

Company Registration No. 342807 (Republic of Ireland)

CRA No. 20020965

CHY No. 8506

NATIONAL ADULT LITERACY AGENCY

(A COMPANY LIMITED BY GUARANTEE)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
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**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS AND OTHER INFORMATION**

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Directors/Trustees	Sonia Weafer (resigned on 06/04/2019) Anna Tuohy Halligan David Heylin Mary Bambrick Olive Phelan Kevin Kelly Noel Phelan Sinead Ryan Louise Canavan Nuala Glanton (resigned on 06/04/2019) Patricia Ayton Lee Mitchell Maria O'Gorman Ann Nicholas (resigned on 03/01/2019) Hazel Cryan (appointed 6/02/2019) Liz O'Sullivan (appointed on 06/04/2019) Michael Duffy (appointed on 06/04/2019)
Secretary	Sinead Ryan
Company Number	342807
Charity Number	8506
CRA Number	20020965
Registered office & business address	Sandford Lodge Sandford Close Ranelagh Dublin 6
Auditors	Mazars Harcourt Centre Block 3 Harcourt Road Dublin 2
Bankers	A.I.B Bank, 37 Upper O'Connell St., Dublin 1

NATIONAL ADULT LITERACY AGENCY (A COMPANY LIMITED BY GUARANTEE) DIRECTORS' REPORT

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

The Directors present their financial statements for the year ended 31 December 2019.

OBJECTIVES AND ACTIVITIES

The National Adult Literacy Agency (NALA) is committed to making sure people with literacy and numeracy difficulties can fully take part in society and that they have access to learning opportunities that meet their needs. Drawing from our strategic plan 2017 - 2019, we aim to provide solutions to improve outcomes for adults with literacy and numeracy difficulties and highlight the value of improved literacy and numeracy skills to Ireland's social and economic development. We do this by working with three groups of people: policy makers, practitioners and the general public, including learners.

Our strategic plan has three objectives:

- 1) Build awareness of the importance of literacy for a more inclusive Ireland
- 2) Lead innovation in the teaching and learning of adult literacy, numeracy and basic digital skills
- 3) Seek further investment in raising adult literacy levels in Ireland.

ACHIEVEMENTS AND PERFORMANCE IN 2019

2019 was a busy year and the main activities and achievements under each of our strategic objectives are set out as follows:

Build Awareness of the Importance of Literacy for a More Inclusive Ireland

- Our information helpline staff referred **985** callers to ETB adult education services, NALA's distance learning service and WriteOn.ie
- We sent **630** information packs about adult education services to members of the public
- Among the people who saw our awareness campaign, **84%** believe it was effective at encouraging people to seek help to improve their literacy, numeracy, and digital skills
- **145** ETB adult literacy centres or services received **1,400** promotional posters during our awareness campaign
- We did interviews and raised awareness about literacy on **11** national and regional radio shows, **2** TV shows and in **56** national and regional newspapers
- **756** people did our plain English training and improved their communications skills
- Student development fund expenditure in 2019 amounted to **€47,025** spread among **88** adult literacy centres, involving **1,969** students
- **Two** NALA Student Days were held in 2019, in Dublin and Limerick. These days brought **181** adult literacy and ESOL - English for Speakers of Other Languages - students together

Lead Innovation in the Teaching and Learning of Adult Literacy, Numeracy and Basic Digital Skills.

- **1,320** people got QQI accreditation through our Distance Learning Service
3,225 Level 2 minor awards
1,125 Level 3 minor awards
- **785** people attended our **18** professional development events
- **105** FET practitioners took part in our integrating literacy workshops
- **685** people took part in our literacy awareness training sessions
- **220** learners received **2,455** learning sessions with our distance learning tutors

NATIONAL ADULT LITERACY AGENCY (A COMPANY LIMITED BY GUARANTEE) DIRECTORS' REPORT

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Seek Further Investment in Raising Adult Literacy Levels in Ireland

- We developed a new strategy for raising adult literacy levels to direct our work during 2020-2022.
- We lobbied 53 politicians and senior officials in government departments to advocate for increased investment in adult literacy.
- We developed 3 reports to evidence a new whole of government strategy for adult literacy.

NALA is funded primarily by SOLAS who provide core funding and also additional funding for specific projects. The application for funding each year is made in one submission which includes both the project and core funding requests. The application for funding is made in the month of December prior to the commencement of the grant year.

The remainder of NALA's income is derived from other sources as follows:

- a. Other specific project grants from various other institutions
- b. Plain English services income
- c. Membership subscriptions

Plans for 2020 onwards

We plan to work towards the achievement of NALA's objectives through the implementation of our new strategic three-year plan 2020-2022. The theme of our new strategy is to make Ireland more inclusive by creating opportunities and pathways for individuals to improve their literacy, numeracy and digital skills.

This theme informs the objectives and actions in our plan, and the collaborative approach that we take to our work. The specific objectives are:

1. To work in partnership to add value to the delivery of the FET Strategy 2020-2024 as it relates to adult literacy, numeracy and digital skills.
2. To create and share supports to improve literacy, numeracy and digital skills in Healthcare and community development.
3. To increase literacy, numeracy and digital skills through research, innovation and effective communication.

NALA – a learning organisation

As part of our 2020-2022 strategy NALA will focus on further developing the attributes of a learning organisation that will assist us in aligning our resources, our development opportunities and our decisions with our strategic objectives.

This focus on embracing the attributes of a learning organisation reflects our wish to improve and to develop the methods we use to approach our work as our organisation evolves.

FINANCIAL REVIEW

Income

Total income for 2019 was €2,315,519 (2018: €2,165,341). Income from our primary funder Solas was €1,985,739 (2018: €1,960,000). The 2018 Solas income includes €60,000 grant income for new projects in Intellectual Disability and Family Literacy of which €44,350 remained in our restricted reserves at the end of 2018 and was fully expended during 2019.

The rollout of the EU Erasmus grant secured at the end of 2018 resulted in income of €96,951 in 2019 (2018: €7,790).

NATIONAL ADULT LITERACY AGENCY (A COMPANY LIMITED BY GUARANTEE) DIRECTORS' REPORT

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Our main source of unrestricted income is derived from our Plain English services. The demand for these services in 2019 resulted in income of €151,304 (2018: €120,155). This increase is in part due to increased efficiencies during the year which increased our capacity to respond to the additional demand.

Membership income of €24,451 (2018: €24,188) remained static in 2019.

The remainder of our income was derived from small grants for specific projects and other income.

Expenditure

The nature of NALA's funding and operating model ensures that our income and expenditure are closely aligned and consequently the increase in income during 2019 is reflected in a corresponding increase in expenditure.

Total expenditure for the year was €2,265,512 (2018: €2,061,930). All expenditure in 2019 was directed towards the achievement of NALA's charitable objectives. This includes governance, administration and other indirect support costs which have been proportionately allocated to our charitable activities.

Total support costs for the year of €308,737 (2018: €315,536) showing a small decrease of €6,799 are set out in the notes to the financial statements.

Total Solas expenditure in 2019 was €2,113,042 (2018: €1,970,947) while the EU Erasmus grant had expenditure of €63,069 (€7,790). Plain English work expenditure decreased by €6,616 to €53,546 (2018: €60,162) reflecting the increased efficiencies in this work which were previously mentioned.

Financial position

Having considered all income and expenditure, the result for the year was a surplus €50,007.

NALA's year-end financial position shows a total net assets value of €646,896 (2018: €596,889).

The net assets position includes a fixed assets valuation of €155,815 (2018: €111,124) and net current assets of €491,081 (2018: 485,765). This asset valuation is primarily made up of bank and cash balances of €525,112 (2018: €523,599) with the balance comprising our debtors and stocks balances. The closing bank position of €525,112 is closely aligned with NALA's unrestricted reserves target of €520,000.

Reserves

NALA holds both restricted and unrestricted reserves.

Restricted reserves

Restricted reserves balances represent the unexpended balances of funds recognised in our financial statements which have restricted terms and conditions as to their use. Funds that are granted that can only be used for specific purposes are monitored and reported upon separately each year and the remaining unspent balances on these funding grants are identified separately in our financial statements as restricted grants.

Unrestricted reserves

The purpose of the unrestricted reserves policy for NALA is to ensure the stability of the mission, programmes, employment and ongoing operations of the organisation. The reserve is intended to provide an internal source for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The reserves are not intended to replace a permanent loss of funds or eliminate an ongoing budget gap. The Board of NALA judges that it needs to have a prudent reserves level that allows it to:

- meet its obligations as an employer by paying redundancy payments to its staff at the statutory minimum level
- continue to implement its activity plans should an important income stream cease unexpectedly or be delayed
- address an appropriate level of cost associated with maintaining an office premises

The calculation of the required level of reserves is an integral part of the organisation's planning, budget and forecasting cycle.

NATIONAL ADULT LITERACY AGENCY (A COMPANY LIMITED BY GUARANTEE) DIRECTORS' REPORT

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

The Policy seeks to keep a reserve fund equivalent to the monetary value of (1) Minimum Redundancy payments for NALA staff and (2) an amount equivalent to two months expenditure. The policy was reviewed in February 2019 and the calculations to meet the policy requirements indicated a required target of €520,000.

This policy is reviewed every year by the Audit and Finance sub-committee of the Board, or sooner if warranted by internal or external events or changes. Changes to the policy are recommended by the Audit and Finance sub-committee to the Board.

The 2020 review will consider the appropriateness of the method of setting the unrestricted target and will subsequently calculate a new target either using the same or still to be decided new criteria.

The overall level of reserves at 31 December 2019 are as follows;

Unrestricted Reserves: €597,571 (2018: €552,539)

Restricted Reserves: €49,325 (2018: €44,350)

The unrestricted reserves of €597,571 (2018: €552,889) have increased by €44,682 during 2019. The closing balance is still in excess of the targeted level however the Directors are satisfied with the current level of unrestricted reserves pending their 2020 review. It is noted also that our liquid assets are closely aligned to our reserves target.

The overall financial position at the year-end was considered satisfactory by the Directors.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

NALA is a charitable company limited by guarantee, incorporated on 8 August 1992. A new Constitution pursuant to the Companies Act 2014 was adopted on April 2016. In the event of the company being wound up, members are required to contribute an amount not exceeding €1.27 per member of the company.

NALA's goals and approaches are guided by its charitable objectives as laid out in its Constitution.

Recruitment and Appointment of the Board

NALA is a members-based organisation. Its members are individuals and organisations interested and involved in adult literacy. At the Annual General Meeting members elect a Board that oversees the work. All members of the Board give their time voluntarily and receive no financial benefits from the charity. Any expenses reclaimed from the Company are detailed in Note 5 of the notes to the financial statements. The Board seeks to ensure that the needs of learners are appropriately reflected through the diversity of the Board. To enhance the potential pool of the Board members, the charity has sought to identify adult learners who would be willing to become members of NALA and use their own experience to assist the charity. The more traditional business and educational skills are well represented on the Board. In an effort to maintain this Board skill mix, individuals are approached to offer themselves for election to the Board.

Organisational Structure

NALA has a Board of up to 14 Directors who meet eight times a year and are responsible for the strategic direction and policy of the charity. At present, the Board has 12 Directors from a variety of backgrounds relevant to the work of the charity. A scheme of delegation is in place and day-to-day responsibility for the provision of the services rest with the CEO. The CEO is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Directors are committed to maintaining the highest standards of Corporate Governance. At its January 2013 meeting, the Board formally adopted the Governance Code for Community, Voluntary and Charitable Organisations. In line with the Compliance requirements of the Governance Code the directors wish to make the following confirming statement,

We comply with the Governance Code for community, voluntary and charitable organisations in Ireland. We reviewed our organisation's compliance with the principles in the Code on 3 February 2017. We based this review on an assessment of our organisational practice against the recommended actions for each principle.

NATIONAL ADULT LITERACY AGENCY (A COMPANY LIMITED BY GUARANTEE) DIRECTORS' REPORT

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

We are working towards full compliance with all requirements of the CRA Governance Code by 31 October 2020.

Board Induction and Training

New members of the Board are invited and encouraged to attend a training session to familiarise themselves with the charity and the context within which it operates. It covers:

- the obligations of Board members;
- the main documents which set out the operational framework for the charity including the Constitution;
- resourcing and the current financial position, as set out in the latest published accounts;
- future plans and objectives.

A document called Functions and Duties of NALA Board and its officers is distributed to all new members of the Board, along with the Constitution and the latest financial statements.

The Board has four sub-committees;

- 1) Audit and Finance sub-committee
 - 2) Staff and Policy sub-committee
 - 3) Student sub-committee
 - 4) Education, Training and Assessment sub-committee
- each with their own terms of reference.

Directors

The following Directors were in office in 2019:

- Sonia Weafer (resigned on 06/04/2019)
- Anna Tuohy Halligan
- David Heylin
- Mary Bambrick
- Olive Phelan
- Kevin Kelly
- Noel Phelan
- Sinead Ryan
- Louise Canavan
- Nuala Glanton (resigned on 06/04/2019)
- Patricia Ayton
- Lee Mitchell
- Maria O'Gorman
- Ann Nicholas (resigned on 03/01/2019)
- Hazel Cryan (appointed 6/02/2019)
- Liz O'Sullivan (appointed on 06/04/2019)
- Michael Duffy (appointed on 06/04/2019))

The Directors endorse the approach and objectives of the 2020-2022 Strategy document and believe it provides the focus to continue NALA's work in improving Literacy, Numeracy and Digital skills to alleviate disadvantage and help empower segments of our population.

Key Management Personnel

The charity trustees delegate day-to-day management of the charity to Dr. Inez Bailey the CEO of NALA who served in this role during 2019. Dr. Inez Bailey, Claire McNally and Elaine Cohalan are the key management personnel of NALA during 2019.

Principal Risks and Uncertainties

The principal risk facing the organisation in the coming year is the level of funding it will receive from SOLAS and other sources. In the current economic climate, it is difficult to assess at this stage whether and to what extent funding levels may be cut.

**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' REPORT**

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Risk Management

The Board has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

Health and Safety

Procedures are in place to ensure the health and safety of staff and visitors.

Accounting Records

The directors are responsible for ensuring that proper books and accounting records, as outlined in Section 281 to 285 of the Companies Act 2014, are kept by the company. The directors have appointed appropriate accounting personnel in order to ensure compliance with those requirements. The books and accounting records of the company are maintained at the company's registered office.

Taxation status

The company is a registered charity CHY 8506.

Auditors

The auditors, Mazars, Chartered Accountants and Statutory Audit Firm, having been appointed during the year, continue in office in accordance with Section 383 (2) of the Companies Act 2014.

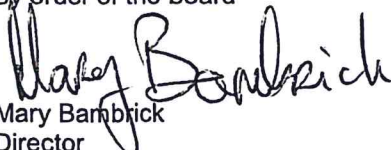
Statement on relevant audit information

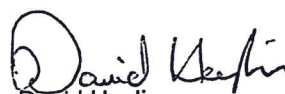
In the case of each of the persons who are directors at the time this report is approved in accordance with section 332 of the Companies Act 2014:

- a) so far as each director is aware, there is no relevant audit information of which the company's statutory auditors are unaware, and
- b) each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's statutory auditors are aware of that information.

The financial statements were approved by the board of directors, authorised for issue on 20/2/20 and are signed on its behalf by:

By order of the board


Mary Bambrick
Director


David Heylin
Director

Date: 20/2/20

**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
DIRECTORS' RESPONSIBILITIES STATEMENT**

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with Irish law and regulations.

Irish company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council, and promulgated by the Institute of Chartered Accountants in Ireland and Statement of Recommended Practice (Charities SORP (FRS 102)), issued by the Charity Commissioners for England and Wales and the Office of the Scottish Charities Regulator.

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for that financial year and otherwise comply with the Companies Act 2014.

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

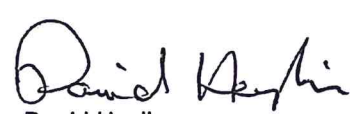
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reason for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and surplus or deficit of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the board


Mary Bambrick
Director

Date: 20/2/20


David Heylin
Director



INDEPENDENT AUDITOR'S REPORT TO THE

MEMBERS OF THE NATIONAL ADULT LITERACY AGENCY

Report on the audit of the financial statements

Opinion

We have audited the financial statements of the National Adult Literacy Agency ('the Company') for the year ended 31 December 2019, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in Note 2. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 31 December 2019 and of its surplus for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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 ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
 - the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.
-



INDEPENDENT AUDITOR'S REPORT TO THE

MEMBERS OF THE NATIONAL ADULT LITERACY AGENCY

Other information

The directors 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the directors' report is consistent with the financial statements; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report. The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made.

We have nothing to report in this regard.



**INDEPENDENT AUDITOR'S REPORT TO THE
MEMBERS OF THE NATIONAL ADULT LITERACY AGENCY**

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 9, the directors 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 they 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 directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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 IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in dark ink, appearing to read 'Aedin Morkan'.

Aedin Morkan
for and on behalf of Mazars

Chartered Accountants & Statutory Audit Firm
Harcourt Centre
Block 3
Harcourt Road
Dublin 2.

20 February 2020

NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES (including an income and expenditure account)

FOR THE YEAR ENDED 31 December 2019

		Restricted Funds 2019	Unrestricted Funds 2019	Total Funds 2019	Total Funds 2018 As restated
	Note	€	€	€	€
Income from:					
	3				
Charitable activities		2,122,521	192,342	2,314,863	2,142,378
Donations		–	585	585	4,868
Investments		–	71	71	18,095
		<u>2,122,521</u>	<u>192,998</u>	<u>2,315,519</u>	<u>2,165,341</u>
Expenditure on:					
Charitable activities	4	<u>2,211,966</u>	<u>53,546</u>	<u>2,265,512</u>	<u>2,061,930</u>
Net (expenditure)/ income	6	<u>(89,445)</u>	<u>139,452</u>	<u>50,007</u>	<u>103,411</u>
Net movement in funds		<u>(89,445)</u>	<u>139,452</u>	<u>50,007</u>	<u>103,411</u>
Reconciliation of funds:					
Total funds brought forward		44,350	552,539	596,889	493,478
Transfer of funds		<u>94,420</u>	<u>(94,420)</u>	<u>–</u>	<u>–</u>
Total funds carried forward	12	<u>49,325</u>	<u>597,571</u>	<u>646,896</u>	<u>596,889</u>

There were no other gains and losses other than those presented above.

All income and expenditure are in respect of continuing activities.

The notes on pages 16 to 29 form part of these financial statements.

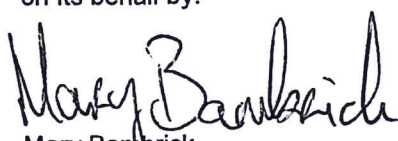
**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET**


AS AT 31 December 2019

		2019	2018
	Note	€	As restated €
Fixed assets			
Intangible assets	7	135,367	91,836
Tangible assets	8	20,448	19,288
		<u>155,815</u>	<u>111,124</u>
Current assets			
Stocks	9	1,190	2,276
Debtors	10	57,387	42,057
Cash at bank and in hand		<u>525,112</u>	<u>523,599</u>
		<u>583,689</u>	<u>567,932</u>
Creditors			
Amounts falling due within one year	11	<u>92,608</u>	<u>82,167</u>
Net current assets		<u>491,081</u>	<u>485,765</u>
Total assets less current liabilities		<u>646,896</u>	<u>596,889</u>
Funds	13		
Restricted funds		49,325	44,350
Unrestricted funds		<u>597,571</u>	<u>552,539</u>
Total Funds		<u>646,896</u>	<u>596,889</u>

The notes on pages 16 to 29 form part of these financial statements.

The financial statements were approved by the board of directors, authorised for issue on 20/12/20 and are signed on its behalf by:


Mary Bambrick
Director


David Heylin
Director

**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 €	2018 As restated €
Cash flows from operating activities			
Net income		50,007	103,411
Adjustments for:			
Depreciation		14,031	8,241
Interest income	3	(71)	(18,095)
Operating income before working capital changes		63,967	93,557
Decrease/ (increase) in debtors		(15,330)	35,657
Increase/ (decrease) in creditors		10,441	(41,284)
Decrease in stocks		1,086	629
Cash generated from operations		60,164	88,559
Interest received		71	18,095
Net cash provided by operating activities		60,235	106,654
Cash flows from investing activities			
Acquisition of intangible assets	7	(49,625)	(91,836)
Acquisition of tangible assets	8	(9,097)	(12,945)
Cash used in investing activities		(58,722)	(104,781)
Net increase in cash at bank and in hand		1,513	1,873
Cash at bank and in hand at beginning of year		523,599	521,726
Cash at bank and in hand at end of year		525,112	523,599

NATIONAL ADULT LITERACY AGENCY (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 December 2019

1. GENERAL INFORMATION

These financial statements comprising the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes constitute the individual financial statements of the National Adult Literacy Agency for the financial year ended 31 December 2019.

Company information

National Adult Literacy Agency (the "Company") is a company limited by guarantee, domiciled and incorporated in the Republic of Ireland with company registration of 342807 and is a registered charity. The Company is a public benefit entity. The nature of the Company's operations and its principal activities are set out in the Directors' Report on pages 3 to 8.

The registered office and principal place of business is Sandford Lodge, Sandford Close, Ranelagh, Dublin 6.

Statement of compliance

The financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102). The financial statements have also been prepared in accordance with Statement of Recommended Practice (SORP) (FRS 102) "Accounting and Reporting by Charities".

2. ACCOUNTING POLICES

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention. The financial reporting framework that has been applied in their preparation is the Companies Act 2014, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland and the Statement of Recommended Practice (Charities SORP (FRS102)) as published by the Charity Commission for England and Wales and the Office of the Scottish Regulator which are recognised by the UK Financial Reporting Council (FRC) as the appropriate body to issue SORPs for the charity sector in the UK. Financial reporting in line with SORP is considered best practice for charities in Ireland.

The financial statements are prepared in Euro, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest €.

Income

Income is recognised when the Company has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably. Income is deferred where the charity is limited by specific performance related conditions that are evident in the funding agreement, where there is a specification of a time period that limits the Company's ability to recognise the income until it has performed an activity and when there are specific terms or conditions within an agreement that have not been met and are not within the control of the Company at year end.

Income from charitable activities

Income from charitable activities, whether 'capital' grants or 'revenue' grants, is recognised when the Company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

NATIONAL ADULT LITERACY AGENCY (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 December 2019

Income from donations

Public donations are accounted for when received.

Income from investments

Income from investments is included when interest is 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.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Company. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Company's work or for specific projects being undertaken by the Company.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

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

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Company and include the audit fees and costs linked to the strategic management of the Company.

Allocation of support costs

Support costs are incurred on those functions that assist the work of the Company but do not directly undertake charitable activities. Salaries and associated costs which can be attributed to specific projects are charged accordingly.

Intangible assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

Website development 25% Straight Line

Tangible assets

Tangible assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 December 2019

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

Office Equipment	25% Straight Line
Fixtures, fittings & equipment	25% Straight Line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to surplus or deficit.

Impairment of fixed assets

At each reporting period end date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. The method used in measuring stocks is FIFO.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Prepayments

Prepayments are expenses paid in advance and recorded as assets before these are utilized. Prepayments are apportioned over the period covered by the payment and charged to profit or loss when incurred. Prepayments that are expected to be realized no more than 12 months after the reporting period are classified as current assets. Otherwise, these are classified as noncurrent assets.

Deferred income

Deferred income consists of membership fees and grants received in advance which will be recognised as income in the year to which these are attributable and upon fulfilment of conditions.

Financial assets

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

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

Cash at bank and in hand. Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 December 2019

Debtors. Debtors (excluding prepayments) are recognised at the settlement amount due after any trade discount offered.

Financial liabilities

Basic financial liabilities, including creditors are classified as debt and are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Creditors. Creditors (excluding deferred income and tax and social insurance) are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Taxation

The Company has obtained exemption from the Revenue Commissioners in respect of corporation tax, it being a Company not carrying on a business for the purposes of making a profit.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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

Retirement benefits

The Company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the statement of financial activities in the year they are payable.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenditure. The accounting estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

Determining lease commitment – Company as a lessee. The Company holds a lease for its business premises at Sandford Lodge, Sandford Close, Ranelagh, Dublin 6. The Company has determined that the risks and benefits of ownership related to the leased property are retained by the lessor. Accordingly, the lease is accounted for as an operating lease.

Estimating useful lives of intangible assets and tangible assets. The Company reviews annually the estimated useful lives of intangible assets and tangible assets based on the asset's expected utilisation, market demands and future technological development. It is possible that the factors mentioned may change in the future, which could cause a change in estimated useful lives.

There were no changes in the estimated useful lives of intangible assets and tangible assets during 2019.

**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 December 2019

3. INCOME

Current Year

	Restricted Funds €	Unrestricted Funds €	Total Funds €
Income from charitable activities			
Solas Core Grant	1,521,096	–	1,521,096
Solas Write-on	268,899	–	268,899
Solas National Awareness Campaign	160,000	–	160,000
EU ERASMUS Grant	96,951	–	96,951
Solas Numeracy	35,744	–	35,744
Family Literacy Digital Research	11,900	–	11,900
Portlaoise Prison	9,340	–	9,340
Mason Hayes Curran	8,554	–	8,554
EBSN	5,000	–	5,000
Irish Aid Fake	3,037	–	3,037
EEAL Income	2,000	–	2,000
Plain English	–	151,304	151,304
Membership Fees	–	24,451	24,451
Conference Fees	–	6,850	6,850
Health MSD	–	5,950	5,950
Training	–	3,490	3,490
Resource Room	–	297	297
	2,122,521	192,342	2,314,863
Income from donations	–	585	585
Investment income			
Interest income	–	71	71
	2,122,521	192,998	2,315,519

**NATIONAL ADULT LITERACY AGENCY
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NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 December 2019

Prior Year – As Restated

	Restricted Funds €	Unrestricted Funds €	Total Funds €
Income from charitable activities			
Solas Core Grant	1,480,000	-	1,480,000
Solas Write-on	260,000	-	260,000
Solas National Awareness Campaign	160,000	-	160,000
Solas Disability	30,000	-	30,000
Solas Family Literacy	30,000	-	30,000
EU ERASMUS Grant	7,790	-	7,790
Plain English	-	120,155	120,155
Membership Fees	-	24,188	24,188
Well Now	-	9,987	9,987
Health MSD	-	8,600	8,600
Conference Fees	-	6,805	6,805
Better World Books	-	3,000	3,000
Resource Room	-	1,853	1,853
	<u>1,967,790</u>	<u>174,588</u>	<u>2,142,378</u>
Income from donations	-	4,868	4,868
Investment income			
Interest income	-	18,095	18,095
	<u>1,967,790</u>	<u>197,551</u>	<u>2,165,341</u>

4. ANALYSIS OF CHARITABLE EXPENDITURE

Current Year

	Restricted Funds €	Unrestricted Funds €	Total Funds €
Solas Core Grant	1,544,716	-	1,544,716
Solas Write-on	348,364	-	348,364
Solas National Awareness Campaign	160,077	-	160,077
EU ERASMUS Grant	63,069	-	63,069
Solas Disability	30,000	-	30,000
Solas Numeracy	15,527	-	15,527
Family Literacy Digital Research	15,321	-	15,321
Solas Family Literacy	14,358	-	14,358
Plain English	-	53,546	53,546
Mason Hayes Curran	8,554	-	8,554
EBSN	5,000	-	5,000
Portlaoise Prison	3,442	-	3,442
EEAL Income	2,000	-	2,000
Irish Aid Fake	1,538	-	1,538
	<u>2,211,966</u>	<u>53,546</u>	<u>2,265,512</u>

**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 December 2019

Prior Year - As Restated

	Restricted Funds €	Unrestricted Funds €	Total Funds €
Solas Core Grant	1,524,858	–	1,524,858
Solas Write-on	270,933	–	270,933
Solas National Awareness Campaign	159,520	–	159,520
Solas Family Literacy	15,636	–	15,636
Family Literacy Digital Research	14,967	–	14,967
EU ERASMUS Grant	7,790	–	7,790
Plain English	–	60,162	60,162
Well Now	–	5,064	5,064
Better World Now	–	3,000	3,000
	<u>1,993,704</u>	<u>68,226</u>	<u>2,061,930</u>

Included within the above are support costs as follows:

	General cost €	Governance cost €	Total 2019 €	2018 €
Wages and salaries	54,289	–	54,289	53,708
Audit	9,225	–	9,225	9,225
Rent and utilities	128,674	–	128,674	123,589
Other office cost	101,554	14,995	116,549	129,014
	<u>293,742</u>	<u>14,995</u>	<u>308,737</u>	<u>315,536</u>

5. Employees

The average monthly number of persons employed by the Company is as follows:

	2019	2018
Tutors	11	11
Other NALA staff	23	19
Average number of staff	<u>34</u>	<u>30</u>

Breakdown of wages and salaries is as follows:

	2019 €	2018 As restated €
Wages and salaries	1,105,227	1,004,888
Social security cost	118,335	101,131
Pension costs	62,091	49,716
	<u>1,285,653</u>	<u>1,155,735</u>

**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 December 2019

The number of employees whose employee benefits (excluding employer's pension cost) is greater than €60,000 is 6 (2018: 7) as follows:

	2019	2018 As Restated
€60,000 to €70,000	4	5
€70,001 to €80,000	1	1
€80,001 to €90,000	-	-
€90,001 to €100,000	-	-
€100,001 to €110,000	-	1
€110,001 to €120,000	1	-

The total employee benefits (including employer's pension cost) of the key management personnel of the Company in 2019 amounted to €261,044 (2018: €199,586).

The Directors were not paid and did not receive any other benefits from employment with the Company in the year (2018: €nil). Reimbursement to Directors for vouched travel expenses to Board Meetings amounted to €3,495 in 2019 (2018: €2,989).

In 2019, the CEO received employee benefits (including employer's pension cost) of €120,376 (2018: €118,944).

6. Net Income for the Year

	2019 €	2018 €
Net income for the year is stated after charging:		
Depreciation	14,031	8,241
Rent	110,000	110,000
Auditor's remuneration for external audit services	9,225	9,225

7. Intangible Assets

	2019 €	2018 €
Cost		
Balance at beginning of year	91,836	-
Addition	49,625	91,836
Balance at end of year	141,461	91,836
Accumulated Depreciation		
Balance at beginning of year	-	-
Depreciation	6,094	-
Balance at end of year	6,094	-
Carrying Amount		
At 31 December	135,367	91,836

NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 December 2019

8. Tangible Assets

	Office Equipment €	Fixtures, fittings & equipment €	Total €
Cost			
At 1 January 2019	141,792	29,902	171,694
Additions	6,409	2,688	9,097
At 31 December 2019	148,201	32,590	180,791
Accumulated Depreciation			
At 1 January 2019	122,506	29,900	152,406
Depreciation	7,825	112	7,937
At 31 December 2019	130,331	30,012	160,343
Carrying Amount			
At 31 December 2019	17,870	2,578	20,448
At 31 December 2018	19,286	2	19,288

9. Stocks

	2019 €	2018 €
Raw materials and consumables	1,190	2,276

The replacement cost of stock is not materially different to the balance sheet values.

The amount of stocks recognised as an expense in 2019 amounted to €1,085 (2018: €754).

10. Debtors

	2019 €	2018 €
Amounts falling due within one year:		
Trade debtors	40,334	28,354
Prepayments	7,515	8,892
Accrued income	5,000	—
Other debtors	4,538	4,811
	57,387	42,057

Trade debtors and other debtors are due within the company's normal terms, which is 30 days.

Prepayments mainly pertain to advance payment for the maintenance of website.

**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 December 2019

11. Creditors

	2019	2018
	As restated	
	€	€
Amounts falling due within one year:		
Trade creditors	4,919	3,644
Accruals	28,403	22,950
Deferred income	15,772	15,513
Other creditors including tax and social insurance	43,514	40,060
	<u>92,608</u>	<u>82,167</u>

Trade, accruals and other creditors are payable at various dates in the next three months in accordance with the suppliers' usual terms and conditions.

Deferred income comprises payments received in advance for membership fees that are attributable to year 2020 and grants in which terms and conditions have not yet been met.

Movements in deferred income are as follow:

	2019	2018
	As restated	
	€	€
At 1 January	15,513	9,357
Credited to Statement of Financial Activities	(1,175,218)	(1,449,605)
Deferred during the year	1,175,477	1,455,761
At 31 December	<u>15,772</u>	<u>15,513</u>

Tax and social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions.

**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 December 2019

12. Movements in Funds

Current Year

	Balance at beginning of year €	Income €	Expenditure €	Transfer of funds €	Balance at end of year €
Restricted funds					
Charitable activities	44,350	2,122,521	(2,211,966)	94,420	49,325
Unrestricted funds	552,539	192,998	(53,546)	(94,420)	597,571
Total funds	596,889	2,315,519	(2,265,512)	—	646,896

Prior Year - As Restated

	Balance at beginning of year €	Income €	Expenditure €	Transfer of funds €	Balance at end of year €
Restricted funds					
Charitable activities	—	1,967,790	(1,993,704)	70,264	44,350
Unrestricted funds	493,478	197,551	(68,226)	(70,264)	552,539
Total funds	493,478	2,165,341	(2,061,930)	—	596,889

Restricted funds are attributable to the ongoing projects of the Company such as Erasmus EU project, Portlaoise Prison, TCD research and EBSN. These are expected to be completed in subsequent years.

**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 December 2019

13. The Funds of the Company comprise the following:

	Unrestricted	Restricted	Total 2019
<i>Current Year</i>	€	€	€
Fund balances at 31 December 2019 are represented by:			
Intangible assets	135,367	—	135,367
Tangible assets	20,448	—	20,448
Stocks	1,190	—	1,190
Debtors	57,387	—	57,387
Cash at bank and in hand	475,787	49,325	525,112
Creditors	(92,608)	—	(92,608)
Total net assets	597,571	49,325	646,896
	Unrestricted	Restricted	Total 2018
<i>Prior Year – As Restated</i>	€	€	€
Fund balances at 31 December 2018 are represented by:			
Intangible assets	91,836	—	91,836
Tangible assets	19,288	—	19,288
Stocks	2,276	—	2,276
Debtors	42,057	—	42,057
Cash at bank and in hand	479,249	44,350	523,599
Creditors	(82,167)	—	(82,167)
Total net assets	552,539	44,350	596,889

14. Prior Year Adjustments

The comparative amounts in the statement of financial activities and balance sheet reflect a prior year adjustment in respect of the recognition of income and expenses. The prior year adjustment impacts the financial statements as follows:

	As previously stated €	Effect of adjustment €	As restated €
Income from charitable activities (2018)	2,098,028	44,350	2,142,378
Deferred Income (31/12/2018)	59,863	(44,350)	15,513
Income from donations (2018)	7,652	(2,784)	4,868
Expenditure on charitable activities (2018)	2,064,714	(2,784)	2,061,930
Restricted fund balance (31/12/2018)	552,539	44,350	596,889

**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 December 2019

15. Members' Liability

The Company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the Company on winding up such amounts as may be required not exceeding €1.27.

16. Financial Instruments

	2019 €	2018 €
Carrying amount of financial assets		
Financial assets measured at amortised cost	574,984	556,764
Carrying amount of financial liabilities		
Financial liabilities measured at amortised cost	45,758	37,776

17. Operating Lease Commitments

Lessee

The Company has a lease of ten years relating to its business premises at Sandford Lodge, Sandford Close, Ranelagh, Dublin 6. Rent expense recognised in 2019 amounted to €110,000 (2018: €110,000).

The total future minimum lease payments to be paid under non-cancellable operating leases as at 31 December are as follows:

	2019 €	2018 €
Within one year	110,000	110,000
After one year but no more than five years	440,000	440,000
More than five years	284,167	394,167
	834,167	944,167

18. Related Party Transactions

There were no related party transactions during the year which are required to be disclosed.

Transactions with Key Management Personnel

Other than as set out at Note 5 there were no transactions with key management personnel during the current or previous financial year.

19. Control

The Company is controlled by the board of directors.

**NATIONAL ADULT LITERACY AGENCY
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 December 2019

20. Subsequent Events

There have been no significant events affecting the company since the year end.

21. Approval of Financial Statements

The directors approved the financial statements on 2/2/20