

Registered number: 07886294  
Charity number: 1145669

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**NATIONAL NUMERACY**  
(A company limited by guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**NATIONAL NUMERACY**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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**Trustees**

Belinda Vernon, Chair  
John Griffith-Jones, Vice-Chair  
Edward Brunel-Cohen, Honorary Treasurer  
Andrew Haldane  
Wendy Jones  
Chris Rhodes  
Catherine McClure  
Paul Coffey

**Company registered number**

07886294

**Charity registered number**

1145669

**Registered office**

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

**Secretary**

Mike Ellicock

**Chief Executive**

Mike Ellicock

**Independent auditor**

Knill James, One Bell Lane, Lewes, East Sussex, BN7 1JU

**Bankers**

Clydesdale Bank, 5 Peveril Court, 6-8 London Road, Crawley, RH10 8JE

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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The Trustees present their annual report together with the audited financial statements of the group and the company for the 1 January 2018 to 31 December 2018. 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**

National Numeracy is the only charity in the UK focused exclusively on improving numeracy skills among adults and children. The charity was set up in 2012 in response to research which showed that almost half the working age population in the UK has numeracy skills no better than we would expect of a child leaving primary school. This limits the life chances of individuals and is estimated to cost the UK economy £20bn per annum.

In 2018 we continued to align our activities along the three main strands of our theory of change:

**Raising awareness** of the scale of the issue, the importance of 'number sense' (different from mathematics) and the recognition that everyone can improve.

**Improving numeracy.** National Numeracy has worked with employers, unions, charities and maths experts such as Cambridge Maths, to define the Essentials of Numeracy: the skills and attitudes that everyone needs to be confident and competent with numbers and data to make good decisions at work and at home. National Numeracy focuses improvement activity on enabling everyone to check whether they have the Essentials of Numeracy – and to help them if they don't.

**Improving communication of numbers and data.** Enabling organisations to communicate in a more appropriate way given current adult numeracy levels - a 'Plain Numbers' approach.

We believe that if we are to make a sustainable improvement to numeracy skills, the first thing we must do is to foster a much more positive 'can do' public attitude towards maths and numeracy. We want to end the notion that there is a 'maths gene' and replace it with the belief that everyone can improve their numeracy skills. We are communicating this message through the media, via ambassadors and with stories of individuals who have overcome their fear of maths.

Whilst creating a more positive environment towards numeracy is essential, our key focus is helping individuals to improve. Over the last few years we have developed and progressively improved our online numeracy check-up (the National Numeracy Challenge). This helps individuals build their confidence and then check and improve their numeracy skills in a way that is flexible and supportive. As awareness about our work has spread, participation has been growing. To date over 210,000 individuals have signed up to improve their numeracy with us (over 77,000 in 2018 alone).

Below is a summary of activity in 2018, followed by a look ahead to 2019.

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**TRUSTEES' REPORT (continued)**  
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**Raising awareness - some highlights**

In 2018 we introduced the first National Numeracy Day, gained new celebrity ambassadors and reached over 200 workplaces and schools. We greatly increased our bank of case studies, were successful in attracting major media attention, including air-time on national breakfast TV, and over 620,000 people came to us for information and online help with numeracy, of which more than 77,000 registered on the Challenge website. 2018 was the year that we consolidated our work on attitudes and helped many people overcome their anxiety around maths and engage with numeracy as a skill – we showed how breaking down attitudinal barriers can facilitate learning. Here are two examples of people that we worked with:

Brenda, a Community Psychiatric Nurse, used the National Numeracy Challenge to improve her numeracy skills. She told us how it helped her get ready to take the Non-Medical Prescribing Course, and then pass the test. 'I don't think I would have passed had I not taken the Challenge.'

Susan was fed up with struggling to understand financial advice. Improving her numeracy skills helped her get closer to paying off her mortgage and face up to numbers at work. 'The biggest impact has been helping me make sensible financial decisions'.

Other media highlights in 2018 included National Numeracy's CEO, Mike Ellicock, appearing on breakfast TV to talk about the most recent PIAAC study of financial skills across the world. Professor Jerrim, co-author of the study stated: 'Our results bring into question how many adults in England really have the skills to make such complex financial decisions. The reality is that many adults struggle to complete even quite basic financial tasks.' (*The financial skills of adults across the world. New estimates from PIAAC* is the latest working paper to be published by the University of Cambridge and the UCL IOE's Department of Quantitative Social Science (QSS)).

National Numeracy Day: bringing numbers to life

On Wednesday 16th May 2018 thousands of adults and children joined with us to mark National Numeracy Day – our inaugural celebration of the fact that we are all 'numbers people', that numeracy is a part of everyone's life. The campaign hit headlines, trended all day on social media and encouraged people across the country to engage with numbers. We engaged 13 lead supporting organisations and 73 champion organisations. National Numeracy Day resources were used by over 3,000 school children and in over 100 workplaces, and we inspired 25,000 people to take the first step towards improving their numeracy by registering on the Challenge website.

Altogether our activities were featured by over 60 different media outlets, including *BBC Breakfast*, *Sky News*, *Financial Times*, *The Telegraph*, *London Evening Standard*, *Daily Mirror*, *City AM* and BBC Radio 4's *Today* programme. It all started with ITV's *Good Morning Britain* broadcast live from our opening of the London Stock Exchange. The day helped National Numeracy and its partners change the conversation around numbers. It was part of our ongoing work to reframe the way maths and numeracy are represented culturally.

Our ambassadors, led by Martin Lewis, Rachel Riley and Bobby Seagull, helped engage with the public throughout the year but particularly on National Numeracy Day, raising our profile and bringing numeracy to thousands in a relevant way. For instance, Martin Lewis showed TV viewers how to not be bamboozled by supermarket best buy offers and we saw thousands of new people signing up to the National Numeracy Challenge as a result, helping consumers save money with everyday maths.

**Influencing policy**

2018 was a difficult year for organisations hoping to engage with government ministers. Despite this, National Numeracy was able to keep the conversation moving with several meetings with government departments, including Nick Gibb MP, Minister of State for the Department for Education, and Anne Milton MP, Minister of State for Apprenticeships and Skills. We managed to strike a chord with several key figures in the skills sector, especially Anne Milton, who mentioned National Numeracy in parliament on National Numeracy Day and recorded a statement of support.

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National Numeracy continued to engage with other organisations, such as the Fair Education Alliance, and presented to the Financial Capability Board and the FCA Practitioner Panel. We also responded to consultations such as that issued by Health Education England regarding education in the health workforce. Lynne McClure and Mike Ellicock also had a meeting with Niva Thiruchelvam (Deputy Director – Education and Skills) at the Treasury in April. There are ongoing conversations with the National Retraining Scheme team regarding both our Department for Education Flexible Learning Fund project and our wider work. So, whilst this area remains difficult, National Numeracy continues to maintain profile and try to influence where possible to pursue our charitable objectives.

**Improving numeracy - adults**

National Numeracy's focus has always been to help people improve their skills in a supportive environment. The trustees set ambitious KPIs for 2018 and monitored progress against these throughout the year. The focus in 2018 has been on enabling people to get started on improving their everyday maths skills, through digital means or through partnerships. Several major projects contributed to our impact as well as to our learning.

In 2017, National Numeracy had secured a grant from the Ufi Charitable Trust for an 18-month project to scale up the digital Challenge tool, to allow more UK adults to assess and improve their core numeracy skills in vocational settings. This project has been one of the key focuses of activity for the charity in 2018. The project team has been working with health trusts, employers, unions, digital platforms, employment agencies, colleges, banks and credit agencies to encourage adults to work towards getting the 'Essentials of Numeracy', thereby improving their employment and career progression prospects, while helping organisations to increase their productivity and efficiency.

Project delivery started in January and so far, the project has allowed us to plan and implement the inaugural National Numeracy Day in May 2018 as well as create a contextualised health version of the skills assessment within the Challenge for use in NHS settings. The project target for 2018 was to engage 72,750 adults. We surpassed this by reaching 73,937 registrations on the Challenge online tool, used as a measure of engagement within the project. The project continues until March 2019 and we aim to secure a further 6,057 registrations in this time in order to reach the overall project target of 80,000.

In early 2018 National Numeracy secured a grant from the Department for Education 'Flexible Learning Fund' to explore the benefits of 'Using Online Learning to Engage Working Adults in Improving their Basic Maths Skills'. The target was to engage 15,000 adults in registering on the Challenge over the course of the project (reaching into July 2019), with a focus on whether it is possible to use online engagement techniques and skills provision to attract and support substantial numbers of working adults who might otherwise not engage in learning maths, and to identify ways to do that. We are also focusing on whether this approach is economically viable, and whether online learning of basic maths skills can act as a 'gateway' to wider learning.

Project delivery started in September 2018 and the project has allowed us to establish approaches directly to adults digitally as well as by working with partner employers and partner learning providers. Early indications show that online learning (specifically the National Numeracy Challenge) can attract substantial numbers of working adults, who might otherwise not engage in learning maths. We have identified that Facebook is an extremely efficient means of reaching and engaging working adults, and that by working on SEO and referral routes from other sites, we can maximise engagement from adults who may already have an interest in improving their skills online. We are examining the nuances of engaging adults in learning ('andragogy') and how this affects the approaches and messaging we use.

We are utilising online engagement metrics because online provision is different from face-to-face provision and therefore different metrics are needed to understand performance. We are building on previous work to identify the different approaches that work for employers to engage their staff: 'Presence' (e.g. access to provision featured on the organisation's website), 'Campaign' (e.g. an email campaign), 'Supported' (e.g. key staff trained as 'champions' to support engagement), and 'Embedded' (e.g. provision embedded into existing processes). Success has been found to be greatest when all of these are in place. We are working with learning providers to show that online provision such as the Challenge is effective not just in its own right, but also as a 'stepping

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stone' to formal qualifications, and we are quantifying the economic viability of our proposition.

2018 saw National Numeracy expand and build on its work with NHS staff. We worked with 2,900 individuals (165% increase on 2017) and 41 trusts in 2018. Our work in the health sector has generally been much more hands-on, with face-to-face engagement with beneficiaries through our Myths, Maths and Mindsets workshops and our Train the Trainer sessions. Crucially, we have learnt much more in 2018 about how to take people from 'I hate maths' to 'I'll give it a go' through face to face work, leading to great insight in how to help people break down the barriers to learning and progression. We have fed our insights into our Train the Trainer programme to improve its effectiveness. As with all our projects, we monitor and evaluate our impact and in 2018, 92% of Train the Trainer participants said they feel more confident to support someone to improve their numeracy after participating in the workshop and 85% of participants say they are now more confident to promote numeracy within their organisation. In 2018 we began work to make Sussex Community Foundation Trust a kitemarked trust for numeracy skills amongst staff and will continue to work with them through 2019.

Activity in this sector has led us to glean fascinating insights into people's motivations:

51% say improving their maths would improve their workplace confidence

76% think it's important to have the chance to improve their numeracy at work

88% of staff have seen colleagues struggling with maths

97% of staff say they've seen others take longer than necessary to complete tasks involving numeracy

60% say poor numeracy contributes to mistakes

Our learning and understanding in this sector has been instrumental to securing a contract to work with Health Education England to further refine the Train the Trainer programme and to develop a champions' online network to enable educators across the NHS nationally to interact, share learning and use the site to help their learners through the Challenge experience.

In other employer settings, UnionLearn's annual Maths Workout Week proved to be a great platform for several of our partners to launch numeracy campaigns. Almost 3,000 adults from workplaces across the country took the first step to improving their numeracy by signing up for the Challenge. Our typical support for a workplace campaign ranges from promotional leaflets and posters to myth-busting workshops and topical quick quizzes. In all, our work with unions gave rise to 3,252 beneficiaries using the Challenge.

National Numeracy has also worked with the Ufi Charitable Trust on a separate 12-month project - Firm Foundations Digital - to create a suite of digital games to help adults who have such a low level of numeracy that they cannot engage with the Challenge. Project delivery started in July 2018 and we have created and tested a wireframe version of a set of games that help people improve basic number sense. These games are at prototype stage ready for further testing. In 2019 we will test the prototypes with adults with low numeracy skills in February, with the aim of completing the suite of prototype games by May and will then be looking to identify next steps for this product.

### **Improving numeracy - children**

In 2018, National Numeracy began working on a project funded by a grant from UBS to provide a parental engagement programme in 10 primary schools in East London. The project was designed to use National Numeracy's Family Maths Toolkit resources and to provide support to the schools in building a sustainable strategy to promote parental engagement in children's maths learning. We sent out 4,170 maths scrapbooks, arranged cluster meetings for schools and collected baseline data from pupils, teachers and parents. Work continues into 2019 (see 2019 section below).

In 2018 we continued to keep our Family Maths Toolkit website up to date and also used it to sell resources to schools (39) and parents (104). We had 26,306 unique visitors to the website. In 2018 we also surveyed both parental and school users of the resources to help us understand how they are being used and we received a limited but interesting response, which included comments such as: 'The activities included examples that involved day to day life, so it is very easy for my child to connect to the activities.' And 'Real life fun maths, great way to practise number skills. Whole family enjoyed doing them.'

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Significantly, 100% of the school respondents felt that using the Family Maths resources had helped to increase parental engagement in maths in their school. 100% would recommend the Family Maths resources to another school.

In 2018 we continued to run our Passport Maths programme, which is an early intervention programme for pupils entering secondary school (Key Stage 3) below age-related expectations in mathematics. Over the year, 137 schools across the country used the online educational tool. We also ran two grant-funded programmes based around the programme. Funding from the Ernest Cook Trust enabled us to offer bursaries for this programme to schools with a high proportion of students on Free School Meals (FSM) in the south of England, as this cohort has significantly lower figures for attainment at GCSE English and Maths than non-FSM pupils. The project covered the 2017-2018 academic year and involved 130 children. It also involved a full evaluation wrap-around involving children and teachers. The project showed how effective Passport Maths can be. In two schools, more than 90% of pupils improved their baseline scores and in one school, 84% of participating students were at or above age-related expectations at the end of the project.

In 2018 we also ran a Passport Maths bursary project for seven schools in London funded by the Drapers' Company. Again, schools with an above-average number of disadvantaged students (measured by the number of pupils eligible for FSM) were selected. The project aimed to support schools in giving pupils the opportunity to catch up to age-related levels, develop pupils' confidence with numbers and data and provide pupils with a better foundation on which to build towards GCSE success.

The project involved 142 pupils. When looking at individual schools, some had particularly impressive improvement figures. For instance, 100% of participants at St Mary Magdalene School improved on their baseline score, as did 92% at Richmond Park Academy. Feedback from students was key to this project: 82% of pupils thought that the Passport Maths activities were 'good' or 'excellent' and 69% of pupils said that doing Passport Maths had increased their confidence 'a lot' or 'quite a bit'. Student comments included: 'I think that Passport Maths is excellent because it helps me in things that I have forgot about in maths and helps me with numbers outside of school.'

However, in both projects it proved difficult to get schools to submit consistent data. Whilst National Numeracy provided full guidelines to schools on how to run the project, implementation differences meant that the results differed widely. The schools that used the Passport Maths resource according to National Numeracy's recommendations had the best results in both projects and this finding will help us design projects in the future. Interestingly, 100% of respondents felt that using Passport Maths had helped to improve pupils' maths skills and knowledge. 100% would also recommend Passport Maths to another school.

### **Research and evidence**

The thread that ties our work together is the understanding of the importance of overcoming negative attitudes to numeracy, both across the public cultural space as well as with the individual. In November 2017, the attitudinal quiz went live within the National Numeracy Challenge. It includes 24 attitudinal questions (across seven factors) designed to unearth any barriers to improving one's numeracy. The factors are Value, Belief, Effort, Confidence with Numbers, Confidence with Money, Self Confidence and Appetite for Learning. It also includes 11 reasons for improving your numeracy.

In 2018, 40,037 people took an attitudinal quiz for the first time, giving us a wealth of detail which we are using to inform the rest of our work. There are many interesting insights. For instance, when comparing men and women the difference is most significant when looking at confidence factors, and more specifically Confidence with Numbers, which shows that women are less confident than men across all ages. Interestingly, Confidence with Numbers is lowest amongst 11-15 year-olds, and remains low in 16-25 year-olds. For the 26-60 year-olds, Confidence with Numbers is higher and for the over 60s, the average is higher still. There are variations in factors across different regions, broadly reflecting the variation in numeracy level. There are no discernible variations in individual attitudinal factors across different regions of the UK.



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School leavers value numeracy less than any other age group. There is a significantly higher Value score for those between the ages of 18 and 25, which is similar for those aged 26-60. The over 60s value numeracy far more than any other age group. We hypothesise that this is explained by people being faced with important financial life events around the ages of 25 (leaving home, entering the world of work, getting a mortgage) and 60 (approaching retirement). Females generally value numeracy less than males.

The reasons people want to improve their numeracy generally chime in with the time of life that they are at, with reasons around work and qualifications being important in early working life, whilst for those between the ages of 36 and 46, the focus shifts to 'to help my children with their homework', which is a particularly strong motivator for women. For many, the attraction of engaging with the Challenge is simply to prove that they can still do maths.

The model as a whole has been verified by the University of Portsmouth and we will continue to work with them in 2019. Other work in 2019 will include further analyses of the data to inform how we interact with users of the system and best help them engage, as well as potentially reducing the length of the assessment.

In 2018 we submitted the final report to the Nuffield Foundation on the Q-Step project into numeracy levels among social science undergraduates in nine UK universities. The project found that many undergraduate students do not have the numeracy skills required to fully understand their course. In fact, only 26% of those involved had the numeracy levels identified as generally necessary for daily life and work, or in other words the equivalent of a 'C' or '4' at GCSE. Importantly, 71% of students who used the available learning resources and then retook their assessment using the Challenge system improved on their original score, showing the effectiveness of the system in helping people gain the skills they need in everyday life.

The main recommendations from the report are that universities should benchmark student numeracy levels (because qualifications are no guarantee) and that universities should ensure that all their students graduate with the Essentials of Numeracy.

We also submitted a report to the Money Advice Service as a result of our completion of a project funded by MAS as part of the What Works programme in 2017. We worked with 20,000 adults to compare numeracy skills and financial decision making and the main findings were:

- The higher an adult's level of numeracy, the better their financial capability mindset was likely to be. Put simply, numeracy and financial capability go hand in hand.
- Improvements in numeracy score correlated with improvements in financial capability mindset.
- People improved their financial capability mindset as a result of engaging with National Numeracy's online tool.
- The more that adults engaged with numeracy resources, the more they improved their financial capability mindset.

Recommendations included that any programme to improve financial capability should also include checking whether someone is numerate and that any face-to-face work with those who are 'hard-to-reach' e.g. long-term unemployed, should include a paper-based screener and then attitudinal support before any skills support.

Building on this evidence, we've learned that we need to evidence the causality between improving a beneficiary's numeracy and improving their financial capability. We will continue to engage with MAS – now restructured into the Single Financial Guidance Body – to explore this further in 2019.

We have continued to engage with the broader financial capability sector in 2018, in particular the Financial Conduct Authority and have worked with them on their Financial Lives survey to incorporate numeracy skills in their survey around financial capability.

In 2018 we also worked with Experian credit reporting agency in a research pilot in which 1,700 Experian customers completed a series of everyday maths questions using the National Numeracy Challenge and submitted their results to be cross-checked against their credit score. This initial investigation has led to a

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partnership with Experian to further explore the link between creditworthiness and numeracy. We are hoping to conduct this research in 2019.

In 2018 we also contributed to Sir Keith Pearson's HEE NHS Staff and Learners' Mental Wellbeing Commission Interim Report released in July to have numeracy skills noticed as a source of anxiety and stress.

**Improving communication of numbers and data**

Enabling organisations to communicate in a more appropriate way given current adult numeracy levels - a **Plain Numbers** approach - continued to be one of National Numeracy's strands of activity during 2018. We had conversations with a range of organisations with regard to helping them improve their communication of numbers, but, whilst organisations tended to understand and be enthusiastic about it as a concept, it was hard to get progress on specific projects as other factors were often involved, such as internal communications strategies. In some cases, priorities were given to issues of accessibility and literacy. In other instances, regulatory concerns were cited as a factor. Therefore, as the year progressed, there was a realisation that we need to clarify our offer and that we should focus on campaigning for organisations to adopt a Plain Numbers approach, rather than it being a stream of consultancy work, at least for 2018/2019. In the latter part of the year, KPMG undertook an internal survey to sector leads in order to gauge the appetite for Plain Numbers and we will wait for feedback from them before defining further strategy on this strand of activity.

**Looking ahead to 2019**

In early 2019 we published our first Impact Report covering the extensive activity of the charity across 2018. We start the new year with several exciting projects ongoing and new projects in the pipeline. We know first and foremost that we need to continue to prove our impact and make the case for improved numeracy. Andreas Schleicher of the OECD argued that, across all the factors that the PISA and PIAAC research programmes measure, 'Good numeracy is the best protection against unemployment, low wages and poor health.' There is still a considerable job to do to convince stakeholders of the importance of numeracy so we continually strive to prove the positive impact of improved numeracy to individuals as well as organisations in 2019.

National Numeracy Day in 2018 enabled us to engage funders as well as beneficiaries and we plan to repeat that process in 2019 to secure funding towards the campaign itself as well as to support the organisation's wider work (see Finance and Funding section below). We are also grateful to other funders who came on board in 2018 as the first step in a longer-term relationship and who will continue to support the charity through 2019 and beyond. These partnerships offer us the opportunity to scale our activities and really engage the national conversation on maths and numeracy as well as enabling us to continue to improve our online tools and training programmes. We also aim to win charitable funding towards targeted projects, which will allow us to continue to improve our impact data and inform future activity.

**Increasing awareness**

We have set challenging engagement targets for 2019 and have boosted our communications department in order to provide the capacity to deliver the broader objectives as well as to deliver National Numeracy Day 2019. This major campaign provided us in 2018 with an engagement opportunity with many new organisations, and we hope to build on this in 2019 to increase the number and range of private as well as third sector organisations who are aware of the benefits of improved numeracy and are helping us reach out to beneficiaries. We are increasingly working with ambassadors to reach fresh audiences and we have also recently increased our number of case studies and improved our use of them in communicating our impact, which is something that we plan to build on in 2019.

**Improving numeracy**

The National Numeracy Challenge, our main numeracy improvement tool, continues to go from strength to strength. We are using iterative improvement processes to build on learnings from all our projects and engagement. In 2019 we want to focus on improvements to increase the number of people who follow the whole user journey within the Challenge. Many users engage with the Challenge to assess their current levels, potentially using it as a stepping stone to learning elsewhere. This in itself has value but we would like to see a higher percentage of users following the full journey within the Challenge, whereby they are signposted to

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learning resources and then retake the Challenge Check-Up, which provides a unique distance-travelled measure. Some of these changes will be in place for National Numeracy Day 2019 in May and will improve our offer to those that come to us through our campaign activities.

In terms of projects, we will continue our delivery work under the Department for Education's Flexible Learning Fund until June and submit the final report to DfE in August. We are on course to hit the overall target for the project, as well as targets across individual strands of activity. As mentioned in the Improving Numeracy section above, we are also on target to reach the overall beneficiary numbers on our major adult engagement project funded by the Ufl Charitable Trust. That project will conclude in March.

Our work in the NHS in 2019 will focus on trying to increase the number of trusts willing to embed the Challenge into their processes and mandate it through training programmes. We also plan to enhance the scalability of embedding via our Train the Trainer programme, which will be further developed in 2019 through the project for Health Education England. In 2018 we also developed the health-specific Challenge Check-Up, which is now being tested in four trusts. In 2019 we plan to secure the best way to roll this out to health settings.

In schools, our UBS-funded project continues into 2019, when National Numeracy's pedagogical expert will visit each school and schools will have the opportunity to share findings and best practice at cluster meetings. We plan to collect data in the summer to measure the project's impact on children's confidence, attitudes and attainment. In line with National Numeracy's focus on attitudes to maths, the project evaluation will also look at the attitudes and confidence of the parents and the impact the project has had on these elements. We will submit a report to UBS at the end of the project in July/Aug 2019.

We will continue to work with other organisations on structured numeracy programmes across the public and private sector. In order to help people to improve we have had to understand exactly what is holding them back. This means we can work to tackle those barriers head-on, empowering those of us who find maths a challenge to unlock the positive attitudes we need to realise we are all numbers people.

### **Structure, governance and management**

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

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

Belinda Vernon, Chair  
John Griffith-Jones, Vice-Chair  
Edward Brunel-Cohen, Hon. Treasurer  
Jill Cornish (retired April 2018)  
Mary Curnock Cook (appointed January 2018 & resigned January 2019)  
Andrew Haldane  
Diana Hatchett (retired April 2018)  
Wendy Jones  
Chris Rhodes  
Catherine McClure (appointed February 2018)  
Paul Coffey (appointed April 2018)

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.

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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 2018, four times being the ordinary trustee meetings and one time being an extra meeting to review the long-term strategy of the charity.

The Nominations Committee (a sub-committee of the Board, comprising four trustees: Belinda Vernon, John Griffith-Jones, Di Hatchett and Wendy Jones) also met regularly to consider senior appointments and matters of succession and to review the composition of the Board. New trustees are proposed by the Committee for approval by the full Board. As a result of this process, two new trustees joined the board in early 2018 and one in April 2018. During 2018, Di Hatchett and Jill Cornish stood down as trustees. Both had been founding trustees and stepped down after serving two full terms. The Board would like to thank them both for their contribution and dedication to National Numeracy.

New trustees receive a full and comprehensive briefing before their first meeting and receive a copy of National Numeracy's Trustee Handbook with full details of the induction process, plus the relevant Charity Commission guidelines for trustees. They are then invited to visit the offices to meet the team and learn first-hand about the projects and activities of the charity.

In 2018 National Numeracy held two 'away' days where staff were invited to take part in a series of activities and group meetings to discuss the aims and objectives of the charity within the wider strategy and establish priorities and direction for the upcoming period. National Numeracy's theory of change was revisited regularly by trustees and the strategy group to help the organization maintain its focus. The extra meeting held in November 2018 by the trustees was aimed at beginning the process of producing a three-to-five-year plan, a process which will continue through Q1 2019. Key metrics tracking charitable activity were collected consistently and reported to trustees quarterly. The KPIs are used to direct strategy decisions and are revisited annually. As a result, 2019 will see one or two tweaks to our KPIs to reflect learnings from 2018 and to align them more closely to 2019 planned activity.

During the year (October 2018), it was decided to disband the Strategy Group, which had been meeting every 6 weeks, and instead hand this function to a restructured Management Group. This group meets monthly in the Lewes office and decides on priority areas for action and identifies capacity issues where appropriate. The reasons for the change were to allow for more regular meetings (monthly rather than 6 weekly) and to have meetings in the main office so that other team members could attend for parts of the meeting as and when appropriate for more informed decision-making.

Staffing levels rose in 2018, with the addition of the Communications Intern position and a Data Analysis Intern position. Both positions are paid above minimum wage and with supported learning opportunities. Additionally, a Marketing and Relationship Manager position has been added part-time and a Digital Engagement Manager was brought in to work on a major project. These positions have boosted the team's capacity. Other recruitment was on a replacement basis only.

Other significant organisational changes in 2018 were the complete audit of activity in Q1 and Q2 to prepare for the new GDPR, with increased security processes and procedures being implemented as a result. In addition, National Numeracy moved into new offices in December 2018, whilst remaining in Lewes, East Sussex.

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

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**NATIONAL NUMERACY**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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benefits.

The Chief Executive and trustees review the salaries of staff annually, approve an annual percentage increase in the payroll for all staff (which can be zero) taking into account RPI as at 31 December for the previous year, and approve any staff salary increases outside of the annual review process as recommended from time to time by the Chief Executive. The trustees also determine pension arrangements. In addition, the Nominations Committee advises on the salary of the CEO, for decision by the board.

Mike Ellicock is both Chief Executive and Company Secretary and is responsible for the day-to-day governance of the charity, including liaison with partner organisations.

National Numeracy Solutions (the trading subsidiary) has a board consisting of Mike Ellicock and Alison Plant. Colin Henderson (Financial Controller) was also made a member of the board during 2018. The Board of Directors also met separately four times in 2018 and will continue to meet separately in 2019.

#### **b. Finance and funding**

2018 saw a significant new direction for National Numeracy in terms of its finance and funding. KPMG continued to support National Numeracy, both financially and with significant pro bono support. In addition, whilst the overall climate for charities remained difficult, National Numeracy was successful in securing financial support from organisations in relation to the inaugural National Numeracy Day in May 2018. National Numeracy Day was a major success for National Numeracy; the day itself attracted a range of new supporters for the charity, both financial and from organisations that committed to promoting the day with activities for staff etc. Financial support was received from: Experian, M&G Investments, Virgin Money, NatWest MoneySense, The Columbia Threadneedle Foundation, Zurich, Cisco, Health Education England, Education Scotland, NS&I, Provident Financial Group, St James Place, the London Stock Exchange, Aegon and CBRE.

National Numeracy Day also provided an opportunity for National Numeracy to raise our profile with partners to help us in our first major raising awareness campaign. Overall, a further 73 organisations came on board as champions. Other supporters, such as our regular digital partner, Coherence, also supported the campaign by supplying a microsite dedicated to National Numeracy Day free of charge. Several of the organisations we connected with in relation to National Numeracy Day have since been in discussions about becoming more substantial long-term supporters. As a result, and in contrast to 2017, 2018 saw income exceeding expenditure.

Consolidated income in 2018 was £1,195,845 with expenditure of £1,084,952.

2018 also saw the forming of a key partnership with a new major funder – Tullett Prebon Group Ltd – who have committed to supporting National Numeracy for three years and who will work with us to scale up our activities. Towards the end of 2018 National Numeracy was also in talks with two more key partners from the financial services sector with a view to funding our longer-term objectives. As a result, the year-end outlook for National Numeracy is more positive than in previous years and has enabled us to set ambitious KPIs for 2019 and begin the new year being able to commit activity and funding to achieve our charitable aims.

In terms of project funding, the charity was able to run all its ongoing projects according to the agreed budgets and achieve the necessary milestones to release funding in projects such as those funded by the Ufi Charitable Trust. National Numeracy also secured several new funds for 2018 and into 2019, including the project referred to in previous sections funded by the Department for Education. National Numeracy continued to benefit from the free Adwords advertising for the Challenge online system secured from Google in 2017.

National Numeracy also secured a contract for development work with Health Education England in 2018 which will be one of its main focuses of activity in 2019 (see Improving Numeracy section above). The roll out of these development programmes is planned for 2019 and beyond and will help sustain National Numeracy in the future whilst helping many NHS staff improve their numeracy.

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**NATIONAL NUMERACY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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Activity of National Numeracy Solutions remained steady with good sales of Family Maths Toolkit resources for primary schools, both to schools and individuals, and the Passport Maths programme for secondary pupils reaching 137 schools. In addition, contracts were secured in 2018 for numeracy improvement programmes in the workplace, particularly in the NHS, with some contracts spreading through to 2019.

**c. Risk assessment**

The trustees have regularly assessed the major risks to which the charity is exposed and maintained a detailed risk register during 2018. Mary Curnock Cook, a trustee, led a risk assessment workshop at the National Numeracy offices during 2018 attended by key staff members. As a result, the risk register was revised. The new approach to risk is still being revised and risk is now more regularly reviewed by both the Management Group and the trustees. Trustees are satisfied that systems are in place to mitigate exposure to the major risks.

**d. Reserves**

National Numeracy aims to have reserves levels at any time to cover a minimum of four months of 2019 budgeted expenditure. This would allow for a closure/handover process should the charity be no longer viable. Consideration has been given to notice periods of key staff, running costs of key technical projects and the amount needed to cover short-term unforeseen circumstances. The situation at the end of the 2018 financial period sees total reserves of £350,953, which is slightly below the four-month expenditure figure according to the 2019 prospective expenditure expectations. Trustees will review the position on a quarterly basis throughout 2019 to ensure that the charity retains sufficient reserves to fulfil this policy.

**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 regular review. Funds will only be invested in banks with at least an A Rating. National Numeracy owns no property. The policy is monitored and reviewed as part of the annual budgeting cycle.

**TRUSTEES' RESPONSIBILITIES STATEMENT**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. 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;

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**NATIONAL NUMERACY**  
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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

**AUDITOR**

The auditor, Knill James, has indicated its willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditor at a meeting of the Trustees.

This report was approved by the Trustees, on 29 April 2019 and signed on their behalf by:



**Belinda Vernon, Chair**

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**NATIONAL NUMERACY**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NATIONAL NUMERACY**

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**OPINION**

We have audited the financial statements of National Numeracy (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 December 2018 set out on pages 17 to 38. 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 of the parent charitable company's affairs as at 31 December 2018 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

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

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

**OTHER INFORMATION**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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



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**NATIONAL NUMERACY**  
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**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NATIONAL NUMERACY**

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required to report that fact.

We have nothing to report in this regard.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- the parent charitable company has not kept sufficient accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**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 group's and the parent charitable 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's report.

**USE OF OUR REPORT**

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to

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**NATIONAL NUMERACY**  
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**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF NATIONAL NUMERACY**

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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.

*Knill James*

**Knill James**

Chartered Accountants  
Statutory Auditor

One Bell Lane  
Lewes  
East Sussex  
BN7 1JU  
29 April 2019

Knill James is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

**NATIONAL NUMERACY**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
(incorporating income and expenditure account)  
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>INCOME FROM:</b>					
Donations and legacies	2	228,340	201,565	429,905	70,350
Charitable activities	3	6,448	637,165	643,613	508,702
Other trading activities:					
Commercial trading operations		121,553	-	121,553	121,808
Investments	4	774	-	774	600
<b>TOTAL INCOME</b>		<b>357,115</b>	<b>838,730</b>	<b>1,195,845</b>	<b>701,460</b>
<b>EXPENDITURE ON:</b>					
Raising funds:					
Commercial trading operations		99,128	-	99,128	101,560
Charitable activities		190,233	795,591	985,824	798,399
<b>TOTAL EXPENDITURE</b>	7	<b>289,361</b>	<b>795,591</b>	<b>1,084,952</b>	<b>899,959</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>					
Transfers between Funds	14	67,754	43,139	110,893	(198,499)
		24,182	(24,182)	-	-
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>					
		91,936	18,957	110,893	(198,499)
<b>NET MOVEMENT IN FUNDS</b>		<b>91,936</b>	<b>18,957</b>	<b>110,893</b>	<b>(198,499)</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		166,956	73,104	240,060	438,559
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>258,892</b>	<b>92,061</b>	<b>350,953</b>	<b>240,060</b>

The notes on pages 21 to 38 form part of these financial statements.

**NATIONAL NUMERACY**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07886294**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2018**

	Note	£	2018 £	£	2017 £
<b>CURRENT ASSETS</b>					
Debtors	11	369,325		144,074	
Cash at bank and in hand		426,189		248,219	
		<u>795,514</u>		<u>392,293</u>	
<b>CREDITORS:</b> amounts falling due within one year	12	<u>(444,561)</u>		<u>(152,233)</u>	
<b>NET CURRENT ASSETS</b>			<b>350,953</b>		<b>240,060</b>
<b>NET ASSETS</b>			<b>350,953</b>		<b>240,060</b>
<b>CHARITY FUNDS</b>					
Restricted funds	14		92,061		73,104
Unrestricted funds	14		258,892		166,956
<b>TOTAL FUNDS</b>			<b>350,953</b>		<b>240,060</b>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit has been undertaken at the request of the trustees in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 29 April 2019 and signed on their behalf, by:



**Belinda Vernon, Chair**

The notes on pages 21 to 38 form part of these financial statements.

**NATIONAL NUMERACY**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07886294**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2018**

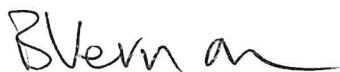
	Note	£	2018 £	£	2017 £
<b>FIXED ASSETS</b>					
Investments	10		1		1
<b>CURRENT ASSETS</b>					
Debtors	11	354,828		132,479	
Cash at bank and in hand		301,676		163,219	
		<u>656,504</u>		<u>295,698</u>	
<b>CREDITORS:</b> amounts falling due within one year	12	<u>(305,554)</u>		<u>(51,523)</u>	
<b>NET CURRENT ASSETS</b>			<u>350,950</u>		<u>244,175</u>
<b>NET ASSETS</b>			<u>350,951</u>		<u>244,176</u>
<b>CHARITY FUNDS</b>					
Restricted funds			92,061		73,104
Unrestricted funds			258,890		171,072
<b>TOTAL FUNDS</b>			<u>350,951</u>		<u>244,176</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit has been undertaken at the request of the trustees in accordance with section 151 of the Charities Act 2011.

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The financial statements were approved and authorised for issue by the Trustees on 29 April 2019 and signed on their behalf, by:



**Belinda Vernon, Chair**

The notes on pages 21 to 38 form part of these financial statements.

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**NATIONAL NUMERACY**  
**(A company limited by guarantee)**

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**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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	Note	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	16	<u>177,970</u>	<u>(270,737)</u>
<b>Change in cash and cash equivalents in the year</b>		<b>177,970</b>	<b>(270,737)</b>
Cash and cash equivalents brought forward		<u>248,219</u>	<u>518,956</u>
<b>Cash and cash equivalents carried forward</b>	17	<u><u>426,189</u></u>	<u><u>248,219</u></u>

The notes on pages 21 to 38 form part of these financial statements.

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**NATIONAL NUMERACY**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

National Numeracy meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of 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 £.

**1.2 Company status**

The charity is a private company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

**1.3 Going concern**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.4 Income**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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**NATIONAL NUMERACY**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.5 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 of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly 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 asset's use.

Costs 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. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

**1.6 Basis of consolidation**

The financial statements consolidate the accounts of National Numeracy and all of its subsidiary undertakings ('subsidiaries').

The charity has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The income and expenditure account for the year dealt with in the accounts of the charity was a surplus of £110,893 (2017 deficit - £200,551).



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**NATIONAL NUMERACY**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**1. ACCOUNTING POLICIES (continued)**

**1.7 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 and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

**1.8 Interest receivable**

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

**1.9 Debtors**

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

**1.10 Cash at bank and in hand**

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

**1.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.12 Financial instruments**

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

**1.13 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. ACCOUNTING POLICIES (continued)**

**1.14 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**1.15 Critical accounting estimates and areas of judgment**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

**2. INCOME FROM DONATIONS AND LEGACIES**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<i>Total funds 2017 £</i>
Donations	<b>228,340</b>	<b>201,565</b>	<b>429,905</b>	<i>70,350</i>
<i>Total 2017</i>	<i>41,185</i>	<i>29,165</i>	<i>70,350</i>	

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**3. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Grants	-	541,513	541,513	372,053
Fee and other income	6,448	95,652	102,100	136,649
	<u>6,448</u>	<u>637,165</u>	<u>643,613</u>	<u>508,702</u>
<i>Total 2017</i>	<u>47,340</u>	<u>461,362</u>	<u>508,702</u>	

**4. INVESTMENT INCOME**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Interest receivable	774	-	774	600
	<u>774</u>	<u>-</u>	<u>774</u>	<u>600</u>
<i>Total 2017</i>	<u>600</u>	<u>-</u>	<u>600</u>	

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**5. DIRECT COSTS**

	Advancement of numeracy £	Total 2018 £	Total 2017 £
Administration expenses	1,017	1,017	-
Consultants	95,256	95,256	53,446
Research	750	750	-
Website & marketing	263,497	263,497	199,981
Travelling & meeting costs	13,751	13,751	10,151
Stationery & office	13,285	13,285	1,382
General expenses	12,133	12,133	990
Project costs	1,980	1,980	1,332
Telephone & computer	8,470	8,470	3,227
Google adwords	68,152	68,152	89,309
Support costs recharged	68,980	68,980	65,187
Wages and salaries	248,971	248,971	199,165
National insurance	25,624	25,624	20,886
Pension cost	14,213	14,213	10,429
	<u>836,079</u>	<u>836,079</u>	<u>655,485</u>
<i>Total 2017</i>	<u>655,485</u>	<u>655,485</u>	

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**6. SUPPORT COSTS**

	Advancement of numeracy £	Total 2018 £	Total 2017 £
Education consultants	650	650	4,250
Staff costs	2,438	2,438	4,502
Website & marketing	2,588	2,588	3,716
Travelling expenses	3,492	3,492	3,611
Rent & rates	5,352	5,352	4,861
Stationery & office expenses	4,131	4,131	2,270
General expenses	5,524	5,524	4,066
Legal & professional	13,308	13,308	12,474
Telephone & computer	16,090	16,090	15,623
Bank costs	148	148	128
Non recoverable VAT	14,377	14,377	-
Support costs recharged	(68,979)	(68,979)	(65,187)
Wages and salaries	131,163	131,163	134,329
National insurance	12,508	12,508	13,717
Pension cost	6,955	6,955	7,362
	<u>149,745</u>	<u>149,745</u>	<u>145,722</u>
<i>Total 2017</i>	<u>145,722</u>	<u>145,722</u>	

During the year ended 31 December 2018, the company incurred the following Governance costs: £22,409 (2017 - £36,639) included within the table above in respect of Advancement of numeracy.

During the year ended 31 December 2018, the charity incurred staff costs related to time spent on researching, preparing and submitting funding bids amounting to £33,551 (2017 - £24,692).

**7. ANALYSIS OF EXPENDITURE BY EXPENDITURE TYPE**

	Staff costs 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Trading activities	28,120	71,008	99,128	101,560
	<u>28,120</u>	<u>71,008</u>	<u>99,128</u>	<u>101,560</u>
Advancement of numeracy	439,434	546,390	985,824	798,399
	<u>467,554</u>	<u>617,398</u>	<u>1,084,952</u>	<u>899,959</u>
<i>Total 2017</i>	<u>425,200</u>	<u>474,759</u>	<u>899,959</u>	

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**8. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	2018 £	2017 £
Auditor's remuneration - audit	9,800	9,600
Auditor's remuneration - other services	525	525
	<u>          </u>	<u>          </u>

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

1 Trustee received reimbursement of expenses amounting to £307 in the current year, (2017 - 0 Trustees - £NIL).

**9. STAFF COSTS**

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	404,779	367,877
Social security costs	40,474	37,815
Other pension costs	22,301	19,508
	<u>          </u>	<u>          </u>
	<u>467,554</u>	<u>425,200</u>

The average number of persons employed by the group during the year was as follows:

	2018 No.	2017 No.
Finance and administration	2	2
Charitable activities	13	12
	<u>          </u>	<u>          </u>
	<u>15</u>	<u>14</u>

The number of higher paid employees was:

	2018 No.	2017 No.
In the band £80,001 - £90,000	0	1
In the band £90,001 - £100,000	1	0

The total amount of employee benefits received by key management personnel is £290,204 (2017 - £182,964). The group considers its key management personnel to comprise of those sitting on the Management Group.

During the year ended 31 December 2018 employer's pension contributions for higher paid employees amounted to £5,428 (2017 - £5,397).

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**10. FIXED ASSET INVESTMENTS**

Further details of the subsidiary company are provided in note 22.

<b>Company</b>	<b>Shares in group undertakings</b>
<b>Market value</b>	<b>£</b>
At 1 January 2018 and 31 December 2018	<b>1</b>

**11. DEBTORS**

	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	<b>252,287</b>	46,920	<b>237,951</b>	33,641
Amounts owed by group undertakings	-	-	-	2,061
Other debtors	<b>1,175</b>	1,159	<b>1,175</b>	1,159
Prepayments and accrued income	<b>115,863</b>	95,995	<b>115,702</b>	95,618
	<b>369,325</b>	<b>144,074</b>	<b>354,828</b>	<b>132,479</b>

**12. CREDITORS: Amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	<b>16,997</b>	6,439	<b>15,674</b>	5,688
Amounts owed to group undertakings	-	-	<b>30,134</b>	-
Other taxation and social security	<b>59,409</b>	13,240	<b>12,316</b>	9,944
Other creditors	<b>41,427</b>	42,829	<b>1,404</b>	2,757
Accruals and deferred income	<b>326,728</b>	89,725	<b>246,026</b>	33,134
	<b>444,561</b>	<b>152,233</b>	<b>305,554</b>	<b>51,523</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**13. FINANCIAL INSTRUMENTS**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Financial assets measured at amortised cost	<b>793,324</b>	<b>296,298</b>
Financial liabilities measured at amortised cost	<b>117,833</b>	<b>62,508</b>

Financial assets measured at amortised cost comprise cash and debtors, excluding prepayments and accrued income.

Financial liabilities measured at amortised cost comprise creditors, excluding accruals and deferred income.



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**14. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2018 £
<b>Designated funds</b>					
Designated funds	124,829	-	-	(124,829)	-
<b>General funds</b>					
General unrestricted funds	42,127	357,115	(289,361)	149,011	258,892
Total Unrestricted funds	166,956	357,115	(289,361)	24,182	258,892
<b>Restricted funds</b>					
Money Advisory Service (MAS)	13,419	16,881	(23,910)	(6,390)	-
Nuffield - Q-Step	(2,070)	7,377	(5,307)	-	-
Ernest Cook Trust	2,360	-	(2,077)	-	283
The Drapers Company	14,065	-	(13,469)	-	596
Google ad words	-	68,152	(68,152)	-	-
UBS AG	24,524	-	-	-	24,524
Aspect Capital 2	1,500	-	(2,801)	1,301	-
Man Charitable Trust 2	13,766	-	-	(13,766)	-
UBS AG (2018)	-	23,745	(20,916)	-	2,829
Ufi - Star Dash Studios	5,540	-	(213)	(5,327)	-
Ufi - Digital Solutions to Improve	-	160,976	(172,560)	-	(11,584)
University of Sussex	-	2,800	(2,800)	-	-
Ufi - Firm Foundations	-	27,500	(27,565)	-	(65)
National Numeracy Day	-	70,500	(30,611)	-	39,889
Department for Education	-	285,234	(285,231)	-	3
Tullett Prebon Group Ltd	-	55,000	(19,414)	-	35,586
Pro Bono work	-	120,565	(120,565)	-	-
	73,104	838,730	(795,591)	(24,182)	92,061
Total of funds	240,060	1,195,845	(1,084,952)	-	350,953

**Designated funds**

Designated funds had been set aside to secure the continuation of the National Numeracy Challenge, these were expended during the year.

**Restricted funds**

Money Advisory Service (MAS)

Funding from the MAS What Works Fund. This fund provided financial support for projects which were focused on building evidence of the types of interventions that can make a measurable difference to people's financial capability.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**14. STATEMENT OF FUNDS (continued)**

**Nuffield - Q-Step**

Funding towards working with Q-Step centres in nine universities. The aim has been to engage universities and their social sciences students in using the Challenge assessment tool to benchmark and improve numeracy skills.

**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.

**The Drapers Company**

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

**Google ad words**

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

**UBS AG**

Funding to develop approaches to building numerate behaviour in primary schools in Hackney, focusing on numeracy beyond the maths lesson.

**Aspect Capital 2**

Funding to maintain the FMT website and promote family maths.

**Man Charitable Trust 2**

Funding towards a National Numeracy Challenge project.

**UBS AG (2018)**

Funding for a parental engagement project in London primary schools.

**Ufi - Star Dash Studios**

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

**Ufi - Digital Solutions to Improve**

Funding for the Firm Foundations Digital project.

**University of Sussex**

Funding for an intern on the Challenge.

**National Numeracy Day**

The following organisations gave restricted funds to National Numeracy in 2018 to support the inaugural National Numeracy Day.

Virgin Money Giving

RBS - NatWest Money Sense

Columbia Threadneedle Investments

Health Education England

Experian

Zurich

St James Place

AEGON

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**14. STATEMENT OF FUNDS (continued)**

Provident Finance Group  
Cisco  
NS&I  
Education Scotland  
CBRE  
London Stock Exchange Group

Department for Education  
Funding from the Flexible Learning Fund to explore to explore the benefits of 'Using Online Learning to Engage Working Adults in Improving their Basic Maths Skills'.

Tullett Prebon Group Ltd  
Funding for a TP ICAP and National Numeracy partnership to generate up to a quarter of a million engagements over three years, with TP ICAP leading an annual campaign focused on addressing low numeracy as a fundamental barrier to social mobility, as well as funding to support National Numeracy Day.

Pro Bono work  
The following organisations gave pro bono support to National Numeracy in 2018 to support the inaugural National Numeracy Day.  
Forster Communications  
Coherence

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**14. STATEMENT OF FUNDS (continued)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 January 2017</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 December 2017</i>
	£	£	£	£	£
<b>General funds</b>					
Designated funds	190,000	-	(65,171)	-	124,829
General unrestricted funds	96,729	210,932	(265,535)	-	42,126
	<u>286,729</u>	<u>210,932</u>	<u>(330,706)</u>	<u>-</u>	<u>166,955</u>
<b>Restricted funds</b>					
Money Advisory Service (MAS)	-	227,106	(213,687)	-	13,419
Nuffield - Q-Step	-	27,623	(29,693)	-	(2,070)
Ernest Cook Trust	-	9,000	(6,640)	-	2,360
The Drapers Company	-	14,800	(735)	-	14,065
Google ad words	-	89,309	(89,309)	-	-
Behavioural Insights Team	102,180	-	(102,180)	-	-
UBS AG	29,375	-	(4,851)	-	24,524
Aspect Capital 2	6,509	-	(5,009)	-	1,500
Man Charitable Trust 2	13,766	-	-	-	13,766
Garfield Weston	-	50,000	(50,000)	-	-
Ufi - Star Dash Studios	-	10,000	(4,460)	-	5,540
Ufi - Digital Solutions to Improve	-	30,024	(30,024)	-	-
University of Sussex	-	3,500	(3,500)	-	-
Forster Communications	-	29,165	(29,165)	-	-
	<u>151,830</u>	<u>490,527</u>	<u>(569,253)</u>	<u>-</u>	<u>73,104</u>
Total of funds	<u>438,559</u>	<u>701,459</u>	<u>(899,959)</u>	<u>-</u>	<u>240,059</u>

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**14. STATEMENT OF FUNDS (continued)**

**SUMMARY OF FUNDS - CURRENT YEAR**

	Balance at 1 January 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 December 2018 £
General funds	42,127	357,115	(289,361)	149,011	258,892
Restricted funds	73,104	838,730	(795,591)	(24,182)	92,061
	<u>115,231</u>	<u>1,195,845</u>	<u>(1,084,952)</u>	<u>124,829</u>	<u>350,953</u>

**SUMMARY OF FUNDS - PRIOR YEAR**

	<i>Balance at 1 January 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 December 2017 £</i>
General funds	286,729	210,932	(330,706)	166,955
Restricted funds	151,830	490,527	(569,253)	73,104
	<u>438,559</u>	<u>701,459</u>	<u>(899,959)</u>	<u>240,059</u>

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Current assets	703,453	92,061	795,514
Creditors due within one year	(444,561)	-	(444,561)
	<u>258,892</u>	<u>92,061</u>	<u>350,953</u>

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**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<i>Unrestricted funds 2017 £</i>	<i>Restricted funds 2017 £</i>	<i>Total funds 2017 £</i>
Current assets	319,188	73,104	392,293
Creditors due within one year	(152,233)	-	(152,233)
	<u>166,955</u>	<u>73,104</u>	<u>240,060</u>

**16. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2018</b>	<b>Group</b>
	<b>£</b>	<b>2017</b>
		<b>£</b>
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<b>110,893</b>	(198,499)
<b>Adjustment for:</b>		
Increase in debtors	<b>(225,251)</b>	(113,408)
Increase in creditors	<b>292,328</b>	41,170
<b>Net cash provided by/(used in) operating activities</b>	<b>177,970</b>	(270,737)

**17. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>2018</b>	<b>Group</b>
	<b>£</b>	<b>2017</b>
		<b>£</b>
Cash in hand	<b>426,189</b>	248,219
<b>Total</b>	<b>426,189</b>	248,219

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**18. 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 £1,403 were payable to the fund at the year end (2017 - £2,179).

**19. OPERATING LEASE COMMITMENTS**

At 31 December 2018 the total of the group's future minimum lease payments under non-cancellable operating leases was:

<b>Group</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Amounts payable:</b>		
Within 1 year	<b>12,458</b>	-
Between 1 and 5 years	<b>11,420</b>	-
Total	<b>23,878</b>	-

At 31 December 2018 the company had annual commitments under non-cancellable operating leases as follows:

<b>Company</b>		
<b>Amounts payable:</b>		
Within 1 year	<b>12,458</b>	-
Between 1 and 5 years	<b>11,420</b>	-
Total	<b>23,878</b>	-

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. RELATED PARTY TRANSACTIONS**

During the year, the charity purchased design services from Tacon Design, a company run by relations of the Chief Executive, amounting to £10,318 (2017 £13,263).

Wendy Jones, a trustee, is also a paid consultant under contract to National Numeracy and supplied services totalling £Nil (2017 £24,370) in the year.

Alison Plant, a director of National Numeracy Solutions, has acted as a paid consultant to National Numeracy and has provided services totalling £23,750 (2017 £9,450) with related expenses totalling £186 (2017 £809). She has also provided consultancy services to National Numeracy Solutions in 2018 totalling £13,100 (2017 £2,475) with related expenses totalling £455 (2017 £0).

In addition, 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 (2017 £40,000) remains.

(All figures include VAT where appropriate)

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.

**21. PRINCIPAL SUBSIDIARIES**

**National Numeracy Solutions Ltd**

Subsidiary name	National Numeracy Solutions Ltd
Company registration number	08700221
Basis of control	Ownership of equity shares
Equity shareholding %	100%
Total assets as at 31 December 2018	£ 169,144
Total liabilities as at 31 December 2018	£ 169,141
Total equity as at 31 December 2018	£ 3
Turnover for the year ended 31 December 2018	£ 123,982
Expenditure for the year ended 31 December 2018	£ 119,864
Profit for the year ended 31 December 2018	£ 4,118



## Document Activity Report

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