

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 2021**

NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021

Trustees	Perdita Fraser (Chair) Andrew Haldane (Vice-Chair) Edward Brunel-Cohen (Honorary Treasurer) Sandra Bowker Paul Coffey Sherry Coutu Catherine McClure Graham Keniston-Cooper Chris Linton Hiten Patel 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 2021

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 2021 to 31 December 2021. 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 the Chair

As the new chair, joining the organisation in spring 2021, I firstly want to pay tribute to the huge contribution of my predecessor Belinda Vernon, and thank her for her outstanding contribution. It was a tremendous honour to be asked to lead this talented organisation. As a passionate believer in the value of bringing together business, charities and government to solve the big issues facing society, I believe National Numeracy is well placed to bring the benefits of improved numeracy to a wide audience.

Throughout 2021, the pandemic continued to disrupt our lives, its effects being keenly felt by many of those in greatest need, often those with low numeracy skills and confidence. We continued to bolster our Covid response provision by removing barriers to accessing learning resources and increasing relevant support across our programmes. The unprecedented level of impact achieved, as described in this report, was made possible by our fantastic supporters and partners, who joined us to help individuals and communities improve their numeracy, opening up new opportunities and brighter futures at home, work and school.

2021 saw a genuine step-change in action on numeracy at the national level. From the launch of the National Numeracy Leadership Council, supported by the Chancellor of the Exchequer, to the announcement of a new £560 million government scheme to improve adult numeracy, our messages are being heard.

Behind the outstanding impact figures in 2021 lie extraordinary personal stories. I have been deeply moved by many individuals who have shared their experiences of maths anxiety or fear of failure. Hearing them talk about the significant positive effect our work has made to their lives, livelihoods, and often self-esteem, reveals the multi-faceted value of improving numeracy, both for individuals and for communities more generally.

Perdita Fraser, Chair of the Board of Trustees

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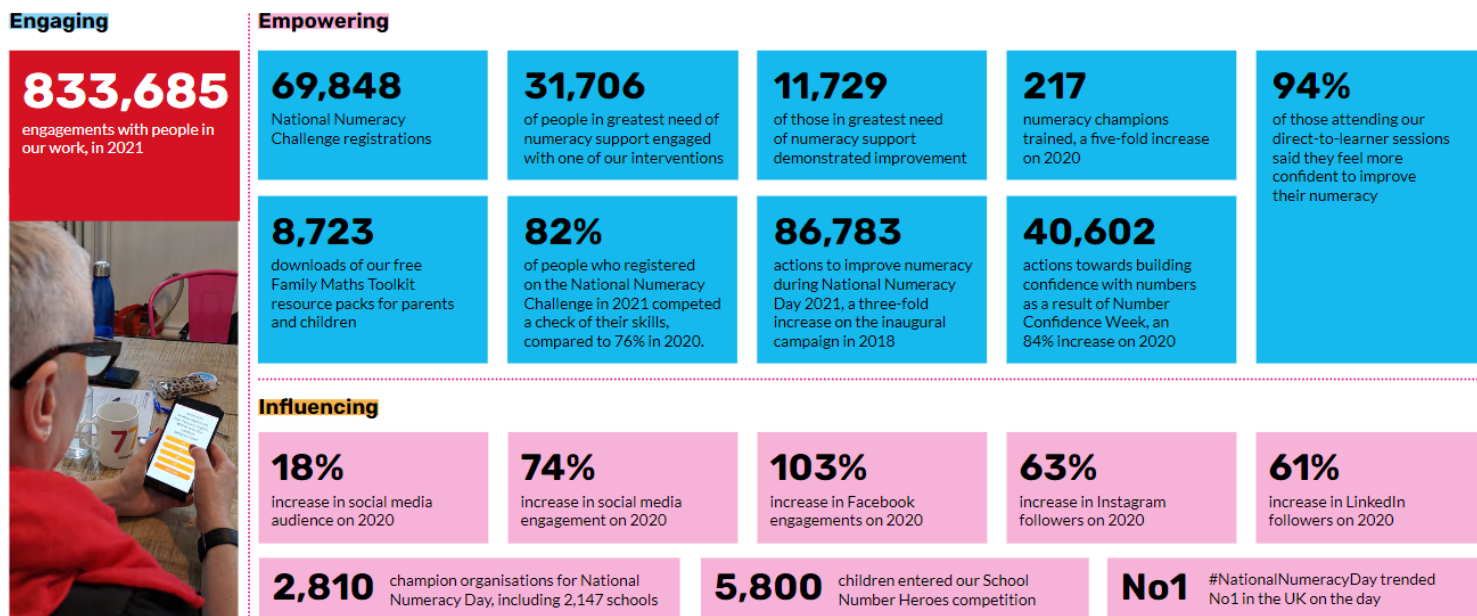
FOR THE YEAR ENDED 31 DECEMBER 2021

Summary

In 2021, National Numeracy set out equipped with a new strategic plan to drive social mobility through a crystal-clear focus on supporting people in greatest need with low number confidence and numeracy skills. The first 12 months of National Numeracy's new strategic plan saw us delivering record-breaking impact; with 833,685 engagements with people in 2021, over 100,000 more than the year before. As school education continued to be heavily disrupted, we expanded our Parental Engagement programme and made our Family Maths Toolkit entirely free. Meanwhile, over 2,800 organisations and our incredible celebrity ambassadors helped make the fourth annual National Numeracy Day the most successful yet. And Number Confidence Week almost doubled the number of actions taken towards improving number confidence from the previous year.

The table below gives an overview of some of the data we have collected to measure our impact across 2021. Please see [Our Impact in Focus 2021](#) for full details.

Our impact in 2021



Covid response

The Covid-19 pandemic continued to disrupt our lives throughout 2021. The previous year we had mounted a fulsome rapid response programme across all areas of our work. In 2021, as evidence emerged about where and how the pandemic was hitting those in greatest need, we bolstered our provision accordingly, including: increasing our digitally delivered training; removing paid-for barriers to support parents/carers and teachers in the face of a third lockdown and disrupted schooling; and by publishing new research.

In April 2021, we partnered with Pro Bono Economics to produce a report, supported by KPMG, looking at the impact of the pandemic on those in the lowest paid jobs with the lowest numeracy levels - *Counting on the*

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recovery: the role of numeracy skills in 'levelling up' the UK. It put the cost of low numeracy skills to the UK at as much as £25 billion per year and revealed that Covid pandemic job losses have hit those with low numeracy hardest. The report made recommendations to government, business and individuals as the nation seeks to recover from the pandemic.

In January we immediately responded to the third lockdown with a new set of free activity packs for children and parents to use at home. As evidence emerged of the scale of disruption to children's education, we contributed free resources to the Oak National Academy summer programme and in September we made the entire set of Family Maths Toolkit's 230 resources free to access, with the support of our strategic partner TP ICAP. Thousands of people downloaded the resources as a result.

The fourth National Numeracy Day, 19 May 2021, took full flight, engaging the nation during another challenging period. A three-fold increase in the number of actions to improve numeracy since the inaugural campaign, empowered thousands to improve their confidence and competence with numbers for work, supporting children and managing money. The star-studded day saw celebrity National Numeracy Ambassadors Strictly Come Dancing star Katya Jones, TV's Rachel Riley and Bobby Seagull, Money Saving Expert Martin Lewis, Bake Off 2020 winner Peter Sawkins and poet/comedian Harry Baker as well as Olympic champion and Santander Ambassador Dame Jessica Ennis-Hill get involved, made possible by Founding Supporter KPMG and 39 supporting organisations.

Lastly, our training programmes help people develop positive attitudes towards numeracy. We moved our workshops online in 2020 and scaled up in 2021. We launched two new versions of our 'Becoming a Numeracy Champion' (BaNC) programme to support families with their maths confidence, and mindsets around managing money. And we trained 217 "Numeracy Champions" – five times more than in 2020 – who go on to train others in their workplaces.

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The people behind the numbers

Tamsin

She didn't think she was good at maths and avoided it, but to become a Lead Apprentice, Tamsin wanted to tackle her fear of working with numbers.



Improving my numeracy has helped me become a Lead Apprentice. Doing the National Numeracy Challenge has made me feel more confident as a learner in general. With my apprenticeship I feel more confident in everything I do.



Kelly

She got a D grade GCSE three times, but to become an apprentice, Kelly decided to try a different approach to maths via National Numeracy.



Sixteen years on, I decided to try maths again. What made the difference was finding the value in why I was doing it; the end goal was improving my numeracy so I could complete my apprenticeship.



Alba

She didn't like maths at school and couldn't see the point of it. But to gain her Care Certificate in the NHS, she reassessed her relationship with numbers.



We do maths all the time at all points in our lives ... we just need to build that confidence back.



Alba Fernandez



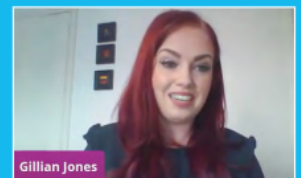
Number Confidence
Week National
Numeracy

Gillian

She felt lost in maths lessons and subsequently developed maths anxiety. When she became a teacher, she had to address the issue.



I still don't say I'm the best at maths, but I know what I need to do to get better, and I have.



Gillian Jones



Hated homeschool
maths? How to help
children love numbers
(even if you don't)

Throughout 2021 hundreds of people spoke to us about the positive impact improving their numeracy has had on their lives, through case studies and programme monitoring and evaluation. Some wanted to get a job or move on in their careers. Others wanted to feel able to help their children with homework. And some wanted to make their money go further at a time when budgets are being stretched. But beyond these original impacts of improving numeracy, the stories our beneficiaries told us often revealed deeper, more emotional resonance with wide-ranging implications for the choices they make, opportunities they feel able to grasp and often the way they view themselves.

Our unique attitudinal approach

Feeling confident to use and work with numbers is the foundation of numeracy. We want to empower adults and children to build their number confidence because we know it is the first vital step to improving numeracy skills. This attitudinal approach to improving numeracy runs throughout all of our work.

Those who are experiencing the greatest challenges due to Covid are often those who are lowest in numeracy confidence and skills. So, addressing number confidence in 2021 was vital. Our focus on number confidence aimed to help open-up life opportunities for people held back by low numeracy and tackle the nation's skills deficit. Many people have low number confidence and experience stress, anxiety or fear when working with numbers. It's understandable, but it can be overcome. Our new resources, research and Number Confidence Week campaign were tailored for those who have low number confidence, inspiring action to help people feel better about understanding and working with numbers.

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The second Number Confidence Week campaign in November was supported by the campaign's Founding Partner TP ICAP and Lead Partners, Experian and Santander. It aimed to empower adults and children to build their number confidence because we know it is the first vital step to improving numeracy skills. This campaign's Covid-relevant themes - money management, numeracy for work, and supporting children - highlighted how improved number confidence can offer practical help with life's challenges at home, work and school. Our aim was to help everyone feel better equipped to navigate these extraordinary times and the week inspired 37,488 actions taken on the National Numeracy Challenge towards building confidence with numbers and 880 downloads of our confidence building resources.



National Numeracy Challenge developments

Over the course of 2021 we developed a new suite of videos, quizzes and resources to help our users improve their relationship with numbers. Our new tools are based on years of talking to, and supporting, adults with low number confidence; people who experience negative feelings when working with numbers, many of whom experience maths anxiety.

Our new *Feeling Good About Maths* zone in the National Numeracy Challenge, supported by partner Ufi VocTech Trust, is designed to help users think about the way they feel about maths, with tips to make maths feel less worrying. There are videos of people with similar experiences to the user, quizzes to help pick up tips, and other resources designed to help boost confidence. There are also zones for Money, Work and Helping Children, all with dedicated videos, quizzes and interactive resources to help make numbers relevant to each user's needs.



In 2021 there were also additional developments within the National Numeracy Challenge designed to capture how effective our work is in enabling participants to take further action outside our programmes. We gave people a chance to feed back to us on whether our work had enabled them to feel better equipped in the area that they had originally chosen towards the start of the user journey – managing money, numeracy for work or supporting children's numeracy. Unfortunately, these developments were delayed due to technological issues and therefore we did not hit the targets that we had set for this area of work, which means that we have less evidence of impact on this outcome than we had hoped. In 2022 we will continue to focus on understanding the onward journey of the individuals who connect with our work and how engagement with the National Numeracy Challenge tool leads to beneficiaries taking action in key areas of their lives.

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Managing money

Numeracy can help us take control of how we spend, save and plan for the future. Having confidence and competence with numbers is an essential part of managing money and household finances. In fact, numeracy is the strongest predictor of a person's financial literacy (MAS, 2018, and Skagerlund et al 2018). We work to equip people with both the skills and confidence to better manage their money. We focus on reaching and engaging people directly, through partners and within various community settings in order to help improve their numeracy and take the next steps towards better money management and improved financial health.

We sought to increase financial inclusion by launching a new version of our Becoming a Numeracy Champion training, called *Maths, Mindset and Money*, particularly aimed at frontline staff supporting people with money issues and generously supported by strategic partner PFG. We also supported the union Usdaw with a new course, *Maths and Money Matters*, providing tips to help people boost their confidence with managing money.

With strategic partner Santander's generous support we piloted a bespoke geo-targeted digital marketing campaign to inspire adults with low number confidence and skills in particular cities to take action towards improving numeracy. The campaign ran across video and link-click ads on Facebook channels in Santander's priority areas of Belfast, Blackpool and Glasgow to inspire engagement with the National Numeracy Challenge. It was tremendously effective, with 56% of registrants possessing low number confidence and/or skills - beneficiaries that are notoriously hard-to-reach.



Numeracy for work

Number skills, coupled with the confidence to use them, are essential in whatever job you do. We provide a stepping-stone to get started with learning, before unlocking progression to gaining formal qualifications. We help people with low number skills and confidence to improve their numeracy and take the next step into work, within their job or toward a formal qualification in order to improve their career prospects. We have worked with a number of employer organisations throughout 2021, and during 2021 secured our first contract with a major retailer – the Lincolnshire Co-Op – for a three year project with employee groups within the organisation.

NHS Numeracy Champions

We worked with staff across the NHS throughout 2021 to help Learning and Development Teams support numeracy in their workplaces. Over 50 employers from Health and Social Care took part in our Numeracy Champions programme, training more than 150 professionals to have the confidence and skills to support staff who are struggling with numeracy. Trained Champions in Frimley NHS Trust are now confidently delivering our attitudinal workshops as part of the Healthcare Support Worker induction programmes.



I really enjoyed the programme from the content to the networking with other organisations. It was very helpful to work with people who had similar work philosophies. I will feel confident to ask for support during my journey of promoting numeracy within my Trust.

NHS participant

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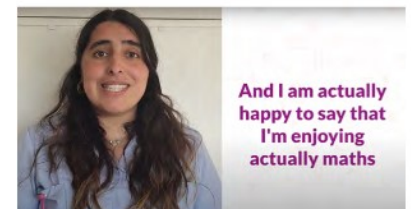
Partner employee engagement

Many of our partners have used their work with us to spark innovative employee engagement activities among their own workforces. From spreading awareness, offering support about numeracy and building understanding and appreciation of their own business priorities, to generating excitement and participation; the benefits and impact of partnering with National Numeracy in 2021 extended throughout our partners' workplaces.

Influencing national action

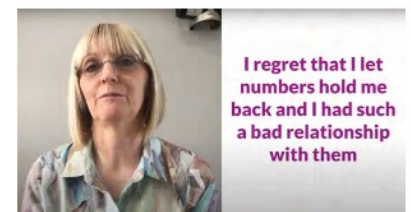
National Numeracy Leadership Council

National Numeracy, HM Treasury, the Department for Work and Pensions and a pioneering group of organisations joined forces in the autumn to tackle the UK's numeracy crisis, by forming the National Numeracy Leadership Council (NNLC), backed by Chancellor Rishi Sunak. The Council is chaired by Andy Haldane, Permanent Secretary for Levelling Up at the Cabinet Office, on secondment from the RSA where he is Chief Executive. Chancellor of the Exchequer, Rishi Sunak said: "Having the right numeracy skills is really important in every aspect of people's lives, from getting on in a career, to balancing a family budget...That's why I'm delighted that HM Treasury is joining the National Numeracy Leadership Council, and look forward to us working together to raise awareness of this important issue."



Multiply

In October, the Chancellor announced 'Multiply', a new £560 million numeracy scheme to support up to 500,000 adults with low numeracy. This is good news for the country, economy, employers and – most importantly – the millions of adults held back in life through low numeracy. National Numeracy's work was quoted in the government's announcement of the scheme. Sam Sims, our CEO, welcomed the scheme, saying: "At National Numeracy, we are both encouraged and excited by the 'Multiply' scheme – it could be exactly what we have been calling for, and we look forward to working with government and partners across the sector to ensure it has the biggest possible impact and a truly lasting legacy."



What we learned in 2021

As well as our Covid-inspired research mentioned above, (*Counting on the recovery: the role of numeracy skills in 'levelling up' the UK*) we continued our learning journey through research as well as collaborations with other people working in the sector. In November we brought together a group of 90 teachers, teaching assistants and other people working in education to discuss maths anxiety, confidence with numbers and how it impacts children and adults. The online symposium, *Educators & Maths Anxiety: Inspiring maths-positive futures*, was organised in partnership with the Maths Anxiety Trust.

In November we released our *Putting Number Confidence to Work* report, which showed confidence with numbers plays a stronger role than number skills in making people feel better able to get a qualification, find a job or get on at work. The data reflects what National Numeracy has found on the ground – employers and employees reporting problems with number confidence and maths anxiety blocking the pipelines to key progression routes, such as apprenticeships.

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Another new piece of research released in 2021 was commissioned for us by strategic partner KPMG for National Numeracy Day and revealed that over half of parents who home-schooled in lockdown (59%) considered maths the hardest lesson to help their kids with. The same proportion (59%) admit that home-schooling has highlighted their own lack of confidence with numbers. Proving that it's never too late to brush up your everyday maths, nearly two-thirds of parents (65%) say their own maths skills have improved as a result of home-schooling.

Please visit the [National Numeracy website](#) for more details of all our research, activities and campaigns.

Looking Ahead

In late 2021 the Trustee Board met for a strategy session, looking at the progress of the three-year strategy launched in early 2021 and whether any adjustments were needed to the direction of travel as a result of learnings from 2021 activity. The board approved a revised strategy paper presented by the executive, which looked to make revisions to the organizational key results so that they better reflected the full range of activities of the charity and incorporated more recognition of the value of the actions that are driven by the charity but which may sit outside the formal programmes and projects. As a result, 2022 started with a new and revised set of targets.

Also in early 2022, several partner relationships that were in the pipeline in 2021 came to fruition in January 2022 (see 'Finance and funding' section below) resulting in an early revision of income expectation for the year and the opportunity to plan for growth and expansion, both of activities and the core team needed to deliver them. This revised plan of work includes both a scaling of current programmatic activity as well as the development of new areas of work, such as the design and development of a comprehensive employee volunteer programme. The Trustees and executive have worked closely on the new plan and the financial implications have been the subject of a revised budget for 2022, approved by the trustees in Q1.

The government's new 'Multiply' adult numeracy initiative, aimed at supporting people without a Level 2 qualification in Maths, will also commence in 2022. The initiative aims to provide additional support at the national and local level across the UK. As the government's plans emerge, National Numeracy will be keen to contribute through our tried and tested approaches to reaching, engaging and supporting people to build their number confidence and numeracy skills.

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:

Perdita Fraser, Chair (appointed April 2021)
Belinda Vernon, Chair (resigned April 2021)
Andrew Haldane, Vice-Chair

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Edward Brunel-Cohen, Honorary Treasurer
Wendy Jones (resigned April 2021)
Catherine McClure
Paul Coffey
Chris Linton
Graham Keniston Cooper
Catherine Paulson-Ellis
Sandra Wallace (appointed Jan 2022)
Hiten Patel (appointed Jan 2022)
Sherry Coutu (appointed Jan 2022)

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 2021, four times being the ordinary trustee meetings and one time being an extra strategy session.

The Nominations Committee (a sub-committee of the Board) also met regularly to consider senior appointments and matters of succession and to review the composition of the Board. This committee oversaw the recruitment of a new chair in 2021 to succeed Belinda Vernon, who stepped down in April 2021 after 9 years on the board. The Board expressed gratitude to Belinda for her long service to National Numeracy. Another founding trustee, Wendy Jones, also stepped down in April 2021 after 9 years on the Board. Again, the Board expressed gratitude for her years of service in founding and building the charity.

After a comprehensive recruitment process, Perdita Fraser was appointed Chair in April 2021. The nominations committee also started a process of reviewing the structure and skills of the overall Board and planning for recruitment. This process resulted in 3 new appointments to the Board in January 2022, being Hiten Patel, Sandra Wallace and Sherry Coutu. All new trustees receive a full and comprehensive induction process including receiving all relevant documentation and guidance plus the relevant Charity Commission guidelines for trustees.

Staffing levels as a whole remained flat during most of 2021, although this was likely due to the effect of Covid on the jobs market. As restrictions lifted, National Numeracy experienced considerable movement in staff towards year end, with a knock-on effect on capacity in early 2022.

Throughout 2021, National Numeracy worked on an internal programme of work to support the People function that included launching an Equality, Diversity and Inclusion strategy as well as embarking on an Employee Engagement programme of work and bringing in a new Pay and Career Progression Framework. There was also a focus on staff wellbeing and the structures needed to support staff during the continued period of remote working and uncertainty. This work will continue into 2022 as we roll out further action plans.

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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 Ltd (the trading subsidiary) made no changes to the board in 2021. The Directors also met separately four times in 2021.

b. Finance and funding

After a difficult year in 2020, we set a restrained income expectation for 2021. In common with so many organisations that had needed to dig into their reserves in 2020, it seemed inadvisable to set high expectations for 2021 as the funding landscape was still so unpredictable and the Covid pandemic still dominating the news. At year-end we were glad to have been able to rebuild some of our reserves as well as exceed our income target overall.

We are grateful to the Charities Aid Foundation who helped fund our Covid response activities in 2020 and 2021, and for the continued support of so many of our longer-term partners who continued or renewed funding in 2021, such as TP-ICAP, Santander, PFG, Ufi VocTech Trust and KPMG.

All restricted projects met their milestones on time and to budget. In some instances we had learned some swift lessons in 2020 about how to deliver these in the new Covid environment, which enabled us to continue to deliver impactful projects to new beneficiaries, and we are grateful to funders such as the Garfield Weston Foundation and John Lyons Charity for continuing to show flexibility to allow us to continue to work during continued school lockdowns.

National Numeracy Day continued to attract significant support as organisations recognised the importance of number confidence in helping the nation build a recovery. We are grateful for all the support offered by funders to make the campaign so successful. Please see the National Numeracy Day 2021 Impact Report for a full list of funding partners and delivery partners: [National Numeracy Day Impact Report 2021](#).

Also in 2021, National Numeracy received a further grant from Ufi Charitable Trust on a new project focussing on our work with Champions, and we are grateful for their continued support. In 2021, National Numeracy continued to benefit from free AdWords advertising from Google and we are grateful for continued support from Amazon Web Services for hosting costs.

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In early 2022, several new funders came on board, including a new three-year charity partner arrangement with The Lord Mayor's Appeal. This high-profile partnership will enable a geo-focused targeting of our support to help disadvantaged adults in London and provides some very welcome long-term stability to our work. Other funders who committed in early 2022 were new strategic partner Capital One, project partners Barclays Bank UK Plc, City & Guilds and Bloomberg LP, alongside renewed commitment from strategic partner PFG and NHS Health Education England.

Consolidated income in 2021 was £1,401,447.

c. Risk assessment

The trustees have regularly assessed the major risks to which the charity is exposed and maintained a detailed risk register during 2021, 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 the pressure on income due to expenditure of reserves in 2020 was the main risk in 2021 and was monitored regularly.

d. Reserves

The trustees of National Numeracy 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.

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Giving consideration to all of these factors, a target range for unrestricted reserves has been calculated at between £400,000 and £450,000. The target reserves calculation is reviewed annually as part of the budget formation process, and current levels are reviewed against targets on a quarterly basis within trustee meeting papers.

Many factors changed in 2021 which led to actual unrestricted reserves at 31/12/2021 being beyond the target range. This included the specific focus within the new fundraising strategy of securing at least 40% of the following year's required income within the current year (much of which needed to be accounted for within 2021), as well as the delay of various planned expenditure into 2022 for reasons outside of our control (e.g. planned developments being affected by staff shortages in Q4 2021).

The trustees are therefore designating £224,000 of unrestricted reserves to protect the delivery of committed projects in 2022, specifically our Parental Engagement Programme, the newly agreed contract with Lincolnshire Co-Operative and delivery of our key public campaign.

The remaining unrestricted free reserves at 31/12/2021 is therefore £448,770.

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. At the point of investment ratings of potential banks are investigated and confirmed as of a sufficiently high rating to provide confidence of their stability. National Numeracy owns no property. The policy is monitored and reviewed as part of the annual budgeting cycle.

Related Party Transactions

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 (2020: £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 one trustee (2020 : two) totalling £85 (2020: £198)

**NATIONAL NUMERACY
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2021**

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 2021 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 2021 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, 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 parent charitable company and group 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.

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

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;
- We considered the nature of the charitable company and group'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 charitable company 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.

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.

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

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.

TC Group

Mr Mark Cummins FCCA (Senior Statutory Auditor)

for and on behalf of TC Group

Statutory Auditor

Dated: 13 May 2022

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 2021

		Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
<u>Income from:</u>	Notes					
Donations and legacies	3	857,768	-	36,000	893,768	801,528
Charitable activities	4	203,117	-	221,615	424,732	346,987
Other trading activities:						
Commercial trading operations		80,593	-	-	80,593	61,527
Investments	5	2,354	-	-	2,354	5,835
Total income		1,143,832	-	257,615	1,401,447	1,215,877
<u>Expenditure on:</u>	6					
Raising funds						
Commercial trading operations		157,599	-	-	157,599	131,773
Charitable activities		681,536	-	316,041	997,578	1,222,565
Total expenditure		780,180	-	316,041	1,155,177	1,354,338
Net income/(expenditure) for the year		304,696	-	(58,426)	246,270	(138,461)
Transfers between funds	17/18	(178,645)	224,000	(45,355)	-	-
Net movement in funds		126,051	224,000	(103,781)	246,270	(138,461)
Fund balances at 1 January 2021		322,719	-	144,099	466,818	605,279
Fund balances at 31 December 2021		448,770	224,000	40,318	713,088	466,818

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 23 to 33 form part of these accounts.

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

AS AT 31 DECEMBER 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	11		1,052		1,964
Current assets					
Debtors	13	51,010		73,769	
Cash at bank and in hand		816,882		748,566	
			<u>867,892</u>	<u>822,335</u>	
Creditors: amounts falling due within one year	14	(155,856)		(357,481)	
Net current assets			712,036		464,854
Net assets			<u>713,088</u>		<u>466,818</u>
Income funds					
Restricted funds	17		40,318		144,099
General funds – Designated			224,000		-
General funds – Unrestricted			448,770		322,719
			<u>713,088</u>		<u>466,818</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 23 to 33 form part of these accounts.

The accounts were approved by the Board on 28 April 2022.



Perdita Fraser
Trustee (Chair)

Company Registration No. 07886294

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

AS AT 31 DECEMBER 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Investments	12		1		1
Tangible assets	11		1,052		1,964
			<u>1,053</u>		<u>1,965</u>
Current assets					
Debtors	13	21,216		75,027	
Cash at bank and in hand		727,626		645,900	
		<u>748,842</u>		<u>720,927</u>	
Creditors: amounts falling due within one year	14	(56,462)		(274,041)	
Net current assets			<u>692,380</u>		446,886
Net assets			<u><u>693,433</u></u>		<u><u>448,851</u></u>
Income funds					
Restricted funds	17		40,318		144,099
General funds - Designated			224,000		-
General funds - Unrestricted			429,115		304,752
			<u>693,433</u>		<u>448,851</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 23 to 33 form part of these accounts.

The accounts were approved by the Board on 28 April 2022.



Perdita Fraser
Trustee (Chair)

Company Registration No. 07886294

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

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Note	£	£
Cash flows from operating activities			
Net income/(expenditure)		246,270	(138,461)
Investment income		(2,354)	(5,835)
Depreciation		912	760
(Decrease) in creditors	14	(201,625)	(169,735)
(Increase)/decrease in debtors	13	<u>22,759</u>	<u>(52,176)</u>
Net cash provided by operating activities		65,962	(365,446)
Cash flows from investing activities			
Investment in fixed assets		-	(2,724)
Investment income		<u>2,354</u>	<u>5,835</u>
Net cash provided by investing activities		2,354	3,111
Change in cash and cash equivalents in the reporting period		<u>68,316</u>	<u>(362,336)</u>
Cash and cash equivalents at the beginning of the year		748,566	1,110,902
Cash and cash equivalents at the end of the year of the year		<u>816,882</u>	<u>748,566</u>
	01.01.21	Cash flow	31.12.21
	£	£	£
Cash at bank and in hand		<u>748,566</u>	<u>68,316</u>
		<u>816,882</u>	<u>748,566</u>

NATIONAL NUMERACY (LIMITED BY GUARANTEE) NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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

FOR THE YEAR ENDED 31 DECEMBER 2021

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**

FOR THE YEAR ENDED 31 DECEMBER 2021

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 group'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 £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donations	857,768	-	36,000	893,768	801,528
Total	<u>857,768</u>	<u>-</u>	<u>36,000</u>	<u>893,768</u>	<u>801,528</u>

4 Income from charitable activities

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
Grants	200,034	-	198,634	398,668	328,279
Fees and other income	3,083	-	22,981	26,064	18,708
	<u>203,117</u>	<u>-</u>	<u>221,615</u>	<u>424,732</u>	<u>346,987</u>

**NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Income from investing activities

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
Interest receivable	2,354	-	-	2,354	5,835
	<u>2,354</u>	<u>-</u>	<u>-</u>	<u>2,354</u>	<u>5,835</u>

6 Expenditure

	Staff costs £	Depn costs £	Other costs £	Total 2021 £	Total 2020 £
Costs of raising funds					
Direct fundraising	96,019	-	61,165	157,184	129,642
Support costs	-	-	415	415	2,131
	<u>96,019</u>	<u>-</u>	<u>61,580</u>	<u>157,599</u>	<u>131,773</u>
Charitable activities					
Activities undertaken	443,008	912	311,105	755,025	989,553
Support costs	161,464	-	81,089	242,553	233,012
	<u>604,472</u>	<u>912</u>	<u>333,238</u>	<u>938,622</u>	<u>1,222,565</u>
Total expenditure	<u>700,491</u>	<u>912</u>	<u>394,818</u>	<u>1,155,177</u>	<u>1,354,338</u>

7 Support costs

	2021 £	2020 £
Staff costs	136,789	80,959
Website & marketing	8,213	40,621
Travelling expenses	185	1,361
Rent & rates	20,518	18,168
Office expenses	31,386	25,590
Legal & professional	23,424	63,280
Other	6,199	14,588
Support costs recharged	(21,311)	(45,586)
Governance costs (note 8)	37,565	36,159
	<u>242,968</u>	<u>235,143</u>

**NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

Support costs include amounts paid to the auditors in respect of audit fees totalling £11,950 (2020: £11,400).

8 Governance costs

	2021	2020
	£	£
Auditor's remuneration	11,950	11,400
Trustees' expenses	85	198
Trustee recruitment	855	1,384
Staff costs	24,675	23,177
	37,565	36,159

9 Consolidated statement of financial activities comparative funds – 31 December 2020

	Unrestricted funds	Restricted funds	Total 2020
	£	£	£
<u>Income from:</u>			
Donations and legacies	669,028	132,500	801,528
Charitable activities	40,864	306,123	346,987
Other trading activities:			
Commercial trading operations	61,527	-	61,527
Investments	5,835	-	5,835
Total income	<u>777,254</u>	<u>438,623</u>	<u>1,215,877</u>
<u>Expenditure on:</u>			
Commercial trading operations	131,773	-	131,773
Charitable activities	751,648	470,917	1,222,565
Total expenditure	<u>883,421</u>	<u>470,917</u>	<u>1,354,338</u>
Net income/(expenditure) for the year/ not movement in funds	<u>(106,167)</u>	<u>(32,294)</u>	<u>(138,461)</u>
Fund balances at 1 January 2020	<u>428,886</u>	<u>176,393</u>	<u>605,279</u>
Fund balances at 31 December 2020	<u><u>322,719</u></u>	<u><u>144,099</u></u>	<u><u>466,818</u></u>

**NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Staff costs

	2021	2020
	£	£
Wages and salaries	607,569	610,722
Social security costs	57,271	60,489
Other pension costs	35,651	36,800
	<u>700,491</u>	<u>708,011</u>

The average number of persons employed by the group was 18 (2020: 18); Finance and Administration 2 (2020: 2) and Charitable Activities 16 (2020: 16).

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

	2021	2020
£60,001 - £70,000	-	2
£90,001 - £100,000	1	-

During the year ended 31 December 2021 employer's pension costs in respect of highly paid staff totalled £5,400 (2020: £7,758).

The key management personnel of the charity consist of the leadership group. Their total remuneration for the year was £246,124 (2020: £303,667).

The total amount of termination payments for the period was £nil (2020: £48,750). There are no outstanding payments at the balance sheet date.

11 Tangible fixed assets – Group and Charity

	Fixtures & Fittings	Total
Cost	£	£
At 1 January 2021	2,724	2,724
	<u>2,724</u>	<u>2,724</u>
At 31 December 2021	2,724	2,724
	<u>2,724</u>	<u>2,724</u>
Depreciation and impairment		
At 1 January 2021	760	760
Charge	912	912
	<u>1,672</u>	<u>1,672</u>
At 31 December 2021	1,672	1,672
	<u>1,672</u>	<u>1,672</u>
Net book value		
At 31 December 2021	1,052	1,052
	<u>1,052</u>	<u>1,052</u>
At 31 December 2020	1,964	1,964
	<u>1,964</u>	<u>1,964</u>

**NATIONAL NUMERACY
(LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Fixed asset investments

Investment held by parent in subsidiary:

	Charity £
National Numeracy Solutions Limited	1
	<u><u>1</u></u>

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

	2021 £	2020 £
Turnover	87,167	64,734
Cost of Sales	(47,456)	(3,736)
Administrative Expenses	(36,583)	(45,343)
Net profit for the year	3,128	15,655

Summary balance sheet

	2021 £	2020 £
The assets and liabilities of the subsidiary were:		
Current assets	132,605	107,657
Creditors: amounts falling due within one year	(112,949)	(91,129)
Total net assets/share capital and reserves	19,656	16,528

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13 Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	43,200	67,943	-	63,107
Amounts owed by group undertakings	-	-	12,316	6,250
Taxation and social security	-	-	1,239	-
Prepayments and accrued income	6,347	4,381	6,198	4,225
Other debtors	1,463	1,445	1,463	1,445
	<u>51,010</u>	<u>73,769</u>	<u>21,216</u>	<u>75,027</u>

14 Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	23,621	25,692	23,612	25,684
Taxation and social security	25,331	17,325	16,857	15,692
Other creditors	41,960	41,499	1,959	1,477
Accruals and deferred income	64,944	272,965	14,034	231,188
	<u>155,856</u>	<u>357,481</u>	<u>56,462</u>	<u>274,041</u>

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 one (2020: two) trustees totalling £85 (2020: £198).

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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 2021	Movement in funds			Balance at 31 Dec 2021
		Income	Expenditure	Transfers	
	£	£	£	£	£
Ernest Cook Trust	283	-	-	(283)	-
Google ad words	-	89,140	(89,140)	-	-
AWS web hosting	-	22,981	(22,981)	-	-
Ufi – Numeracy Champions in the workplace	-	-	(292)	-	(292)
National Numeracy Day	20,700	36,000	(56,700)	-	-
John Lyons Charity – Parental engagement in London	19,709	25,294	(21,110)	-	23,893
Garfield Weston Foundation – Parental engagement in Scotland	2,327	-	(2,327)	-	-
Provident Financial Group – Becoming a Numeracy Champion in the community	63,642	-	(18,570)	(45,072)	-
Ufi – Mobiles, Skills & Confidence with numbers	37,438	75,000	(99,082)	-	13,356
Education Scotland – Supporting community learning in Scotland	-	9,200	(5,839)	-	3,361
	<u>144,099</u>	<u>257,615</u>	<u>(316,041)</u>	<u>(45,355)</u>	<u>40,318</u>

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.

AWS web hosting

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

Ufi – Numeracy Champions in the workplace

To develop the impact of Numeracy Champions in their organisations beyond the initial training and establish a network of Champions across the UK.

National Numeracy Day

The following organisations gave restricted funds to National Numeracy in 2021 to support National Numeracy Day:

HSBC

Health Education England

TPICAP

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17 Restricted funds (continued)

John Lyon's Charity
Funding for a parental engagement project in London.

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. At the agreement of Provident Financial Group, remaining funds were unrestricted for use by the charity against any of its projects.

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

Education Scotland – Supporting community learning in Scotland
Working with the Scottish STEM Ambassador Hub, based at SSERC, to offer "Becoming a Numeracy Champion: Children, families and feeling good about maths" training to CLD practitioners and STEM Ambassadors in three regions of Scotland. An initiative funded by Education Scotland's Enhancing Professional Learning in STEM Grants programme.

18 Designated funds

The trustees have decided to designate the below funds for specific purposes:

	Movement in funds				Balance at 31 Dec 2021 £
	Balance at 1 Jan 2021 £	Income £	Expenditure £	Transfers £	
Parental Engagement Project 2020/21	-	-	-	21,000	21,000
Lincolnshire Co-Operative	-	-	-	23,000	23,000
Campaign Delivery 2022	-	-	-	180,000	180,000
	-----	-----	-----	-----	-----
	-	-	-	224,000	224,000
	=====	=====	=====	=====	=====

Parental Engagement Project 2020/21
Funds required to complete committed activity in the current academic year.

Lincolnshire Co-Operative
Funds required to delivery year 1 of a 3 year partnership.

Campaign Delivery 2022
Funds required to deliver campaign activities as agreed with external partners.

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19 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
<u>Fund balances at 31 December 2021</u> are represented by:				
Fixed assets	1,052	-	-	1,052
Current assets	603,574	224,000	40,318	867,892
Creditors: amounts falling due within one year	(155,856)	-	-	(155,856)
	<u>448,770</u>	<u>224,000</u>	<u>40,318</u>	<u>713,088</u>

20 Analysis of net assets between funds (continued)

	Unrestricted funds	Restricted funds	Total
	£	£	£
<u>Fund balances at 31 December 2020</u> are represented by:			
Fixed assets	1,964	-	1,964
Current assets	678,236	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>

21 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 £15 were payable to the fund at the year end (2020: £nil).

22 Related party transactions

During 2020 the charity purchased design services from Tacon Design, a company run by relations of the then Chief Executive, amounting to £9,828. In 2021 there were no such transactions.

During 2020 the charity purchased consultancy services for National Numeracy from Alison Plant, a director of National Numeracy Solutions Ltd at the time, amounting to £9,550 with no related expenses. In 2021 there were no such transactions.

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 (2020: £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.