

Charity Registration No. 313714

UNITED KINGDOM LITERACY ASSOCIATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

UNITED KINGDOM LITERACY ASSOCIATION

LEGAL AND ADMINISTRATIVE INFORMATION

| | | |
|-----------------------------|--|--|
| Trustees | Professor H Dombey Mrs L Graham Professor T Cremin Mr D Reedy Mrs A Öztürk Dr D Challen Dr E Bearne Ms J Court Mr R McDonald Dr C Dowdall Ms T Parvin Professor C Burnett Ms C Lockwood Dr J McClay Ms J Douglas Gardner Dr G Cliff Hodges Mrs E Broad Prof D Myhill Ms K Vallely Ms J Tregenza | (Appointed 13 July 2019) (Appointed 13 July 2019) (Appointed 13 July 2019) |
| Charity number | 313714 | |
| Principal address | Room 9 VAL 9 Newarke Street Leicester LE1 5SN | |
| Independent examiner | BWM Castle Chambers 43 Castle Street Liverpool L2 9SH | |
| Bankers | National Westminster Bank Plc 2-8 Church Street Liverpool L1 3BG | |

UNITED KINGDOM LITERACY ASSOCIATION

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UNITED KINGDOM LITERACY ASSOCIATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

The Trustees present their report and financial statements for the year ended 31 March 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The United Kingdom Literacy Association (UKLA) is the UK's leading association dedicated to literacy in education and brings together teachers, teacher educators, researchers and many others working in literacy education for all ages. The sole object of the United Kingdom Literacy Association is to advance Education in Literacy, and its principal activity during the year has been to encourage progress in language and literacy at all levels.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. The Association's activities fall into three main areas:

- Membership, subscriptions and awards
- Conferences
- Publications and research

The principal activity of the charity during the year was to encourage progress in language and literacy at all levels.

Achievements and performance

How our activities deliver public benefit

The sole object of UKLA is the advancement of education in literacy. It achieves this by:
creating a supportive community for those working in literacy, language and communication
championing, supporting and providing access to the latest research for use by practitioners and policymakers
providing an informed national voice

Impact: UKLA's performance and achievements throughout 2019-20

In 2019-20, UKLA's members' achievements have been impressive, as shown by the number and range of activities which have brought together members in local regions, across the UK and across the world to exchange ideas, debate possibilities and share the enthusiasm and expertise necessary to generate a truly fulfilling and empowering literacy education. These achievements are fully documented in an Impact Report published by the Trustees, which offers comprehensive evidence of the very significant public benefit provided by UKLA. The Trustees' Report that follows offers a short summary of the full report, downloadable from UKLA's website at https://ukla.org/wp-content/uploads/IMPACT_REPORT_2019.pdf

UNITED KINGDOM LITERACY ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance

1. The UKLA Awards Programme

Supported by generous sponsors, UKLA's Awards programme showcases the work of schools and individual teachers whose practice inspires others, celebrates high quality books for both young people and education professionals, and honours outstanding research papers. Members are offered a range of opportunities for active involvement, in some cases also including their students, and many schools and individuals have joined the Association as a result. The Awards Ceremony is always a highlight of the annual International Conference.

The seven awards raise the profile of UKLA and contribute significantly to the aim of promoting the advancement of education in literacy by celebrating excellence, as UKLA's exacting criteria mean that only outstanding submissions are considered for an Award:

- The Brenda Eastwood Award, for good practice in teaching for Diversity and Inclusion
- The Literacy School of the Year Award, for schools where innovative practice puts literacy and literature at the heart of learning
- Our Class Loves this Book: the Just Imagine Award, for a class's creative response (led by their teacher) to a book shortlisted for the UKLA Book Awards
- The UKLA Book Awards, the only children's book awards judged by teachers
- The UKLA Student Shadowing Award – as above, but judged by student teachers
- The Academic Book Award, for a book that makes a lasting, significant contribution to the teaching of English
- The UKLA / Wiley Research in Literacy Education Award, for outstanding articles from UKLA's journals *Literacy* and *The Journal of Research in Reading*

The standard of nominations in 2019 was exceptionally high, with the result that, unusually, two winners were selected for the Literacy School of the Year Award and the new Brenda Eastwood Award. The scope of UKLA's Awards programme is unique, and it has become increasingly prestigious among schools, publishers and academics.

UNITED KINGDOM LITERACY ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

2. UKLA Publications: journals, books and web resources

UKLA's publications play a key role in supporting members in schools, universities and other educational settings through disseminating research findings as well as practical, principled approaches for use in teaching at all levels.

UKLA's peer-reviewed International Journals *Literacy* and *Journal of Research in Reading* (JRiR) are increasingly prestigious and popular. Both attract an international authorship and readership, and make important contributions to global discussions of vital contemporary issues in literacy research. Both editorial teams continue a strong tradition of research excellence as they expand offerings with more international submissions. *Literacy* is available to all members as part of their subscription.

English 4-11, jointly produced by the English Association and UKLA and free to members, is a print publication which focuses on practice in Early Years and primary schools, with the occasional article about older students. It is highly regarded by teachers and student teachers as both practical and inspiring. Many contributors are classroom teachers, educational consultants or teacher educators.

UKLA News, the Association's newsletter, has two editors (from Northern Ireland and the East Midlands) each taking responsibility for one issue each year, an approach which encourages participation from members throughout the UK.

UKLA continues to publish its two series of books, *Minibooks* and *Ideas in Practice*, both of which are written for busy professionals who want practical ways forward, underpinned by a coherent theoretical perspective. In summer 2019, a new Minibook was published, *Teaching Spelling 6-11*, specifically designed to address needs expressed by primary teachers. At the year end, a revised second edition of the highly successful *Teaching Grammar Effectively in Primary Schools* was printed and is expected to sell well. Print book sales improved somewhat over the last year, and e-books were selling well. Meanwhile, UKLA's web resources were updated and expanded, including the new *Viewpoints* series of position statements and new free resources to encourage browsers to join the Association.

3. Supporting and disseminating research

UKLA has a robust and vibrant research profile. In furtherance of its core aim to advance education in literacy, UKLA seeks to inform educational professionals and policymakers at all levels by supporting and disseminating cutting edge research of high quality, and thus supporting excellent educational practice which is strongly based on secure evidence. UKLA's stringent criteria ensure that only research of high quality is promoted. Activities include:

- awarding small research grants to members who apply
- encouraging successful members to disseminate their work by presenting at the next International Conference and publishing in one of UKLA's journals
- awarding Student Research Prizes to students from UK institutions
- enabling the dissemination of research into literacy at UKLA's Conferences, through presentations, seminars and workshops, as well as through publications in UKLA's journals and books
- encouraging Masters and doctoral students through a Post Graduate Student Research Network, using a social media platform
- hosting UKLA Special Interest Groups (SIGs) at the request of members, enabling groups of practitioners with a common interest to develop their own practice and research

In 2019-20, the range, diversity and rigour of the papers given at the annual International Conference was particularly high, as was the quality of applications for the Research Awards and Prizes. Additionally, the activity of the SIGs contributes to the vibrant research profile of the UKLA; this area has seen significant growth in 2019, with recent SIG proposals building from the work of previously funded UKLA research.

UNITED KINGDOM LITERACY ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

4. Organising Conferences

UKLA's highly regarded conferences play a key part in bringing members together, facilitating networking as well as promoting the dissemination of cutting edge research and offering more practical workshops which are always popular. Non-members are also warmly welcomed.

UKLA's annual international conference continues to draw over 200 delegates, along with speakers from the UK and around the world, and attracts a wide variety of academics, teachers and other education professionals. The conference provides a platform for new and established researchers, teachers and other educators as well as a community to welcome and celebrate the winners of UKLA's prestigious Awards. The 55th International Conference held at Sheffield Hallam University Institute of Education in July 2019 was themed *Literacy and Play for All: Improvisation, possibility and imagination*. This was fully subscribed and proved extremely successful.

UKLA's two National Conferences in 2019 were also well-attended. *Sharing Inspirational Practice* showcased UKLA's Literacy School of the Year winners who presented practical and engaging workshops which went down well with the largely school-based audience. In November, a joint NEU/UKLA conference took place in London on *Creative Approaches to Teaching Grammar in Context*, which attracted many student teachers. A third National Conference, *Writing for Pleasure*, was planned for late March 2020 but postponed due to Covid-19 restrictions. Contingency plans are being considered for a virtual conference during the Autumn/Spring terms of the new academic year 2020-2021.

5. UKLA Special Interest Groups

During 2019, six Special Interest Groups (SIGs) allowed members to network with others in the UK and across the globe who share their enthusiasm for a specific topic:

- The English in Initial Teacher Education SIG
- The Early Years Literacy in Education SIG
- The Literacy and Multilingualism SIG
- The Storytelling SIG
- The Critical Literacy SIG
- The Digital Literacies in Education SIG

SIGs are unfunded, and form an energetic and vibrant part of the UKLA network, bringing together a wide range of practitioners and academics in ways that foster collaboration, innovation and research, and in some cases lead to initiatives seeking to influence policy and practice.

2019-20 proved an extremely active year for UKLA's SIGs, which increased to six (as above) and for the first time included a UK/Australia partnership in the Critical Literacy SIG. SIGs organised events to share and develop their activities, and presented their work at UKLA's International Conference. Additionally, a Task Group that developed out of the Digital Literacies SIG continued its efforts to construct and test a new framework for digital literacies in education, scheduled for completion in 2020-21.

UNITED KINGDOM LITERACY ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

6. Teachers' Reading Groups (TRGs)

UKLA and the Open University have further developed their partnership aiming to build communities of readers, drawing on the OU/ UKLA *Teachers as Readers* research. These groups provide free evidence-based CPD for school-based educators, in ways that will enrich their understanding of children's reading for pleasure (RfP) and their knowledge about how to support it. As well as supporting the RfP community, the resultant development work is available more widely on the OU RfP website.

In 2019 there were eighty TRGs across the country, and five internationally. In addition to local RfP meetings, three very successful OU/UKLA Reading for Pleasure conferences took place, with workshops led by TRG leaders. In the OU evaluation, 100% of TRG participants reported that their involvement had made a positive difference to their classroom practice, and a member of HM Government's English team attended the Cambridge conference, demonstrating the growing interest from policy makers in this work.

7. Regional Representatives

UKLA's Regional Representatives continue their invaluable work as key members of UKLA, raising its profile and attracting new members in all countries of the UK. As a result of their dedication and passion for advancing literacy throughout the UK, a wealth of regional events and activities is offered, intended to help teachers critically engage with alternative perspectives, values and understanding about literacy and how best to support children in developing these.

Over the last year, the Regional Network has developed significantly into a community of energetic, committed individuals. In many regions, two representatives, one ideally a practising teacher, now work in collaboration. Their combined enthusiasm and passion for literacy have resulted in many superb events taking place, as well as an increase in membership, and it was possible to offer a small budget to encourage some representatives to host small-scale events.

8. International links

UKLA continues its focus on building connections with literacy colleagues across the globe, using its connections to ensure UKLA's continuing influence both at home and abroad.

As a member of the Federation of European Literacy Associations (FELA) UKLA is represented at FELA meetings in Europe, which provide opportunities for International Sub-Committee members to discuss research and policy with international colleagues. The work of the Association is also promoted through the International Ambassador scheme. The Ambassadors are increasingly promoting the work of UKLA in their own countries, at no cost to UKLA, and now include representatives from the USA, Australia, New Zealand, Canada, Brunei, Ireland, Slovenia and Iceland. In 2019, they presented a welcome international perspective at the beginning of the International Conference, with a collaborative symposium on the theme of *Cross-Nation Perspectives on Collaboration and Community*.

UKLA also maintains connections with two literacy projects overseas: the Donkey Library in Ethiopia, which provides a mobile library service to rural schools, and the Children's Book Project in Zambia, which provides own-language books to a number of schools in Zanzibar and some in-service training for teachers in best practice in sharing those books. Both projects have been identified by personal UKLA connections to ensure that all monies raised directly support these charities. Funds are raised primarily through the second-hand bookstall and raffle at UKLA's International Conference, supplemented by generous donations from colleagues.

UNITED KINGDOM LITERACY ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

9. Providing an informed national voice

In 2019-20, UKLA has begun to review its position as an inclusive organisation, and has been working to ensure that the Association is increasingly representative of the wider population, that all actions take into account issues of diversity and inclusion and that we promote educational practices that challenge inequalities.

UKLA continues to work energetically to influence UK education policy on behalf of its members, welcomes participation in government consultations on policy relating to literacy education and endeavours to support teachers in implementing policy requirements. UKLA is represented on a number of expert groups, and maintains close links with other subject associations. Collegiate relationships with academic institutions are also important and have led to some partnership working, including the Teachers' Reading Groups with the Open University.

Over the last year, UKLA has continued to strengthen the voice of the Association, through raising the profile of its work both to members and to the broader education community. A media communications strategy was implemented in 2019, enabling the new Publicity and Communications Sub-Committee to respond rapidly and effectively to literacy-related media and government reports. Early 2020 saw the launch of a new set of *UKLA Viewpoints*, written by experts from the membership, that state UKLA's position on key literacy topics linked to underpinning research. These are intended to support debate and practice within UKLA's membership, extending to the wider communities in which they work. UKLA is also working to engage more members more actively in the work of the Association, through our committees and through various networks and groups that bring members together to share, develop and reflect on practice.

There is much to do in campaigning for literacy education that is fit for the 21st century, and in promoting the dialogue between research and practice needed to develop appropriate literacy pedagogies at all ages. But, as a unique community of teachers, researchers, teacher educators and other literacy professionals, the trustees believe that UKLA is in a strong position to do this.

In these ways the Association has ensured its activities directly benefit the public.

UNITED KINGDOM LITERACY ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Covid-19: impact, adaptation and implications

The Covid-19 pandemic has of course impacted on UKLA's plans and finances. Prior to the pandemic, UKLA's trustees were already planning to implement a strategy to energise and diversify our income streams, which has become somewhat more pressing, as outlined below.

In late March 2020, our General Manager rapidly took steps to ensure office staff switched successfully to home working, and has been able to support and monitor performance remotely. Policy documentation was put in place to help manage the situation. We look forward to returning to at least partial office working when conditions are safe, and are grateful to all our staff for responding so positively during the crisis. We also thank Bresnan Walsh Macfarlane for their very helpful Covid Updates.

The trustees quickly shifted to online meetings, using recently purchased technology, and have agreed to hold most meetings remotely in the year ahead. The AGM, normally held in July, will take place remotely in October, supported by online/postal voting.

The implications of the pandemic have been discussed by trustees. UKLA appears to be fortunate in that two of its major income sources, Publications and Membership Subscriptions, are unlikely to suffer significantly as a result. UKLA has a new journals contract with Wiley for three years from 2021, and it seems likely that academic institutions around the world will retain the package which includes UKLA's two journals. During the pandemic, e-books have been selling well and UKLA plans to extend its range of online resources. Two recently published print books are expected to sell well to teachers once stock can be dispatched safely, and publication costs will remain low as plans for new publications for the year ahead have been curtailed.

The trustees are also optimistic that membership and related subscription income will hold steady, as most education professionals will remain in employment, and may find UKLA's supportive community and online resources valuable as they adapt to new ways of working. UKLA is expanding the kinds of support offered, and also planning ways of further helping members who are unable to work at present, such as education consultants.

The main damage to date has been the cancellation of the 2020 conferences, which has impacted slightly on our end-of-year totals, and will ultimately reduce net income by £10,000-£20,000. Fortunately, we were able to secure a postponement of the 2020 and 2021 International Conferences as well as a National Conference with no penalty. Attendees, speakers and venues have all been highly accommodating, for which the trustees are grateful, and certain aspects of the Awards ceremonies have been moved to interim dates in autumn. Trustees are aware that future conferences may not be possible, or may not prove financially viable, and will use smaller conferences planned for 2020-21 as a sounding board. The greatest risk relates to the postponed 2020 International Conference in Oxford, scheduled for July 2021, which will incur significant shortfall if not well attended, so every effort will be made to secure strong attendance. To mitigate these risks, as well as supporting members in new ways, UKLA has trialled free webinars in May/June 2020 very successfully, using recently purchased technology, and plans to offer chargeable webinars and other research and professional development events in future. This is intended to supplement the charity's other income not only as a result of the pandemic, but also as a way of offsetting the predicted fall in income from journals in 2021-22.

No government grants have been applied for.

As always, routine monitoring procedures will enable trustees to review the health of UKLA's finances throughout the next year.

UNITED KINGDOM LITERACY ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Financial review

As detailed in preceding sections and amplified in the Impact Report, the extensive range of the Association's activity continues to ensure that it furthers its sole objective of advancing education in literacy, supported by the outcomes of financial decisions made by trustees.

In 2019/20, the trustees planned to invest in the future growth of the Association. This included expanding our staff and launching a marketing drive intended to grow a wider and more diverse membership, attract a wider audience to UKLA's conferences and boost sales figures for our publications. As a result, a deficit budget was agreed, and additional investment in our promotional agenda was agreed by trustees in the course of the year, with the result that the deficit shown in the accounts reflects strategic decisions and is not unexpected.

2019-20 brought in an excellent journals' royalty, improved membership income and slightly increased income from publications sales. The 2019 International Conference in Sheffield brought in a surplus of about £13,000 over its two-year span, and advance bookings were coming in strongly for the 2020 International Conference in Oxford when Covid-19 struck. It is too early to gauge the success of the marketing strategy, but early signs appear positive. Our generous sponsors have continued to support UKLA's increasingly prestigious Awards programme, reducing the costs to the Association while enhancing the public profile of the Awards. Meanwhile, direct costs have remained very reasonable, falling within or close to budgets. Conference expenditure fell within the planned budget, as did costs associated with the Awards programme. Publications costs ended the year well within budget, and other savings were made. As always, the UKLA office has worked tirelessly to reduce costs wherever possible.

Importantly, UKLA exerts significant influence in a number of areas at minimal or no cost to itself, including its thriving Regional Representatives' network, Special Interest Groups (SIGs) and increasing online presence. UKLA also continues to play an important part in multi-partner initiatives set up to influence education policy as well as practice.

For the year ahead, 2020/21, trustees agreed a balanced budget which would support continuation of the development activities initiated last year, while planning a strategy to reduce the impact of a significant reduction in the royalty from the UKLA journals scheduled for 2021/22.

The Trustees of the Association therefore judge the overall performance of the charity for the year 2019/20 to be reasonably satisfactory overall, and take the view that the Charity's activities continue to represent excellent value for money.

Reserves policy

The trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be between 6 and 9 months of the annual expenditure, which equates to £106k to £160k in general funds. At this level the management committee feel that they would be able to continue the current activities of the charity.

Monies have been set aside as a designated fund, the purpose of which is to guard against the event of the charity being wound up. This is not expected to happen in the foreseeable future; however, the trustees consider this to be prudent.

The reserve currently stands at over £120,000, which would cover wages, office costs and other commitments for a year. The 2020-21 budget is being revised with the intention of achieving a modest surplus at the year end to bolster our already strong reserves by at least £10,000 for a less predictable future.

Risk policy

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operation and finance of the charity, and are satisfied that systems are in place to mitigate exposure to the major risks of normal times. We are also satisfied that the charity should be able to survive the additional risks as a result of the pandemic, as outlined below.

UNITED KINGDOM LITERACY ASSOCIATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Structure, governance and management

The charity was created as a Foundation on 9 May 1967 and was entered in the Register of Charities on that date in accordance with section 4 of the Charities Act 1960. With effect from 1 August 2003 the charity changed its title from the United Kingdom Reading Association to the United Kingdom Literacy Association. A revised constitution was implemented and new trustees appointed.

The Trustees who served during the year were:

Professor H Dombey

Mrs L Graham

Professor T Cremin

Mr D Reedy

Mrs A Öztürk

Dr A Colvert

(Resigned 13 July 2019)

Dr D Challen

Dr E Bearne

Ms J Court

Mr R McDonald

Dr C Dowdall

Ms T Parvin

Professor C Burnett

Ms C Lockwood

Dr S Jones

(Resigned 13 July 2019)

Dr J McClay

Ms J Douglas Gardner

Dr G Cliff Hodges

Mrs E Broad

Prof D Myhill

(Appointed 13 July 2019)

Ms K Vallely

(Appointed 13 July 2019)

Ms J Tregenza

(Appointed 13 July 2019)

Appointment of trustees is governed by the Constitution and Standing Orders of the charity. The trustees are authorised to appoint a new trustee, should any officer be unable to complete their term of office.

Each trustee is a member of the Executive Committee. Prior to becoming a member each nominee is checked to ensure they are in good standing. The Executive Committee of the Association includes the Convenors of the Association's committees. Each Convenor manages a budget and is able to obtain electronically, details of income and expenditure for a particular budget.

Each meeting of the Executive Committee systematically reviews the Association's income and expenditure against the annual budget to ensure the continuing financial stability and strength of the Association.

UKLA's Constitution (revised 2016, approved by members and lodged with the Charity Commission) allows a minority of trustees to receive fees for specialist services provided within a given financial year (in addition to allowable expenses).

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Trustees' report was approved by the Board of Trustees.

.....
Dr D Challen

Trustee

Dated:

UNITED KINGDOM LITERACY ASSOCIATION

TRUSTEES' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2020

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 incoming resources and application of resources of the charity for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

UNITED KINGDOM LITERACY ASSOCIATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF UNITED KINGDOM LITERACY ASSOCIATION

I report to the Trustees on my examination of the financial statements of United Kingdom Literacy Association (the charity) for the year ended 31 March 2020.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011. My examination has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my examination, for this report, or for the opinions I have formed.

Responsibilities and basis of report

As the Trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act;
or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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

Peter Taaffe FCA CTA DChA

Independent Examiner

BWM

Castle Chambers

43 Castle Street

Liverpool

L2 9SH

Dated:

UNITED KINGDOM LITERACY ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

Current financial year

| | Notes | Unrestricted funds 2020 £ | Restricted funds 2020 £ | Total 2020 £ | Total 2019 £ |
|---|-------|---------------------------------|-------------------------------|--------------------|--------------------|
| <u>Income and endowments from:</u> | | | | | |
| Donations and legacies | 3 | - | - | - | 63 |
| Charitable activities | 4 | 234,827 | 1,580 | 236,407 | 230,078 |
| Investments | 5 | 1,439 | - | 1,439 | 1,243 |
| Other income | 6 | 417 | - | 417 | - |
| Total income | | <u>236,683</u> | <u>1,580</u> | <u>238,263</u> | <u>231,384</u> |
| <u>Expenditure on:</u> | | | | | |
| Charitable activities | 7 | 259,643 | 171 | 259,814 | 229,195 |
| Other | 12 | 603 | - | 603 | 1,920 |
| Total expenditure | | <u>260,246</u> | <u>171</u> | <u>260,417</u> | <u>231,115</u> |
| Net (outgoing)/incoming resources before transfers | | (23,563) | 1,409 | (22,154) | 269 |
| Gross transfers between funds | 18 | 110 | (110) | - | - |
| Net (expenditure)/income for the year/ Net movement in funds | | <u>(23,453)</u> | <u>1,299</u> | <u>(22,154)</u> | <u>269</u> |
| Fund balances at 1 April 2019 | | 342,143 | 584 | 342,727 | 342,458 |
| Fund balances at 31 March 2020 | | <u>318,690</u> | <u>1,883</u> | <u>320,573</u> | <u>342,727</u> |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

UNITED KINGDOM LITERACY ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

Prior financial year

| | Notes | Unrestricted funds 2019 £ | Restricted funds 2019 £ | Total 2019 £ |
|---|-------|------------------------------------|----------------------------------|-----------------------|
| <u>Income and endowments from:</u> | | | | |
| Donations and legacies | 3 | 63 | - | 63 |
| Charitable activities | 4 | 229,047 | 1,031 | 230,078 |
| Investments | 5 | 1,243 | - | 1,243 |
| Total income | | <u>230,353</u> | <u>1,031</u> | <u>231,384</u> |
| <u>Expenditure on:</u> | | | | |
| Charitable activities | 7 | 225,340 | 3,855 | 229,195 |
| Other | 12 | 1,920 | - | 1,920 |
| Total expenditure | | <u>227,260</u> | <u>3,855</u> | <u>231,115</u> |
| Net (outgoing)/incoming resources before transfers | | 3,093 | (2,824) | 269 |
| Net (expenditure)/income for the year/ Net movement in funds | | <u>3,093</u> | <u>(2,824)</u> | <u>269</u> |
| Fund balances at 1 April 2018 | | <u>339,050</u> | <u>3,408</u> | <u>342,458</u> |
| Fund balances at 31 March 2019 | | <u><u>342,143</u></u> | <u><u>584</u></u> | <u><u>342,727</u></u> |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

UNITED KINGDOM LITERACY ASSOCIATION

BALANCE SHEET

AS AT 31 MARCH 2020

| | Notes | 2020 £ | £ | 2019 £ | £ |
|--|-------|----------------|----------------|----------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 13 | | 259 | | 631 |
| Current assets | | | | | |
| Stocks | 15 | 59,755 | | 54,316 | |
| Debtors | 16 | 116,420 | | 36,337 | |
| Cash at bank and in hand | | 158,710 | | 264,000 | |
| | | <u>334,885</u> | | <u>354,653</u> | |
| Liabilities | | | | | |
| Creditors: amounts falling due within one year | 17 | (14,571) | | (12,557) | |
| Net current assets | | | 320,314 | | 342,096 |
| Total assets less current liabilities | | | <u>320,573</u> | | <u>342,727</u> |
| The funds of the charity: | | | | | |
| Restricted funds | 18 | | 1,883 | | 584 |
| Designated funds | 19 | 123,673 | | 121,492 | |
| General unrestricted funds | | 195,017 | | 220,651 | |
| Total unrestricted funds | | | <u>318,690</u> | | <u>342,143</u> |
| Total charity funds | | | <u>320,573</u> | | <u>342,727</u> |

The financial statements were approved by the board of trustees and authorised for issue on
and are signed on its behalf by:

.....
Dr D Challen
Trustee

UNITED KINGDOM LITERACY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

United Kingdom Literacy Association is an unincorporated charity registered in England.

1.1 Accounting convention

These accounts have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”), “Accounting and Reporting by Charities” the Statement of Recommended Practice for charities applying FRS 102, the Charities Act 2011 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The Charity has taken advantage of the provisions in the SORP for Charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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 £.

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

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Covid-19 has had a profound effect on UKLA and the community it serves. The safety and wellbeing of our staff, and the individuals who access our services is of paramount importance, and as a consequence of that and the quarantine rules, UKLA offices have been closed to the public.

At the time of approving the accounts and as detailed in the Trustees’ report the Trustees have considered the impact of Covid-19 on the charity and the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the ‘going concern’ basis of accounting in preparing the accounts.

1.3 Charitable funds

Funds held by the charity are:

Unrestricted funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds - these funds are set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Restricted funds - these are funds that can be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

UNITED KINGDOM LITERACY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.4 Income

Voluntary income is received by way of donations, gifts, royalties, subscriptions and grants, and is included in full in the Statement of Financial Activities (the SOFA) when receivable.

Income from investments, including interest received, is included when receivable.

Grants are included in the SOFA when receivable.

Conference fees are included when services are provided to delegates.

1.5 Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered. Resources expended, where directly attributable, are allocated to charitable activities and governance costs.

Direct charitable expenditure includes all expenditure incurred in the provision of charitable services, together with support costs, in pursuance of the charity's objectives.

Support costs and governance costs are apportioned on staff time basis.

Value added tax is not recoverable by the charity and is included in the relevant cost in the statement of financial activities.

Grant payments are included in the Statement of Financial Position once agreed. UKLA awards small grants to individuals to enable them to conduct high quality research in the field of literacy. Recipients are selected twice a year by the Research Sub-Committee on the basis of rigorous criteria and conditions.

1.6 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.

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, fittings & equipment | 33.3% per annum on cost |
|--------------------------------|-------------------------|

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

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is comprised of direct materials. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

UNITED KINGDOM LITERACY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

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

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Basic financial liabilities

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

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

UNITED KINGDOM LITERACY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.13 Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions. Recovery is made of tax deducted from income and from receipts under Gift Aid.

The charity is not able to recover Value Added Tax. Expenditure is recorded in the accounts inclusive of VAT.

1.14 Pensions

The charity makes contributions to an individual employee's pension arrangement. The pension costs are charged in the Statement of Financial Activities as incurred.

2 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

| | Unrestricted funds |
|---------------------|-----------------------|
| | 2019 £ |
| Donations and gifts | 63 |
| | <u>63</u> |

UNITED KINGDOM LITERACY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

4 Charitable activities

| | Conferences | Publications | Subscriptions | Total 2020 | Total 2019 |
|------------------------------------|---------------|----------------|---------------|----------------|----------------|
| | £ | £ | £ | £ | £ |
| Sales within charitable activities | 57,168 | 121,454 | 56,205 | 234,827 | 229,047 |
| Other income | - | 1,580 | - | 1,580 | 1,031 |
| | <u>57,168</u> | <u>123,034</u> | <u>56,205</u> | <u>236,407</u> | <u>230,078</u> |
| Analysis by fund | | | | | |
| Unrestricted funds | 57,168 | 121,454 | 56,205 | 234,827 | |
| Restricted funds | - | 1,580 | - | 1,580 | |
| | <u>57,168</u> | <u>123,034</u> | <u>56,205</u> | <u>236,407</u> | |

For the year ended 31 March 2019

| | Conferences | Publications | Subscriptions | Total 2019 |
|------------------------------------|---------------|----------------|---------------|----------------|
| | £ | £ | £ | £ |
| Sales within charitable activities | 73,792 | 113,867 | 41,388 | 229,047 |
| Other income | - | 1,031 | - | 1,031 |
| | <u>73,792</u> | <u>114,898</u> | <u>41,388</u> | <u>230,078</u> |
| Analysis by fund | | | | |
| Unrestricted funds | 73,792 | 113,867 | 41,388 | 229,047 |
| Restricted funds | - | 1,031 | - | 1,031 |
| | <u>73,792</u> | <u>114,898</u> | <u>41,388</u> | <u>230,078</u> |

5 Investments

| | Unrestricted funds | Unrestricted funds |
|---------------------|-----------------------|-----------------------|
| | 2020 | 2019 |
| | £ | £ |
| Interest receivable | <u>1,439</u> | <u>1,243</u> |

UNITED KINGDOM LITERACY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

6 Other income

| | 2020 | 2019 |
|-------------|------------|----------|
| | £ | £ |
| HMRC refund | 417 | - |
| | <u>417</u> | <u>-</u> |

UNITED KINGDOM LITERACY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

7 Charitable activities

| | Conferences | Publications | Subscriptions | Total 2020 | Total 2019 |
|--|----------------|---------------|---------------|----------------|----------------|
| | £ | £ | £ | £ | £ |
| Staff costs | 650 | - | - | 650 | - |
| Project costs | 72,395 | 30,637 | 16,963 | 119,995 | 122,356 |
| Other costs | - | - | 20,322 | 20,322 | 9,506 |
| Bad debts | 10,276 | - | - | 10,276 | - |
| | <u>83,321</u> | <u>30,637</u> | <u>37,285</u> | <u>151,243</u> | <u>131,862</u> |
| Grant funding of activities (see note 8) | - | 6,488 | - | 6,488 | 3,000 |
| Share of support costs (see note 9) | 34,519 | 23,012 | 19,177 | 76,708 | 70,200 |
| Share of governance costs (see note 9) | 11,419 | 7,612 | 6,344 | 25,375 | 24,133 |
| | <u>129,259</u> | <u>67,749</u> | <u>62,806</u> | <u>259,814</u> | <u>229,195</u> |
| Analysis by fund | | | | | |
| Unrestricted funds | 129,259 | 67,578 | 62,806 | 259,643 | |
| Restricted funds | - | 171 | - | 171 | |
| | <u>129,259</u> | <u>67,749</u> | <u>62,806</u> | <u>259,814</u> | |

For the year ended 31 March 2019

| | Conferences | Publications | Subscriptions | Total 2019 |
|--|----------------|---------------|---------------|----------------|
| | £ | £ | £ | £ |
| Project costs | 79,017 | 36,126 | 7,213 | 122,356 |
| Other costs | - | - | 9,506 | 9,506 |
| | <u>79,017</u> | <u>36,126</u> | <u>16,719</u> | <u>131,862</u> |
| Grant funding of activities (see note 8) | - | 3,000 | - | 3,000 |
| Share of support costs (see note 9) | 31,590 | 21,060 | 17,550 | 70,200 |
| Share of governance costs (see note 9) | 10,860 | 7,240 | 6,033 | 24,133 |
| | <u>121,467</u> | <u>67,426</u> | <u>40,302</u> | <u>229,195</u> |
| Analysis by fund | | | | |
| Unrestricted funds | 121,467 | 63,571 | 40,302 | 225,340 |
| Restricted funds | - | 3,855 | - | 3,855 |
| | <u>121,467</u> | <u>67,426</u> | <u>40,302</u> | <u>229,195</u> |

UNITED KINGDOM LITERACY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

7 Charitable activities

(Continued)

8 Grants payable

| | 2020 £ | 2019 £ |
|--------------------------------------|--------------|--------------|
| Grants to individuals - publications | 6,488 | 3,000 |
| | <u>6,488</u> | <u>3,000</u> |

9 Support costs

| | Support costs £ | Governance costs £ | 2020 £ | Support costs £ | Governance costs £ | 2019 £ |
|---------------------------------|-----------------------|--------------------------|----------------|-----------------------|--------------------------|---------------|
| Staff costs | 59,559 | - | 59,559 | 51,951 | - | 51,951 |
| Depreciation | 372 | - | 372 | 1,302 | - | 1,302 |
| Premises and other costs | 9,936 | - | 9,936 | 9,610 | - | 9,610 |
| Office and website costs | 6,842 | - | 6,842 | 7,338 | - | 7,338 |
| Committee expenses | - | 15,753 | 15,753 | - | 15,853 | 15,853 |
| Bank charges | - | 2,977 | 2,977 | - | 2,911 | 2,911 |
| Independent examination fees | - | 1,350 | 1,350 | - | 1,300 | 1,300 |
| Accountancy fees | - | 5,295 | 5,295 | - | 4,069 | 4,069 |
| | <u>76,709</u> | <u>25,375</u> | <u>102,084</u> | <u>70,201</u> | <u>24,133</u> | <u>94,334</u> |
| Analysed between | | | | | | |
| Conferences | 34,519 | 11,419 | 45,938 | 31,591 | 10,860 | 42,451 |
| Publications | 23,012 | 7,612 | 30,624 | 21,060 | 7,240 | 28,300 |
| Subscriptions | 19,178 | 6,344 | 25,522 | 17,550 | 6,033 | 23,583 |
| | <u>76,709</u> | <u>25,375</u> | <u>102,084</u> | <u>70,201</u> | <u>24,133</u> | <u>94,334</u> |

Support costs including staff costs and governance costs were allocated between the charitable activities using the percentages 45% conferences, 30% publications and 25% subscriptions.

Governance costs includes payments to the Independent Examiner for independent examination fees of £1,350 (2019- £1,300) and payments of £5,295 for accountancy fees (2019- £4,069).

UNITED KINGDOM LITERACY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

10 Trustees

Trustees' travel and other expenses amounted to £6,840 which related to 14 trustees for the year (2019, travel and other expenses of £10,277 related to 15 trustees).

11 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2020 | 2019 |
|----------------|-------------------|-------------------|
| | Number | Number |
| Administration | 3 | 2 |
| | <u> </u> | <u> </u> |

Employment costs

| | 2020 | 2019 |
|-----------------------|-------------------|-------------------|
| | £ | £ |
| Wages and salaries | 56,991 | 48,479 |
| Social security costs | 1,457 | 1,148 |
| Other pension costs | 1,761 | 2,324 |
| | <u> </u> | <u> </u> |
| | <u>60,209</u> | <u>51,951</u> |

There were no employees whose annual remuneration was £60,000 or more.

12 Other

| | Unrestricted funds | |
|-------------------|---------------------------|-------------------|
| | 2020 | 2019 |
| | £ | £ |
| Other expenditure | 603 | 1,920 |
| | <u> </u> | <u> </u> |
| | <u>603</u> | <u>1,920</u> |

UNITED KINGDOM LITERACY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

| 13 Tangible fixed assets | Fixtures, fittings & equipment £ | |
|---|-------------------------------------|----------------|
| Cost | | |
| At 1 April 2019 | | 6,293 |
| At 31 March 2020 | | <u>6,293</u> |
| Depreciation and impairment | | |
| At 1 April 2019 | | 5,662 |
| Depreciation charged in the year | | 372 |
| At 31 March 2020 | | <u>6,034</u> |
| Carrying amount | | |
| At 31 March 2020 | | <u>259</u> |
| At 31 March 2019 | | <u>631</u> |
| | | |
| 14 Financial instruments | 2020 | 2019 |
| | £ | £ |
| Carrying amount of financial assets | | |
| Debt instruments measured at amortised cost | 282,052 | 300,336 |
| | <u>282,052</u> | <u>300,336</u> |
| | | |
| Carrying amount of financial liabilities | | |
| Measured at amortised cost | 12,793 | 11,510 |
| | <u>12,793</u> | <u>11,510</u> |
| | | |
| 15 Stocks | 2020 | 2019 |
| | £ | £ |
| Goods for resale | 59,755 | 54,316 |
| | <u>59,755</u> | <u>54,316</u> |
| | | |
| 16 Debtors | 2020 | 2019 |
| Amounts falling due within one year: | £ | £ |
| Trade debtors | 16,893 | 35,991 |
| Other debtors | 99,527 | 346 |
| | <u>116,420</u> | <u>36,337</u> |

UNITED KINGDOM LITERACY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

17 Creditors: amounts falling due within one year

| | 2020 | 2019 |
|------------------------------------|----------------------|----------------------|
| | £ | £ |
| Other taxation and social security | 1,128 | 1,047 |
| Trade creditors | 1,135 | 5,448 |
| Other creditors | 1,015 | 1,022 |
| Accruals and deferred income | 11,293 | 5,040 |
| | <u>14,571</u> | <u>12,557</u> |
| | <u><u>14,571</u></u> | <u><u>12,557</u></u> |

UNITED KINGDOM LITERACY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

18 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:

| | Movement in funds | | | Movement in funds | | | | Balance at 31 March 2020 £ |
|-------------------------|---------------------------------|--------------|------------------|---------------------------------|--------------|------------------|----------------|----------------------------------|
| | Balance at 1 April 2018 £ | Income £ | Expenditure £ | Balance at 1 April 2019 £ | Income £ | Expenditure £ | Transfers £ | |
| Books for Africa | 3,298 | 1,031 | (3,855) | 474 | 1,580 | (171) | - | 1,883 |
| Elinet European Funding | 110 | - | - | 110 | - | - | (110) | - |
| | <u>3,408</u> | <u>1,031</u> | <u>(3,855)</u> | <u>584</u> | <u>1,580</u> | <u>(171)</u> | <u>(110)</u> | <u>1,883</u> |

Books for Africa

This supplies books for pleasurable reading, bought locally, to schools in two African countries. The Children's Book Project in Tanzania supplies books to 16 school libraries in Zanzibar, and Link Ethiopia organises a Donkey Library which delivers books to rural schools in Ethiopia.

Elinet

The European Literacy Policy Network (Elinet) was a collaborative European initiative in which UKLA was involved between 2014-16. All financial transactions have now been completed.

UNITED KINGDOM LITERACY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

| | Movement in funds | | Movement in funds | | Balance at |
|---------------|----------------------------|-----------------|----------------------------|---------------------|-----------------------------|
| | Balance at 1 April 2018 | Income | Balance at 1 April 2019 | Income | Balance at 31 March 2020 |
| | £ | £ | £ | £ | £ |
| Closure costs | 121,492 | - | 121,492 | 2,181 | 123,673 |
| | <u>121,492</u> | <u>-</u> | <u>121,492</u> | <u>2,181</u> | <u>123,673</u> |
| | <u><u>121,492</u></u> | <u><u>-</u></u> | <u><u>121,492</u></u> | <u><u>2,181</u></u> | <u><u>123,673</u></u> |

The purpose of the designated fund is to enable the trustees to guard against the event of the charity being wound up. This is not expected to happen in the foreseeable future; however, the trustees consider this is prudent. This money is held separately in the charity's bank accounts.

20 Analysis of net assets between funds

| | Unrestricted funds | Restricted funds | Total | Unrestricted funds | Restricted funds | Total |
|---|-----------------------|---------------------|-----------------------|-----------------------|---------------------|-----------------------|
| | 2020 | 2020 | 2020 | 2019 | 2019 | 2019 |
| | £ | £ | £ | £ | £ | £ |
| Fund balances at 31 March 2020 are represented by: | | | | | | |
| Tangible assets | 259 | - | 259 | 631 | - | 631 |
| Current assets/ (liabilities) | 318,429 | 1,883 | 320,312 | 341,514 | 584 | 342,098 |
| | <u>318,688</u> | <u>1,883</u> | <u>320,571</u> | <u>342,145</u> | <u>584</u> | <u>342,729</u> |
| | <u><u>318,688</u></u> | <u><u>1,883</u></u> | <u><u>320,571</u></u> | <u><u>342,145</u></u> | <u><u>584</u></u> | <u><u>342,729</u></u> |

21 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

| | 2020 | 2019 |
|------------------------|----------------------|----------------------|
| | £ | £ |
| Aggregate compensation | <u>55,558</u> | <u>37,539</u> |
| | <u><u>55,558</u></u> | <u><u>37,539</u></u> |

UNITED KINGDOM LITERACY ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

21 Related party transactions

(Continued)

Transactions with related parties

During the year the following payments were made to trustees for services rendered other than as trustees of the charity.

| | Project work/ consultancy fee | |
|----------------|----------------------------------|-------------------|
| | 2020 | 2019 |
| | £ | £ |
| Total payments | 250 | 250 |
| | <u>250</u> | <u>250</u> |
| | <u><u>250</u></u> | <u><u>250</u></u> |

Payments made to the trustees are at a commercial rate. At 31 March 2020 there was £nil (2019: £nil) owed to the trustees for expenses.

Three trustees received an Honorarium during the financial year to the value of £125 (2019: £3,553)

No guarantees have been given or received.

Document Activity Report

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Thu, 10 Sep 2020 11:01:24 GMT

Document Activity History

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