the organisation's priorities and purpose for the years ahead.

As a result, in 2021 we are launching a transformational three-year strategy to support people with low confidence or competence with numbers, where the need is greatest. We will reach and engage adults with low numeracy, break down confidence barriers and empower them to improve across three themes: in order to help with work, supporting children and managing money. In turn, this will help unlock crucial next steps into training, education and skills-building. We have set ourselves the ambitious goal of having nearly 3 million engagements with people by the end of 2023, and of supporting tens of thousands of adults with low numeracy to improve their confidence and/or skills and take their next steps with work, helping children and/or money. Alongside this strategy, we will build an impact framework to help us continue to develop and understand, and subsequently talk about, the work we do and the people we help.

National Numeracy has managed to flex and grow in response to demand through the Covid-19 pandemic. Lessons learned and measures taken in 2020, for instance in pivoting face-to-face delivery to online platforms, have stood us in good stead to continue our highly impactful work in 2021 and beyond. Our work in schools will continue to be affected but again we are devising alternative solutions to ensure that we can maintain momentum on our parental engagement programme. Meanwhile, early data for 2021 shows our online supportive learning environment for building the confidence and skills of adults continues to be in high demand.

NATIONAL NUMERACY (LIMITED BY GUARANTEE) TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Structure, governance and management

National Numeracy is a company limited by guarantee which was established on 19 December 2011. It was registered as a charity on 30 January 2012.

The trustees, who were also the directors for the purpose of company law, and who served during the period were:

Belinda Vernon, Chair
Andrew Haldane, Vice-Chair
Edward Brunel-Cohen, Honorary Treasurer
Wendy Jones
Catherine McClure
Paul Coffey
Chris Linton
Graham Keniston Cooper
David Rhind (resigned November 2020)
Catherine Paulson-Ellis (appointed May 2020)

The trustees have full responsibility for all legal and financial matters. Any additions to the membership of the trustees follows invitation by the Board of Trustees after due consideration.

All the trustees give of their time freely and none of the trustees has any beneficial interest in the company. All the trustees are members of the company and guarantee to contribute £1 in the event of a winding up. Trustees are required to disclose all relevant interests. Details of trustee expenses and related party transactions are disclosed in a note to the accounts.

a. Organisational matters

The work of National Numeracy, including that of the wholly owned trading subsidiary National Numeracy Solutions, is overseen by the Board of Trustees, which met five times during 2020, four times being the ordinary trustee meetings and one time being an extra strategy session. During 2020, David Rhind stepped down as trustee for reasons of ill health; the Board would like to thank him for his contribution.

The Nominations Committee (a sub-committee of the Board, comprising Belinda Vernon, Paul Coffey, Lynn McClure and Wendy Jones) also met regularly to consider senior appointments and matters of succession and to review the composition of the Board. During the year, Catherine Paulson-Ellis was appointed as a trustee in May 2020. New trustees receive a full and comprehensive briefing before their first meeting and receive a copy of National Numeracy's Trustee Handbook with full details of the induction process, plus the relevant Charity Commission guidelines for trustees.

A significant development for the charity in 2020 was the stepping down of the founding Chief Executive, Mike Ellicock. The Board expressed its appreciation for Mike's contribution to the charity. Sam Sims was appointed new CEO and took up the role in May 2020. During 2020 the process also started to find a new Chair of the Board of Trustees to replace Belinda Vernon who is due to step down in April 2021 after 9 years on the Board.

Staffing levels as a whole remained flat during 2020 with replacement recruitment only and redistribution of duties. In line with the charity's remuneration policy and in accordance with the Statement of Recommended Practice (SORP), National Numeracy discloses all payments to trustees (no trustees receive 'pay'), discloses the number of staff in receipt of more than £60,000 and above (in bands of £10,000), and discloses pensions and other benefits.

The Chief Executive and trustees review the salaries of staff annually, in accordance with the charity's remuneration policy. The trustees also determine pension arrangements. In addition, the Nominations Committee advises on the salary of the CEO, for decision by the board.

National Numeracy Solutions (the trading subsidiary) made some changes to the board in 2020: directors are now Diane Hume (Financial Controller), Sam Sims (Chief Executive) and Emily Kramers (Operations Director). The Directors also met separately four times in 2020.

NATIONAL NUMERACY (LIMITED BY GUARANTEE) TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

b. Finance and funding

National Numeracy started 2020 with an ambitious income target and a 5-year plan for growth. The onset of the global pandemic in March 2020 resulted in a complete revisiting of all our predictions as supporter conversations became more difficult to engage in and uncertainty flooded the charity sector. National Numeracy was lucky to have built up reasonable reserves in the previous two years in accordance with our reserves policy and therefore was able to use those reserves to maintain activity as well as respond positively in terms of supporting parents at home and increasing our impact work through our online tools. However, in terms of our income, we very quickly had to revise expectations and predictions.

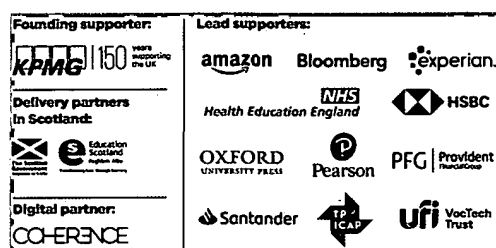
A regular review of reserves was put in place with all trustees agreeing a timetable of reviews and approving a scenario planning schedule that was established to allow us to have clear indicators of when key decisions would have to be made. This timetable allowed us to constantly review the situation and take decisions such as the postponement of all salary increases for six months, the postponement of the office move originally planned for summer 2020 and the revision of the timetable and extent of our digital estate upgrades. These expenditure revisions combined with prioritising fundraising activity led to us achieving a year end position which, whilst being a deficit of £138,461 was less of a deficit than had been envisaged at the mid-way point of the year and left us still within our recommended reserves position at year end (see section on Reserves).

National Numeracy Day was pivoted at speed due to the pandemic and we are grateful to all the funding supporters who helped us achieve this.

We are also grateful to the Charities Aid Foundation who helped fund some of the Covid response activities outlined above, and continue to do so into 2021.

In 2020, despite the Covid-19 situation, we were able to complete all restricted projects on time and to budget. In some instances we had to rethink how these projects would be delivered and we are grateful to funders such as Garfield Weston, Provident Financial Group and the Edge Foundation for the flexibility they provided us to help us continue to work during this crisis. Other restricted funds included new funding for the 2020/2021 academic year from John Lyon's Charity for a primary school-based project. Already in 2021 we have had to refine our plans for this project to adapt to the extended lockdowns in schools and the effect this has had on project plans.

National Numeracy also continued to benefit from free AdWords advertising from Google. Other support came from Amazon / AWS for hosting costs and Coherence, the web development agency, towards re-platforming our web estate. Overall, consolidated income in 2020 was £1,215,877



c. Risk assessment

The trustees have regularly assessed the major risks to which the charity is exposed and maintained a detailed risk register during 2020, split between strategic risks and operational risks. The risk register is regularly reviewed by senior staff and the trustees. Trustees are satisfied that systems are in place to mitigate exposure to the major risks. The impact of Covid-19 on staff and income was the main risk in 2020 and was monitored regularly, with additional updates between trustee meetings as necessary.

d. Reserves

The trustees recognise the need for reserves to create a sustainable organisation into the future. In particular, we seek to maintain our core public offer provision to all stakeholders, to insure against variations in income due to the uncertain nature of funding sources and the uneven profile of income throughout the year, as well as sustaining normal expenditure levels alongside specific investments in future development to support our revised strategy.

Giving consideration to all of these factors, a target range for unrestricted reserves has been calculated at between £300,000 and £400,000. The target reserves calculation is reviewed annually as part of the budget formation

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FOR THE YEAR ENDED 31 DECEMBER 2020

process, and current levels are reviewed against targets on a quarterly basis within trustee meeting papers.

During 2020, trustees approved the judicious use of reserves to maintain purposeful activity and fund our Covid response efforts. By carefully curtailing expenditure, the charity was able to maintain impact whilst also remaining within target reserves levels at year end, at £322,719.

e. Investment Policy

As well as operating accounts, National Numeracy also maintains both instant access deposit accounts and longer-term deposit accounts in order to provide interest on funds received. The Hon. Treasurer and the Financial Controller meet at least every four months to assess the best investment options available to maximise use of funds. Investment decisions need to be agreed by the Financial Controller, the Hon. Treasurer and the CEO.

Due to the need for relatively short-term access to funds, long-term options are not available and there is a low-risk policy approach to investment options to safeguard charitable funds. Therefore, National Numeracy invests its financial reserves prudently and subject to the regular review. Funds will only be invested in banks with an A Rating. National Numeracy owns no property. The policy is monitored and reviewed as part of the annual budgeting cycle.

Related Party Transactions

During the year the charity purchased design services from Tacon Design, a company run by relations of Mike Ellicock, who served as Chief Executive during the year, amounting to £6,174 in January to June while Mike was still in position. After he stepped down, the charity continued to purchase services in 2020 to the value of £3,654 in July to December (inc VAT).

Alison Plant, a director of National Numeracy Solutions, invoiced a total of £9,550 in 2020. She stepped down as director of NNS during the year but continues to support the charity on an occasional basis.

The transfer agreement contract entered into with NMP in 2013 was continued. No repayments were made during the year so the creditor balance at the year end of £40,000 (2019: £40,000) remains.

The company has taken advantage of the exemption available in FRS 8 'Related party disclosures' whereby it has not disclosed transactions with any wholly owned subsidiary undertaking of the group.

Trustee reimbursements

None of the trustees (or any person connected with them) received any remuneration during the year. The charity paid travel costs on behalf of two trustees (2019: two) totalling £198 (2019: £627)

Disclosure of Information to Auditors

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's Auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

The Trustees' Report and Financial Statements were approved by the Board of Trustees on 27 April 2021.

Signed on their behalf by:



Belinda Vernon, Chair

NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also the directors of National Numeracy for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard for the UK and Republic of Ireland'.

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities' SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They 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.

**NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF NATIONAL NUMERACY**

Opinion

We have audited the financial statements of National Numeracy ('the parent charitable company') and its subsidiary ('the group') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the consolidated and charity Balance Sheets, the Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources for the year then ended;

have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, including the trustees' 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.

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.

**NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
REPORT OF THE INDEPENDENT AUDITOR (CONTINUED)
TO THE MEMBERS OF NATIONAL NUMERACY**

Opinions on other matters prescribed by the Companies Act 2006

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

the information given in the trustees' report, which includes the directors' report 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 has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report or the strategic report included within the trustees' report.

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

- adequate and proper 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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption; and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;

**NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
REPORT OF THE INDEPENDENT AUDITOR (CONTINUED)
TO THE MEMBERS OF NATIONAL NUMERACY**

- We considered the nature of the charity's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

This description forms part of our auditor's report.

Use of our report

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

NATIONAL NUMERACY

(LIMITED BY GUARANTEE)

REPORT OF THE INDEPENDENT AUDITOR (CONTINUED)

TO THE MEMBERS OF NATIONAL NUMERACY

TC Group

Mr Mark Cummins FCCA (Senior Statutory Auditor)

for and on behalf of TC Group

Statutory Auditor

Dated: *10 May 2021*

Office: Steyning, West Sussex

**NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
<u>Income from:</u>	Note				
Donations and legacies	3	669,028	132,500	801,528	781,544
Charitable activities	4	40,864	306,123	346,987	750,299
Other trading activities:					
Commercial trading operations		61,527	-	61,527	113,157
Investments	5	5,835	-	5,835	6,484
Total income		777,254	438,623	1,215,877	1,651,484
<u>Expenditure on:</u>	6				
Raising funds					
Commercial trading operations		131,773	-	131,773	147,057
Charitable activities		751,648	470,917	1,222,565	1,250,101
Total expenditure		883,421	470,917	1,354,338	1,397,158
Net income/(expenditure) for the year		(106,167)	(32,294)	(138,461)	254,326
Net movement in funds		(106,167)	(32,294)	(138,461)	254,326
Fund balances at 1 January 2020		428,886	176,393	605,279	350,953
Fund balances at 31 December 2020		322,719	144,099	466,818	605,279

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

All activities are classified as continuing. There are no recognised gains or losses other than those reported on the Statement of Financial Activities.

The notes on pages 18 to 28 form part of these accounts.

**NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
CONSOLIDATED BALANCE SHEET**

AS AT 31 DECEMBER 2020

	Notes	£	2020 £	£	2019 £
Fixed assets					
Tangible assets	11		1,964		-
Current assets					
Debtors	13	73,769		21,593	
Cash at bank and in hand		748,566		1,110,902	
		<u>822,335</u>		<u>1,132,495</u>	
Creditors: amounts falling due within one year	14	<u>(357,481)</u>		<u>(527,216)</u>	
Net current assets			464,854		605,279
Net assets			<u>466,818</u>		<u>605,279</u>
Income funds					
Restricted funds	17	144,099		176,393	
General funds		322,719		428,886	
		<u>466,818</u>		<u>605,279</u>	

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

The notes on pages 18 to 28 form part of these accounts.

The accounts were approved by the Board on 27 April 2021



Belinda Vernon
Trustee (Chair)

Company Registration No. 07886294

**NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
CHARITY BALANCE SHEET**

AS AT 31 DECEMBER 2020

	Notes	£	2020 £	£	2019 £
Fixed assets					
Investments	12		1		1
Tangible assets	11		1,964		-
			<u>1,965</u>		<u>1</u>
Current assets					
Debtors	13	75,027		37,340	
Cash at bank and in hand		645,900		964,408	
		<u>720,927</u>		<u>1,001,748</u>	
Creditors: amounts falling due within one year	14	(274,041)		(397,342)	
Net current assets			<u>446,886</u>		<u>604,406</u>
Net assets			<u><u>448,851</u></u>		<u><u>604,407</u></u>
Income funds					
Restricted funds	17		144,099		176,393
Unrestricted funds			304,752		428,014
			<u><u>448,851</u></u>		<u><u>604,407</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

The notes on pages 18 to 28 form part of these accounts.

The accounts were approved by the Board on 27 April 2021.



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Belinda Vernon

Trustee (Chair)

Company Registration No. 07886294

**NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
CONSOLIDATED CASH FLOW STATEMENT**

FOR THE YEAR ENDED 31 DECEMBER 2020

		2020	2019
	Note	£	£
Cash flows from operating activities			
Net income/(expenditure)		(138,461)	254,326
Investment income		(5,835)	(6,484)
Increase/(decrease) in creditors	14	(169,735)	82,655
(Increase)/decrease in debtors	13	(52,176)	347,732
Net cash provided by operating activities		(366,207)	678,229
Cash flows from investing activities			
Investment in fixed assets		(1,964)	-
Investment income		5,835	6,484
Net cash provided by investing activities		3,871	6,484
Change in cash and cash equivalents in the reporting period		(362,336)	684,173
Cash and cash equivalents at the beginning of the year		1,110,902	426,189
Cash and cash equivalents at the end of the year of the year		<u>748,566</u>	<u>1,110,902</u>
	01.01.20	Cash flow	31.12.20
	£	£	£
Cash at bank and in hand	<u>1,110,902</u>	<u>(362,336)</u>	<u>748,566</u>

NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

1 Statutory information

National Numeracy is a charitable company, limited by guarantee, registered in England and Wales. The charitable company's registered number and registered office address can be found on the Legal and Administrative information page.

2 Accounting policies

2.1 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 (FRS102) (effective 1 January 2015) – Charities SORP (FRS102) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

National Numeracy meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). There are no material uncertainties about National Numeracy's ability to continue as a going concern.

2.2 Group financial statements

These financial statements consolidate the results of the charity and its wholly owned subsidiary National Numeracy Solutions Limited. A separate Statement of Financial Activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

2.3 Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity (and its subsidiary) has adequate resources to continue in operational existence for the foreseeable future. This includes taking into account any known impact of the COVID-19 pandemic, which is further detailed in the trustees report.

For this reason they continue to adopt the going concern basis in preparing the financial statements.

2.4 Income

All income is included in the Statement of Financial Activities when the charity is legally entitled to the income, the amount can be quantified with reasonable accuracy and receipt is probable.

Grant income is recognised over the period for which it is granted.

Contract income is recognised when the charity gains entitlement to the income.

Donations and gifts are recognised when receivable.

Investment income is recognised when receivable.

Trading income is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

2 Accounting Policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the assets use.

Cost of raising funds comprise the costs of commercial trading and their associated support costs. Support costs are those costs incurred directly in support of expenditure on the objects of the charity.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support the activities of the charity.

2.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Additions on individual items in excess of £2,000 including irrecoverable VAT are capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings – 3 years straight line.

The gain or loss arising on the disposal of an asset is determined as the difference between the sales proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains/losses are taken to the Statement of Financial Activities when incurred.

2.8 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.

2.9 Cash at bank and in hand

Cash at bank and in hand are basic financial instruments and include cash and short term highly liquid investments. The trustees seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow. Bank overdrafts are shown within borrowings in current liabilities.

2.10 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

2 Accounting Policies (continued)

2.11 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.12 Accumulated funds

Unrestricted general funds comprise those amounts received for use at the discretion of the trustees in the furtherance of the general objectives of the charity.

Restricted funds are subject to specific conditions imposed by donors and includes monies raised for specific projects.

Designated funds comprise general funds set aside by trustees for specific purposes.

2.13 Taxation

The parent company is a registered charity. All of the charity's income falls within the exemptions set out in part 11 of the Corporation Tax Act 2010.

2.14 Critical accounting estimates and judgements

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 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.

The trustees do not consider that there are any critical estimates or areas of judgement that need to be brought to the attention of the readers of the financial statements.

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Donations	669,028	132,500	801,528	781,544
Total	669,028	132,500	801,528	781,544

4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Grants	22,156	306,123	328,279	415,999
Fees and other income	18,708	-	18,708	334,300
	40,864	306,123	346,987	750,299

NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

5 Income from investing activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Interest receivable	5,835	-	5,835	6,484
	<u>5,835</u>	<u>-</u>	<u>5,835</u>	<u>6,484</u>

6 Expenditure

	Staff costs £	Depn costs £	Other costs £	Total 2020 £	Total 2019 £
Costs of raising funds					
Direct fundraising	109,184	-	20,458	129,642	144,302
Support costs	-	-	2,131	2,131	2,755
	<u>109,184</u>	<u>-</u>	<u>22,589</u>	<u>131,773</u>	<u>147,057</u>
Charitable activities					
Activities undertaken directly	494,692	760	494,102	989,554	1,118,389
Support costs	104,136	-	128,876	233,012	131,712
	<u>598,827</u>	<u>760</u>	<u>622,978</u>	<u>1,222,565</u>	<u>1,250,101</u>
Total expenditure	<u>708,011</u>	<u>760</u>	<u>645,567</u>	<u>1,354,338</u>	<u>1,397,158</u>

7 Support costs

	2020 £	2019 £
Staff costs	80,959	98,497
Website & marketing	40,627	13,255
Travelling expenses	1,361	4,926
Rent & rates	18,168	19,193
Office expenses	25,590	23,371
Legal & professional	63,280	36,580
Other	14,588	6,654
Support costs recharged	(45,586)	(121,066)
Governance costs (note 8)	36,159	53,057
	<u>235,143</u>	<u>134,467</u>

Support costs include amounts paid to the auditors in respect of audit fees totalling £11,400 (2019: £10,761 and other fees of £360).

NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

8 Governance costs

	2020	2019
	£	£
Auditor's remuneration	11,400	10,761
Trustees' expenses	198	618
Trustee recruitment	1,384	20,179
Staff costs	23,177	21,499
	36,159	53,057

9 Consolidated statement of financial activities comparative funds – 31 December 2019

	Unrestricted funds £	Restricted funds £	Total 2019 £
<u>Income from:</u>			
Donations and legacies	516,544	265,000	781,544
Charitable activities	380,300	369,999	750,299
Other trading activities:			
Commercial trading operations	113,157	-	113,157
Investments	6,484	-	6,484
Total income	1,016,485	634,999	1,651,484
<u>Expenditure on:</u>			
Commercial trading operations	147,057	-	147,057
Charitable activities	700,011	550,090	1,250,101
Total expenditure	847,068	550,090	1,397,158
Net income/(expenditure) for the year	169,417	84,909	254,326
Gross transfers between funds	577	(577)	-
Net movement in funds	169,994	84,332	254,326
Fund balances at 1 January 2019	258,892	92,061	350,953
Fund balances at 31 December 2019	428,886	176,393	605,279

NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

10 Staff costs

	2020	2019
	£	£
Wages and salaries	610,722	535,616
Social security costs	60,489	48,717
Other pension costs	36,800	31,137
	<u>708,011</u>	<u>615,470</u>

The average number of persons employed by the group was 18 (2019:17); Finance and Administration 2 (2019: 2) and Charitable activities 16 (2019: 15).

The number of employees whose annual emoluments were £60,000 or more were:

	2020	2019
£90,001 - £100,000	-	1
£60,001 - £70,000	2	-

During the year ended 31 December 2020 employer's pension costs in respect of highly paid staff totalled £7,758 (2019: £5,483).

The key management personnel of the charity consist of the leadership group. Their total remuneration for the year was £303,667 (2019: £186,703). The leadership group was expanded in number in the year.

The total amount of termination payments for the period was £48,750 (2019: £Nil). There are no outstanding payments at the balance sheet date.

11 Tangible fixed assets

	Fixtures & Fittings	Total
Cost		
At 1 January 2020	-	-
Additions	2,724	2,724
	<u>2,724</u>	<u>2,724</u>
At 31 December 2020	2,724	2,724
	<u>2,724</u>	<u>2,724</u>
Depreciation and impairment		
At 1 January 2020	-	-
Charge	760	760
	<u>760</u>	<u>760</u>
At 31 December 2020	760	760
	<u>760</u>	<u>760</u>
Net book value		
At 31 December 2020	1,964	1,964
	<u>1,964</u>	<u>1,964</u>
At 31 December 2019	-	-
	<u>-</u>	<u>-</u>

NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

12 Fixed asset investments

Investment held by parent in subsidiary:

	Charity £
National Numeracy Solutions Limited	1

Holdings of more than 20%

The charity holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
National Numeracy Solutions Limited	UK	Ordinary	100

National Numeracy Solutions Limited

National Numeracy Solutions Limited is a wholly-owned trading company, company number 08700221 is incorporated in England & Wales. The principal activity of the company is mathematics education consultancy, training and school improvement. A summary of the trading results of the subsidiary (as included in the Statement of Financial Activities) is shown below.

Summary profit and loss account

	2020 £	2019 £
Turnover	64,734	117,184
Cost of Sales	(3,736)	(59,971)
Administrative Expenses	(45,343)	(56,344)
Net profit for the year	<u>15,655</u>	<u>869</u>

Summary balance sheet

	2020 £	2019 £
The assets and liabilities of the subsidiary were:		
Current assets	107,657	157,211
Creditors: amounts falling due within one year	(91,129)	(156,338)
Total net assets/share capital and reserves	<u>16,528</u>	<u>873</u>

NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

13 Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	67,943	11,545	63,107	1,000
Amounts owed by group undertakings	-	-	6,250	24,487
Taxation and social security	-	852	-	2,827
Prepayments and accrued income	4,381	7,526	4,225	7,355
Other debtors	1,445	1,670	1,445	1,671
	73,769	21,593	75,027	37,340

14 Creditors: amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	41,384	54,067	25,684	53,996
Taxation and social security	1,633	12,712	15,692	12,712
Other creditors	41,499	44,027	1,477	4,004
Accruals and deferred income	272,965	416,410	231,188	326,630
	357,481	527,216	274,041	397,342

15 Controlling party

The charity is a company limited by guarantee and therefore without share capital. No one member has overall control of the charity. The liability of each member is limited to £1, being the amount that each member undertakes to contribute to the assets of the charity in the event of its being wound up.

16 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year. The charity paid travel costs on behalf of two (2019: two) trustees totalling £198 (2019: £627).

NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

17 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 Jan 2020	Movement in funds			Balance at 31 Dec 2020
	£	Income £	Expenditure £	Transfers £	£
Ernest Cook Trust	283	-	-	-	283
Google ad words	-	97,066	(97,066)	-	-
AWS web hosting	-	18,708	(18,708)	-	-
Ufi – Digital Solutions to Improve	408	-	-	(408)	-
Ufi – Firm Foundations	5,718	-	-	(5,718)	-
National Numeracy Day	71,319	82,500	(133,119)	-	20,700
John Lyons Charity – Parental engagement in London	-	25,349	(5,640)	-	19,709
Edge Foundation – The Essentials of Numeracy in secondary education	31,939	-	(31,939)	-	-
Garfield Weston Foundation – Parental engagement in Scotland	18,629	-	(16,302)	-	2,327
Provident Financial Group – Becoming a Numeracy Champion in the community	49,738	50,000	(36,096)	-	63,642
Ufi – Mobiles, Skills & Confidence with numbers	(1,641)	165,000	(132,047)	-	37,438
	176,393	438,623	(470,917)	-	144,099

Restricted funds:

Ernest Cook Trust

Funding towards running a bursary scheme to bring the Passport Maths Yr7 intervention into secondary schools with high levels of FSM in South East England.

Google ad words

Funding for PPC (pay per click) advertising on Google to be spent in attracting people to the National Numeracy Challenge.

Ufi – Digital Solutions to Improve

Funding towards scaling up the Challenge to help working-age adults.

Ufi – Firm Foundations

Funding for the Firm Foundations Digital project.

National Numeracy Day

The following organisations gave restricted funds to National Numeracy in 2020 to support National Numeracy Day:

Bloomberg

HSBC

Health Education England

**NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020**

17 Restricted funds (continued)

Pearson UK
Provident Financial Group
Santander
TPICAP
Ufi VocTech Trust

Pro Bono Work

The following organisations gave pro bono to support National Numeracy Day:

Coherence

KPMG

Google

AWS

Edge Foundation

Funding for an education project supporting secondary school children and parents in Nottingham.

Garfield Weston Foundation

Funding for a parental engagement project in primary schools.

Provident Financial Group

Funding for a project developing numeracy champion programmes in community settings.

Ufi

Funding towards the Mobiles, Skills & Confidence with Numbers project, across 2020 to 2022.

John Lyon's Charity

Funding for a parental engagement project in London.

AWS web hosting

Funding to be spent on web hosting for the National Numeracy Challenge website.

18 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
<u>Fund balances at 31 December 2020</u> are represented by:			
Current assets	378,236	144,099	822,335
Creditors: amounts falling due within one year	(357,481)	-	(357,481)
	<u>322,719</u>	<u>144,099</u>	<u>466,818</u>

NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2020

18 Analysis of net assets between funds (continued)

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2019 are represented by:			
Current assets	956,102	176,393	1,132,495
Creditors: amounts falling due within one year	(527,216)	-	(527,216)
	<u>428,886</u>	<u>176,393</u>	<u>605,279</u>

19 Commitments under operating leases

At 31 December 2020 the company and the group had total commitments under non-cancellable operating leases payable as follows:

	Land and buildings	
	2020	2019
	£	£
Within one year	-	13,750
Between one and five years	-	-
	<u>-</u>	<u>13,750</u>

20 Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund. Contributions totalling £Nil were payable to the fund at the year end (2019: £905).

21 Related party transactions

During the year the charity purchased design services from Tacon Design, a company run by relations of the Chief executive, amounting to £9,828 (2019: £15,635).

Alison Plant, a director of National Numeracy Solutions Ltd, has acted as a paid consultant to National Numeracy and has provided services totalling £9,550 (2019: £35,300) with related expenses totalling £Nil (2019: £224).

The transfer agreement contract entered into with NMP in 2013 was continued. No repayments were made during the year so the creditor balance at the year end of £40,000 (2019: £40,000) remains.

The charity has taken advantage of the exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Details of trustee expense reimbursements are included in note 16.