



THE CHILDREN'S LITERACY CHARITY

Annual Report and Accounts

Year Ended 31st August 2025

Registered Charity Number 1124257
Company Incorporated in England and Wales
Registered Company Number 6251103

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Legal & Administrative Details as at 31st August 2025

Charity Name

The Children's Literacy Charity

Charity Number: 1124257

Company number: 6251103

Registered Address: 44 Webber Street, London SE1 8QW

Telephone: 020 7740 1008

Email: info@theclc.org.uk

Website: www.thechildrensliteracycharity.org.uk

Patron: The Lord Hastings of Scarisbrick CBE

Trustee Board

For the purposes of the Companies Act 2006, the Board of Trustees is regarded as the Board of Directors of the company. The Trustees of the company throughout the year and to the date of signing this report are as follows:

Jeffrey Defries (Chair)

Steven Artist (Deputy Chair)

Nicole Magoon

Andrew Martin

Dr Jenny Thomson

Muriel Tersago (appointed March 2025)

Senior Management

Isabel Greenwood - CEO

Halima Begum – Head of Finance

Michelle Bennett – Head of Fundraising

Julie Taylor – Education Lead

Bankers

Lloyds Bank plc

34 Moorgate, London EC2R 6PL

Auditors

Begbies Chartered Accountants and Registered Auditors

9 Bonhill Street, London EC2A 4DJ

From the Chair and CEO

2024/2025 has proved yet another strong year for the charity as we continued to grow delivery across our two key specialist interventions - Literacy Lab and Reading Lab - as well as starting the trial of Story Lab, our new Early Years programme for nursery and reception children.

With the attainment gap the widest it has been for a decade and the majority (53%) of children from disadvantaged backgrounds leaving primary school without reaching the expected standards for reading, writing and maths, we know our work is needed now more than ever before.

This 'literacy deficit' has a profound impact on children's lives: some will never catch up and all the evidence shows that the attainment gap will grow as they progress through school unless we are able to intervene early.

Low literacy means children often lack confidence and if they struggle to participate in the classroom this can lead to poor behaviour and truancy. Ultimately, they are at greater risk of disengaging from their education and as a result narrowing their life chances.

This year we have, therefore, focused even more closely on how we can best help to close the literacy gap and broaden the horizons for the children who have the most catching up to do.



The key beliefs which inform all our work are:

The importance of all the literacy skills. We have long said our literacy work is so much more than just reading. Our holistic approach to literacy - encompassing comprehension, writing, listening, speaking and reading - is key to effectively supporting children who are struggling in the mainstream classroom.

The value of specialist literacy intervention, as early as possible, in improving attainment outcomes for pupils facing disadvantage. Addressing the literacy deficit for the children who are the furthest behind means they are able to engage with learning, across the curriculum, throughout their education.

A long-standing emphasis on the best quality support possible and high impact outcomes. Children deserve methods that really work, delivered by exceptional, skilled tutors, as well as rigorous assessment of progress and evidence-informed programmes.

The power of partnership. Working collaboratively, supportively and constructively with schools, families and funders has immense long term benefits, especially when our beliefs align around the need for specialist literacy intervention, the urgency of addressing the attainment gap and the goal of an equitable education for all with the opportunity to thrive.

Achieving and maintaining a high level of impact from our tuition has always been a priority and we are delighted to report that 2024/25 saw us maintain our strong outcomes: for our well-established Literacy Lab programme for younger primary school children, 75% of graduates closed their reading age gap entirely and 90% closed or significantly narrowed their reading gap.

Our Reading Lab catch-up programme for older primary and early secondary school pupils goes from strength to strength, with children making on average seven months of progress in just one, 10-week block of expert tuition.

Across both these programmes, feedback from our partner schools and parents provides growing evidence of the positive effect improved literary levels have on confidence, resilience as well as classroom participation and educational engagement.

From the Chair and CEO



Alongside our commitment to maintaining high impact, we continue to focus our delivery on those children needing the most help: 85% of the children we supported in 2024/25 faced social, economic or educational barriers, some experiencing compound levels of disadvantage.

Given the significant role parental support plays in a child's development, we continue to work closely with partner schools to involve parents and families in their child's literacy journey with us. Parent workshops and celebration assemblies are now established strands to our delivery and 2024/25 saw the appointment of a Parental Engagement Manager as part of our Story Lab work.

We also experienced greater demand for our Reader Leader mentoring scheme in which we train older pupils to become reading mentors for younger children. Operating at a national level and across both primary and secondary schools, Reader Leader helps nurture a love of reading, creating young reading ambassadors and helping older pupils develop valuable life skills.

We remain, as always, extremely grateful to the individuals, trusts and foundations and corporate organisations who have supported us this year, helping us to extend our impact and giving children who have not had the best start in life the opportunity to succeed in today's world.

Finally, we continue to attract quite exceptional tutors. Their belief in the power of our life-changing literacy work is humbling and we are forever grateful for their skill and dedication. A huge thank you, also, to all our partner schools; our support team of staff and our trustees who so willingly give their time to our cause.

Jeffrey Defries, Chair of Trustees

Isabel Greenwood, CEO

**Literacy
Lab**

**Reading
Lab**

**Story
Lab**

**Reader
Leader**

Our Vision

Our mission is to close the literacy gap for children facing disadvantage, ensuring those who are the most behind are not left behind, with the goal that every child has the opportunity to catch up and gain the literacy skills and confidence needed to fulfill their true potential.

Our highly skilled specialist tutors – employed, trained and managed by the charity - deliver in-person, low-ratio (1:1 or small group), expert literacy tuition, so that the children we support reach or exceed age-related literacy expectations and have the skills, self-belief and motivation to engage with and benefit from their educational journey.

The charity firmly believes in the power of early intervention, the importance of taking a holistic approach to literacy and covering all the important skills - so not only reading in isolation but comprehension, writing, speaking and listening - and the added value of a highly trained expert tutor supporting children in our dedicated 'Lab' space in schools. Together with rigorous assessment methodology and our focus on working collaboratively with school partners and parents, we deliver remarkable outcomes.



The scale of the need

Children from disadvantaged backgrounds are starting school nearly five months behind their better off peers and if this is not addressed, the attainment gap grows to 10 months by the end of primary school. The attainment gap is now the widest it has been for a decade and while it widened considerably following the pandemic, it was already beginning to grow in 2019. [1]

In 2022/23 more than a quarter of five-year-olds in England (187,000 children) did not meet the expected standard for literacy[2].

In 2025 the majority (53%) of disadvantaged children left primary school not meeting the expected standards for reading, writing and maths and only 4% met the higher standard. [3]

In 2022, over 275,000 children left primary school without a secure grasp of foundational skills.[4] Only 10% of disadvantaged children who leave primary school with their reading below the expected standard get passes in English and maths at GCSE.[5]

For some children, their literacy gap is so significant they struggle to make progress in the mainstream classroom throughout their primary education and ultimately at secondary school too.

Poor literacy at the start of school has a profound effect on the rest of a child's life. As well as affecting confidence and engagement, when children struggle at school they are more likely to misbehave and truant, and, on leaving school, are less likely to find employment and more vulnerable to turning to crime.

[1] Education Policy Institute Annual Report 2024

[2] ProBono Economics 2022/23

[3] Gov.uk Key Stage 2 statistics 2024/25

[4] Cracks in our Foundations, Centre for Social Justice 2023

[5] Supporting struggling readers in secondary school, Ofsted 2022

How we change lives, for good

The Children's Literacy Charity aims to transform the life chances of those children who are at risk of being left behind in the education system. Through the provision of tailored, face to face, specialist tuition, these children not only gain important literacy skills but start to engage with learning, growing in confidence, self-esteem and resilience as a result.

Our focus is to support the children who have the most catching up to do: the vulnerable children we work with have a literacy level that can be between one to two years behind their peers, and sometimes greater.

In 2024/25, 85% of the children we supported faced one or more of the following barriers:

- Coming from a disadvantaged background and living in areas of deprivation, being eligible for pupil premium funding (PP) or free school meals (FSM)
- Learning English as an Additional Language
- Having parents or carers who also struggle with literacy
- Having a special educational need such as dyslexia, dyspraxia or mild autism
- Experiencing a lack of support at home and/or disrupted school attendance

We deliver a structured, multi-sensory literacy intervention which builds on the mechanics of reading, developing language and understanding and ultimately opening up the opportunities that reading fluency provides. Children not only close their literacy gap but we raise their expectations of themselves as learners: with improved literacy skills, children can begin to engage with the curriculum. This approach is the key to addressing the multiple, complex barriers to learning experienced by many children from disadvantaged backgrounds. Our literacy interventions help to close the attainment gap and broaden horizons, giving children who have the most catching up to do a crucial and potentially life changing opportunity to return to the classroom with greater independence and agency.

An important differentiating factor in our literacy work is that we prioritise employing highly experienced tutors, often with a teaching background, who are able to support hard-to-reach children and have the teaching skills needed to deliver our specialist programmes. These dedicated individuals are the key to our remarkable impact.

In 2024/25 the charity in total supported 2,734 children across our specialist literacy interventions and our Reader Leader programme in primary and secondary schools.

Supporting children through our Expert Literacy Programmes

In 2024/25 the charity's Expert Programmes delivered 17,070 tuition sessions, supporting a total of 1,330 children.



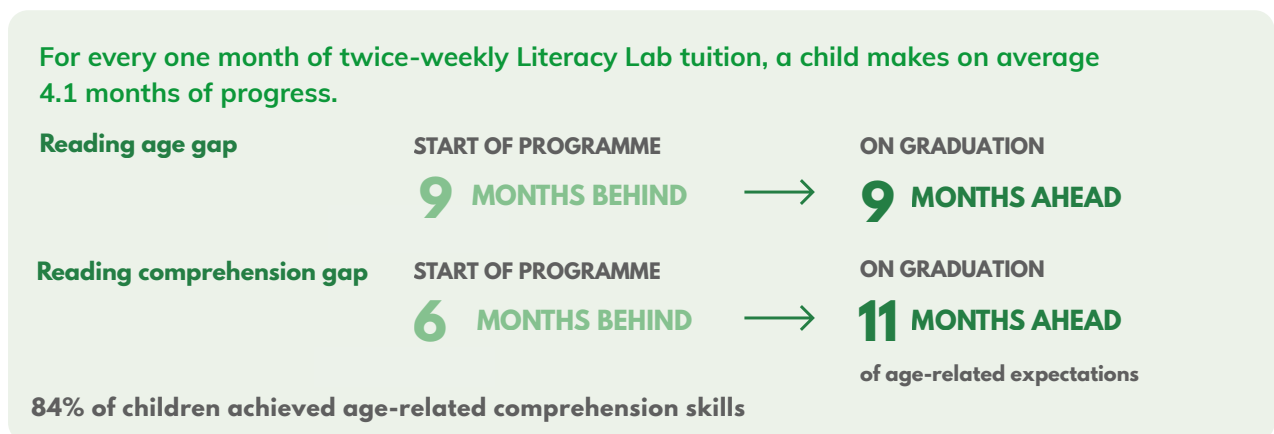
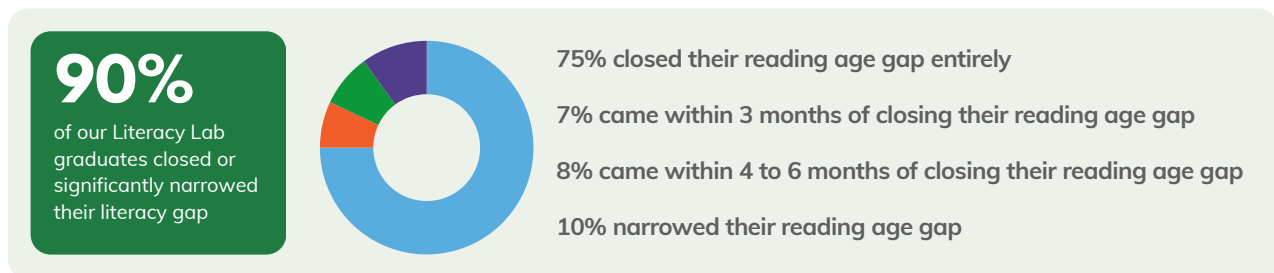
280 of these pupils were tutored through our Literacy Lab programme and 915 children were tutored through our Reading Lab programme. A further 135 children were tutored through the rollout of our Story Lab programme.



We worked with 39 partner schools across London, Manchester, Norwich, Staffordshire, Stoke-on-Trent, West Midlands, Cheshire and Bedfordshire. In five of these schools we partnered with AllChild, formerly West London Zone.

Impact: Literacy Lab

Each child or 1:3 group on the Literacy Lab programme has two 45-minute literacy sessions per week, in a dedicated space, in person with their tutor. Our intervention is particularly effective because we capitalise on the strengths of each child and focus teaching on the areas where they need the greatest help. In 2024/25 every child on the programme made progress.



The pupils graduating from our Literacy Labs achieved remarkable ratio gains for reading. This is the gain in reading age made during a chronological time span. A gain of above 4.0 - that is for every one month on the programme, a child gains over four months in their literacy development - is rated as 'remarkable impact'. In this academic year the ratio gain for both reading and comprehension was 4.1. By comparison, an average pupil in a classroom working at age-related expectations would make a gain of one year in one academic year.

Our approach has been independently validated by the University of Sheffield which found our Literacy Lab Expert programme “demonstrated effectiveness in significantly progressing the literacy skills of the most disadvantaged student groups in the country” and offered “a gold standard in provision”.

The launch of 1:3 Literacy Labs in 2022 has been especially successful, delivering outcomes equal to 1:1 tutoring, evidencing the value of small group tuition, even for younger children, and offering schools the ability to support more children needing this intervention at the same time as retaining all the advantages of consistent, in person support by a specialist tutor.

Impact: Reading Lab

As part of the expert programme in 2024/25, our 1:3, 10-week Reading Lab catch-up intervention proved popular and we delivered 61 Reading Lab blocks across 26 schools.

Reading Lab is an intensive intervention aimed at KS2/KS3 pupils who are working towards age-related expectations and who will, with a short catch up, be able to narrow their literacy gaps.

Launched in 2021 and designed to address the learning gaps caused by Covid and absence from school, the focus of the programme is on reading comprehension, fluency and vocabulary, to build confidence and literacy skills as well as to promote genuine engagement with reading and instilling a lifelong habit.

Children attending Reading Lab have two 45-minute sessions each week over the 10-week block, working in person in a dedicated space with our specialist tutors. Many of our partner schools use Reading Lab for Year 5 to support the transition to Year 6, in readiness for the important move to secondary schools. In 2024/25 we also delivered Reading Lab to KS3 pupils at secondary school.

Average progress for a child attending Reading Lab

10
weeks'
of tuition

→

7
months'
of progress

Schools reported:

- Significant impact on children's love for reading, confidence and self-esteem
- Strong evidence of children's improved classroom engagement
- Satisfaction with high quality of CLC tutors



On completion of the 10-week block of tuition, children made on average seven months of progress. 65% of the children attending Reading Lab narrowed their reading gap and 35% narrowed their gap to within six months of the assessed reading age.

Alongside the significant progress in reading, schools also report a positive impact on confidence and improved engagement, behaviour and attendance. This has been particularly striking for the children attending Reading Lab at secondary school.

Impact: Story Lab

With early intervention a founding ethos of the charity, and based on research with Early Years professionals, in 2024/25 we began trialling a new intervention - Story Lab - for children in nursery and reception.

Generously supported by The Mercers' Company, The Charity of Sir Richard Whittington, as part of their focus on Early Years, this expert intervention - again based on our successful model of employed, specialist tutors working in person, in small groups - is designed to support young children who are struggling with language and communication and need extra help to be 'school ready' and able to engage in their first year of formal education.

Over the trial period, January - July 2025, we delivered nine Story Labs in six schools, supporting 135 children. Early results are extremely promising with over 82% of the reception age children achieving their Early Learning Goal in Communication, Language and Literacy.

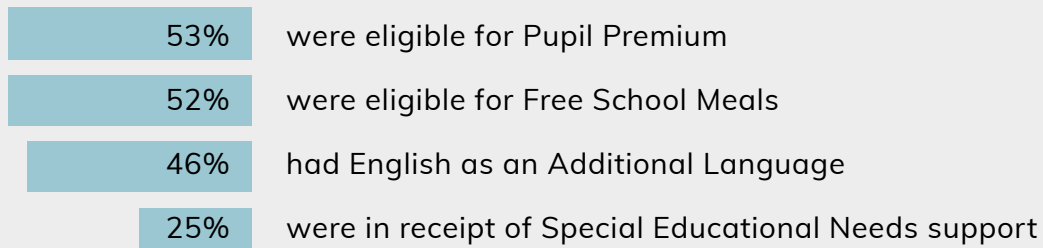
“Working with Story Lab has made a real difference for our Reception children at Hollydale Primary School in Peckham. Many of our pupils start school with low levels of language, speaking and listening skills, and Story Lab has supported them to make clear progress in all of these areas. We have seen increased confidence, stronger communication and much higher engagement with books and stories. Most importantly, the programme genuinely nurtures a love of reading in our children, which is having a positive impact across the classroom.”

Farhana Sultana, Assistant Headteacher, Hollydale Primary School.



The Children Supported Through Our Expert Programmes

Of the children we helped through our Expert tuition this year:



Reader Leader Training Programme

Alongside our expert literacy interventions, we continue to deliver our Reader Leader programme in schools right across England, training older pupils as 'Leaders' to become reading mentors to younger 'Readers'. The Leaders then read with their Reader once a week for a minimum of 18 weeks and in doing so gain an understanding of the reading process as well as learning important life skills such as how to mentor.

Demand for this programme has grown steadily and in 2024/25 we trained 702 'Leaders' to mentor at least 702 younger 'Readers' across 44 schools of which 17 were primary and 27 were secondary schools.

Teachers find the programme helps promote a culture of reading for pleasure right across the school and we invested time in developing Reader Leader for primary schools as well as secondary.

Charitable objects as set out in our governing document

Our primary goal is to advance education to improve the life chances of children in England, in particular but not exclusively children living in areas of economic and educational deprivation; experiencing challenging home lives; having special educational needs or English as an additional language, by the provision of literacy support for children who are behind in their literacy skills, and by providing training for Reading Mentors and literacy support through parental engagement activities.

Supporters of The Children's Literacy Charity

We are especially grateful to the many individuals and organisations who support our work and would like to extend our sincere thanks to the following donors who have given so generously over the year.

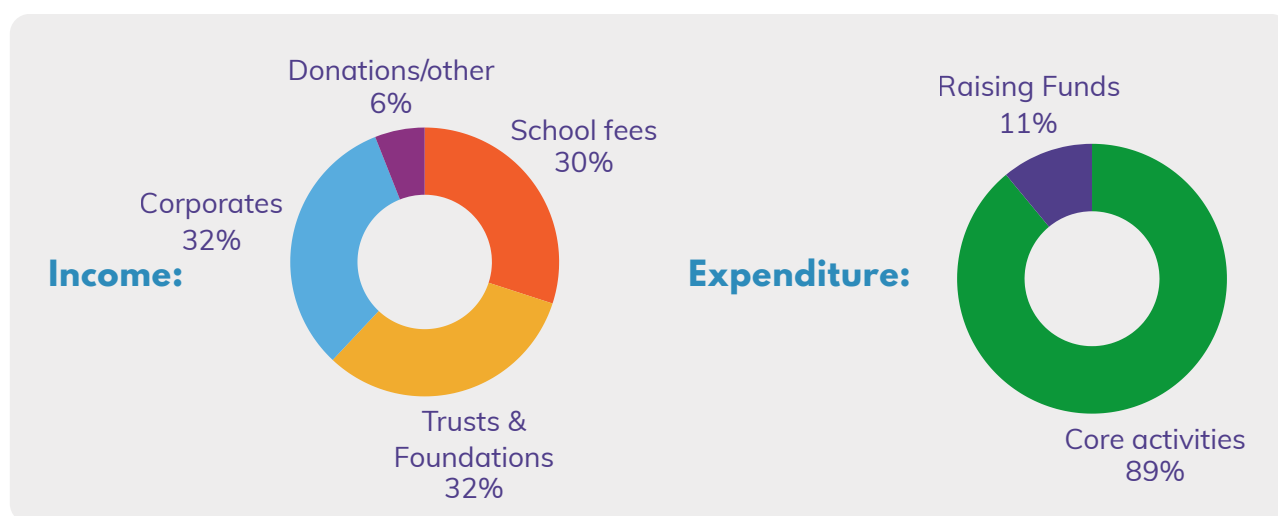
Bain Social Impact Fund
Brown Advisory
Campbell Lutyens
The Girdlers' Company Charitable Trust
The Julia Rausing Trust
Mazars Charitable Trust
Norton Rose Fulbright LLP
Pulse
Recorra
SE Franklin's Charitable Trust
Squarepoint Foundation
Stellantis UK
The Tallow Chandlers' Company
The Buzzacott Stuart Defries Memorial Fund
The Mercers' Company, The Charity of Sir Richard Whittington
The Swire Charitable Trust
The Zochonis Charitable Trust
Walcot Foundation
Wellington Management UK Foundation
William Wates Memorial Trust



Financial Review

The total income for the year was £901,566 compared with £673,985 in 2023/24. Income from Trusts and Foundations accounted for 32%, with Corporate income also totalling 32%. School fees accounted for 30%, with the remaining 6% being raised from a combination of other income, including individual giving, community fundraising and general donations.

The total expenditure for 2024/25 was £872,293 compared to £608,163 in 2023/24. The increased expenditure in 24/25 reflects the growth in programme delivery over the year, with 89% being spent on core activities and 11% on raising funds.



Reserves Policy

The reserves as at 31st August 2025 totalled £499,965. This is made up of the designated liquidation fund of £420,000 and general funds of £79,965 of which £2,921 is invested in the charity's fixed assets. As at 31st August 2025 the charity's free reserves totalled £77,044.

The charity's reserves policy is to hold six months of expenditure in reserves for the purpose of protecting the work of the charity in the short term should funding targets not be met or if the charity should need to cease/curtail its activities. The policy is reviewed annually, when specific factors affecting the level of reserves are reviewed, primarily relating to contractual obligations for employees. As at 31st August 2025 the charity's free reserves were sufficient to meet the Trustees' reserves policy.

Going concern

The Trustees believe that the charity has adequate resources to continue in operational existence as future funds receivable are anticipated to be sufficient to fund committed projects. Nevertheless, they will continue to monitor the charity's spending and cash flow regularly to ensure that its liabilities are met as they fall due. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Risk Assessment and Management

The Trustees and Senior Management Team are responsible for the assessment and management of risks faced by the charity, ensuring that all risks are reviewed and that there are procedures and policies in place to mitigate against those risks.

A risk register is in place which is reviewed by the Trustees once a year at a board meeting or by exception should there be any significant change in circumstances. A designated trustee (Andrew Martin) is responsible for meeting with the CEO annually for an in depth risk review and discussion. Identified risks are then monitored and controlled on an on-going basis by the Senior Management Team.

The principal risks identified are:

Financial exposure - fundraising shortfall, poor expenditure control; insufficient reserves

Operational - organisational structure, policies and procedures which are able to support: growth, effective management of delivery; safeguarding of children; recruitment of suitable tutors; maintenance of high quality/high impact; the loss of key staff

Statutory – compliance/non-compliance with laws and regulations regarding charitable operations, safeguarding and employment in particular

Changes to the educational landscape - shifting school, local authority, national Government and DfE needs, priorities and policies

Other external factors - population trends, economic downturn, environmental changes

Investment Policy

Reserves are held on deposit with Lloyds Banking Group. A review of the investment return is carried out on a regular basis and decisions on where to hold surplus funds are made on the basis of interest rates and accessibility.

Organisational Structure

Structure, Governance and Management

The Children's Literacy Charity is a charitable company limited by guarantee, incorporated on 17th May 2007 and registered as a charity 30th May 2008. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

Statement of Trustees Responsibility

The Trustees (who are also directors of The Children's Literacy Charity for the purposes of company law) are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. These give a true and fair view of the state of affairs of the charitable company and of the incoming and outgoing resources and application of resources, including income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Statement of disclosure to the auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware;
- they have taken all steps required to ensure that they are aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Recruitment and Training of Trustees

Recruitment of Trustees is carried out through nominations from within the Trustee Board and through open recruitment. In order to assess their personal competence and independence, a skills audit is conducted to assess suitability for any vacancies on the Board.

Detailed role profiles and codes of conduct are set out in the Trustee Information/Induction Pack and appointments are based on the results of the skills audit and an assessment process followed by a vote of the existing Trustees. New Trustees are given the last three years' Annual Report and Accounts and are encouraged to read the Charity Commission's document "The Hallmarks of an Effective Charity".

Remuneration of senior staff

Remuneration of the Chief Executive is set by the Trustees and benchmarked using the ACEVO pay review and similar roles in other medium sized charities. The same benchmarks are used to set Senior Management pay. No employee is paid more than £60,000 and employees receive no employee benefits other than their pay and pensions.

Senior Management

Responsibility for day-to-day operations and the leadership of the professional and volunteer team is delegated to the Senior Management Team. The Senior Management Team is responsible for all day-to-day decisions affecting the charity. Decisions of a strategic or directional nature, including the employment of the senior staff, remain the responsibility of the CEO & Trustees.

The Trustees keep up to date with charity regulation through reports from the Senior Management Team which is presented as part of the main agenda in Trustees' meetings. Trustees attend relevant training and are expected to share knowledge and best practice at these meetings.

The charity has no subsidiaries and there were no related party transactions during the year. The Trustees give their time voluntarily and receive no benefits from the charity.

The work of The Children's Literacy Charity is carried out by 61 individuals, comprising 54 paid staff and seven volunteers.

Auditors

Begbies Accountants have indicated their willingness to continue in office and are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

Preparation of the accounts

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) "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102 – Charity SORP (FRS102) Revised) the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applied from 1 January 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

Public Benefit

The trustees have had regard to the Charity Commission's guidance on public benefit and are satisfied that the company meets the public benefit requirement.

2025/26: Strategic Aims

Education:

- To continue to deliver high quality, high impact specialist interventions to close the literacy gap for children from disadvantaged backgrounds who need the most help to catch up
- To build strong, collaborative partnerships with schools and MATs, existing and new, working to meet the evolving needs of schools, pupils and families

Income generation and Fundraising:

- To develop income streams and funding partnerships, retaining existing support and growing income from corporates, with a particular focus on significant, unrestricted multi-year grants

Organisation:

- To ensure we have a stable, effective and sustainable infrastructure with the capacity, skills and flexibility to support growth and the focus on reaching more children from disadvantaged backgrounds where the need is greatest

Governance:

- To maximise trustee engagement in support of education and fundraising goals and charitable oversight

2025/26: Plan

Education

- Continue to deliver the core expert intervention programmes - Literacy Lab and Reading Lab – to children experiencing disadvantage, maintaining and growing current reach
- Build on the existing regional presence, in particular, but not exclusively, in urban areas with high Pupil Premium numbers in the Midlands and North West and/or to support communities in areas of economic deprivation or educational disadvantage local to funders
- Assess initial trial of Story Lab, the new Early Years (nursery/reception) intervention and roll out to additional trial schools to help evolve the programme as a core expert intervention alongside Literacy and Reading Labs
- Develop new partnership opportunities with schools and Multi Academy Trusts
- Grow Reader Leader national presence and continue to recruit additional trainers
- Continue to build parental engagement work, utilising effective ways to encourage reading at home, working collaboratively with partner schools
- Maintain high impact delivery through ongoing recruitment of high-quality tutors and ensure effective and efficient pupil progress evaluation

Financial Review

Income generation and Fundraising

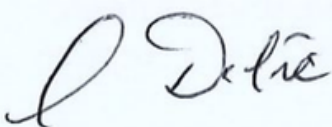
- Raise an overall income of £1,001,325. This will be achieved by raising £845,000 through fundraising, and securing £156,325 from school contributions and Reader Leader training
- Focus on attracting significant, multi-year support from larger Foundations and Corporates to build strong funding partnerships and allow the charity to plan and manage growth
- Continue to grow corporate income through effective targeting of potential funders with aligned interests and a supportive relationship management approach including ongoing evaluation of volunteering opportunities
- Provide excellent account management to existing funders while increasing levels of support through effective and appropriate funding applications
- Ensure effective communication with funders and supporters through regular contact and appropriate reporting

Organisation

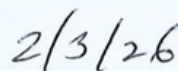
- Continue to refine Education and Finance processes and procedures, building on work done in January 2025, to optimise efficient use of team time and evolve the team structure and responsibilities to support sustainable growth
- Ongoing development of the website, building on the refresh in 2024/25 and launch tailored Family Learning Resources section for parents
- Continue to produce a termly newsletter for schools and supporters
- Ongoing review of evidence base to support our work, ensuring compelling case for intervention
- Ongoing review of assessment methodology to ensure we can continue to evidence our impact through the capture of quantitative and qualitative data of pupil progress
- Ensure that robust safeguarding policies and procedures are in place/adhered to
- Maintain facilities and infrastructure to meet organisational needs

Governance

- Facilitate strong trustee engagement through regular quarterly meetings.
- Ensure trustees are fully informed and risks are recorded and reviewed regularly.
- Build Trustee Board capability with the appointment of additional trustees
- Ensure the charity is meeting its legal obligations through the development and submission of annual accounts in a timely fashion



Jeffrey Defries, Chair of Trustees



Date

Independent Auditors' report to the members of The Children's Literacy Charity

Opinion

We have audited the financial statements of The Children's Literacy Charity (the "Charity") for the year ended 31st August 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31st August 2025 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Independent Auditors' report

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (incorporating the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Independent Auditors' report

Responsibilities of the trustees

The trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries of management and the trustees as to their identification of any non-compliance with laws or regulations, or any actual or potential claims;
- Review of minutes of Board meetings throughout the period;
- Incorporating unpredictability into the nature, timing and/or extent of testing.
- Evaluation of the selection and application of the accounting policies chosen by the charity.
- In relation to the risk of management override of internal controls, by undertaking procedures to review journal entries and evaluating whether there was evidence of bias that represented a risk of material misstatement due to fraud; and
- We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by considering the key risks impacting the financial statements.

Independent Auditors' report

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Katherine Dee (Senior Statutory Auditor)
For and on behalf of Begbies Chartered Accountants, Statutory Auditor
9 Bonhill Street, London EC2A 4DJ

Date: 01/7/22

Statement of Financial Activities

The Children's Literacy Charity Statement of Financial Activities year to 31st August 2025 Including Income and Expenditure Account

		Unrestricted	Restricted	Total 2025	Total 2024
	Note	£	£	£	£
Income and endowments from:					
Donations & Legacies	2a	252,949	6,000	258,949	282,743
Charitable activities	2b	266,725	375,233	641,958	390,661
Investments (bank Interest)		660	0	660	580
Total Income		520,334	381,233	901,566	673,985
Expenditure on:					
	4 & 5				
Raising Funds		98,788	0	98,788	100,328
Charitable Activities		392,273	381,233	773,505	507,835
Total Expenditure		491,061	381,233	872,293	608,163
Net Income/(Expenditure)		29,273	0	29,273	65,822
Net Movement in funds		29,273	0	29,273	65,822
Reconciliation in Funds					
Total Funds brought Forward		470,692	0	470,692	314,619
Total Funds carried Forward	10 & 11	499,965	0	499,965	380,441

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

There were no recognised gains and losses in the period other than those shown above. All of the above results are derived from continuing activities. The notes 1-15 form a part of these financial statements.

Statement of Financial Activities

The Children's Literacy Charity Balance Sheet as at 31st August 2025

		Total 2025	Total 2024
	Note	£	£
Fixed Assets			
Tangible assets	6	2,921	2,104
		2,921	2,104
Current Assets			
Debtors	7	6,995	7,060
Cash at Bank	8	685,724	613,323
		692,718	620,383
Liabilities			
Creditors: Amounts falling due within one year	9	(195,674)	(151,795)
Net Current Assets		497,044	468,588
Net Assets		499,965	470,692
Funds of the Charity			
Restricted		0	0
General	10	79,965	50,692
Designated	10	420,000	420,000
Total Funds		499,965	470,692

Statement of Financial Activities

The notes 1-15 form part of these financial statements.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved, and authorised for distribution, by the board on and signed on their behalf by:



Jeffrey Defries, Chairman of Trustees

Date: 2/3/26

Registered Company Number 6251103, Charity Number 1124257

Statement of Financial Activities

The Children's Literacy Charity Statement of Cashflows, year to 31st August 2025

	Note	Total 2025	Total 2024
		£	£
Cashflows from operating activities:			
Net Cash provided by (used in) operating activities	8a	73,931	102,123
Cashflows from investing activities:			
(Purchase)/sale of tangible Fixed Assets		(2,190)	(1,474)
Interest from investments		660	580
Net cash provided by investing activities		72,401	101,229
Change in cash and cash equivalents in the reporting period		72,401	101,229
Cash and cash equivalents at the beginning of the reporting period		613,322	512,094
Cash and cash equivalents at the end of the reporting period	8b	685,723	613,322

Reconciliation of net debt

The charity had no net debt in the current or prior year.

Notes to the financial statements Year to 31st August 2025

1. Accounting Policies

Basis of Accounting

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) “Accounting and Reporting by Charities” the Statement of Recommended Practice for charities applying FRS 102 – Charity SORP (FRS102) Revised) the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applied from 1 January 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the next 12 months. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

The reserves comprise the Designated Fund of £420,000 to cover six months of running costs and a further £79,965 is made up of general reserves. Of the general reserves £2,921 are invested in fixed assets leaving £77,044 of free reserves.

Funds Structure

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor or which have been raised by the charity for particular purposes.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the charity’s objects.

Designated funds are unrestricted funds set aside by the trustees for particular purposes. The funds set aside for this purpose are detailed in the reserves policy.

Statement of Financial Activities

Incoming Resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Donations in kind are recognised at an estimate of their fair value. Donated books are included at wholesale value and donated professional services at the usual rates charged. No value is placed on general volunteer or trustee time donated.

Grants are recognised at the point when the charity is notified of the grant. Grants shown as donations are only deferred if they relate to a specific future time period as identified by the donor, and the charity is not entitled to spend the funds before this period, or the charity is not entitled to the funds without first meeting criteria which are yet to be met at the year end.

Grants are recognised as restricted if they are donated for a purpose more restrictive than the ongoing operations of the charity. Grants are recognised as unrestricted if the donor does not state and restriction on the use of the grant.

Grants that are received for the general operation of the charity, rather than on the basis of a contract or for a specific level of service, are treated as donations. Were a grant is received with a specified level of service, it would be shown as income from charitable activities and would be deferred to the extent that the charity has yet to fulfil the service level obligations.

School fees and training income are accounted for when they are receivable by the charity to the extent that they are expected to be recoverable.

Income from fundraising activities which are in essence donations, such as sponsorships from marathons and other challenge events are shown in donations and recognised in the year the events took place.

Statement of Financial Activities

Resources Expended

Expenditure is accounted for in the period to which it relates. The majority of costs are directly attributable to the main activity of the charity which is to teach children with literacy difficulties on a one-to-one basis to help them acquire basic literacy skills to enable them to access the mainstream curriculum in the classroom.

Support costs represent general overheads which cannot be attributed directly to specific activities in furtherance of the charitable object and accordingly have been allocated across activities on the basis of the percentage of staff time or other appropriate cost driver. Governance costs are included in support costs and represent those costs attributable to the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements.

The costs of generating funds are those costs of seeking potential funders and applying for funding together with any indirect costs incurred in carrying out this work.

Tangible Fixed Assets

All assets costing more than £400 are capitalised and included at cost. Depreciation is recognised so as to write off the cost of the valuation of assets less their residual values over their useful lives of 3 years or 5 years depending on the estimation of their useful life.

The charity does not hold any freehold land or buildings.

Impairment of Fixed assets

At the end of each year the charity reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication of those assets being impaired or damaged. If this is the case the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and deposits held on call with banks.

Financial Instruments

The charitable company has elected to apply the provisions of Section 11 "basic financial instruments" and Section 12 "Other financial instruments Issues" of FRS 102 to all of its financial instruments.

Financial Instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Statement of Financial Activities

Basic financial assets

Basic financial assets include debtors, cash and bank balances, are measured initially at transaction price including transaction costs.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of operations 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.

De-recognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

Operating Leases

Payments made under operating leases are charged to the Statement of Financial Activities as incurred.

Pensions

The charity enrolls eligible workers in workplace pension schemes with NEST. All other employees have a right to join the scheme should they so wish, with the Children's Literacy Charity paying in to the contributions after 6 months of employment. All the pensions are defined contribution bases and as such the assets and liabilities are held separately to those of the charity. Contributions are recorded by the charity as they fall due.

Registered Office

The Charity's registered office is 44 Webber Street, London SE1 8QW.

Government Grants

School fees are received directly from the relevant schools and are not government grants.

Statement of Financial Activities

Notes to the financial statements (continued) for the year ending 31st August 2025

2a. Donations and Legacies

	Notes	Unrestricted	Restricted	Total 2025
		£	£	£
Donations		50,243	2,000	52,243
Trusts/Foundations/Corporates	3	198,341	4,000	202,341
Sponsorships		4,365	0	4,365
		252,949	6,000	258,949
	Notes	Unrestricted	Restricted	Total 2024
		£	£	£
Donations		32,108	5,000	37,108
Legacies		11,796	0	11,796
Trusts/Foundations/Corporates	3	226,894	4,000	230,894
Sponsorships		2,946	0	2,946
		273,743	9,000	282,743

Statement of Financial Activities

Notes to the financial statements (continued) For the year ending 31st August 2025

2b. Charitable Activities

	Notes	Unrestricted	Restricted	Total 2025
		£	£	£
Trusts/Foundations/Corporates	3	0	375,233	375,233
Fees from schools		251,915	0	251,915
Training activities		14,810	0	14,810
		266,725	375,233	641,958
	Notes	Unrestricted	Restricted	Total 2024
		£	£	£
Trusts/Foundations/Corporates	3	0	208,519	208,519
Fees from schools/parents		170,500	0	170,500
Training activities and conferences		11,643	0	11,643
		182,143	208,519	390,661

Statement of Financial Activities

3. Income from Trusts, Foundations & Corporates

	Unrestricted	Restricted	Total 2025	Unrestricted	Restricted	Total 2024
	£	£	£	£	£	£
Deferred income brought forward	8,750	0	8,750	8,750	0	8,750
William Wates Memorial Trust	20,000	0	20,000	15,000	0	15,000
The Swire Charitable Trust (inc. deferred)	15,000	0	15,000	15,000	0	15,000
SE Franklin Charity Trust	0	4,000	4,000	0	4,000	4,000
Squarepoint Foundation	47,000	0	47,000	40,000	0	40,000
Recorra	5,845	0	5,845	5,386	0	5,386
Pulse - donation in kind	7,850	0	7,850	28,568	0	28,568
Artemis Charitable Foundation	0	0	0	5,000	0	5,000
Anonymous donation	20,000	0	20,000	20,000	0	20,000
The Percy Lane Foundation	0	0	0	20,000	0	20,000
Campbell Lutyens	47,370	0	47,370	20,000	0	20,000
News UK	0	0	0	33,000	0	33,000
The Buzzacott Stuart Defries Memorial Fund	5,000	0	5,000	0	0	0
Big Give Anchor Funding	5,000	0	5,000	0	0	0
Mazars Charitable Trust	10,000	0	10,000	0	0	0
Other grants £3000 and under	15,276	0	15,276	24,940	0	24,940
Deferred Income carried forward (See note 9b)	(8,750)	0	(8,750)	(8,750)	0	(8,750)
Total Grants - Donations	198,341	4,000	202,341	226,894	4,000	230,894

Statement of Financial Activities

3. Income from Trusts, Foundations & Corporates (continued)

	Unrestricted	Restricted	Total 2025	Unrestricted	Restricted	Total 2024
	£	£	£	£	£	£
Within Charitable Activities (note 2b)						
Deferred income brought forward	0	123,367	123,367	0	84,319	84,319
Received during the year						
The Zochonis Charitable Trust	0	8,400	8,400	0	15,000	15,000
Girdlers' Company Charitable Trust (inc. deferred)	0	11,000	11,000	0	10,000	10,000
St Giles & St George	0	0	0	0	2,000	2,000
Wellington Management UK Foundation	0	40,000	40,000	0	35,000	35,000
Barings LLC (inc. deferred)	0	0	0	0	50,000	50,000
Walcot Foundation	0	19,765	19,765	0	19,189	19,189
Brown Advisory	0	15,348	15,348	0	9,178	9,178
Theo Paphitis Charitable Trust	0	0	0	0	8,000	8,000
IHS Towers	0	0	0	0	12,000	12,000
Tallow Chandlers' Company (inc. deferred)	0	30,000	30,000	0	29,200	29,200
The Mercers' Company (inc. deferred)	0	60,000	60,000	0	55,000	55,000
Stellantis UK	0	117,686	117,686	0	0	0
Norton Rose Fulbright LLP	0	5,000	5,000	0	0	0
The Julia Rausing Trust (inc. deferred)	0	100,000	100,000	0	0	0
Bain Social Impact Fund	0	5,000	5,000	0	0	0
Other grants £3000 and under	0	9,000	9,000	0	3,000	3,000
Deferred Income carried forward (See note 9b)	0	(169,333)	(169,333)	0	(123,367)	(123,367)
Total Grants - Charitable Activities	0	375,233	375,233	0	208,519	208,519

Statement of Financial Activities

4a. Summary Expenditure

The Children's Literacy Charity has one main activity - closing the literacy gap for children from disadvantaged backgrounds. This involves specialist literacy tuition and the employment, training and management of expert tutors, together with the support costs associated with this activity.

	Raising Funds	Charitable Activities	Total 2025	Raising Funds	Charitable Activities	Total 2024
	£	£	£	£	£	£
Direct Costs	88,954	652,216	741,170	86,474	393,748	480,222
Support Cost	9,834	121,289	131,124	13,853	114,087	127,941
Total	98,788	773,505	872,293	100,328	507,835	608,163

4b. Analysis of Support Costs

Support Costs	Raising Funds	Charitable Activities	Total 2025	Raising Funds	Charitable Activities	Total 2024
	£	£	£	£	£	£
Staff	4,417	54,481	58,898	3,879	31,941	35,820
Office/IT	1,646	20,297	21,942	2,162	17,803	19,964
Finance	16	194	210	21	171	192
HR/Admin	129	1,596	1,725	184	1,519	1,704
Governance	2,403	29,631	32,033	3,872	31,885	35,757
Communications	1,224	15,092	16,315	3,736	30,767	34,503
Total	9,834	121,289	131,124	13,853	114,087	127,941

Allocated based on the proportion of direct charitable activity and fundraising staff time

Statement of Financial Activities

Total Expenditure for the year includes the following:

	Total 2025	Total 2024
	£	£
Depreciation (see Note 6)	1,373	1,204
Premises and Office costs	21,942	19,964
Auditors remuneration	4,800	4,800

5. Staff Costs

	Total 2025	Total 2024
	£	£
Salaries	695,899	447,364
Social Security Costs	37,773	21,872
Pension Costs	8,695	6,088
Redundancy costs	0	0
Total	742,367	475,324

Staff Numbers

The average number of staff employed during the year was 53, many of whom are part time. In 2024 the average number of staff was 30.

Key Management Staff

Amounts paid to key management staff during the year was £179,533, of which £157,933 was paid through payroll and £21,600 was paid to freelance staff (£160,653 in 2024 of which £128,903 was paid through payroll and £31,750 was paid to freelance staff). This represents the salary of the CEO, Education Lead, Head of Fundraising and Head of Finance. No employee was paid more than £60,000 in 2024 or 2025.

Redundancy Payment

Redundancy payments are recognised in the period in which the redundancy is communicated to the employee. There were no outstanding redundancy payments at the year end.

Statement of Financial Activities

6. Fixed Assets

	Office & General Equipment	Fixtures & Fittings	Total
Cost:	£	£	£
At 1st September 2024	7,770	1,474	9,245
Additions	1,590	600	2,190
Disposal	0	0	0
As at 31st August 2025	9,360	2,074	11,435
Depreciation:			
At 1st September 2024	7,073	67	7,141
Disposal	0	0	0
Charge for the period	682	691	1,373
As at 31st August 2025	7,755	759	8,513
Net Book Value			
At 1st September 2024	697	1,407	2,104
As at 31st August 2025	1,606	1,316	2,921

Statement of Financial Activities

7. Debtors and prepayments

	2025	2024
	£	£
Tax reclaimed on gift aid donations	1,335	1,187
Debtors control account	4,187	4,050
Other debtors	0	460
Prepayments	1,473	1,363
Total	6,995	7,060

8a. Reconciliation of net income/(expenditure) to net cashflow from operating activities

	Total 2025	Total 2024
	£	£
Net income for the reporting period (as per SOFA)	29,273	65,822
Adjustments for:		
Depreciation	1,373	1,204
Interest	(660)	(580)
(Increase)/Decrease in debtors	65	1,484
Increase/(Decrease) in creditors	43,880	34,193
Net cash used by operating activities	73,931	102,123

Statement of Financial Activities

8b. Analysis of cash and cash equivalents

	Total 2025	Total 2024
	£	£
Current Account	254,262	572,402
Deposit Accounts	431,373	40,803
Petty Cash	88	118
	685,724	613,323

9a. Creditors

	Total 2025	Total 2024
	£	£
Tax and social security	11,015	5,601
Accruals	4,800	4,800
Deferred income (see note 9b)	178,083	137,517
Pension	1,157	22
Other creditors	620	3,855
	195,674	151,795

Statement of Financial Activities

9b. Deferred Income

	Total 2025	Total 2024
	£	£
Brought Forward	137,517	103,869
Transferred to income during the year		
Grants	(137,517)	(103,869)
Schools fees paid in advance	0	5,400
Grants deferred in year	178,083	132,117
Carried Forward	178,083	137,517
Deferred grants are broken down as follows:		
	Total 2025	Total 2024
Barings LLC	0	29,167
Girdlers' Company Charitable Trust	11,000	10,000
The Swire Charitable Trust	8,750	8,750
Tallow Chandlers' Company	30,000	29,200
The Mercers' Company	60,000	55,000
The Julia Rausing Trust	58,333	0
Brown Advisory	7,500	0
Norton Rose Fulbright LLP	2,500	0
Total Grants Received in advance	178,083	132,117

Statement of Financial Activities

10. Movement in funds

	Balance at 01.09.24	Incoming	Outgoing	Transfers	Balance at 31.08.25
Unrestricted Funds	£	£	£	£	£
Designated Funds – emergency reserve	420,000	0	0	0	420,000
General Funds	50,692	520,334	(491,061)	0	79,965
Total Unrestricted Funds	470,692	520,334	(491,061)	0	499,965
Restricted Funds					
Education	0	381,233	(381,233)	0	0
Total Restricted Funds	0	381,233	(381,233)	0	0
Total Funds	470,692	901,566	(872,293)	0	499,965
2024 Comparative					
	Balance at 01.09.23	Incoming	Outgoing	Transfers	Balance at 31.08.24
Unrestricted Funds	£	£	£	£	£
Designated Funds:					
• Emergency reserve	120,000	0	0	300,000	420,000
• Capacity building	60,000	0	0	(60,000)	0
	180,000	0	0	240,000	420,000
General Funds	224,870	426,466	(360,644)	(240,000)	50,692
Total Unrestricted Funds	404,870	426,466	(360,644)	0	470,692
Restricted Funds					
Education	0	247,519	(247,519)	0	0
Total Restricted Funds	0	247,519	(247,519)	0	0
Total Funds	404,870	673,985	(608,163)	0	470,692

Statement of Financial Activities

Designated funds

The emergency designated fund is set aside in the event that the charity has to cease operations. It covers roughly six months' salary and other costs, which is the assumed time that would be needed to close the charity.

Restricted Funds

Restricted funds - Education

These represent funds that have been given by donors at the year end for specific education projects that have not been spent at year end or deferred for the next year.

Please refer to the Trustees' report for further explanation of all the above funds.

11. Net Assets by Fund

	General	Designated	Restricted	Total 2025
	£	£	£	£
Fixed Assets	2,921			2,921
Current Assets	94,635	420,000	178,083	692,718
Current Liabilities	(17,591)		(178,083)	(195,674)
	79,965	420,000	0	499,965
2024 Comparative	General	Designated	Restricted	Total 2024
	£	£	£	£
Fixed Assets	2,104			2,104
Current Assets	68,266	420,000	132,117	620,383
Current Liabilities	(19,678)		(132,117)	(151,795)
	50,692	420,000	0	470,692

12. Future Commitments

As at 31st August 2025 The Children's Literacy Charity had no commitments under any operating leases.

The office is occupied under licence terminable at three months' notice equating to £4,388 of rent.

Statement of Financial Activities

13. Transactions with trustees and related party transactions

Donations from trustees totalled £1,800 (2024: £1,300).

No trustee received any remuneration in the year in 2025 or 2024.

No trustee was paid travel expenses in the year in 2025 (2024: £143).

The trustees are covered under the general office insurance policy.

There were no other transactions with related parties requiring disclosure in 2025 or 2024.

14. Legal Structure

The charitable company's legal structure is that of a company limited by guarantee. In the event of the company winding up, each member is liable to contribute to any deficit to a maximum of £10 per member.

15. SOFA Comparatives

	Unrestricted	Restricted	Total 2024	Total 2023
	£	£	£	£
Income and endowments from:				
Donations & Legacies	273,743	9,000	282,743	198,950
Charitable activities	182,143	208,519	390,662	428,927
Investments (bank Interest)	580	0	580	269
Total Income	456,466	217,519	673,985	628,146
Expenditure on:				
Raising Funds	100,328	0	100,328	100,850
Charitable Activities	260,316	247,519	507,835	437,045
Total Expenditure	360,644	247,519	608,163	537,895
Net Income/(Expenditure)	95,822	(30,000)	65,822	90,251
Reconciliation in Funds				
Total Funds brought Forward	404,870	0	404,870	314,619
Total Funds carried Forward	470,692	0	470,692	404,870



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Registered Charity Number 1124257
Company Incorporated in England and Wales
Registered Company Number 6251103