

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 2022

NATIONAL ADULT LITERACY AGENCY (A COMPANY LIMITED BY GUARANTEE) CONTENTS

	Page
Directors and other information	2
Directors' report	3 - 20
Directors' responsibilities statements	21
Independent auditor's report	22 – 24
Statement of financial activities (including an income and expenditure account)	25
Balance sheet	26
Statement of cash flows	27
Notes to the financial statements	28- 40

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

Directors/Trustees

Aoife Foley (Appointed 30/04/2022)
Catherine Devlin
Ciaran Casey
Eleanor Neff (Appointed 30/04/2022)
Elma Teahan
Frances Ward
Lynne Keery
Margaret Kelly
Maria O'Gorman
Maurice Sammon (Appointed 30/04/2022)
Patricia Ayton
Patricia Nolan (Appointed 30/04/2022)
Tom O'Mara (Appointed 30/04/2022)
Tracey Reilly (Appointed 30/04/2022)

Secretary Patricia Ayton

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
Capel Street
Dublin 1

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

The Directors present the audited financial statements of National Adult Literacy Agency for the year ended 31 December 2022.

OBJECTIVES AND ACTIVITIES

The National Adult Literacy Agency (NALA) is committed to making sure people with unmet literacy, numeracy and digital literacy needs can fully take part in society and have access to learning opportunities that meet their needs.

The vision for our 2020-2022 Strategic Plan is an Ireland where

- adult literacy is a human right,
- everyone can develop their literacy, numeracy, and digital skills, and
- individuals can take part fully in society.

This vision informs the Strategic Plan's objectives and actions. It also informs the collaborative approach that we take to our work.

Following a mid-term review of the 2020 – 2022 Strategic Plan, NALA's Board agreed a Strategic Statement for 2022-2023 with the following four objectives:

1. To support the implementation of the Further Education and Training (FET) and the Adult Literacy for Life (ALL) strategies through continued advocacy, the development / delivery of resources and services to address gaps, and collaboration with policy makers, partners, practitioners and learners
2. To undertake and promote research and share best practice on literacy with policy makers, partners, practitioners and learners
3. To support organisations and society to be more aware of literacy inequalities and to deliver literacy friendly services
4. To continuously enhance and evolve NALA's people and processes to deliver on NALA's mission, vision, purpose and objectives

ACHIEVEMENTS AND PERFORMANCE IN 2022

Throughout 2022, we implemented an ambitious work plan of supporting projects with success indicators to advance our four core objectives.

In most cases, NALA achieved or exceeded its targets for the year. In the limited number of instances where targets were not achieved the reasons are stated in *italics* in the key outcome(s) column in the table below.

Further detail of NALA's 2022 activity and impact can be found

- in the End of Year Report that NALA submits to SOLAS,
- in NALA's Annual Report and
- on NALA's website, www.nala.ie.

Objective 1: To support the implementation of the Further Education and Training (FET) and the Adult Literacy for Life (ALL) strategies through continued advocacy, the development / delivery of resources and services to address gaps, and collaboration with policy makers, partners, practitioners and learners.

Supporting Projects	Key Outcome(s)
Advocacy & Policy	
Literacy Related Policy Submissions	13 submissions (Target: 10)
ALL Strategy Implementation and Plain English Advocacy	Meetings and communications with Minister and Department for Further and Higher Education, Research, Innovation and Skills

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Supporting Projects	Key Outcome(s)
	<p>and SOLAS on the ALL Strategy's implementation and establishment of the ALL Programme Office and Structures</p> <p>Attendance at ALL Strategy Implementation Group Meetings</p> <p>Collaboration with the National Disability Authority on the Communications Toolkit</p>
Key Stakeholder Outreach, Engagement & Partnerships	<p>Meetings with FET Directors, Adult Education Officers and Adult Literacy Organisers from 8 Education and Training Boards (ETBs) (Target: 16)</p> <p><i>8 ETBs did not accept NALA's invitation to meet</i></p> <p>NALA drafted and issued 12 monthly emails and 8 e-zines to ETB contacts. There was an average 33% open rate and 15.4% click rate on the e-zines</p>
Services & Resources for Learners	<p>NALA provides direct support to adult literacy, numeracy and digital literacy learners through its Learn with NALA service</p> <p>Learners who engage with Learn with NALA have the option of 1:1 over-the-phone tutoring support with a dedicated Adult Literacy Educator or self-directed / blended online learning through our eLearning platform. Both offerings are supporting by NALA's Freephone service</p> <p>Learn with NALA Learners can avail of the following literacy, numeracy and digital literacy programmes:</p> <ul style="list-style-type: none"> • Customised unaccredited programmes through our Tutoring Service • Standardised unaccredited programmes through our online learning platform at level 1 (12 courses) and preparing for level 3 (7 courses) • Standardised QQI accredited programmes through our online learning platform at level 2 (12 courses) and 3 (11 courses). Learn with NALA is currently the largest provider of online accreditation at QQI Levels 2 and 3
Freephone, referral management and evaluation	<p>905 incoming calls, texts and emails (Target: 1,000)</p> <p>438 referrals to ETBs (Target: 550)</p> <p><i>These numbers were down on target as we had expected a national awareness campaign to be implemented as part of the ALL Strategy but this did not take place</i></p> <p>6 Direct referral protocols issued to ETBs and 2 implemented with Dublin Dun Laoghaire and City of Dublin ETBs resulting in 28 direct referrals to Dublin Dun Laoghaire and 48 to City of Dublin. Target: Pilot a new direct referral protocol with three ETBs</p> <p>503 information packs were sent (Target: 300)</p>

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Supporting Projects	Key Outcome(s)
Tutoring service delivery	<p>378 phone learners (Target: 450)</p> <p>3,004 learning sessions (Target: 4,880)</p> <p>60 learners progressed to Learn with NALA (LWN) (Target: 100)</p> <p>49 learners referred to ETBs (Target:150)</p> <p>24 referrals to Adult Education Guidance (Target: 80)</p> <p><i>Our targets for 2023 were modelled on 2020 and 2021 demand and numbers. Due to the lack of a national awareness campaign, a restructured service taking effect in 2022, staff sick leave and changes, those numbers were not met. We are recalibrating our targets for 2023 in light of the external context and internal capacity</i></p>
Direct learner support	<p>3,115 new learner accounts (Target: 2,000)</p> <p>2,250 Quality and Qualifications Ireland (QQI) certificates for level 2 and 3 courses (Target: 800)</p> <p>2,248 NALA certificates of completion awarded to 855 learners (Target: 400)</p> <p>10 new editions of NALA's learner worksheet, That's Interesting! created. 1,075 posted and distributed through the LWN announcement feature resulting in 2,856 visits to the worksheet on www.nala.ie</p> <p>A new video help section was created for learners on LWN with new videos and support for the 10 most frequently asked questions. Target: 3 Videos</p> <p>An adult literacy learner needs analysis was completed</p> <p>Improvements and communications were implemented on LWN to support learner engagement and completion. This contributed to the active engagement of 3,308 online learners in 2022 (up from 3,251 in 2021) and the achievement of 2,248 certificates of completion (up from 495 in 2021) and 2,250 QQI certificates (up from 1,657 in 2021) Target: 500 learners re-engaged on LWN</p> <p>HelpmyKidLearn.ie is a website operated by NALA to support parents with their children's learning. The site offers fun active learning activities for children aged 0 – 12 years of age. It was visited by just over 83,000 users in 2022</p>
Indirect learner support	<p>219 centres set up on learn with NALA (Target: 100)</p> <p>705 centre tutors set up on LWN. From these, 262 Tutors were active across 116 registered centres (Target: 300)</p>

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Supporting Projects	Key Outcome(s)
	<p>3 open monthly training webinars took place in October, November and December and six update e-zines were sent to centres (Target: 6 webinars)</p> <p>132 centre tutors received 1:1 support across over 45 centres. 104 of those tutors have completed training. (Target: 60 Centres)</p> <p>37 new centres were set up on LWN. (Target 10 new centres)</p> <p>New centre introduction training was developed and piloted. Centre set up email templates were updated. A new quick start guide for learners in centres was developed</p> <p>A new centre set-up and management process and master file was created and implemented</p>
Programme Learner Support System (PLSS) and management	1,653 records on PLSS against NALA's seven course offerings. (Target: 1,650)
Quality assurance & Quality and Qualifications Ireland (QQI) Certification, Validation and Re-validation management	<p>The External Parties and Governance and Management of Quality Policies approved by NALA's Board</p> <p>The QQI panel approved the validation of the LWN Level 2 Writing award as an online programme subject to 3 conditions being met</p>
Online platform maintenance and development	<p>A new technical issue management process and form was created to manage the reporting and follow up of issues on LWN</p> <p>Updates were made to NALA's implementation of Salesforce to improve internal processes including new referral processes, data consent processes, reports and updated / new fields</p> <p>A system schematic for our Learning Management system and customer relationship management (CRM) was developed and 5 system structure projects commenced</p>
Online content development, reviews and updates	<p>One level 3 course, Managing Personal Finances was migrated to Learn with NALA (Target: 6)</p> <p><i>The target was not met due to technical difficulties with the system which impacted our customised Interactive Assessment Tools (IATs) These issues have been resolved</i></p> <p>A course review process and tool was researched and developed for implementation in 2023</p> <p>Course surveys were created and piloted on two learner courses: Level 2 Using Technology and Writing</p> <p>A Text to Speech tool, ReadSpeaker and content style sheets to implement the Learn with NALA branding on all content screens was tested</p>
Reporting & Evaluation: Data analytics, impact analysis and reporting / External Evaluation	A success framework for learners on LWN was researched, scoped and drafted to align with NALA's Literacy Impact Report

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Supporting Projects	Key Outcome(s)
	<p>Supported by D2L, NALA built a number of new dataflows and datasets</p> <p>Reports were created to</p> <ul style="list-style-type: none"> • pull data from our systems to inform a Research Report that was commissioned to profile 2020-2022 learners on the LWN • inform operational and communications activity • inform and measure the impact of communications campaigns
Services & Resources for Adult Literacy Practitioners	
Events	<p>Needs analysis completed with adult literacy practitioners</p> <p>24 events (Target: 25)</p> <p>969 participants (Target: 1,500)</p> <p><i>The primary reason that the participant target was not met was due to the reduced number of webinars and the return to in person events when COVID-19 restrictions were lifted. During the restrictions a series of webinars was offered instead of full day events resulting in higher numbers. In 2022 we had less webinars and more in person events where attendance was based on full day attendance</i></p> <p>Practitioners from all 16 ETBs registered for NALA events in 2022</p> <p>98% of those participants who answered reported that they learned something new at the events</p> <p>99% of those who answered said they would recommend the event to a colleague</p> <p>96% of those participants who answered reported that they would make changes to their work as a result of the event</p>
LWN Online training	<p>542 practitioners enrolled in 779 LWN PD courses (Target: 150 practitioners) on integrating literacy, preparing learning materials and literacy awareness</p> <p>258 Professional Development Certificates were awarded on NALA PD courses. (Target: 70 Certificates)</p> <p>The Understanding adult literacy, numeracy and digital literacy course went live in September 2022.</p> <p>Delivering a literacy friendly service and The Guide to NALA numeracy resources courses are still being developed to be launched in 2023. (Target: 3 courses)</p>
Customised training	<p><i>This project was not progressed and this target was not met as the needs' analysis conducted with adult literacy practitioners indicated other areas of higher importance such as resource</i></p>

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Supporting Projects	Key Outcome(s)
	<i>development and LWN training. NALA concentrated its efforts in these areas as it did not have the capacity to deliver customised training to practitioners as well</i>
Teaching and learning resources	Legends, a new reader and workbook was launched in September 2022 and additional funding was received to print 10,000 readers, 10,000 workbooks and 15 videos 20,000 teaching and learning resources were distributed to centres (Target: 10,000) including ESOL resources to support demand from ESOL learners. In addition, a comprehensive set of resources are available free to tutors or learners on NALA's website.
Student Development	Student and learners' views are fed into NALA's work through the Student Subcommittee and students on NALA's Board. In addition, NALA receives advice and recommendations from the following activities during the year.
Student days	96 students attended student days in Cork and Dublin (Target: 100)
Student empowerment webinars	59 students attended our 5 student empowerment webinars and creative writing workshop (Target: 50)
Student development fund	€40,000 was allocated to 76 adult education centres (Target: 50) to run activities that support learning outside the classroom or to purchase teaching and learning resources and equipment 1,780 students participated in events. (Target: 1000)

Objective 2: To undertake and promote research and share best practice on literacy with policy makers, partners, practitioners and learners

In addition to maintaining ongoing contacts with policy makers and key stakeholders in Ireland, NALA participates in a range of EU funded programmes and is an active member of the European Basic Skills Network.

Supporting Projects	Key Outcome(s)
Abedili EU Project	Train the Trainer pilot programme was delivered with 12 participants and the final report was submitted. The project focused on how to integrate digital media into teaching practice.
Briefing Papers	Report finalised and presented at webinar for NALA staff. The briefing papers focussed on the cross-cutting themes identified from the earlier research reports on family learning, numeracy and the inclusion of adults with intellectual disabilities.
CITO EU Project	This EU project was aimed at developing a system to enable adults to assess their own basic skills. The final conference was held and the final report was submitted.

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Supporting Projects	Key Outcome(s)
	A new version of the SkillsChecker was developed and launched on www.skillscheck.nala.ie
European Basic Skills Network EU Project	4 Massive Open Online courses were piloted with 30 participants These are professional development programmes on basic skills, digital literacy, empowering learners and promoting diversity and interculturalism.
Family Literacy Provision Research Project	Final report launched and published on nala.ie
Financial Literacy in Ireland Research Project	Final report launched and published on nala.ie
Numeracy Definition Research Project	Final report launched published on nala.ie
Peer-to-Peer Literacy Ambassadors' and Tutors' programme in Portlaoise Prison	Final report launched and published on nala.ie

Objective 3: To support organisations and society to be more aware of literacy inequalities and to deliver literacy friendly services

Supporting Projects	Key Outcome(s)
Literacy Awareness training	1,000 staff from the public sector, local government, legal and education sectors attended training (Target 1,000) 1 online health literacy course was developed with the Irish Cancer Society, funded by MSD Ireland.
Literacy Outreach and Development Programmes	Literacy Development Worker recruited who engaged with 120 staff from 35 organisations in 30 meetings, 2 in person training sessions and 2 webinars
Plain English	There were approximately 100 plain English editing jobs done for 72 different clients (Target: 100) 1,100 staff from 30 organisations trained in plain English (Target: 1000)

Objective 4: To continuously enhance and evolve NALA's people and processes to deliver on NALA's mission, vision, purpose and objectives

Supporting Projects	Key Outcome(s)
Promotions and Communications	Approximately 130 mentions of NALA work in the media. Reach across online, broadcast and print was 22 million people and the value was €776,000 We ran 25 paid social media ad campaigns. We reached 68,736 clicks on our social media ads and 1,642,162 people viewed our ads 75,000 users on nala.ie; 111,000 sessions; 265,000-page views

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Supporting Projects	Key Outcome(s)
People	Hybrid Policy was trialled, reviewed and agreed Updated Staff Handbook agreed

Future Plans

In 2023, NALA will agree a new implementation framework with supporting projects and success indicators to:

- collaborate on the impactful implementation of the Further Education and Training (FET) Strategy and the Adult Literacy for Life (ALL) Strategy
- advocate for and raise awareness of literacy as a human right and the need for more literacy friendly services and the use of Plain Language
- provide information and learning opportunities to literacy learners
- offer professional development and resources to literacy practitioners
- deliver Plain English editing and training services
- generate and share research and best practice
- communicate and collaborate with our members and stakeholder
- continuously improve and enhance our operations.

Once there is clarity on the ALL Strategy, NALA will develop a new Strategic Plan to guide our future activities. At all times, we will focus on supporting the Furthest Behind First and delivering our activities with ambition and accountability, energy and excellence.

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

FINANCIAL REVIEW

Income

Total income for 2022 was €2,862,675 (2021: €2,739,587).

SOLAS is NALA's primary source of funding, providing funding for NALA's core operational costs, in addition to project funding for specific project costs. NALA submitted its funding application for 2022 to SOLAS in December 2021 and received formal approval of NALA's funding allocation in April 2022.

The Adult Literacy for Life (ALL) Strategy provided further funding opportunities during 2022. SOLAS administers The ALL Strategy funding and the ALL Innovation and Collaboration fund. NALA submitted funding applications to SOLAS in July and November 2022 and received additional funding from these two sources.

Income from our primary funder SOLAS was €2,451,916 (2021: €2,395,304). The table below details the SOLAS funding approved, received and expended during 2022. All of the SOLAS funding is restricted and is only expended for and in accordance with the categories of funding detailed in the table below:

Item No.	Funding Category	Funding Approved	Funding Received	Funding Expended	2022 End of Year Balance
1	Core Funding	€2,086,000	€2,038,200	€2,038,200	€0
2	Learn with NALA	€200,000	€200,000	€200,000	€0
3	Student Development Fund	€40,000	€40,000	€40,000	€0
4	Furthest Behind First Literacy Development Programme	€83,000	€23,800	€23,800	€0
5	Adult Literacy for Life Strategy Funding	€107,000	€107,000	€107,000	€0
6	Adult Literacy for Life Innovation and Collaboration Fund	€42,916	€42,916	€42,916	€0
Total		€2,558,916	€2,451,916	€2,451,916	€0

Total funding received from SOLAS in 2022 was €2,451,916 and none of this funding was deferred into 2023. NALA's funding allocation was only approved by SOLAS in April 2022 and therefore elements of funding items 1 and 4 did not commence until the third quarter of the year resulting in a reduction in funding required for these projects in 2022. In its mid-year report NALA informed SOLAS of the forecasted underspend and SOLAS reduced its actual funding distributions to NALA accordingly.

The funding and associated expenditure are reported as part of the restricted income and expenditure in NALA's Statement of Financial Activities on page 25. Note 3 on page 32 sets out the detailed restricted and unrestricted income for 2022.

NALA's non-SOLAS income comes from the following sources;

- a. EU funded project grants
- b. Plain English services income
- c. Membership subscriptions
- d. Other sundry income

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Income generated from these non-SOLAS sources are detailed in the table below:

Item No.	Income Source	2022	2021	Comment
a.	EU Funded Grants			
	EU Abedili Project	€17,690	€26,710	NALA had no new EU grants during 2022.
	EU EBSN Project	€26,717	€13,359	
	EU CITO Project	€104,644	€12,094	
	Total EU Income	€149,051	€52,163	
b.	Plain English Services	€226,600	€243,739	
c.	Membership Subscriptions	€19,267	€18,044	Membership income was slightly higher during 2022 and is attributable in part to increased activity following two years of COVID-19 restrictions which made interaction more difficult for members during 2020-2021.
d.	Other sundry Income	€15,841	€30,337	Sundry income includes small donations and other income as set out in Note 3 on page 32 of the financial statements.
Total		€410,759	€344,283	

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 2022 is reflected in a corresponding increase in expenditure.

Total expenditure for the year was €2,689,995 (2021: €2,633,897). All expenditure in 2022 was directed towards the achievement of NALA's charitable objectives. This includes governance, administration and other indirect support costs which are included in our overall charitable activities.

Total support costs for the year of €459,603 (2021: €411,087) show an increase of €48,516 as set out in note 4 to the financial statements on page 33.

Total expenditure funded by SOLAS in 2022 was €2,451,916 (2021: €2,395,304) while the EU CITO Erasmus grant had expenditure of €65,404 (2021: €84,520). The two remaining EU grants expenditure for 2022 was €9,131 (2021: €26,537).

Plain English external editors' expenditure for 2022 was €56,859 (2021: €61,168) and reflects the small decrease in plain English income during 2022. Other unrestricted expenditure funded from NALA's unrestricted income amounted to €106,685 (2021: €66,368).

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Financial position

Having considered all income and expenditure, the overall outcome for 2022 was a surplus of €172,680 (2021: €105,690). NALA's 2022 surplus includes a surplus of EU restricted income of €74,516 which is included in our restricted reserves at 31 December and will be utilised to fund restricted EU expenditure during 2023. NALA's remaining unrestricted surplus for 2022 is €98,164.

Balance Sheet

NALA's year-end financial position shows a total net assets value of €956,230 (2021: €783,550).

The net assets position includes fixed assets with a carrying amount of €68,211 (2021: €95,023) and net current assets of €888,019 (2021: €688,527). Net current assets are primarily made up of bank and cash balances of €1,107,131 (2021: €867,485) with the balance comprising our debtors and stock balances less creditors. The closing bank position of €1,107,131 is due in part to an increase of €59,967 in creditors to a year-end total of €307,003 (2021: €247,036) and to an increase in our restricted reserves of €74,516 to a year-end total of €92,592 (2021: €18,076). The movement in bank balances during 2022 is set out in the statement of cash flows on page 27.

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

NALA's unrestricted reserves are made up of the fixed assets reserve of €68,211 (2021: €95,023) and NALA's contingency reserve fund of €795,427 (2021: €670,451).

The purpose of NALA's unrestricted contingency reserve fund is to ensure the stability of the mission, programmes, employment and ongoing operations of the organisation. The fund is intended to provide internal resources for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The contingency fund is not intended to replace a permanent loss of funding or eliminate an ongoing budget gap. The Board of NALA judges that it needs to set a prudent level for its unrestricted contingency fund 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.

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

The policy seeks to keep a reserve fund equivalent to the monetary value of:

1. the minimum redundancy payments for NALA staff and
2. an amount equivalent to two months expenditure.

The policy was last reviewed in early 2022 and the calculations to meet the policy requirements indicated a required target of €690,000 at that time.

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

This policy is scheduled for review in 2023 by the Audit, Risk and Finance sub-committee of the Board. The Audit, Risk and Finance sub-committee recommend changes to the policy, if required, to the Board.

The 2023 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 2022 are as follows;

Unrestricted Reserves: €863,638 (2021: €765,474)

Restricted Reserves: €92,592 (2021: €18,076)

The unrestricted reserves of €863,638 (2021: €765,474) show an increase of €98,164 during 2022. The closing unrestricted reserves balance remains in excess of the level targeted at the last review in 2022 however the Directors are satisfied with the current level of unrestricted reserves pending their 2023 review.

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 in April 2016 and further amendments to the Constitution were adopted at the 2021 AGM. In the event of the company being wound up, members are required to contribute an amount not exceeding €1 (One Euro) per member of the company.

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

Organisational Structure

NALA has a Board of up to 14 Directors who meet a minimum of six times a year. The main purpose of the Board is to take overall responsibility for NALA and how it operates. They are responsible for the strategic direction and policy of the charity. At present, the Board has 14 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 rests 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.

The Board of Trustees retain overall responsibility for the strategic development of the charity in close liaison with the CEO and other key management personnel. There is clear division of responsibility at the charity with the Board of Trustees retaining control over all major decisions. The charity trustees delegate executive authority for the charity's operations to the CEO, who in turn delegates the day-to-day management of specific functions of the organisation to the senior management team.

It is a reserve function of the Board of Trustees to approve all new staff appointments and their remuneration. The Board of Trustees is responsible for approving the charity's overall staffing levels and the appointment and remuneration range for any new posts.

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 from within the members. The Board oversees the work of NALA. 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.

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

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 seeks 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 along with relevant literacy and Travelling community expertise. In an effort to maintain this Board skill mix, individuals are occasionally approached to offer themselves for election to the Board. The Board of NALA can appoint up to two directors to the Board to fill any specific skills gaps (co-option).

Terms for Board Members and Officers

Officers serve for two years and may be re-elected for a further two years. After four consecutive years as an officer, they must resign or seek re-election as an ordinary Board member.

Board members may also serve for two years and may be re-elected for a further two years. After four consecutive years as a Board member, they must either seek election as an Officer or wait a further two years before seeking re-election as a member.

Co-opted Directors hold office for a term of two years. They may be re-elected for a further two years. After four consecutive years at a Board member, they must retire from office.

NALA's Constitution and Procedural Rules contain further details on nominating and electing members of the Board. NALA is currently in the process of reviewing the provisions of the Constitution relating to terms of office for Board Members and Officers.

Board Induction and Training

NALA's Board Manual, which includes the functions and duties of the NALA Board and its Officers, was distributed to all new members of the Board, along with the Constitution, latest financial statements and other useful resources.

In May 2022, new Board members attended an induction session to familiarise themselves with the charity and the context within which it operates. It covered:

- 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; and
- future plans and objectives.

Board members completed the following training in 2022:

- Aoife Foley attended the Carmichael Centre's Board Roles and Responsibilities course;
- Aoife Foley also attended the Carmichael Centre's Charities Governance Code course;
- Patricia Nolan commenced the Boardmatch Charity Trustee training (to be completed in 2023).

Directors

The following Directors held office during 2022:

- Aoife Foley (Appointed 30/04/2022)
- Anna Tuohy Halligan (Resigned 29/04/2022)
- Catherine Devlin
- Celia Rafferty (Resigned 29/04/2022)
- Ciaran Casey
- Eleanor Neff (Appointed 30/04/2022)
- Elma Teahan
- Frances Ward
- Gwen Redmond (Resigned 29/04/2022)
- Hazel Cryan (Resigned 29/04/2022)
- Kevin Kelly (Resigned 29/04/2022)
- Lynne Keery
- Margaret Kelly

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

- Maria O'Gorman
- Mary Maher (Resigned 29/04/2022)
- Maurice Sammon (Appointed 30/04/2022)
- Patricia Ayton
- Patricia Nolan (Appointed 30/04/2022)
- Tom O'Mara (Appointed 30/04/2022)
- Tracey Reilly (Appointed 30/04/2022)

Board Attendance and Subcommittee Details

Board Member	09 March 2022	27 April 2022	29 June 2022	28 Sep 2022	26 Oct 2022	07 Dec 2022	Summary of Attendance
Margaret Kelly (Chairperson)	✓	✓	✓	✓	✓	✓	6 of 6
Maria O'Gorman (Vice-Chairperson)	✓	✓	✗	✗	✓	✗	3 of 6
Patricia Ayton (Honorary Secretary)	✓	✓	✗	✓	✓	✗	4 of 6
Ciaran Casey (Honorary Treasurer)	✓	✓	✓	✓	✓	✓	6 of 6
Anna Touhy Halligan	✗	✗	•	•	•	•	0 of 2
Aoife Foley	•	•	✓	✗	✓	✗	2 of 4
Catherine Devlin	✓	✓	✓	✓	✓	✓	6 of 6
Celia Rafferty	✓	✗	•	•	•	•	1 of 2
Eleanor Neff	•	•	✓	✓	✓	✓	4 of 4
Elma Teahan	✓	✗	✓	✓	✗	✓	4 of 6
Frances Ward	✓	✓	✓	✓	✓	✓	6 of 6
Gwen Redmond	✗	✓	•	•	•	•	1 of 2
Hazel Cryan	✗	✗	•	•	•	•	0 of 2
Kevin Kelly	✓	✓	•	•	•	•	2 of 2
Lynne Keary	✓	✓	✗	✓	✗	✗	3 of 6
Mary Maher	✓	✓	•	•	•	•	2 of 2
Maurice Sammon	•	•	✓	✓	✓	✓	4 of 4
Patricia Nolan	•	•	✓	✓	✓	✗	3 of 4
Tom O'Mara	•	•	✗	✓	✓	✗	2 of 4
Tracey Reilly	•	•	✓	✗*	✗*	✗*	1 of 4

*Temporarily unavailable to attend

Subcommittees of the Board

The Board has four subcommittees. Each subcommittee has its own term of reference with a minimum of two Board members on each subcommittee. Some subcommittees have non-Board members that bring particular areas of expertise and skill.

Responsibilities	Members	Achievements in 2022	No. of meetings
Audit, Risk and Finance Subcommittee			
<ul style="list-style-type: none"> • Financial affairs • Risk management 	<ul style="list-style-type: none"> • Kevin Kelly (Chairperson) 	<ul style="list-style-type: none"> • Ongoing monitoring of financial affairs, audit, risk management and legal 	4

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

<ul style="list-style-type: none"> Legal compliance 	<ul style="list-style-type: none"> Aoife Foley¹ Ciaran Casey Elma Teahan Alan McCormick³ 	<ul style="list-style-type: none"> compliance and advice to the Board on these matters Review of Financial Reserves Policy New Record Retention Policy Full review and update of NALA's Health and Safety Policy Statement, Risk Register and Plan Review of Customer Charter, Trustees Code of Conduct, Complaints Policy, Gifts and Hospitality Policy and Protected Disclosure Policy Commissioned an ICT systems audit 	
Education, Training and Assessment Subcommittee			
<ul style="list-style-type: none"> Policies and procedures relating to education, learning, training and assessment 	<ul style="list-style-type: none"> Patricia Ayton (Chairperson) Eleanor Neff¹ Frances Boylan³ Frances Ward Leo Casey³ Marian O'Reilly³ Mary Bambrick³ Michael Duffy³ Tom O'Mara¹ 	<ul style="list-style-type: none"> Ongoing planning and review of services for learners and advice to the Board on these matters Revised Professional Development Plan Review of Teaching and Learning Policy, External Parties Policy and Learner Admissions Procedure Revised ETA Terms of Reference 	3 (1 incorporeal)
Literacy and Staff Policy, and Governance Subcommittee			
<ul style="list-style-type: none"> Policy development Staff policies and procedures 	<ul style="list-style-type: none"> Margaret Kelly (Chairperson) Gwen Redmond² Lynne Keery Mary Maher² Patricia Ayton Patricia Nolan¹ 	<ul style="list-style-type: none"> Ongoing review of literacy policy, staffing levels and policies, board governance and continuity, and advice to the Board on these matters Full review and update of NALA Staff Handbook New Hybrid Working Policy Extension of employment contract lengths Full review and proposal to update NALA's Constitution Review of Governance and Management of Quality Policy Updated COVID-19 Response Plan and new Return to Work Protocol 	3 (1 incorporeal)
Student Subcommittee			
<ul style="list-style-type: none"> Guides and monitors NALA's work with students 	<ul style="list-style-type: none"> Catherine Devlin (Chairperson) Catherine Finnerty³ Chris King³ Helen Curran³ Linda Waldron³ Lisa Banks³ Mark Daly³ Margo Walsh³ Margaret Hanrahan³ Martina Kiely³ Maurice Sammon Patrick Sutton³ Thomas Campbell³ 	<ul style="list-style-type: none"> Ongoing feedback to the Board on emerging student issues Student Empowerment Program NALA Student Day – Dublin NALA Student Day – Cork Exhibitor at National Ploughing Championships 	7

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

¹ Joined after appointment to the Board

² Resigned 29 April 2022

³ Non-Board member

Charity Governance Code

During 2022, NALA completed a review of its compliance with the Charities Regulatory Authority (CRA) Governance Code in accordance with the relevant CRA guidelines and templates and was fully compliant with all requirements of the CRA Governance Code at the 31 October 2022 filing. There were no amendments to NALA's Internal Financial Controls document during 2022 and our financial systems, processes and controls remain compliant with the CRA Internal Financial Controls Guidelines for Charities document.

Policy and Procedures

NALA has a wide range of policies to support our governance responsibilities. These policies are reviewed, updated and enhanced on a regular basis. Each policy is updated when there is a change that necessitates it or when it required to be reviewed according to our internal policy review schedule or legislative changes.

In 2022, NALA updated its:

- Staff handbook that sets out all of the policies and procedures that employees need to know about working at NALA
- Statement of Internal Financial Controls to ensure that proper, complete and adequate accounting and financial controls procedures are in place and in use in NALA.
- Health and Safety Policy Statement that documents the framework for safeguarding Safety, Health and Welfare in the workplace.

In addition, NALA trialled, reviewed and adopted a Hybrid Working Policy.

Key Management Personnel

Colleen Dube is the current CEO of NALA. In addition to the CEO, the senior management team is made up of Clare McNally (Communications Manager), Elaine Cohalan (Innovation Manager) and Paul Cahill (Finance & Corporate Services Manager).

NALA Staff

All NALA staff participate in a Performance Management and Development System (PMDS).

NALA staff operate within a delegated framework and within the context of NALA's Strategic goals. On an annual basis implementation plans are created and approved by the Board. Progress on these plans are reported at each Board meeting.

NALA Staff Retirement Benefits

All NALA staff have access to a Personal Retirement Savings Account (PRSA) retirement benefit scheme upon successful completion of their six-months probationary period of employment. NALA also provides access to its occupational pension scheme to staff members who have more than 12 months continuous service with NALA.

Both the PRSA and Pension schemes are defined contribution schemes, administered by New Ireland Assurance. NALA contributes 10% to both schemes on behalf of staff who have more than 12 months continuous service, are members of either scheme and who are contributing no less than 5% of their salary to their preferred retirement benefit scheme. The terms of both schemes require NALA to disburse all retirement benefits contributions within 30 days of payroll deduction. As both schemes are defined contribution schemes NALA have no further financial liability beyond the monthly disbursement of employee and employer contributions.

NALA confirms that it has no outstanding retirement benefits liability at the year end date 31 December 2022.

Risk Management

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

NALA has a Risk Policy and a risk register is in place. The Risk Register is reviewed annually by the Audit, Risk and Finance Subcommittee and approved by the Board. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. NALA currently has no risks with a risk level of "High". The key risks facing NALA in 2022 are outlined in the table below. NALA has a further 30 risks on its Risk Register with a risk level of "Low".

Risk	Type	Residual Risk Score and Level	Controls
Inefficient, outdated, unsecured and or disrupted IT systems	Operational	20 Medium	<ul style="list-style-type: none"> • ICT System review commissioned • Process in place for development, authorisation, implementation of efficient IT system security • Service and support contracts in place • Technical support outsourced where needed • Cyber liability insurance in place and reviewed annually
Taxation Liability / non-compliance with tax legislation	Compliance	16 Medium	<ul style="list-style-type: none"> • PAYE compliance procedures in place • Advice obtained on employment status and contract terms • Tax exemptions and reliefs available are understood • Tax recoveries in financial reporting identified • Advice sought on VAT status
Health, safety and environment issues	Operational	16 Medium	<ul style="list-style-type: none"> • Compliance with laws and regulations • Health and safety training for all staff • Safety Officer in place • Monitoring and reporting procedures in place • Appropriate levels of insurance in place • Periodic review of Health & Safety assessments remote working arrangements • Ongoing reviews and updates as required of COVID-19 Response Plan
GDPR non-compliance / data breach	Compliance	16 Medium	<ul style="list-style-type: none"> • Full suite of GDPR policies, privacy statements and procedures are in place and regularly reviewed and updated • Data processing agreements are in place where required • Regular GDPR training for all staff • Service provider in place to provide GDPR advice, training materials and management tools • Cyber liability insurance in place

Investment Policy

NALA's Board has agreed to keep investment risk to a minimum. NALA will be documenting this an Investment Policy in 2023 to ensure that reserve funds of the charity are invested in accordance with the agreed risk profile of the charity as set out in the new investment policy.

Health and Safety

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Procedures are in place to ensure the health and safety of staff and visitors. NALA carried out a series of remedial works on our premises at Sandford Lodge as part of our annual Health and Safety Plan and to support the introduction of our new Hybrid Working Policy in 2022.

Conflicts of Interest

A Conflict of Interests policy is in place to assist NALA's Board of Trustees to effectively identify, record and manage any conflicts of interest in order to protect the integrity of NALA and to ensure that the Trustees act in the best interest of NALA. This policy was approved by the Board in 2021 and a review is scheduled for 2024.

No Trustee holds title to any assets owned or used by NALA.

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. The company's Registered Charity Number (RCN) is 20020965 and Charity Number (CHY) is 8506. As a registered charity NALA is exempt from all Taxes on its Income.

NALA is registered with The Revenue Commissioners to account for payroll taxes' liabilities.

NALA registered with the Revenue Commissioners in 2022 to account for VAT on imported goods and services.

Auditors

The auditors, Mazars, Chartered Accountants and Statutory Audit Firm, have expressed their willingness to 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 29 March 2023 and are signed on its behalf by:

By order of the board



Margaret Kelly
Director



Ciaran Casey
Director

Date: 29 March 2023

**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 Statement of Recommended Practice (Charities SORP (FRS 102)), issued by the Charity Commission for England and Wales, the Charity Commission for Northern Ireland and the Office of the Scottish Charity 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.

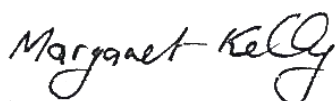
In preparing these financial statements, the Directors are required to:

- 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.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the board



Margaret Kelly
Director



Ciaran Casey
Director

Date: 29 March 2023

**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 National Adult Literacy Agency ('the Company'), for the year ended 31 December 2022, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the Company 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* issued in the United Kingdom by the Financial Reporting Council (FRS 102).

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2022, 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 further 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 the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) 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

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

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

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

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.

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 course of 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

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- the directors' report has been prepared in accordance with applicable legal requirements;
- 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.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

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 requirements of any of Sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement out on page 21, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as management determines 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.

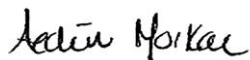
Auditor's responsibilities for the audit of the financial statements

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 Irish Auditing and Accounting Supervisory Authority'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.



Aedín Morkan
for and on behalf of Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre, Block 3
Harcourt Road
Dublin 2

Date: 4 April 2023

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 2022

		Restricted Funds 2022 €	Unrestricted Funds 2022 €	Total Funds 2022 €	Total Funds 2021 €
	Note				
Income from:					
Charitable activities	3	2,600,967	259,248	2,860,215	2,737,414
Donations		-	2,315	2,315	1,948
Investments		-	145	145	225
		2,600,967	261,708	2,862,675	2,739,587
Expenditure on:					
Charitable activities	4	(2,526,451)	(163,544)	(2,689,995)	(2,633,897)
Net income	6	74,516	98,164	172,680	105,690
Net movement in funds		74,516	98,164	172,680	105,690
Reconciliation of funds:					
Total funds brought forward		18,076	765,474	783,550	677,860
Transfer between funds		-	-	-	-
Total funds carried forward	12	92,592	863,638	956,230	783,550

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 28 to 40 form part of these financial statements.

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

AS AT 31 December 2022

	Note	2022 €	2021 €
Fixed assets			
Intangible assets	7	29,271	64,637
Tangible assets	8	38,940	30,386
		68,211	95,023
Current assets			
Stocks	9	1,198	1,198
Debtors	10	86,693	66,880
Cash at bank and in hand		1,107,131	867,485
		1,195,022	935,563
Creditors			
Amounts falling due within one year	11	(307,003)	(247,036)
Net current assets		888,019	688,527
Total assets less current liabilities		956,230	783,550
Funds			
Restricted funds	13	92,592	18,076
Unrestricted funds		863,638	765,474
Total Funds		956,230	783,550

The notes on pages 28 to 40 form part of these financial statements.

The financial statements were approved by the board of directors, authorised for issue on 29 March 2023 and are signed on its behalf by:



Margaret Kelly
Director



Ciaran Casey
Director

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

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 €	2021 €
Cash flows from operating activities			
Net income		172,680	105,690
Adjustments for:			
Depreciation and amortisation		50,933	49,099
Interest income	3	(145)	(225)
Operating income before working capital changes		223,468	154,564
Increase in debtors		(19,813)	(4,163)
Increase in creditors		59,967	54,110
Increase in stocks		-	(8)
Cash generated from operations		263,622	204,503
Interest received		145	225
Net cash provided by operating activities		263,767	204,728
Cash flows from investing activities			
Acquisition of tangible assets	8	(24,121)	(13,997)
Cash used in investing activities		(24,121)	(13,997)
Net increase in cash at bank and in hand		239,646	190,731
Cash at bank and in hand at beginning of year		867,485	676,754
Cash at bank and in hand at end of year		1,107,131	867,485

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

FOR THE YEAR ENDED 31 December 2022

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 2022.

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 20.

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 the Statement of Recommended Practice (Charities SORP (FRS102)) as published by the Charity Commission for England and Wales, the Charity Commission for Northern Ireland and the Office of the Scottish Charity 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 presented in Euro, which is also 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 2022

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 funds 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.

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.

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

FOR THE YEAR ENDED 31 December 2022

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 utilised. Prepayments are apportioned over the period covered by the payment and charged to profit or loss when incurred. Prepayments that are expected to be realised 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, other income 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.

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.

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

FOR THE YEAR ENDED 31 December 2022

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.

The Company is registered with the Revenue Commissioners as an employer to account for its payroll taxes' liabilities.

The Company registered with the Revenue Commissioners in 2022 to account for VAT on imported goods/services.

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 defined contribution schemes for the benefit of its employees. Contributions payable are charged to the statement of financial activities in the year in which they are payable. The company confirms that it has no outstanding liabilities relating to its staff retirement benefits at 31 December 2022.

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. The directors have prepared budgets and cash flows for a period of at least twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due, and to continue as a going concern. The key judgement applied in the preparation of budgets and cash flows is that SOLAS funding will continue for 2023. There is no indication from SOLAS that the core funding requested for 2023 will not be forthcoming. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

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,

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

FOR THE YEAR ENDED 31 December 2022

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 2022.

3. INCOME

Current Year

	Restricted Funds €	Unrestricted Funds €	Total Funds €
Income from charitable activities			
SOLAS Core Grant	2,038,200	-	2,038,200
SOLAS Learn with NALA (LWN)	200,000	-	200,000
SOLAS Adult Learning for Life Strategy	107,000	-	107,000
SOLAS Adult Learning for Life Innovation fund	42,916	-	42,916
SOLAS Literacy Outreach	23,800	-	23,800
SOLAS Student Development Fund	40,000	-	40,000
EU CITO Project	104,644	-	104,644
EU Abedili Project	17,690	-	17,690
EBSN	26,717	-	26,717
Other Income	-	10,331	10,331
Plain English	-	226,600	226,600
Membership Fees	-	19,267	19,267
Training	-	2,550	2,550
Maltese Ministry of Education	-	500	500
	<u>2,600,967</u>	<u>259,248</u>	<u>2,860,215</u>
Income from donations	<u>-</u>	<u>2,315</u>	<u>2,315</u>
Investment income			
Interest income	-	145	145
	<u>2,600,967</u>	<u>261,708</u>	<u>2,862,675</u>

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

FOR THE YEAR ENDED 31 December 2022

Prior Year

	Restricted Funds €	Unrestricted Funds €	Total Funds €
Income from charitable activities			
SOLAS Core Grant	2,073,288	-	2,073,288
SOLAS Learn with NALA (LWN)	156,118	-	156,118
SOLAS National Awareness Campaign	40,000	-	40,000
SOLAS Marking Progress (CPD)	50,000	-	50,000
SOLAS Briefing Papers	35,898	-	35,898
SOLAS Student Development Fund	40,000	-	40,000
EU CITO Project	12,094	-	12,094
EU Abedili Project	26,710	-	26,710
EBSN	13,359	-	13,359
Other Income	-	21,784	21,784
Plain English	-	243,739	243,739
Membership Fees	-	18,044	18,044
Conference Fees	-	630	630
Health MSD	-	2,250	2,250
Training	-	-	-
Maltese Ministry of Education	-	3,500	3,500
	<u>2,447,467</u>	<u>289,947</u>	<u>2,737,414</u>
Income from donations	-	1,948	1,948
Investment income	-	225	225
Interest income	-	-	-
	<u>2,447,467</u>	<u>292,120</u>	<u>2,739,587</u>

4. ANALYSIS OF CHARITABLE EXPENDITURE

Current Year

	Restricted Funds €	Unrestricted Funds €	Total Funds €
SOLAS Core Grant	2,038,200	104,991	2,143,191
SOLAS Learn with NALA (LWN)	200,000	401	200,401
SOLAS ALL Strategy	107,000	772	107,772
SOLAS ALL Innovation Fund	42,916	-	42,916
SOLAS Literacy Outreach	23,800	387	24,187
SOLAS Student Development Fund	40,000	134	40,134
EU CITO	65,404	-	65,404
EU Abedili	5,730	-	5,730
EU EBSN	3,401	-	3,401
Plain English	-	56,859	56,859
	<u>2,526,451</u>	<u>163,544</u>	<u>2,689,995</u>

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

FOR THE YEAR ENDED 31 December 2022

Prior Year

	Restricted Funds €	Unrestricted Funds €	Total Funds €
SOLAS Core Grant	2,073,288	55,552	2,128,840
SOLAS Learn with NALA (LWN)	156,118	-	156,118
SOLAS National Awareness Campaign	40,000	-	40,000
SOLAS Marking Progress Project	50,000	-	50,000
SOLAS Briefing Papers Project	35,898	-	35,898
SOLAS Student Development Fund	40,000	-	40,000
EU CITO Grant	84,520	-	84,520
EU Abedili	25,296	-	25,296
EBSN	1,241	-	1,241
EAEA	900	-	900
TCD Research	9,916	-	9,916
Plain English	-	61,168	61,168
	<u>2,517,177</u>	<u>116,720</u>	<u>2,633,897</u>

Included within the above are support costs as follows:

	General cost €	Governance cost €	Total	
			2022 €	2021 €
Wages and salaries	80,587	39,482	120,069	90,654
Audit	-	9,840	9,840	9,225
Rent and utilities	141,816	-	141,816	148,914
Other office cost	187,878	-	187,878	162,294
	<u>410,281</u>	<u>49,322</u>	<u>459,603</u>	<u>411,087</u>

5. Employees

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

	2022	2021
Adult Literacy Educators (ALE)	6	10
Other NALA staff	24	23
Volunteers	0	0
Average number of staff	<u>30</u>	<u>33</u>

Breakdown of wages and salaries is as follows:

	2022 €	2021 €
Wages and salaries	1,385,539	1,265,108
Social security cost	145,301	140,528
Pension costs	106,570	82,539
Redundancy costs	-	26,344
	<u>1,637,410</u>	<u>1,514,519</u>

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

FOR THE YEAR ENDED 31 December 2022

The wages and salaries total of €1,385,539 includes accrued payroll costs for 2022 of €68,944 (2021: nil). This represents unrestricted expenditure in respect of accrued holiday pay and other wages related costs to be discharged from NALA's unrestricted funds in 2023.

The number of employees whose employee benefits (excluding employer's pension cost and PRSI) is greater than €60,000 is 4 (2021: 4) as follows:

	2022	2021
€60,000 to €70,000	-	-
€70,001 to €80,000	3	3
€80,001 to €90,000	-	-
€90,001 to €100,000	-	1
€100,001 to €110,000	1	-
€110,001 to €120,000	-	-

The total employee benefits (including employer's pension cost) of the key management personnel of the Company in 2022 amounted to €359,184 (2021: € 341,461). The key management personnel include the CEO Colleen Dube, and the three members of the senior management team: Clare McNally, Elaine Cohalan, and Paul Cahill.

The Directors were not paid and did not receive any other benefits for their work as Directors of the Company in the year (2021: €nil). Reimbursement to Directors for vouched travel expenses to Board Meetings amounted to €593 in 2022 (2021: €nil). No other Directors' expenses have been incurred during the year.

In 2022, the CEO received employee benefits (including employer's pension cost and PRSI) of €121,872 (2021: €111,555).

6. Net Income for the Year

	2022	2021
	€	€
Net income for the year is stated after charging:		
Depreciation and amortisation	50,932	49,099
Rent	110,000	110,000
Auditor's remuneration for external audit services	9,840	9,225

7. Intangible Assets

	2022	2021
	€	€
Cost		
Balance at beginning of year	141,461	141,461
Addition	-	-
Balance at end of year	141,461	141,461
Accumulated Amortisation		
Balance at beginning of year	76,824	41,459
Amortisation	35,366	35,365
Balance at end of year	112,190	76,824
Carrying Amount		
At 31 December	29,271	64,637

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

FOR THE YEAR ENDED 31 December 2022

8. Tangible Assets

	Office Equipment	Fixtures, fittings & equipment	Total
	€	€	€
Cost			
At 1 January 2022	182,941	32,590	215,531
Additions	16,620	7,501	24,121
At 31 December 2022	199,561	40,091	239,652
Accumulated Depreciation			
At 1 January 2022	153,787	31,358	185,145
Depreciation	14,113	1,454	15,567
At 31 December 2022	167,900	32,812	200,712
Carrying Amount			
At 31 December 2022	31,661	7,279	38,940
At 31 December 2021	29,154	1,232	30,386

9. Stocks

	2022	2021
	€	€
Raw materials and consumables	1,198	1,198

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

The amount of stock recognised as an expense in 2022 amounted to €Nil (2021: €nil).

10. Debtors

	2022	2021
	€	€
Amounts falling due within one year:		
Trade debtors	30,717	31,637
Prepayments	55,143	35,243
Other debtors	833	-
	86,693	66,880

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

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

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

FOR THE YEAR ENDED 31 December 2022

11. Creditors

	2022	2021
	€	€
Amounts falling due within one year:		
Trade creditors	142,575	75,714
Accruals	86,241	58,559
Deferred income	27,855	75,272
Taxes and social insurance	50,332	37,491
	<u>307,003</u>	<u>247,036</u>

Trade creditors, 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 balances at year end comprises payments received in advance for membership fees and Plain English services that are attributable to year 2023 and grants for which terms and conditions have not yet been met.

Movements in deferred income are as follow:

	2022	2021
	€	€
At 1 January	75,272	50,485
Deferred during the year	1,357,086	1,725,115
Credited to Statement of Financial Activities	(1,404,503)	(1,700,328)
At 31 December	<u>27,855</u>	<u>75,272</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 2022

12. **Movements in Funds**

Current Year

	Balance at beginning of year €	Income €	Expenditure €	Balance at end of year €
Restricted funds				
Charitable activities	18,076	2,600,967	2,526,451	92,592
Unrestricted funds	765,474	261,708	163,544	863,638
Total funds	783,550	2,862,675	2,689,995	956,230

Prior Year

	Balance at beginning of year €	Income €	Expenditure €	Balance at end of year €
Restricted funds				
Charitable activities	87,786	2,447,467	2,517,177	18,076
Unrestricted funds	590,074	292,120	116,720	765,474
Total funds	677,860	2,739,587	2,633,897	783,550

Restricted funds are attributable to the following projects. These are expected to be completed in the subsequent years.

	Balance at beginning of year €	Income €	Expenditure €	Balance at end of year €
Projects/ activities				
EU Cito Project	4,544	104,644	65,404	43,784
EU Abedili Project	1,414	17,690	5,730	13,374
EBSN Project	12,118	26,717	3,401	35,434
SOLAS Core Grant	-	2,038,200	2,038,200	-
SOLAS Learn with NALA	-	200,000	200,000	-
SOLAS ALL Strategy	-	107,000	107,000	-
SOLAS ALL Innovation Fund	-	42,916	42,916	-
SOLAS Literacy Outreach	-	23,800	23,800	-
SOLAS Student Fund EAEA	-	40,000	40,000	-
Total funds	18,076	2,600,967	2,526,451	92,592

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

FOR THE YEAR ENDED 31 December 2022

13. **The Funds of the Company comprise the following:**

	Unrestricted	Restricted	Total 2022
Current Year	€	€	€
Fund balances at 31 December 2022 are represented by:			
Intangible assets	29,271	-	29,271
Tangible assets	38,940	-	38,940
Stocks	1,198	-	1,198
Debtors	86,693	-	86,693
Cash at bank and in hand	1,014,539	92,592	1,107,131
Creditors	(307,003)	-	(307,003)
Total net assets	<u>863,638</u>	<u>92,592</u>	<u>956,230</u>
	Unrestricted	Restricted	Total 2021
Prior Year	€	€	€
Fund balances at 31 December 2021 are represented by:			
Intangible assets	64,637	-	64,637
Tangible assets	30,386	-	30,386
Stocks	1,198	-	1,198
Debtors	66,880	-	66,880
Cash at bank and in hand	849,409	18,076	867,485
Creditors	(247,036)	-	(247,036)
Total net assets	<u>765,474</u>	<u>18,076</u>	<u>783,550</u>

14. **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 €1.00.

15. **Financial Instruments**

	2022 €	2021 €
Carrying amount of financial assets		
Financial assets measured at amortised cost	<u>1,138,681</u>	<u>899,122</u>
Carrying amount of financial liabilities		
Financial liabilities measured at amortised cost	<u>228,816</u>	<u>134,273</u>

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

FOR THE YEAR ENDED 31 December 2022

16. 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 2022 amounted to €110,000 (2021: €110,000).

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

	2022	2021
	€	€
Within one year	110,000	110,000
After one year but no more than five years	394,167	440,000
More than five years	-	64,167
	<u>504,167</u>	<u>614,167</u>

17. 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.

18. Control

The Company is controlled by the board of directors.

19. Subsequent Events

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

20. Approval of Financial Statements

The directors approved the financial statements on 29 March 2023.