

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 2023

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**NATIONAL ADULT LITERACY AGENCY
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DIRECTORS AND OTHER INFORMATION**

Directors/Trustees

Aoife Foley
Catherine Devlin
Ciaran Casey
Eleanor Neff
Elma Teahan
Frances Ward
Margaret Kelly
Maria O'Gorman
Maurice Sammon
Patricia Ayton
Patricia Nolan
Paula Tiller (appointed 13 May 2023)
Tom O'Mara
Tracey Reilly

Secretary Patricia Ayton

Company Number 342807

Charity Number 8506

CRA Number 20020965

Registered office Sandford Lodge

& business address Sandford Close
Sandford Road
Ranelagh
Dublin 6
D06 YF65

Auditors Mazars
Chartered Accountants & Statutory Audit Firm
Harcourt Centre
Block 3
Harcourt Road
Dublin 2
D02 A339

Bankers A.I.B
Capel Street
Dublin 1
D01 VW89

Solicitors Mason Hayes & Curran
South Bank House
Barrow Street
Dublin 4
D04 TR29

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 2023.

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 2023

Throughout 2023, 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 2023 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	21 submissions (Target: 5).
ALL Strategy and FET Strategy Implementation	2 NALA staff were seconded to the ALL Programme Office in SOLAS to support the ALL Strategy's Implementation.

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Supporting Projects	Key Outcome(s)
	<p>Collaboration on four ALL Strategy Collaboration and Innovation Funded Projects that were led by Dublin City Libraries, The Wheel, University College Cork and 80:20.</p> <p>Additional funding to support a Prison Literacy Programme, Plain English Training and Freephone administration.</p> <p>Attendance at 3 ALL Strategy Implementation Group Meetings, inaugural National Literacy Coalition and 4 FET Active Inclusion Advisory Group meetings.</p>
Key Stakeholder Outreach, Engagement & Partnerships	<p>1 meeting with FET Director Active Inclusion Group.</p> <p>2 meetings with Education and Training Boards Ireland (ETBI).</p> <p>Attendance at Adult Literacy Organisers Association conference.</p> <p>2 meetings with South East Technological University's Literacy Development Centre.</p> <p>Partnership with ETBI, ALL Office and An Post for the Unlocking Life promotional campaign which included information stands in 33 post offices throughout Ireland.</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 <u>eLearning platform</u>. Both offerings are supported by the Learn with NALA Freephone helpline.</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>1,014 incoming calls, texts and emails (Target: 1,000).</p> <p>675 referrals to ETBs (Target: 500).</p> <p><i>1 new Freephone Direct Referral Protocol agreed with Kerry Education and Training Board. (Target: Pilot a new direct referral protocol with three ETBs).</i></p>

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Supporting Projects	Key Outcome(s)
	<p><i>NALA has had sustained communications with ETBI, ETB personnel and the ALL Programme Office to progress the roll out of the protocol in the remaining ETBs.</i></p> <p>905 information packs were sent (Target: 300).</p> <p>New dedicated Learn with NALA Freephone number implemented.</p>
Tutoring service delivery	<p>538 phone learners (Target: 400).</p> <p><i>3,114 learning sessions (Target: 3,500).</i></p> <p>173 learners referred to ETBs (Target: 80).</p> <p>46 referrals to Adult Education Guidance (Target: 40).</p> <p>27 online group sessions across three themes (Target: 5).</p> <p><i>Our 1:1 learning session targets for 2023 were not met but many learners who contacted our helpline were directly supported by our Learn with NALA Support Officers and did not require onward referrals to our Adult Literacy Educators for sessions. There were 2,796 Learn with NALA support calls in 2023, 1,335 incoming and 1,461 outgoing.</i></p>
Direct learner support	<p>4,062 active learners (Target: 2,300). 2,856 were working directly with NALA (target 1,200) and 1,206 (Target 1,100) were working in a blended learning context in a registered Learn with NALA centre in an ETB or community education setting.</p> <p>2,933 Quality and Qualifications Ireland (QQI) certificates for level 2 and 3 courses were earned by learners on LWN (Target: 1,200).</p> <p>3,312 NALA certificates of completion awarded to 1,111 learners (Target: 800).</p> <p>9 new editions of NALA's learner worksheet, That's Interesting! created and distributed to approximately 500 individuals. 2,161 copies posted and 2,348 emailed.</p> <p>A new Freephone welcome pack was developed and implemented.</p> <p>Communication improvements were implemented on LWN along with outreach campaigns to support learner engagement and completion. This contributed to the engagement of 4,062 online learners in 2023 (up from 3,308 in 2022).</p> <p>A new model of outreach for learners completing portfolios was developed and piloted. This will be rolled out in 2024.</p> <p>New learner support materials including a new learner charter, learning journal and getting started guide were drafted. These will be developed in 2024.</p>

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Supporting Projects	Key Outcome(s)
	<p>Work began on 7 in-course learner support videos. These will be developed and launched in 2024.</p> <p>HelpmyKidLearn.ie, a website operated by NALA to support parents with their children's learning, was visited by 66,956 users.</p>
Indirect learner support	<p>We supported over 200 centres (target 170) and their 1,206 learners (target 1,100) to use Learn with NALA through in-person and online training, support, advice and information as well as learner certification. 327 centre tutors received training during 33 training sessions.</p> <p>18 centres set up on learn with NALA (Target: 10)</p> <p>12 open monthly training webinars took place and four e-zines were sent to centres (Target: 6 webinars).</p> <p>A new tutor guide and tutor video playlist were created and published.</p>
Programme Learner Support System (PLSS) and management	<p>2,395 records on PLSS against NALA's seven course offerings. (Target: 1,200) These are learners registered with NALA only. They do not include those learning with LWN in ETB or community settings.</p>
Quality assurance & Quality and Qualifications Ireland (QQI) Certification, Validation and Re-validation management	<p>NALA's Board On-line learning policy was agreed by the Board.</p>
Online platform maintenance and development	<p>We completed a range of actions to help us to:</p> <ul style="list-style-type: none"> • better target and support learners using the platform • implement new features and automations on the system • future proof the system by enabling minor and major course and content updates without impacting previous learners. <p>This also included a security review, sustainability planning and continuous updating to improve the usability of the system.</p>
Online content development, reviews and updates	<p>We:</p> <ul style="list-style-type: none"> • piloted and updated our new course review process • migrated the content for the Level 3 Health and Safety Awareness course on LWN for launch in 2024 • gained QQI validation for the Level 2 Writing course as a fully online programme • implemented user feedback surveys on all level 2 learner courses and finalised survey strategies for Level 1, Preparing for Level 3 and Level 3 for implementation in 2024.

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Supporting Projects	Key Outcome(s)
	<ul style="list-style-type: none"> set up a Level 1 validation working group to carry out a full review and update of the LWN Level 1 courses (12) to prepare for a QQI validation submission. The review was completed and final updates to the programme will continue into 2024.
Reporting & Evaluation: Data analytics, impact analysis and reporting / External Evaluation	<p>We:</p> <ul style="list-style-type: none"> adjusted NALA's Salesforce system to 1) create new reports and dashboards that enable a greater level of oversight and improved service management and 2) reflect improved / updated processes for recording calls and sessions reviewed and workshopped the Tutoring Service review process to inform and align with our new Success Framework. The newly revised Success Framework is ready for development and testing on Salesforce and the LMS in 2024.
Services & Resources for Adult Literacy Practitioners	
Events	<p>22 events, 3 conferences and 19 online webinars (Target: 20).</p> <p>775 participants (Target: 800).</p> <p>99% 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>98% 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>458 unique practitioners enrolled in one or more of NALA's 5 online professional development courses. There were 682 course enrolments (Target 300).</p> <p>287 Professional Development Certificates were awarded on NALA PD courses (Target: 120 Certificates).</p> <p>The Delivering a literacy friendly service course went live in July 2023.</p> <p>The Guide to NALA numeracy resources course was paused to allow for resources in the level 1 validation project. This course will now be launched in 2024.</p> <p>We investigated the possibility of professional development pathways between NALA's professional development programmes and the South East Technological University professional development programmes through recognition of prior learning.</p>

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Supporting Projects	Key Outcome(s)
Literacy Awareness Training (This enables organisations to be more aware of literacy issues and to communicate in a more literacy friendly way) Internal supports	We delivered 8 customised Literacy Awareness and Literacy Friendly Approach training sessions to 664 participants. This training was delivered to students in third level education, to staff in a city partnership, in Social Inclusion Community Activation programmes and in further education and training. We developed the following new internal systems and guides to support improved service levels and knowledge sharing: <ul style="list-style-type: none"> • NALA Adult Literacy Support Statement • NALA Guide for Supporting Practitioners • A new events and engagement tracker with 1,462 engagements with professionals tracked in 2023.
Teaching and learning resources	32,000 adult literacy resources were ordered and delivered to tutors or learners. 31 new or updated resources (book, videos and worksheets) created for learners including Legends and Literacy Lads.
Student Development	Student and learners' views inform 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	<i>180 students attended NALA's Student Day in Galway (Target: 200).</i> <i>The target was not met as we cancelled a day planned in Dublin due to insufficient numbers.</i>
Student development fund	€41,319 was allocated to 70 adult education centres (Target: 50) to run activities that support learning outside the classroom or to purchase teaching and learning resources and equipment. 2,004 students participated in events (Target: 1,000).

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 and in Europe, NALA participates in one EU funded programme and is an active member of the European Basic Skills Network.

Supporting Projects	Key Outcome(s)
European Basic Skills Network EU Project	6 Massive Open Online courses were piloted with 197 participants. These are professional development programmes on basic skills, digital literacy, empowering learners and promoting diversity and interculturalism. NALA provided technical support and guidance to the development of the courses and resolution of 65 technical queries. NALA also attended two partner meetings.

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Supporting Projects	Key Outcome(s)
EU Basic Skills Network	NALA attended the General Assembly and presented on the EU project described above.
Learn with NALA Research Report	A draft report analysing the profile and experience of Learn with NALA learners' between March 2020 and November 2022 was completed. It will be finalised and launched in 2024.
Invited presentations	NALA staff were invited to give 11 presentations to national and international stakeholders on our work and impact.

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 Outreach – Education Sector and Travellers	5 Literacy Awareness Training presentations given to education stakeholders and 12 meetings held with Traveller organisations to identify education priorities, share information and identify future collaborations (Target: 10 organisations and 10 literacy awareness engagements).
Literacy Outreach – Community and Voluntary Sector	<i>505 community and voluntary organisations on mailing list and 200 engagements (Target: 250 engagements).</i> <i>This staff member was redeployed to the Prison Literacy Project and ALL Strategy Collaboration and Innovation Funded projects that impacted our ability to develop and deliver on these targets.</i>
Prison Literacy Programme	7 programmes delivered with 100 student participants and 11 teacher participants. 3 student ambassadors trained. 7 reports written for relevant prison education units on programme. 2 literacy awareness talks with 22 student participants and 5 teacher participants. 1 summary report on project.
Plain English	There were approximately 100 plain English editing jobs done for 75 clients (Target: 100). 1,565 staff trained from over 80 organisations 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 81+ mentions of NALA in the media.

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Supporting Projects	Key Outcome(s)
	We ran 21 paid social media ad campaigns, achieving 9,575,574 impressions (number of times the ads were displayed on a screen). We shared 4,411 total organic posts across Facebook, Instagram, LinkedIn and X (formerly known as Twitter) with 910,700 total impressions. 94,969 users visited nala.ie.
People	5 recruitment campaigns undertaken for the following roles: 1. Communications, Advocacy and Outreach Manager 2. Literacy Development and Outreach Worker 3. Research and Policy Officer 4. Digital Marketing Officer 5. Administrator

Future Plans

In 2024, NALA will launch a new Strategic Plan to guide our work for the period 2024 – 2030. We anticipate that it will enable us to:

- advocate for and raise awareness of literacy as a human right and the need for more literacy friendly policies and services and the use of Plain Language
- collaborate on the impactful implementation of the Further Education and Training (FET) Strategy, the Adult Literacy for Life (ALL) Strategy and other emerging Government strategies
- 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 stakeholders
- continuously improve and enhance our operations
- identify new income streams to enable us to sustainably deliver on our vision.

FINANCIAL REVIEW

Income

Total income for 2023 was €2,689,410 (2022: €2,862,675).

NALA is grant funded by the State through SOLAS, The Further Education and Training Authority. The sponsoring Government Department for our SOLAS funding is the Department of Further and Higher Education, Research, Innovation and Science.

SOLAS is the Grantor of 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 2023 to SOLAS in October 2022 and received formal approval of NALA's funding allocation in April 2023.

The Adult Literacy for Life (ALL) Strategy provided further funding opportunities during 2023. SOLAS administers The ALL-Strategy Innovation and Collaboration fund. NALA submitted a separate funding application to SOLAS for project funding in 2023 and received additional funding from this fund.

Of the total funding received from SOLAS of €2,439,782, NALA have identified funds of €77,935 that do not meet the Charity SORP income recognition requirements and therefore have not been recognised as income in NALA's Statement of Financial Activities for 2023.

In accordance with Charity SORP Income recognition rules, income recognised in the Statement of Financial Activities from our primary funder SOLAS was €2,361,847 (2022: €2,451,916).

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The table below details the SOLAS funding approved, received and expended during 2023. All the SOLAS funding is restricted and is only expended in accordance with the categories of funding detailed in the table below:

Item No.	Funding Category	Funding Approved	Funding Received	Funding Expended	2023 End of Year Balance
1	Core Funding	€2,038,000	€2,038,000	€1,972,507	€65,493
2	Learn with NALA	€250,000	€250,000	€250,000	-
3	Student Development Fund	€40,000	€40,000	€40,000	-
4	Furthest Behind First Literacy Development Programme	€81,000	€81,000	€75,540	€5,460
6	Adult Literacy for Life Innovation and Collaboration Fund	€30,782	€30,782	€23,800	€6,982
Total		€2,439,782	€2,439,782	€2,361,847	€77,935

Total funding received from SOLAS in 2023 was €2,439,782 and €6,982 of this funding was deferred into 2024 and utilised in supporting the administration costs of the ALL awareness campaign in January and February 2024. NALA's main funding allocation was only approved by SOLAS in April 2023. Consequently, the Furthest Behind First outreach programme did not commence until Quarter 2 2023 and resulted in the shortfall of expenditure of €5,460. NALA, in its End of Year report to SOLAS have requested to retain these funds and complete this work in early 2024, however SOLAS have informed NALA that the surplus funds should be returned to SOLAS in 2024, consistent with DPER (Department of Public Expenditure NDP Delivery and Reform) funding parameters. These funds form part of NALA's year end Creditors balances (Note 11) and will be returned to SOLAS in 2024.

NALA's core funding costs were €65,493 less than forecasted due to unforeseen movements in staff during 2023, some of which related to the secondment of two senior members of staff to the ALL-Strategy Programme Office in May and July of the year. NALA alerted SOLAS to the impending expenditure shortfall in its Mid-Year report to SOLAS. These funds also form part of NALA's year end creditors balances (Note 11) and will be returned to SOLAS in 2024.

The funding, less the Year End balances, and associated expenditure are reported as restricted Income and Expenditure in NALA's Statement of Financial Activities on page 27. Note 3 on page 34 sets out the detailed restricted and unrestricted income for 2023, while Note 4 on page 35 details the restricted and unrestricted expenditure for the year.

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

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

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Item No.	Income Source	2023	2022	Comment
a.	EU Funded Grants			
	EU Abedili Project – digital literacy for literacy practitioners.	-	€17,690	NALA had no new EU grants during 2023.
	EU EBSN Project – professional development for literacy practitioners	€10,023	€26,717	
	EU CITO Project – developing an online skills checker and assessment tool for literacy	-	€104,644	
	Total EU Income	€10,023	€149,051	
b.	Plain English Services - Plain English training and Plain English editing	€247,820	€226,600	The demand for Plain English (PE) services increased by 9% in 2023, the increase largely driven by demand for PE training services.
c.	Membership Subscriptions	€12,853	€19,267	Following the post COVID spike in 2022 Membership income this year fell back to the forecasted levels for 2023.
d.	Other sundry Income	€16,507	€15,841	Sundry income includes small donations and other income as set out in Note 3 on page 34 of the financial statements. - Exceptional contribution from An Post to NALA in 2023 - Refund from Revenue of VAT related to Revenue's determination that NALA's Plain English and other activities do not come within the scope for VAT. The refund relates to VAT paid by NALA in 2022 while awaiting Revenue's final decision.
	An Post Donation	€20,000	-	
	Revenue VAT Refund	€13,327	-	
Total		€320,531	€410,759	

Expenditure

Total expenditure for the year was €2,616,634 (2022: €2,689,995). All expenditure in 2023 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 €502,720 (2022: €459,603) show an increase of €43,117 as set out in note 5 to the financial statements on page 36.

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Total expenditure funded by SOLAS in 2023 was €2,361,847 (2022: €2,451,916) while the EU EBSN grant had expenditure of €28,840 (2022: €3,401).

Plain English external editors' expenditure for 2023 was €64,059 (2022: €56,859) and reflects the increase in plain English income during 2023. Other unrestricted expenditure funded from NALA's unrestricted income amounted to €161,888 (2022: €106,685).

Financial position

Having considered all income and expenditure, the overall outcome for 2023 was a surplus of €72,776 (2022: €172,680). NALA's 2023 overall surplus includes a deficit of EU restricted income of (€18,817) which is included in our reduced restricted reserves at 31 December. The restricted reserves deficit relates to EU projects costs incurred in 2023 that are funded from income received in 2022. These restricted reserves balances at year end will be utilised to fund further restricted EU expenditure during 2024. NALA's unrestricted surplus for 2023 therefore amounts to €91,593.

Balance Sheet

NALA's year-end financial position shows a total net assets value of €1,029,006 (2022: €956,230).

The net assets position includes fixed assets with a carrying amount of €44,842 (2022: €68,211) and net current assets of €984,164 (2022: €888,019). Net current assets are primarily made up of bank and cash balances of €1,116,170 (2022: €1,107,131) with the balance comprising our debtors balances less creditors balances. The movement in bank balances during 2023 is set out in the statement of cash flows on page 29.

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 restrictive 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.

Regarding SOLAS grants, one of the conditions set out for the funds granted are that the activities are completed within the funding year. In the case where funds are not utilised within the funding year then the terms of the grant are not fully fulfilled and therefore under SORP the grantee has no right to recognise the unspent funds in their Statement of Financial Activities. NALA held funds balances from SOLAS at year end totalling €77,935. These balances are treated as deferred income for 2024, pending a decision from SOLAS as to their future use and therefore do not form part of NALA's restricted reserves.

Unrestricted reserves

NALA's unrestricted reserves are made up of the fixed assets reserve of €44,842 (2022: €68,211) and NALA's contingency reserve fund of €910,389 (2022: €795,427).

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.

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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 three months expenditure.

The policy was last reviewed in June 2023 and the calculations to meet the policy requirements indicated a required target of €848,000 at that time. In addition to the primary contingency fund NALA's board agreed to begin accumulating a secondary contingency fund of €100,000 to provide funds for end of lease costs that it may have to incur in exiting its current lease and relocating to new premises in August 2027. The overall contingency target for both funds amount to €948,000.

The policy is reviewed on an annual basis and is next scheduled for review in June 2024 by the Audit, Risk and Finance subcommittee of the Board. At each review the subcommittee considers the continued appropriateness of the terms of the policy and the updated calculations of targeted contingency funds based on the agreed terms of the policy. It also reviews the prior year end reserves balances relative to the newly agreed targets. The Audit, Risk and Finance subcommittee, based on its annual review, recommends changes to the policy, if required, to the Board.

The 2024 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 2023 are as follows;

Unrestricted Reserves: €955,231 (2022: €863,638)

Restricted Reserves: €73,775 (2022: €92,592)

The unrestricted reserves total of €955,231 are comprised of a fixed assets fund of €44,842 (2022: €38,940) and an unrestricted contingency fund of €910,389 (2022: €795,427). The assets less liabilities underpinning the unrestricted reserves are detailed in note 13 on page 42. Fixed assets, by their nature and purpose, are not liquid assets and therefore are reported as a separate fund and do not form part of NALA's contingency fund.

The Directors note that the overall closing unrestricted contingency funds of €910,389 (2022: €795,427) are 9.6% below the overall levels targeted at the 2023 review. Pending the 2024 reserves policy review, the Directors are satisfied with the current level of unrestricted reserves as the primary contingency requirement of €848,000 has been fulfilled, while good progress has been made on reaching the secondary target of €100,000.

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 Constitution provides for a Board of up to 16 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

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

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.

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 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 or seek re-election as an Officer.

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.

Directors

The following Directors held office during 2023:

- Aoife Foley
- Catherine Devlin
- Ciaran Casey
- Eleanor Neff
- Elma Teahan
- Frances Ward
- Lynne Keery (Retired 13 May 2023)
- Margaret Kelly
- Maria O'Gorman
- Maurice Sammon
- Patricia Ayton
- Patricia Nolan

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- Tom O'Mara
- Tracey Reilly
- Paula Tiller (Appointed 13 May 2023)

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.

NALA is committed to providing training to its Board and Officers to equip them with the knowledge, skills and ability to effectively fulfil their positions within the organisation. A range of training opportunities are made available to Board members and Officers each year and the relevant individuals are encouraged to avail of the training opportunities offered.

In June 2023, the new Board member 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 2023:

- Patricia Nolan completed:
 - Boardmatch Charity Trustee training (started in 2022)
 - Carmichael Centre's Financial Oversight for Board Members training
- Paula Tiller completed:
 - Boardmatch Charity Trustee training
 - Carmichael Centre's Board Induction e-learning
 - Carmichael Centre's Introduction to Strategic Planning
- Tom O'Mara completed the Boardmatch Charity Trustee training

Board Attendance and Subcommittee Details

Board Member	29 March 2023	03 May 2023	28 June 2023	25 Oct 2023	22 Nov 2023	13 Dec 2023	Summary of Attendance
Margaret Kelly (Chairperson)	✓	✓	✓	✓	✓	✓	6 of 6
Maria O'Gorman (Vice-Chairperson)	✗	✗	✗	✗*	✗*	✗*	0 of 6
Patricia Ayton (Honorary Secretary)	✗	✓	✓	✓	✗	✗	3 of 6
Ciaran Casey (Honorary Treasurer)	✓	✗	✓	✓	✓	✓	5 of 6
Aoife Foley	✓	✗	✗	✓	✗	✓	3 of 6
Catherine Devlin	✓	✓	✗	✗	✓	✓	4 of 6
Eleanor Neff	✓	✗	✓	✗	✗	✓	3 of 6
Elma Teahan	✓	✓	✗	✓	✓	✓	5 of 6
Frances Ward	✓	✓	✓	✓	✗	✓	5 of 6
Lynne Keary	✓	✗	○	○	○	○	1 of 2
Maurice Sammon	✓	✓	✗	✗	✓	✗	3 of 6
Patricia Nolan	✓	✗	✓	✓	✗	✓	4 of 6
Paula Tiller	○	○	✓	✓	✗	✗	2 of 4

**NATIONAL ADULT LITERACY AGENCY
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TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

Tom O'Mara	✓	✓	✓	✓	✓	✗	5 of 6
Tracey Reilly	✓	✗	✓	✗	✗	✗	2 of 6

*Temporarily unavailable to attend

Achievements of the Board in 2023

In addition to the ongoing activities of the Board, in 2023 the Board of NALA:

- established a Strategic Planning Advisory Group to guide NALA's next strategic planning process. A consultant was selected to support the process following a successful tendering process. The planning process began in September 2023 and the work continues into 2024. The Board aim to launch a new Strategic Plan in May 2024.
- submitted a revised Constitution to the Charities Regulatory Authority (CRA) in 2023. The amendments were approved by the CRA. The Board established an advisory and working group to oversee the communication of changes to Members to support them to make an informed vote on the changes. The group will also oversee the implementation of the changes. The Constitution and Procedural Rules will be brought to our Members for approval at an Extraordinary General Meeting in March 2024.
- reviewed and approved 14 policies following review and recommendations from NALA's subcommittees.

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 during 2023	Achievements in 2023	No. of meetings
Audit, Risk and Finance Subcommittee (AR&F)			
<ul style="list-style-type: none"> • Financial affairs • Risk management • Legal compliance 	<ul style="list-style-type: none"> • Elma Teahan (Chairperson) • Aoife Foley • Ciaran Casey • Nessa McEniff* 	<ul style="list-style-type: none"> • Ongoing monitoring of financial affairs, audit, risk management and legal compliance and advice to the Board on these matters • Review of Financial Reserves Policy • Introduction of Investment Policy • Full review and update of NALA's Business Continuity Plan, Risk Policy and Risk Register • Revised AR&F Terms of Reference 	5
Education, Training and Assessment Subcommittee (ETA)			
<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 Neff • Frances Ward • Tom O'Mara • Frances Boylan* • Marian O'Reilly* • Michael Power* • Lee Mitchell* 	<ul style="list-style-type: none"> • Ongoing planning and review of services for learners and advice to the Board on these matters • Review of Programme Approval, Development, Evaluation and Review Policy • Created a new Online Learning Policy • Review of updated Level 1 programme on Learn with NALA 	3
Literacy and Staff Policy, and Governance Subcommittee (LSPG)			
<ul style="list-style-type: none"> • Policy development • Staff policies and procedures 	<ul style="list-style-type: none"> • Margaret Kelly (Chairperson) • Patricia Nolan • Patricia Ayton • Donie Wiley* • Elaine Clifford* 	<ul style="list-style-type: none"> • Ongoing review of literacy policy, staffing policies, board governance and continuity, and advice to the Board on these matters • Ongoing oversight of staffing levels and employment contracts 	3

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	<ul style="list-style-type: none"> • Sandra Coughlan* • Lynne Keery^ 	<ul style="list-style-type: none"> • Advice and preparation on plans to update NALA's Constitution and Procedural Rules • Revised LSPG Terms of Reference 	
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) • Thomas Campbell* • Maurice Sammon • Catherine Finnerty* • Chris King* • Denise Shannon* • Eamon McAuliffe* • Eduard Neresian* • Gerry Daly* • Helen Curran* • Mairead Molloy* • Margaret Hanrahan* • Mark Daly* • Niall Lawlor* • Sarah Shaughnessy* 	<ul style="list-style-type: none"> • Ongoing feedback to the Board on emerging student issues • NALA Student Day – Galway • Supported the organisation of an exhibition at National Ploughing Championships • Took part in National Ploughing Championships exhibition and An Post awareness campaign • Provided a representative for judging panel for Student Development Fund applications • Provided input to NALA's Literacy Awareness Training and Learner Ambassador Programme 	6

* Non-Board member ^Retired May 2023

Charity Governance Code

During 2023, 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 2023 filing. There were no material amendments to NALA's Internal Financial Controls document during 2023 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 2023, NALA

- considerably updated its:
 - Environmental Sustainability Policy and Business Continuity Plan;
- revised its:
 - Staff Handbook,
 - Statement of Internal Financial Controls,
 - Health and Safety Policy Statement,
 - Risk Policy,
 - Reserves Policy,
 - Programme Approval, Development, Evaluation and Review Policy,
 - Dignity at Work Policies, which covers Anti-Bullying and Anti-Harassment Policies; and
- created a new:
 - Investment Policy and
 - Online Learning Policy

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

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

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 – up to 2 May 2023)
- Michelle Lynch (Communications, Advocacy and Outreach Manager - from 6 June 2023)
- Elaine Cohalan (Innovation Manager)
- 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 is 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-month 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 has 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 2023.

Risk Management

NALA has a Risk Policy and a risk register is in place. The Risk Register is reviewed and updated regularly by the Senior Management Team. It is also 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 biggest risks facing NALA in 2023 are outlined in the table below. NALA has a further 32 risks on its Risk Register with a risk level of "Low".

Risk	Type	Residual Risk Score and Level	Controls
Inefficient, outdated, fragmented, unsecured and or disrupted IT systems	Operational	20 Medium	<ul style="list-style-type: none"> • ICT System review underway • Alternative Broadband service arranged • Service and support contracts in place • Technical support outsourced where needed • Cyber liability insurance in place and reviewed annually • IT and cybersecurity training provided • Data backups in place
Dependency on one primary funder	Operational	20 Medium	<ul style="list-style-type: none"> • Strategic plan and work programmes aligned with funder's strategic objectives • Ongoing communication and solution seeking with funder regarding priorities and necessary actions

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TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY

			<ul style="list-style-type: none"> • Regular reporting of targets being met / exceeded and identification of expanded services • Compliance with funder's financial reporting requirements • Considered in NALA's Strategic Planning process for 2024-2030 • Opportunities to expand range of funders/partners constantly sought and partnerships agreed
GDPR non-compliance / data breach	Compliance	12 Low	<ul style="list-style-type: none"> • Suite of Data Protection Policies and Procedures in place • Data is as secure as possible in IT systems used • Data processing activities throughout NALA are documented and reviewed • Data processing agreements are in place where required • Employees use NALA approved software and apps for communications • Annual GDPR training to increase awareness of staff responsibilities in relation to cyberattacks, phishing, reporting of data breaches, and appropriate storage of information • GDPR policies / privacy statements/cookie requirements / procedures are regularly reviewed and updated • Privacy Engine software/service to advise on internal GDPR issues and queries • Cyber liability insurance in place
Competition from similar organisations and or other government departments such as the ALL office	Strategic and External	12 Low	<ul style="list-style-type: none"> • Ongoing review of NALA's positioning, remit and services against other stakeholders • Updates on engagements with SOLAS and ALL Office on Agenda of each relevant subcommittee and Board Meeting • Performance and quality of service regularly monitored and enhanced • Market and methods of service delivery are reviewed and enhanced • Regular contact with funders and partners • Regular work to heighten public awareness and profile undertaken • Pricing policy in place for Plain English service regularly reviewed
Changed Demographics resulting in lack of or change to beneficiaries requiring support	Strategic and External	12 Low	<ul style="list-style-type: none"> • Beneficiary base profile researched, and beneficiary needs understood • Establish future resource requirements and confirm role arising from 10-year strategy • Prepare to respond to 10-year strategy opportunities

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NALA partners with or accepts donations from an inappropriate or inefficient organisation due to lack of vetting	Strategic and External	12 Low	<ul style="list-style-type: none"> • Potential partnerships raised through management but approval process to be improved • Projects outside of Strategic Plan need to be approved by the Board
Failure to manage documents appropriately resulting in the loss of key corporate or legal documents	Operational	12 Low	<ul style="list-style-type: none"> • Record Retention Policy in place • Office Manager • New documents held in soft copies • Insurance policies in place • Fireproof cabinets used in some instances • Further improvements to be made in hard copy document management

Investment Policy

NALA's Board has agreed to keep investment risk to a minimum. NALA documented this in a new Investment Policy in 2023 to ensure that reserve funds of the charity are invested in accordance with the agreed risk profile of the charity.

Health and Safety

Procedures are in place to ensure the health and safety of staff and visitors. NALA continued its remedial works on our premises at Sandford Lodge that commenced in 2022. This was part of our annual Health and Safety Plan and to further support our Hybrid Working Policy which was introduced 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. Following a determination by Revenue in 2023 that all of NALA's activities fall outside the scope for VAT, Revenue refunded VAT amounting to €13,327 and de-registered NALA for VAT.

NALA confirms that it is fully tax compliant with the Revenue Commissioners under all applicable tax heads.

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.

**NATIONAL ADULT LITERACY AGENCY
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DIRECTORS' REPORT**

TO THE MEMBERS OF NATIONAL ADULT LITERACY AGENCY


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 27 March 2024 and are signed on its behalf by:

By order of the board



Margaret Kelly
Director



Ciaran Casey
Director

Date: 27 March 2024

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.

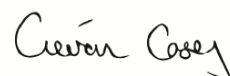
The Directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and surplus or deficit of the company to be determined 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: 27 March 2024

**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 2023, 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 2023, 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 23, 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.

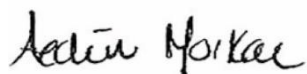
Auditor's responsibilities for the audit of the financial statements

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: 8 April 2024

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 2023

		Restricted Funds 2023 €	Unrestricted Funds 2023 €	Total Funds 2023 €	Total Funds 2022 €
	Note				
Income from:					
Charitable activities	3	2,371,870	310,508	2,682,378	2,860,215
Donations		-	880	880	2,315
Investments		-	6,152	6,152	145
		<u>2,371,870</u>	<u>317,540</u>	<u>2,689,410</u>	<u>2,862,675</u>
Expenditure on:					
Charitable activities	4	(2,390,687)	(225,947)	(2,616,634)	(2,689,995)
Net (expenditure) / income	6	<u>(18,817)</u>	<u>91,593</u>	<u>72,776</u>	<u>172,680</u>
Net movement in funds		(18,817)	91,593	72,776	172,680
Reconciliation of funds:					
Total funds brought forward		92,592	863,638	956,230	783,550
Transfer between funds		-	-	-	-
Total funds carried forward	12	<u>73,775</u>	<u>955,231</u>	<u>1,029,006</u>	<u>956,230</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 30 to 43 form part of these financial statements.

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

AS AT 31 December 2023


	Note	2023 €	2022 €
Fixed assets			
Intangible assets	7	-	29,271
Tangible assets	8	44,842	38,940
		<u>44,842</u>	<u>68,211</u>
Current assets			
Stocks	9	-	1,198
Debtors	10	101,930	86,693
Cash at bank and in hand		1,116,170	1,107,131
		<u>1,218,100</u>	<u>1,195,022</u>
Creditors			
Amounts falling due within one year	11	<u>(233,936)</u>	<u>(307,003)</u>
Net current assets		<u>984,164</u>	<u>888,019</u>
Total assets less current liabilities		<u>1,029,006</u>	<u>956,230</u>
Funds			
Restricted funds	13	73,775	92,592
Unrestricted funds		955,231	863,638
		<u>955,231</u>	<u>863,638</u>
Total Funds		<u>1,029,006</u>	<u>956,230</u>

The notes on pages 30 to 43 form part of these financial statements.

The financial statements were approved by the board of directors, authorised for issue on 27 March 2024 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 2023

	Note	2023 €	2022 €
Cash flows from operating activities			
Net income		72,776	172,680
Adjustments for:			
Depreciation and amortisation		48,199	50,933
Interest income	3	(6,152)	(145)
Operating income before working capital changes		114,823	223,468
Increase in debtors		(15,237)	(19,813)
(Decrease) / increase in creditors		(73,067)	59,967
Decrease in stocks		1,198	-
Cash generated from operations		27,717	263,622
Interest received		6,152	145
Net cash provided by operating activities		33,869	263,767
Cash flows from investing activities			
Acquisition of tangible assets	8	(24,830)	(24,121)
Cash used in investing activities		(24,830)	(24,121)
Net increase in cash at bank and in hand		9,039	239,646
Cash at bank and in hand at beginning of year		1,107,131	867,485
Cash at bank and in hand at end of year		1,116,170	1,107,131

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

FOR THE YEAR ENDED 31 December 2023

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 2023.

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 22.

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.

Income from donations

Public donations are accounted for when received.

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

FOR THE YEAR ENDED 31 December 2023

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.

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.

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

FOR THE YEAR ENDED 31 December 2023

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.

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.

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

FOR THE YEAR ENDED 31 December 2023

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

The Company deregistered for VAT with the Revenue Commissioners in 2023 upon confirmation from The Revenue Commissioners that none of the Company's activities were accountable for VAT.

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.

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 2024. There is no indication from SOLAS that the core funding requested for 2024 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, 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 2023.

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

FOR THE YEAR ENDED 31 December 2023

3. INCOME

Current Year

	Restricted Funds €	Unrestricted Funds €	Total Funds €
Income from charitable activities			
SOLAS Core Grant	1,972,507	-	1,972,507
SOLAS Learn with NALA (LWN)	250,000	-	250,000
SOLAS Adult Learning for Life Strategy	-	-	-
SOLAS Adult Learning for Life Innovation fund	23,800	-	23,800
SOLAS Literacy Outreach	75,540	-	75,540
SOLAS Student Development Fund	40,000	-	40,000
EBSN	10,023	-	10,023
An Post	-	20,000	20,000
Revenue VAT Refund	-	13,327	13,327
Other Income	-	12,645	12,645
Plain English	-	247,820	247,820
Membership Fees	-	12,853	12,853
Training	-	2,280	2,280
All Collaboration Fund – Subcontractor Income	-	1,583	1,583
	<u>2,371,870</u>	<u>310,508</u>	<u>2,682,378</u>
Income from donations	-	880	880
Investment income			
Interest income	-	6,152	6,152
	<u>2,371,870</u>	<u>317,540</u>	<u>2,689,410</u>

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

FOR THE YEAR ENDED 31 December 2023

Prior 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	-	2,315	2,315
Investment income			
Interest income	-	145	145
	<u>2,600,967</u>	<u>261,708</u>	<u>2,862,675</u>

4. ANALYSIS OF CHARITABLE EXPENDITURE

Current Year

	Restricted Funds €	Unrestricted Funds €	Total Funds €
SOLAS Core Grant	1,972,507	159,110	2,131,617
SOLAS Learn with NALA (LWN)	250,000	200	250,200
SOLAS ALL Strategy	-	-	-
SOLAS ALL Innovation Fund	23,800	-	23,800
SOLAS Literacy Outreach	75,540	-	75,540
SOLAS Student Development Fund	40,000	1,319	41,319
EU CITO	-	-	-
EU Abedili	-	-	-
EU EBSN	28,840	-	28,840
Plain English	-	64,059	64,059
All Collaboration Fund – Subcontractor Costs	-	1,259	1,259
	<u>2,390,687</u>	<u>225,947</u>	<u>2,616,634</u>

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

FOR THE YEAR ENDED 31 December 2023

Prior 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>

Included within the above are support costs as follows:

	General cost €	Governance cost €	Total	
			2023 €	2022 €
Wages and salaries	80,449	59,445	139,894	120,069
Audit	-	10,455	10,455	9,840
Rent and utilities	157,404	-	157,404	141,816
Other office cost	194,967	-	194,967	187,878
	<u>432,820</u>	<u>69,900</u>	<u>502,720</u>	<u>459,603</u>

5. Employees

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

	2023	2022
Adult Literacy Educators (ALE)	6	6
Other NALA staff	23	24
Average number of staff	<u>29</u>	<u>30</u>

Breakdown of wages and salaries is as follows:

	2023 €	2022 €
Wages and salaries	1,459,033	1,385,539
Social security cost	160,113	145,301
Pension costs	120,947	106,570
	<u>1,740,093</u>	<u>1,637,410</u>

The wages and salaries total of €1,740,093 includes accrued payroll costs for 2023 of €14,581 (2022: €68,944). This represents restricted expenditure in respect of accrued holiday pay.

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

FOR THE YEAR ENDED 31 December 2023

The number of employees whose employee benefits (excluding employer's pension cost and PRSI) is greater than €60,000 is 4 (2022: 4) as follows:

	<u>2023</u>	<u>2022</u>
€60,000 to €70,000	1	-
€70,001 to €80,000	-	3
€80,001 to €90,000	2	-
€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 2023 amounted to €385,816 (2022: €359,184). The key management personnel include the CEO, Colleen Dube, and the four members of the senior management team during 2023: Clare McNally, Michelle Lynch, Elaine Cohalan and Paul Cahill. Please note that Clare McNally went on Secondment from 02.05.2023 for the remainder of 2023. Michelle Lynch took up Clare's position from 06.06.2023.

The Directors were not paid and did not receive any other benefits for their work as Directors of the Company in the year 2023 (2022: €nil). Reimbursement to three Directors for vouched travel expenses to attend our June 2023 Board Meeting amounted to €211 in 2023 (2022: €593). No other Directors' expenses have been incurred during the year.

In 2023, the CEO received employee benefits (including employer's pension cost and PRSI) of €143,919 (2022: €121,872).

6. Net Income for the Year

	<u>2023</u>	<u>2022</u>
	€	€
Net income for the year is stated after charging:		
Depreciation and amortisation	48,199	50,932
Rent	110,000	110,000
Auditor's remuneration for external audit services	10,455	9,840

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

FOR THE YEAR ENDED 31 December 2023

7. Intangible Assets

	2023 €	2022 €
Cost		
Balance at beginning of year	141,461	141,461
Addition	-	-
Balance at end of year	<u>141,461</u>	<u>141,461</u>
Accumulated Amortisation		
Balance at beginning of year	112,190	76,824
Amortisation	29,271	35,366
Balance at end of year	<u>141,461</u>	<u>112,190</u>
Carrying Amount		
At 31 December	<u>-</u>	<u>29,271</u>

8. Tangible Assets

	Office Equipment €	Fixtures, fittings & equipment €	Total €
Cost			
At 1 January 2023	199,561	40,091	239,652
Additions	5,156	19,674	24,830
Disposals	(37,762)	-	(37,762)
At 31 December 2023	<u>166,955</u>	<u>59,765</u>	<u>226,720</u>
Accumulated Depreciation			
At 1 January 2023	167,900	32,812	200,712
Depreciation	14,144	4,784	18,928
Disposals	(37,762)	-	(37,762)
At 31 December 2023	<u>144,282</u>	<u>37,596</u>	<u>181,878</u>
Carrying Amount			
At 31 December 2023	<u>22,673</u>	<u>22,169</u>	<u>44,842</u>
At 31 December 2022	<u>31,661</u>	<u>7,279</u>	<u>38,940</u>

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

FOR THE YEAR ENDED 31 December 2023

9. **Stocks**

	2023	2022
	€	€
Raw materials and consumables	<u>-</u>	<u>1,198</u>

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

The amount of stock recognised as an expense in 2023 amounted to €1,198 (2022: €nil).

10. **Debtors**

	2023	2022
	€	€
Amounts falling due within one year:		
Trade debtors	45,205	30,717
Prepayments	10,587	55,143
Other debtors	46,138	833
	<u>101,930</u>	<u>86,693</u>

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 2023

11. Creditors

	2023	2022
	€	€
Amounts falling due within one year:		
Trade creditors	10,295	142,575
Accruals	62,915	86,241
Deferred income	41,331	27,855
SOLAS creditor	70,953	-
Taxes and social insurance	48,442	50,332
	<u>233,936</u>	<u>307,003</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.

Tax and social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions. The taxes and social insurance creditor represent the amounts related to December 2023 salaries that are due for payment by direct debit on 25.01.2024. NALA confirms that it is fully tax compliant as at 31.12.2023.

Deferred income balances at year end comprise payments received in advance for membership fees and Plain English services that are attributable to year 2024 and grants for which terms and conditions have not yet been met.

The company confirms that it has no outstanding liabilities relating to its staff retirement benefits on 31 December 2023

Movements in deferred income are as follow:

	2023	2022
	€	€
At 1 January	27,855	75,272
Deferred during the year	1,749,747	1,357,086
Credited to Statement of Financial Activities	<u>(1,736,271)</u>	<u>(1,404,503)</u>
At 31 December	<u>41,331</u>	<u>27,855</u>

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

FOR THE YEAR ENDED 31 December 2023

12. **Movements in Funds**

Current Year

	Balance at beginning of year €	Income €	Expenditure €	Balance at end of year €
Charitable activities				
Restricted funds	92,592	2,371,870	2,390,687	73,775
Unrestricted funds	863,638	317,540	225,947	955,231
Total funds	956,230	2,689,410	2,616,634	1,029,006

Prior Year

	Balance at beginning of year €	Income €	Expenditure €	Balance at end of year €
Charitable activities				
Restricted funds	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

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	43,784	-	-	43,784
EU Abedili Project	13,374	-	-	13,374
EBSN Project	35,434	10,023	28,840	16,617
SOLAS Core Grant	-	1,972,507	1,972,507	-
SOLAS Learn with NALA	-	250,000	250,000	-
SOLAS ALL Innovation Fund	-	23,800	23,800	-
SOLAS Literacy Outreach	-	75,540	75,540	-
SOLAS Student Development Fund EAEA	-	40,000	40,000	-
Total funds	92,592	2,371,870	2,390,687	73,775

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

FOR THE YEAR ENDED 31 December 2023

13. The Funds of the Company comprise the following:

	Unrestricted	Restricted	Total 2023
Current Year	€	€	€
Fund balances at 31 December 2023 are represented by:			
Tangible assets	44,842	-	44,842
Debtors	101,930	-	101,930
Cash at bank and in hand	1,042,395	73,775	1,116,170
Creditors	(233,936)		(233,936)
Total net assets	955,231	73,775	1,029,006
	Unrestricted	Restricted	Total 2022
Prior 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	863,638	92,592	956,230

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

	2023	2022
	€	€
Carrying amount of financial assets		
Financial assets measured at amortised cost	1,207,513	1,138,681
Carrying amount of financial liabilities		
Financial liabilities measured at amortised cost	73,210	228,816

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

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

FOR THE YEAR ENDED 31 December 2023

16. Operating Lease Commitments

Lessee

The Company's ten years lease of its business premises at Sandford Lodge, Sandford Close, Ranelagh, Dublin 6 commenced on 3 August 2017. The remaining period of the lease as at 31 December 2023 is 43 months. Rent expense recognised in 2023 amounted to €110,000 (2022: €110,000). Following a rent review during 2023 the agreed rent from 1 January 2024 until the end of the lease term is €115,759 per annum.

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

	2023	2022
	€	€
Within one year	115,759	110,000
After one year but no more than five years	299,044	394,167
More than five years	-	-
	414,803	504,167

17. Related Party Transactions

During 2023 NALA Director Eleanor Neff was contracted by NALA to provide professional services to advance the work of NALA's Literacy Ambassador Programme in Irish Prisons. The arm's length contract agreed between the parties was approved in advance by the NALA Board of Directors and the amounts paid were recorded in NALA's related parties' register. Total fees paid to Ms. Neff in 2023 amounted to €4,000 and vouched expenses costs related to the programme amounted to a further €998.

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

Transactions with Key Management Personnel

Other than as set out at Note 4 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 27 March 2024.