

Company registration number: 05577905

Charity registration number: 1114386

The Leeds Library

(A company limited by guarantee)

**Annual Report and Financial Statements
for the Year Ended 31 December 2023**

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The Leeds Library

Reference and Administrative Details

President	Kevin Grady Elizabeth Minkin	(resigned 24 June 2023) (appointed 24 June 2023)
Chair	Martin Staniforth Paul Ellis	(resigned 24 June 2023) (appointed 24 June 2023)
Trustees	David Butcher Janet Dominey Annie Faulder Simone Ivatts Elizabeth Minkin Ruth Robbins Christine Stead Patricia Urry Philip Walker Lily Wong Sophie Rumsby Edmund Danon Laurra Davis	(resigned 24 June 2023) (appointed 13 March 2023) (resigned 24 June 2023) (resigned 24 June 2023) (appointed 24 June 2023) (appointed 24 June 2023) (appointed 24 June 2023)
Treasurer	Moade Shubita	
Staff	Carl Hutton, Chief Executive (resigned 13 October 2023) Nina Corey, Chief Executive (appointed 29 January 2024) Ashley Cresswell, Finance Officer (resigned 30 September 2023) Finnian Davies, Library Assistant Nilmi Day-Gough, Archives and Collections Assistant Anna Goodridge, Assistant Librarian Ian Harker, Communications and Marketing Officer Helen Holdsworth, Assistant Librarian Claire O'Brien, Membership and Development Officer (resigned 13 July 2023) Jane Riley, Librarian Aidan Thackray, Library Assistant Thomas Walsh, Caretaker Sarah West, Administrator	

The Leeds Library

Reference and Administrative Details

Principal Office	18 Commercial Street Leeds West Yorkshire LS1 6AL
Company Registration Number	05577905
Charlty Registratlon Number	1114386
Sollicitors	Wrigleys Solicitors LLP 3rd Floor 3 Wellington Place Leeds LS1 4AP
Investment Advisors	RBC Brewin Dolphin 10 Wellington Place Leeds LS1 4AN
Accountants	Brown Butler Chartered Accountants Leigh House 28-32 St Paul's Street Leeds LS1 2JT
Bankers	Lloyds 65-66 Briggate Leeds West Yorkshire LS1 6LH
Auditor	TC Group 6 Queen Street Leeds LS1 2TW

Chair of Trustees Introduction

This is the occasion of my first notes as the new Chair of the Board of Trustees, having taken over from Martin Staniforth in June. I hope that I can match the dedication to the success and wellbeing of the Library that Martin demonstrated during his time in office, and we are grateful that Martin's health is now much improved.

It has certainly been an eventful year in the life of the Library during 2023. There have been a number of highlights, the most outstanding of which was the successful completion of the first phase of works to convert 15 Commercial Street to additional space for the Library and its integration into the existing historic premises. All essential engineering works were completed, the building was made wind and watertight, the lift shaft erected and the new entrance formed, with the new façade significantly improving the streetscape. By September, we were ready to welcome our new tenant Cinnabon, with the rental income generated helping to meet the cost of financing the purchase of the building. Once the building is up and running we can increase our commitment to the cultural life of Leeds, our engagement with the wider and diverse communities we are a part of, while improving the presentation of some of the collections, including returning items from external storage. We are grateful to all the members and donors who have supported the project so far and we will continue to update you on the progress we are making.

In October, our CEO Carl Hutton left the Library and we should note the significant contribution Carl made to The Next Chapter project, a fitting final achievement after seven years of service. We wish Carl well in his future endeavours and hope he remains in touch with events at the Library. However, change creates opportunity and in December we were delighted to confirm the appointment of Nina Corey to the post of Chief Executive. I am particularly delighted that we now have our first female leader in our 255 year long history, and Nina brings much relevant experience to the post that will enable us to approach Phase 2 of the works on No. 15 with confidence.

Our task is now to finish assembling the funds required to complete the Next Chapter works, and in that regard we received a major boost in July with the news that we had been awarded £249,000 from the National Heritage Lottery Fund. We have now appointed a national fundraising agency with local roots, Gifted Philanthropy, who are well versed in heritage projects, to assist us in this task and help shape our future funding strategy. We hope to be back on site by mid-year and to have completed the works by the end of 2024, while we are mindful of rebuilding the reserves of the Library which have been drawn upon during this transitional phase.

The Library has benefitted from the commitment of a skilled and resilient team that despite the inevitable disruption caused by the building works, and with personnel changes limiting resource, have continued to provide a full, varied and fascinating programme of events alongside maintaining a first class service to members while welcoming the many visitors that the Library attracts. We have an incredible community here at the Library, not least our engaged and supportive members and I would like to pay tribute to the many volunteers who have helped us with a wide variety of essential functions during the year. I am mindful that members have been very patient regarding the infrastructure challenges we faced in 2023 and your trustees are determined to deliver progress with matters such as the improved infrastructure and general presentation of our facilities.

Finally, I would also like to thank our outgoing President Kevin Grady for his years of service to the Library as a member, Trustee and President and wish him all the best for the future. I'd also like to welcome Liz Minkin as our new President. Liz has been a member of the Library for many years and has also served as a Trustee. I'd also like to thank our Trustees who have gone beyond the call of duty in responding to our temporary resource limitations by increasing their own volunteering and ensuring that a number of essential projects and outreach activities were able to continue.

We can look forward to an eventful and fruitful year in 2024 as we continue to benefit from everything this exceptional institution has to offer.

Paul Ellis
Chair

Chief Executive's Welcome

I'd like to take this opportunity to thank the staff, Trustees, volunteers of The Leeds Library for their dedication and support of this incredible place, and for making me so welcome in my first few months. I come here with seventeen years' experience of working in heritage, including senior roles at different National Trust properties, and most recently as Director of Shire Hall Museum in Dorchester. I have experience of running refurbishment and visitor experience projects in listed buildings and am well aware of the challenges that such buildings present! I am enjoying learning about the Library's rich history and stories, and getting to grips with the operations.

2023 saw some significant changes for The Leeds Library. The biggest of these was the completion of Phase 1 of the Next Chapter project. This has transformed Number 15 from a retail unit to the shell of the new Library extension, events space, meeting rooms and office. Cinnabon moved into the ground floor and began trading in November 2023, providing a rental income stream to mitigate the additional costs arising from the acquisition. Fundraising for Phase 2 continues with our consultants Gifted Philanthropy, and we hope to start works very soon.

Membership fees rose in April 2023, having previously been frozen. This prompted some cancellations over and above the usual drop-off, but membership growth continued throughout the year. Bespoke membership offers are being implemented to give more people the opportunity to have a taster of everything that membership offers.

LitFest was a great success and has now become a Community Interest Company, with the Library as one of the Directors. The Library will continue to be a key part of the festival and help to build it year on year. Other partnerships are being explored, particularly with the local universities.

The CEO Carl Hutton moved onto a new role in October 2023 and recruitment started for a replacement. This resulted in my appointment, starting on 29 January 2024. The staff team stepped up to cover the interim period with significant support from the new Chair of Trustees, Paul Ellis, and Vice-Chair, Philip Walker. I am immensely grateful to them for stepping in during this period and keeping operations as smooth as possible.

Despite being a year of significant change, the future is looking very positive for The Leeds Library. Opening Number 15 will bring a range of new engagement opportunities and income streams which will ensure the successful future of the organisation.

Nina Corey
Chief Executive

The Leeds Library

Trustees' Report for the Year Ended 31 December 2023

The trustees of the charity, who are directors for the purposes of company law, present the annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the Companies Act 2006, the Statement of Recommended Practice: Accounting and Reporting by Charities and applicable accounting standards.

Aims and Objectives

The Leeds Library aspires to be a thriving cultural hub for the city and beyond, providing a home for readers, writers and book-lovers and a space for the production and enjoyment of all forms of creative activity.

The Library's mission can be encapsulated as being:

- To strengthen the Library's foundations by putting its finances on a sustainable basis, expanding its membership, and maintaining and developing its building and collections for future generations;
- To open the doors of the Library and encourage its use by local people as well as by its members.

The principal activity of the Leeds Library and the Charity's objectives are:

- The advancement of education, the diffusion of knowledge and the provision of suitable literature for persons particularly but not exclusively within the city of Leeds and the surrounding area, by establishing and maintaining a library to promote the study and knowledge of literature and all artistic and scientific subjects and by providing library facilities and research facilities;
- To preserve for the benefit of the public the listed building known as Nos. 16 to 20 Commercial Street, Leeds LS1 6AL being a place of historical and architectural interest, value and beauty;
- To advance the education of the general public in all aspects of arts, culture and/or heritage.

The trustees' strategic objectives for the Library over the period 2022-27, adopted during the year following consultation with members, can be summarised as:

Strengthening the foundations

- Increase and diversify the Library's income through a programme of fund-raising (including legacies), merchandising and room hire. By the end of the period these should make up 25% of the Library's income.
- Improve the diversity of Library trustees, staff, volunteers and members.
- Double membership to 2,000 by 2027 both through recruiting new members and by improving retention of existing members. Publicise the benefits of membership and ensure membership categories remain relevant.
- Establish 15 Commercial Street as an innovative, exciting and financially sustainable space which is fully used by Library members and by visiting organisations for creative, literary and educational activities.
- Establish and implement a new approach to acquiring, conserving and disposing of books which builds on the existing strengths of our collections, eliminates the need for off-site storage and makes increasing use of digital resources.
- Conduct a thorough overhaul of the Library's systems and operations to ensure that the Library is fit for purpose as an organisation to deliver on its potential.

Strengthening the foundations - continued

- Ensure that the Library invests in the development of its people such that colleagues' satisfaction with their role is maximised to the benefit of all key stakeholders.
- Establish the Library as a leader in environmental sustainability within the cultural and library sector by developing and implementing ambitious and innovative plans for achieving a zero carbon/zero waste organisation, making use of dedicated funding.

Opening the doors

- Incrementally increase public access to the Library through the Open Doors Programme.
- Research the range of new technologies to determine how our archive and our rare and historic books can best be made accessible to all in virtual form and make demonstrable progress towards their being fully accessible in a virtual form that engages readers by 2032. Develop a strategy for raising awareness of our virtual collection.
- Strengthen existing partnerships and establish a plan for increasing partnership working with businesses, with arts, education and community organisations as well as with city libraries.
- Promote the Library to external audiences and take active steps to invite businesses, community groups and schools to visit the Library and engage with our collections.
- Encourage the use of the Library's collections for research purposes.

These aims provide the framework within which the Library develops its annual plans and measures its performance.

Public benefit

The trustees confirm that, in delivering against their strategic aims, they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

We continued to make good use of social media to advertise the Library and its events to our followers. By the end of the year the Library had 4,955 followers on Twitter, 3,000 followers on Facebook and 2,925 followers on Instagram, all of these being increases on the previous year.

The library programmed 60 revenue-generating events in 2023. This includes 15 events staged as part of Leeds Lit Fest, for which the library received income. These engaged a high number of people (2,783; average attendance 46), including both members and non-members.

The library hosted 25 events that were exclusive to members in 2023. Overall there were 612 attendees (average attendance 24.5). In addition we now have three book clubs, a craft club and the members writing group.

The library hosted three categories of free tours to non-members in 2023: library tours (42); Heritage Open Day tours (14); and National Lottery Open Week tours (8). A total of 64 free tours were conducted. All were delivered by volunteers. Just under 700 people attended all tour types. This excludes just under 4,000 visitors who visited the library for two nights during Light Night.

School visits: Seven visits from four schools brought 207 primary and secondary school pupils through the year to the Library.

Achievements

The Library Buildings

2023 saw the completion of phase one of the Next Chapter project, completing the shell work of the extension into 15 Commercial Street, installing the lift shaft and preparing the premises for our new tenants Cinnabon to move in September 2023, whose tenancy was secured for us by Central Retail. Doors linking the 2 buildings were also installed. The library saved around 100 original 1808 Georgian bricks, which are being offered to members and visitors at £10 each, this money represents a donation to The Next Chapter project. This was the first major library extension since 1880 when the Library added the New Room.

The work on the redevelopment of 15 Commercial Street is overseen by a Project Board which brings together trustees and external professionals including Architects Garnett Netherwood and Project managers MAW construction.

Work on the fundraising campaign, The Next Chapter, continued with the library enlisting the help of Gifted philanthropy.

We are grateful to the many Library members who have made donations towards the cost of the conversion, to the late Alan Longbottom for a legacy which we are able to use for that purpose, and to the Wolfson Foundation and National Heritage Lottery Fund, for their commitment to the project.

During the year we continued to maintain and improve our existing building, including looking into a full replacement of the current heating system.

The Library Collections

Over the year we added a further 787 books and other items to the Library collections made up of 25 DVDs, 444 fiction, 318 non-fiction. With a member led collection, these were predominantly requested by members.

We maintained and developed our PressReader service as well as continuing to provide access to Drama Online, the Idler Academy and JSTOR. It was decided that the Ebooks library was underused and no longer cost effective and therefore the contract was terminated in January 2024.

During the year some 14,386 books and items were borrowed compared with 13,989 last year, a positive increase. A total of 4,601 books were renewed during the year. We continue to operate a postal service for members but no longer run the delivery collection service introduced during the Covid crisis.

Finally, we continued cataloguing the Library's Heritage Fiction collection and some 1,214 books were added to the catalogue during the year. Once the cataloguing is complete we will decide, in consultation with external experts, how best to preserve the collection and make particularly rare books more widely accessible. At the same time a further 14,266 items from the Library's historic collection were added to the online catalogue.

Book Conservation

Due to financial constraints with the capital project, the book conservation budget was frozen during 2023 and no further books were conserved.

Research

The Library remains committed to supporting the use of its rich collections and archive for research both by Library members and external researchers, and to working with the Thoresby Society to publicise and encourage the use of the extensive collections on Leeds and its history which they and the Library hold.

Over the year some 16 researchers made use of our collections, some visiting the Library and others seeking information which could be responded to by providing scans of material and emailing it to them, a practice that is likely to grow in importance as the range and depth of material we hold, and its availability online, becomes increasingly recognised.

Research subjects ranged widely including local history, biographical research, the story of the Library's ghost and work to support an archaeologist who had been doing a dig in the city where we worked closely with the Thoresby Society in providing high quality scans of material, particularly maps. We were also able to help a Dutch researcher who was researching libraries which had collected books from the Loeb classical library since the very beginning by providing scans from our accession ledgers to show when and where we had acquired our volumes.

Membership

At the end of 2023 the Library had 1,181 members (1,281 in 2022) This drop in members may be a result of the membership fee increases, alongside the cost of living crisis. However, the increase to fees means a higher overall annual income for the year, £130,234 compared to £125,652 in 2022.

Members were able to participate in our regular book group, film club and craft club meetings. A new informal book club called Book Chat started in January 2024.

Throughout the year the Library produced its regular newsletter, *Speaks Volumes*, with an increasing number of high-quality articles which were well received by members.

Staffing and volunteering

2023 saw a number of changes in the Library's staff.

We said goodbye to Finance Officer Ashley Cresswell, Membership Administrator Claire O'Brien and CEO Carl Hutton and welcomed Tom Walsh as our Caretaker.

In addition Library assistant Aidan Thackray extended his role to cover membership on a temporary contract and Finnlan Davies temporarily increased his hours to cover the gap in Library services cover.

Believe Accounting were brought back in on a six month contract to cover the gap in finance.

We are grateful to all staff for their hard work and commitment during the year and the library would like to extend its sincere thanks to Carl Hutton for his tireless work in procuring 15 Commercial Street.

A new CEO was offered the post and Nina Corey started at the Library in January 2024.

Across the course of the year 24 people volunteered their time for the Library undertaking a range of activities including working as tour guides, cataloguing and cleaning our collections, assisting with book sales and helping out at events.

The Leeds Library

Trustees' Report for the Year Ended 31 December 2023

Partnerships

Throughout the year the Library continued to develop and strengthen its partnerships with other organisations within and outside the city.

The library programmed 60 revenue-generating events in the calendar year 2023. This included 15 events staged as part of Leeds Lit Fest, for which the library received income.

These engaged a high number of people (2,783; average attendance 46), including both members and non-members.

2024 Partnerships included Leeds Lit Fest; Victorian Society; Thoresby Society; Milim; Women for Peace; The National Lottery; Leeds Phil & Lit; Better Songs; Sofar Sounds; Centre for Chinese Writing, University of Leeds; RenaissanceOne; Heritage Open Days; Libraries in Leeds; Contains Strong Language; Some Stories; Seth Kriebel; Light Night Leeds; Chapel FM; Leeds Beckett University; The Bookshop Band; Don't Go Into the Cellar; Nunkle Theatre; Gerald Dickens; Anachronalia; Riverbend Flowers; Darn It! Workshops; and Strix. These partnerships helped us to deliver our busy programme of events.

Structure, governance and management

Nature of governing document

The Leeds Library is a registered company limited by guarantee (number 05577905), incorporated on 29 September 2005. The limited company became a registered charity (number 1114386) on 27 May 2007. This charity began operations on 1 July 2008 following receipt of a gift from the Proprietors of the Leeds Library (founded 1768) of all the assets and liabilities of that Library. The Library is governed by the Memorandum and Articles of Association of the company dated 29 September 2005 (with amendments to the Articles dated 20 March 2007, 25 June 2016 and 25 June 2022). The operation of the Library is governed by Rules adopted on 14 May 2008 and amended on 25 June 2010, 29 June 2019, 26 June 2021 and 21 June 2022.

The Members of the Charity are those persons who have subscribed to the Memorandum of Association and such other persons or organisations as are admitted to membership in accordance with the Rules made under the Articles of Association. At the Annual General Meeting on 21 May 2008 it was agreed that all Members of the old Library (both proprietary and associate) would be admitted as Members of the Charity.

Recruitment and appointment of trustees

The Articles provide for the election from the Members of the Charity of a maximum of twelve trustees. Trustees are appointed for a term of three years and may be reappointed for a maximum of two further terms. Trustees may also appoint a President, Vice-Presidents and Patrons. The following Patrons have been appointed:

Simon Armitage
Barbara Taylor Bradford
Caryl Phillips
Nima Poovaya-Smith

The trustees may delegate any of their functions to sub-committees consisting of at least two trustees. There are currently six standing sub-committees: Books and Collections Committee, Buildings Committee, Outreach and Partnership Committee, Research Committee, Membership Committee and Resources Committee. In addition trustees have established a Development Oversight Committee, a Project Board and a Fundraising Working Group to oversee aspects of the Library expansion. The Committee structure will be overhauled in 2024.

All new trustees are given an Induction manual covering the duties and responsibilities of trustees, all aspects of the Library's governance and management procedures, and relevant documents of record (including the minutes of meetings for the past year and relevant policy and strategy papers). Introductory meetings are held with key members of staff and support is available from the Chair, Treasurer and other trustees.

To ensure that the Board of Trustees is fit for purpose and is representative of the Charity's membership, the board regularly seeks potential new trustees from amongst the membership, including advertising for trustees in the Library's members newsletter *Speaks Volumes*. Members with specialist expertise are co-opted onto sub-committees which also allows them to become acquainted with the trustees and their work.

Organisational structure

The trustees are responsible for the long-term well-being and effectiveness of the Library and make decisions on the application of its resources, the safeguarding of assets and the determination of strategies and policies in keeping with the founding aims. The day-to-day management of the Library is delegated to the Chief Executive who is appointed by the trustees and takes decisions on such matters as the appointment of relevant staff, the acquisition of books and other library materials, and the financial management of the Library within budgets approved by the trustees.

Risk management

The trustees are satisfied that appropriate arrangements are in place to record, review and mitigate the major operational and financial risks to the Library. The financial position and cashflow forecasts are reviewed at each meeting of the Resources Committee and of trustees. Wider operational risks are recorded in the Library's risk register and reviewed by the Resources Committee and trustees at their meetings during the year. A detailed risk assessment of the planned purchase and development of 15 Commercial Street was produced as part of the business planning for the acquisition and has been integrated into the main risk register.

Financial Overview

Financial Outturn

The Library made a deficit of £106,638 in 2023, compared to a surplus of £157,524 in 2022. This is primarily due to fewer donations and grants being received in 2023 than were anticipated. 2022 showed a higher level of donations being received for the completion of Phase one of The Next Chapter Capital Project.

We are grateful for a generous grant of £249,500 from Heritage Lottery Fund to be received in 2024 and £50,000 from Garfield Weston in 2023. There continues to be a significant deficit in the operational costs of running the Library. This has primarily arisen from increased costs as a result of pay rises, supplier and energy increases.

The trustees recognise that such deficits are not sustainable and are taking action to return the Library to a balanced operational position.

In drawing up a broadly balanced budget for 2024 trustees have looked both to increase income, membership fees having increased from April 2023, and reduce expenditure by holding vacant posts empty over the year and by reviewing, and where possible reducing, budgets including Book Conservation.

We are working with a fundraising consultant, Gifted Philanthropy, to complete the funding for Phase 2 of the Next Chapter Project and bring the building into operation and support the current programme of Library activities.

Following Paperchase going into Administration and vacating the rental unit, Ann Summers have moved in and began successful trading in June 2023.

As part of the acquisition of number 15 a rental unit was created on the ground floor, which was taken up by Cinnabon who began trading during November 2023.

Trustees will monitor the financial position closely and take action if the planned measures do not appear sufficient to achieve a satisfactory outturn.

Reserves Policy

The policy of the trustees is to maintain a sufficient level of general and free reserves in order that due regard can be given to the contingencies surrounding the Library's operations and in particular to the risk of a reduction in rental from our retail units. The reserves policy is being updated to reflect plans to increase reserves back to previous levels.

The Library's risk profile has increased significantly with the investment in 15 Commercial Street and the commitment to refurbish the building and we consider that the level of free reserves in the future should be at least nine months operating costs – currently some £450,000 – incorporating those additionally required for 15 Commercial Street as the building becomes operational.

In previous years the trustees have considered the free reserves to be funds which are not restricted for any particular purpose or tied in property or other operational assets and liabilities. This equated to those monies we were able to hold with our investment managers as they were not required for day to day operations or tied up in fixed assets. In 2023 these levels were reduced to £97,116, this draw down of reserves being required to enable purchase and refurbishment of 15 Commercial Street.

As reported last year, when the decision was taken to purchase 15 Commercial Street, we liquidated some £200,000 of our investments to help fund the purchase. The trustees redefined the free reserves as any liquid funds they have that are not restricted and are therefore available for charitable activities. This has been taken to be the funds still held by the investment managers plus the cash held at bank less our restricted reserve. At 31 December 2022 the free reserves were therefore £589,985 and at 31 December 2023 were £151,210. The free reserves held at the end of 2022 were high as we were holding a significant cash balance in anticipation of the outgoings on the refurbishment of 15 Commercial Street. Trustees recognise the need to replenish this balance.

Investment Strategy and Performance

The trustees' investment strategy is to obtain a balance between capital growth and investment return and this is reviewed annually with help from professional investment advisors. The Library's surplus funds are currently held in a portfolio of individual stocks covering UK and global equities in various sectors as well as unit trust and bond investments. The trustees may utilise the invested funds for approved projects, following a strategy for disposal devised with the professional investment advisor.

The value of the Library investments at 31 December 2023 was £97,716 (2022 £191,095) as a result of trustees' decision to use £200,000 of investments towards the purchase of 15 Commercial Street and the ongoing difficult market conditions during the year as a result of the effect of the war in Ukraine, rising inflation and political instability and expenditure incurred on Library operations and 15 Commercial Street. The investments generated dividend income of £3,615, a reduction from the previous year (2022 £5,218).

Going Concern

As last year the main risk to the future of the Library as a going concern arises from the purchase of 15 Commercial Street to enable the Library to improve and develop its services, exacerbated by continuing operational losses. The trustees have taken steps to mitigate these risks. In particular, as indicated earlier in this report, trustees have approved plans to increase income and reduce costs with the aim of bringing income and expenditure into balance and will maintain this approach in future years. Library trustees will regularly monitor the financial position and cashflow projections to enable early action to be taken if needed.

In terms of 15 Commercial Street the major short-term risks remain around the need to raise the funds to complete the redevelopment work on the building. Work will not commence on Phase 2 until funds are available. This will minimise risk to the Library. We do not expect to draw on the Library's investments for the building project and they will remain available to respond to unexpected issues such as reductions in revenue or unexpected expenditure on operational activities.

The building project at 15 Commercial Street will continue to be overseen by our Project Manager and Project Board, reporting regularly to trustees. This is intended to ensure so far as possible that the work is completed to time and budget and so mitigate the risks to the Library. Trustees will regularly monitor the Library's risk register which includes risks related to the building project.

Taking account of the measures outlined above, and projections of the Library's income and expenditure and cashflow trustees consider it is appropriate to continue to use the going concern basis in preparing the Library's financial statements.

Statement of Trustees' Responsibilities

The trustees (who are also the directors of The Leeds Library for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and 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; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 11th June 2024 and signed on its behalf by:



.....
Paul Ellis
Chair

Date: 11th June 2024

Auditor's Report update

Opinion

We have audited the financial statements of The Leeds Library (the 'charity') for the year ended 31 December 2023, which comprise the Statement of Financial Activities, Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (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 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charitable company'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.

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report. We have nothing to report in respect of the following matters where 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for 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' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 12), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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

The objectives of our audit, in respect of fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102, the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the entity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from material fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect all non-compliance with laws and regulations.

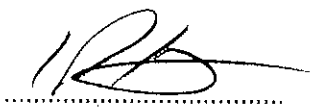
A further description of our responsibilities is available on the Financial Reporting Councils website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our audit report.

The Leeds Library

Independent Auditor's Report to the Members of The Leeds Library

Use of our report

This report is made solely to the charitable company's trustees, 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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Peter Hart FCA (Senior Statutory Auditor)

For and on behalf of TC Group

Statutory auditor

6 Queen Street
Leeds
LS1 2TW

Date: 11th June 2024

The Leeds Library

Statement of Financial Activities for the Year Ended 31 December 2023 (Incorporating the Income and Expenditure Account and the Statement of Comprehensive Income)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income and Endowment from:					
Donations and legacies	3	141,139	12,500	153,639	402,545
Charitable activities	4	142,755	-	142,755	266,810
Investment income	5	226,607	-	226,607	225,159
Other income	6	14,577	-	14,577	13,816
Total income		<u>525,078</u>	<u>12,500</u>	<u>537,578</u>	<u>908,330</u>
Expenditure on:					
Charitable activities	7	(642,398)	(10,535)	(652,933)	(715,000)
Total expenditure		<u>(642,398)</u>	<u>(10,535)</u>	<u>(652,933)</u>	<u>(715,000)</u>
Net gains on investment assets		8,717	-	8,717	(35,806)
Net income/(expenditure)		<u>(108,603)</u>	<u>1,965</u>	<u>(106,638)</u>	<u>157,524</u>
Transfer between funds		55,551	(55,551)	-	-
Net movement in funds		<u>(53,052)</u>	<u>(53,586)</u>	<u>(106,638)</u>	<u>157,524</u>
Reconciliation of funds					
Total funds brought forward	22	<u>7,173,131</u>	<u>53,586</u>	<u>7,226,717</u>	<u>7,069,193</u>
Total funds carried forward	22	<u>7,120,079</u>	<u>-</u>	<u>7,120,079</u>	<u>7,226,717</u>

All of the charity's activities derive from continuing operations during the above two periods.

The detail for the comparative period is shown in note 27.

Balance Sheet as at 31 December 2023

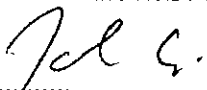
	Note	2023 £	2022 £
Fixed assets			
Intangible assets	14	-	-
Tangible assets	15	1,647,154	1,282,976
Heritage assets	16	6,401,032	6,401,032
Investments	17	94,980	176,351
		<u>8,143,166</u>	<u>7,860,359</u>
Current assets			
Debtors	18	119,790	91,196
Cash at bank and in hand	19	56,230	467,220
		<u>176,020</u>	<u>558,416</u>
Creditors: Amounts falling due within one year	20	<u>(143,595)</u>	<u>(106,788)</u>
Net current assets		32,425	451,628
Total assets less current liabilities		8,175,591	8,311,987
Creditors: Amounts falling due after more than one year	21	<u>(1,055,512)</u>	<u>(1,085,270)</u>
Net assets		<u><u>7,120,079</u></u>	<u><u>7,226,717</u></u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		7,120,079	7,173,131
Restricted funds		-	53,586
Total funds	22	<u><u>7,120,079</u></u>	<u><u>7,226,717</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small company regime and in accordance with FRS 102 SORP.

The financial statements on pages 18 to 33 were approved by the trustees, and authorised for issue on 11th June 2024 and signed on their behalf by:


.....
Paul Ellis
Chair

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

At the 31 December 2023 there were 1,181 members (2022: 1,218).

The address of its registered office is:

18 Commercial Street

Leeds

West Yorkshire

LS1 6AL

These financial statements were authorised for issue by the trustees on 11th June 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

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

Going concern

The trustees have prepared the financial statements on a going concern basis and have provided further details in note 25.

2 Accounting policies - continued

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Unrestricted funds are incoming resources received or generated without further specific purpose. They are available for use at the discretion of the Trustees in furtherance of the objectives of the charity and which have not been designated for other purposes. Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity 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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Website

Website costs are amortised over its useful life of three years.

2 Accounting policies - continued

Tangible fixed assets

Individual fixed assets costing £250.00 or more are initially recorded at cost.

Heritage assets

To meet the requirements of the SORP, we disclose the policy for acquisition, preservation, management and disposal of heritage assets.

Heritage assets are shown at donated cost. The donated cost was ascertained by obtaining suitable evidence for a reliable valuation at the date of the donation. The property, fixtures and fittings and books are considered to be heritage assets as they are of historical, artistic or scientific importance and are held to advance the preservation and conservation objectives of the charity. No depreciation is provided in respect of freehold property. This is a departure from the requirements of the Companies Act 2006, which requires all properties to be depreciated. Such properties are not held for consumption but for investments and the trustees consider that to depreciate would not give a true and fair view. Depreciation is one of the many factors reflected in the annual valuation of properties and accordingly the amount of depreciation which might otherwise have been charged cannot be separately identified or quantified. The trustees consider that this policy results in the accounts giving a true and fair view.

The heritage assets are regularly reviewed and necessary repair or restoration work required is carried out to preserve the assets. The collection is actively managed and no disposals have taken place.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Website	33.33% straight line

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures and fittings	20% straight line
Computer equipment	33% straight line
Digitisation	3 years straight line
Basement costs	7 years straight line
Foyer pod	5% straight line

Assets under construction are not depreciated until brought into use. The Foyer pod has been depreciated on a 10% straight line basis for the past 6 years. This year the Library have reassessed the life of the asset to be 20 years. This has reduced the annual depreciation charge on the asset to £744 from £2,536 in 2022.

Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

2 Accounting policies – continued

Rental income

Rents received under operating leases are credited to the profit and loss account on an accruals basis as there is no benefit of the income received if there is a rent free period.

Books

In order to avoid excessive professional valuation fees, books donated to the Library are only included as voluntary income and heritage assets where their value is determined to be in excess of £5,000 (either individually or as a collection). Books purchased in the year are expensed as they are determined to have a low value and a short economic life.

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in the Statement of Financial Activities in the period in which they arise.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustee's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted funds are income given for a specific purpose and are separately identified until the monies are expended for the specific purpose it was given.

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and legacies:				
General donations and grants	141,139	12,500	153,639	402,545

4 Income from charitable activities

	Unrestricted Funds £	Restricted funds £	Total 2023 £	Total 2022 £
250th book	-	-	-	241
Membership fees	130,234	-	130,234	125,652
Sales of donated goods	12,521	-	12,521	7,773
VAT reclaim	-	-	-	133,144
	142,755	-	142,755	266,810

5 Investment income

	Unrestricted Funds £	Restricted funds £	Total 2023 £	Total 2022 £
Other income from fixed asset investments	3,615	-	3,615	5,218
Income from rents	222,992	-	222,992	219,941
	<u>226,607</u>	<u>-</u>	<u>226,607</u>	<u>225,159</u>

6 Other income

	Unrestricted Funds £	Restricted funds £	Total 2023 £	Total 2022 £
Thoresby Society	14,577	-	14,577	13,816
	<u>14,577</u>	<u>-</u>	<u>14,577</u>	<u>13,816</u>

7 Expenditure on charitable activities

	Note	Unrestricted Funds £	Restricted funds £	Total 2023 £	Total 2022 £
Operation as a library		430,677	-	430,677	459,701
Asset under construction (15 Commercial Street)		69,671	10,535	80,206	61,393
Listed building maintenance		94,854	-	94,854	95,844
Governance costs	8	47,196	-	47,196	98,062
		<u>642,398</u>	<u>10,535</u>	<u>652,933</u>	<u>715,000</u>

8 Analysis of governance and support costs

Support costs allocated to charitable activities

	Staff costs £	Other support costs £	Total 2023 £	Total 2022 £
Operation as a library	220,035	194,966	415,001	438,740
Listed building maintenance	61,788	48,742	110,530	116,805
Asset under construction	-	80,206	80,206	61,393
	<u>281,823</u>	<u>323,914</u>	<u>605,737</u>	<u>616,938</u>

Analysis of charitable activities' and other support costs'

	Unrestricted funds			Restricted funds	Total 2023 £	Total 2022 £
	Library £	Building £	Asset under construction £	Asset under construction £		
Premises	104,094	26,024	-	1,597	131,715	146,705
Postage and printing	10,911	2,728	-	-	13,639	10,879
Finance costs	1,034	258	69,671	-	70,963	50,266
General insurance	20,773	5,193	-	688	26,654	16,067
Miscellaneous	49,396	12,349	-	8,250	69,995	23,607
Depreciation	8,758	2,190	-	-	10,948	38,723
	<u>194,966</u>	<u>48,742</u>	<u>69,671</u>	<u>10,535</u>	<u>323,914</u>	<u>286,247</u>

Governance costs

	Unrestricted funds £	Total 2023 £	Total 2022 £
Wages and salaries	25,967	25,967	30,996
Staff NIC (Employers)	1,862	1,862	1,867
Staff pensions (defined contribution) – pension scheme 1	3,064	3,064	3,054
Auditor's remuneration	11,583	11,583	9,240
Management fees	4,402	4,402	3,900
Legal and professional fees	-	-	35,806
Insurance	318	318	13,199
	<u>47,196</u>	<u>47,196</u>	<u>98,062</u>

9 Net incoming/outgoing resources

Net outgoing resources for the year include:

	Total 2023 £	Total 2022 £
Audit fees	<u>11,583</u>	<u>9,240</u>

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

11 Taxation

The charity is a registered charity and is therefore exempt from corporation tax.

12 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year:		
Wages and salaries	<u>308,938</u>	<u>359,168</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2023 £	2022 £
The average monthly head count	<u>12</u>	<u>15</u>

No employee received emoluments of more than £60,000 during the year.

13 Auditor's remuneration

	2023 £	2022 £
Audit of the financial statements	<u>11,583</u>	<u>9,240</u>

The Leeds Library

Notes to the Financial Statements for the Year Ended 31 December 2023

14 Intangible fixed assets

	Website costs £	Total £
Cost		
At 1 January 2023	6,274	6,274
At 31 December 2023	6,274	6,274
Amortisation		
At 1 January 2023	6,274	6,274
Charge for the year	-	-
At 31 December 2023	6,274	6,274
Net book value		
At 31 December 2023	-	-
At 31 December 2022	-	-

Development costs

In 2017 website development costs of £6,274 were capitalised as intangible fixed assets and have been amortised over 3 years on a straight line basis.

15 Tangible fixed assets

	Assets under construction £	Furniture and equipment £	Total £
Cost			
At 1 January 2023	1,254,891	313,235	1,568,126
Additions	374,667	459	375,126
At 31 December 2023	1,629,558	313,694	1,943,252
Depreciation			
At 1 January 2023	-	285,150	285,150
Charge for the year	-	10,948	10,948
At 31 December 2023	-	296,098	296,098
Net book value			
At 31 December 2023	1,629,558	17,596	1,647,154
At 31 December 2022	1,254,891	28,085	1,282,976

The Leeds Library

Notes to the Financial Statements for the Year Ended 31 December 2023

16 Heritage assets

	Buldings £	Books £	Fixtures and fittings £	Total £
Cost				
At 1 January 2023	3,360,000	3,000,032	41,000	6,401,032
At 31 December 2023	3,360,000	3,000,032	41,000	6,401,032
Net book value				
At 31 December 2023	3,360,000	3,000,032	41,000	6,401,032
At 31 December 2022	3,360,000	3,000,032	41,000	6,401,032

On 30 June 2008, The Leeds Library company received a gift of property, books and other fixtures and fittings of the proprietary library founded 1768 and also known as The Leeds Library. The trustees of the Old Leeds Library (being duly authorised) granted on 10 November 1976 a lease for a term of 130 years from 1 November 1976 of all the premises owned by the Library (including two shop tenancies) to Save & Prosper Insurance Co. Plc., in consideration of a payment to the library of £260,000 and an annual sum representing one-half of the annual rents of the shop premises, subject to the Library bearing the periodical costs of repair, maintenance and property insurance of the premises as a whole. Save and Prosper granted, by way of a lease-back, a term of 130 years less one day to the Library of the premises solely occupied by the Library at a peppercorn rent. On 27 March 2014 the lease was sold by Countrywide Assured PLC (previously Save & Prosper Insurance Co. Plc.) to two companies; Leeds Properties No1 Ltd, and Leeds Properties No2 Ltd. The sum valued by Sanderson Weatherall at 31 December 2023 is £11,205,000 (insured for 2022: £8,368,539).

The Leeds Library was established to collect books and other items for its members to borrow. It was formed on the basis of each person paying a capital sum to join and an annual subscription to retain membership. It is now the oldest example of this type of library still surviving though its proprietary nature ended on 30 June 2008. The books read by members were generally retained with the intention of building a collection of increasing size and value. As a result, the 140,000 items now estimated to be in the collection reflect the reading interests of members over more than 200 years.

The building fronting Commercial Street was constructed at the Library's expense in 1807-1808. It was substantially added to in 1821 (Main Room Gallery), 1880-1881 (New Room) and 1899-1900 (New Room Gallery). It is a grade II* listed building, a grading which recognises that it is a particularly important building of more than special interest and applies to less than 6% of listed buildings. There were four ground floor shops in the original 1807-1808 building and these were subsequently converted into two larger units. The basement under the shops and the Library entrance is currently shared by one shop lessee and the Library. The other extant objects collected by The Leeds Library since its foundation in 1768 were also gifted to the charitable company including equipment, furniture and ornaments.

There have been no significant movements in the Heritage assets over the past five years.

17 Fixed asset investments

	2023	2022
	£	£
FA investment – listed shares b/fwd	176,351	426,544
FA investment – listed realised gain	2,376	555
FA investment – listed unrealised (loss)/gain	6,237	(36,361)
FA investment – listed shares additions	33,390	26,055
FA investment – listed shares disposals	(123,374)	(240,442)
	<u>94,980</u>	<u>176,351</u>

Investments on listed equities & convertible loan stock in at market value in the UK is £24,247 (2022: £60,164) and at market value outside of the UK £70,733 (2022: £116,187).

The historical cost of the investments at 31 December 2023 was £91,407 (2022: £173,253).

18 Debtors

	2023	2022
	£	£
Other debtors	29,984	70,525
Prepayments	7,946	20,671
Accrued income	81,860	-
	<u>119,790</u>	<u>91,196</u>

19 Cash and cash equivalents

	2023	2022
	£	£
Cash in hand	3,870	15,903
Cash at bank	52,360	451,317
	<u>56,230</u>	<u>467,220</u>

20 Creditors: amounts falling due within one year

	2023	2022
	£	£
Mortgage	14,115	-
Bank loan	18,662	14,730
Other creditors	46,514	15,930
Accruals	37,588	45,570
Deferred income	26,716	30,558
	<u>143,595</u>	<u>106,788</u>

There is £26,676 (2022: £30,518) of deferred income that relates to subscriptions received. These relate to the next financial period.

21 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Mortgage (falling due in less than 5 years)	74,970	69,163
Bank loan (falling due in less than 5 years)	189,626	205,270
Mortgage (falling due in more than 5 years)	790,916	810,837
	<u>1,055,512</u>	<u>1,085,270</u>

The mortgage is repayable over a period of 30 years at a variable rate of interest starting at 4.15% and with a floor of 4%, commencing in March 2022 with interest payments only and from March 2024 for capital and interest repayments to commence. The loan is repayable over 5 years at a variable rate of interest of 7% over Bank of England Base Rate commencing in March 2022 for interest and from February 2023 for capital and interest repayments.

22 Funds

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Transfers £	Balance at 31 December 2023 £
Unrestricted funds						
General	589,123	525,078	(642,398)	8,717	(320,339)	160,181
Designated:						
Building maintenance	-	-	-	-	-	-
Book restoration	-	-	-	-	-	-
Designated capital funds:						
- Assets under const. (net of loans)	154,891	-	-	-	386,379	541,270
- Furniture and equipment	28,085	-	-	-	(10,489)	17,596
- Heritage Assets Build	3,360,000	-	-	-	-	3,360,000
- Heritage Assets Books	3,000,032	-	-	-	-	3,000,032
- Heritage Assets Fixtures & fittings	41,000	-	-	-	-	41,000
	<u>7,173,131</u>	<u>525,078</u>	<u>(642,398)</u>	<u>8,717</u>	<u>55,551</u>	<u>7,120,079</u>
Restricted funds						
Membership donations for Asset under construction	53,586	12,500	(10,535)	-	(55,551)	-
Total funds	<u>7,226,717</u>	<u>537,578</u>	<u>(652,933)</u>	<u>8,717</u>	<u>-</u>	<u>7,120,079</u>

Notes to the Financial Statements for the Year Ended 31 December 2023

22 Funds - continued

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Transfers £	Balance at 31 December 2022 £
Unrestricted funds						
General	305,399	787,446	(702,593)	(35,806)	234,677	589,123
Designated:						
Building maintenance	50,000	-	-	-	(50,000)	-
Book restoration	100,000	-	-	-	(100,000)	-
Designated capital funds:						
- Assets under const. (net of loans)	-	-	-	-	154,891	154,891
- Furniture and equipment	61,362	-	-	-	(33,277)	28,085
- Heritage Assets Build	3,511,400	-	-	-	(151,400)	3,360,000
- Heritage Assets Books	3,000,032	-	-	-	-	3,000,032
- Heritage Assets Fixtures & fittings	41,000	-	-	-	-	41,000
	<u>7,069,193</u>	<u>787,446</u>	<u>(702,593)</u>	<u>(35,806)</u>	<u>54,891</u>	<u>7,173,131</u>
Restricted funds						
Membership donations for Asset under construction	-	120,884	(12,407)	-	(54,891)	53,586
Total funds	<u>7,069,193</u>	<u>908,330</u>	<u>(715,000)</u>	<u>(35,806)</u>	<u>-</u>	<u>7,226,717</u>

23 Analysis of net assets between funds

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	1,647,154	1,647,154
Heritage assets	-	6,401,032	6,401,032
Fixed asset investments	-	94,980	94,980
Current assets	-	176,020	176,020
Current liabilities	-	(143,595)	(143,595)
Long term liabilities	-	(1,055,512)	(1,055,512)
Total net assets	<u>-</u>	<u>7,120,079</u>	<u>7,120,079</u>
	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	1,282,976	1,282,976
Heritage assets	-	6,401,032	6,401,032
Fixed asset investments	-	176,351	176,351
Current assets	53,586	504,830	558,416
Current liabilities	-	(106,788)	(106,788)
Long term liabilities	-	(1,085,270)	(1,085,270)
Total net assets	<u>53,586</u>	<u>7,173,131</u>	<u>7,226,717</u>

24 Related party transactions

During the year the charity made the following related party transactions:

Thoresby Society

(During 2018 the Library formed a partnership with the Thoresby Society, which is a Charity). Thoresby Society are to pay the Library £14,577 per annum for the use of the premises and the management of their library and archive.

Transactions with Trustees

During the period there were no transactions with trustees.

25 Going concern

The trustees consider that the Library remains a going concern. On the basis of prudent estimates of future income and expenditure together with the availability of liquid reserves the Library can meet the demands arising from operational cost pressures and from the purchase of 15 Commercial Street.

The financial statements show a deficit for the year and the trustees are conscious that the underlying operational costs of the Library ran at a significant deficit as a result of price increases, delays in obtaining grants, and the additional costs of staff recruited ahead of completion of the work to redevelop 15 Commercial Street. The Library has drawn up a broadly balanced operational budget for 2024 and retains sufficient reserves to meet a shortfall. On this basis the trustees consider the Library remains a going concern.

In the light of this assessment the trustees have determined the disclosure needed to assess current uncertainties. These uncertainties and the steps taken to mitigate them so as to ensure, so far as possible, the future financial sustainability of the Library are set out in the trustees' report. In particular:

- 1 The Library will implement a comprehensive fundraising strategy both to raise funds to complete the redevelopment of 15 Commercial Street and to support other aspects of the Library's work. This includes continuing to apply for grants from a range of funding organisations.
- 2 Redevelopment work on 15 Commercial Street (excluding the new completed retail unit) will not start until the funds are available.
- 3 Work on the redevelopment project will be tightly managed to minimise the risk of cost and time overruns.
- 4 Trustees will monitor closely both the redevelopment of 15 Commercial Street and the operational budget and will take early action if problems emerge.
- 5 The Library's investments are sufficient to cover some 2 months operational expenditure. The Library will seek to increase these over time but does not expect to use its investments to meet the costs of work on 15 Commercial Street but rather to manage unexpected operational costs or shortfalls in income.
- 6 The Trustees will consider the sale or sale and leaseback of assets should the need arise to cover capital costs or an operational shortfall due to uncertain circumstances.

26 Security

The property purchased during the year at 15 Commercial Street, Leeds is subject to security charges issued in favour of two lenders of mortgage funding. The charges were issued in February 2022.

27 Prior year SOFA for comparatives

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowment from:				
Donations and legacies	3	281,661	120,884	402,545
Charitable activities	4	266,810	-	266,810
Investment income	5	225,159	-	225,159
Other income	6	13,816	-	13,816
Total income		<u>787,446</u>	<u>120,884</u>	<u>908,330</u>
Expenditure on:				
Charitable activities	7	(702,593)	(12,407)	(715,000)
Total expenditure		<u>(702,593)</u>	<u>(12,407)</u>	<u>(715,000)</u>
Net gains on investment assets		(35,806)	-	(35,806)
Net income/(expenditure)		<u>49,047</u>	<u>108,477</u>	<u>157,524</u>
Transfer between funds		54,891	(54,891)	-
Net movement in funds		<u>103,938</u>	<u>53,586</u>	<u>157,524</u>
Reconciliation of funds				
Total funds brought forward	22	<u>7,069,193</u>	<u>-</u>	<u>7,069,193</u>
Total funds carried forward	22	<u>7,173,131</u>	<u>53,586</u>	<u>7,226,717</u>

Detailed Statement of Financial Activities for the Year Ended 31 December 2023

	2023		2023	2023	
	Unrestricted funds		Restricted funds Members donations for Asset under construction	Total	Total 2022
	General £	Designated £	£	£	£
Income and Endowments from:					
Donations and legacies (analysed below)	141,139	-	12,500	153,639	402,545
Charitable activities (analysed below)	142,755	-	-	142,755	266,810
Investment income (analysed below)	226,607	-	-	226,607	225,159
Other income (analysed below)	14,577	-	-	14,577	13,816
Total income	525,078	-	12,500	537,578	908,330
Expenditure on:					
Charitable activities (analysed below)	(642,398)	-	(10,535)	(652,933)	(715,000)
Total expenditure	(642,398)	-	(10,535)	(652,933)	(715,000)
Net (losses)/gains on investment assets (analysed below)	8,717	-	-	8,717	(35,806)
Net income/(expenditure)	(108,603)	-	1,965	(106,638)	157,524
Transfer between funds	55,551	-	(55,551)	-	-
Net movement in funds	(53,052)	-	(53,586)	(106,638)	157,524
Reconciliation of funds					
Total funds brought forward	7,173,131	-	53,586	7,226,717	7,069,193
Total funds carried forward	7,120,079	-	-	7,120,079	7,226,717

Detailed Statement of Financial Activities for the Year Ended 31 December 2023

	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total £	Total 2022 £
Donations and legacies				
Grants*	109,600	-	109,600	27,256
Legacy	-	-	-	100,000
Members/other donations and gift aid	31,539	12,500	44,039	275,289
	<u>141,139</u>	<u>12,500</u>	<u>153,639</u>	<u>402,545</u>

* Includes Covid-19 and Kickstart grants of £nil (2022: £12,948).

	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total £	Total 2022 £
Charitable activities				
Membership fees	130,235	-	130,235	125,652
250th book	-	-	-	241
Sales of donated goods	12,520	-	12,520	7,773
VAT reclaim	-	-	-	133,144
	<u>142,755</u>	<u>-</u>	<u>142,755</u>	<u>266,810</u>

	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total £	Total 2022 £
Investment income				
Income from property	222,992	-	222,992	219,941
Income from listed investments	3,615	-	3,615	5,218
	<u>226,607</u>	<u>-</u>	<u>226,607</u>	<u>225,159</u>

	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total £	Total 2022 £
Other income				
Thoresby Society	14,577	-	14,577	13,816
	<u>14,577</u>	<u>-</u>	<u>14,577</u>	<u>13,816</u>

The Leeds Library

Detailed Statement of Financial Activities for the Year Ended 31 December 2023

	2023 Unrestricted funds £	2023 Restricted Funds £	2023 Total £	Total 2022 £
Charitable activities				
Operation as a library				
Wages and salaries	(181,778)	-	(181,778)	(216,970)
Staff NIC (employers)	(13,034)	-	(13,034)	(13,068)
Staff pensions (defined contribution)	(21,445)	-	(21,445)	(21,379)
Rates	(6,254)	-	(6,254)	(5,951)
Light, heat and power	(14,230)	-	(14,230)	(14,853)
Insurance	(13,122)	-	(13,122)	(10,799)
Health and safety	(3,918)	-	(3,918)	(3,130)
Printing, postage and stationery	(10,911)	-	(10,911)	(8,703)
Cleaning	(966)	-	(966)	(1,654)
Advertising	(10,393)	-	(10,393)	(8,673)
Bank charges	(1,034)	-	(1,034)	(1,024)
Depreciation of fixtures and fittings	(3,179)	-	(3,179)	(3,398)
Depreciation of office equipment	(5,579)	-	(5,579)	(27,580)
Binding and conservation	1,463	-	1,463	(6,345)
Books, publications, DVDs etc	(39,154)	-	(39,154)	(32,539)
Staff training	(407)	-	(407)	(538)
Catering supplies	(1,968)	-	(1,968)	(1,894)
Staff expenses	(3,371)	-	(3,371)	(6,902)
Storage	(11,500)	-	(11,500)	(9,037)
Repairs and maintenance	(16,471)	-	(16,471)	(15,052)
Computer software and maintenance costs	(16,053)	-	(16,053)	(30,469)
Event expenses	(21,590)	-	(21,590)	(17,558)
Sundry expenses	(9,288)	-	(9,288)	(2,185)
Legal and professional fees	(24,423)	-	(24,423)	-
Bad debts	(2,072)	-	(2,072)	-
	<u>(430,677)</u>	<u>-</u>	<u>(430,677)</u>	<u>(459,701)</u>
Listed building maintenance				
Wages and salaries	(51,937)	-	(51,937)	(61,992)
Staff NIC (employers)	(3,724)	-	(3,724)	(3,734)
Staff pensions (defined contribution)	(6,127)	-	(6,127)	(6,108)
Rates	(1,564)	-	(1,564)	(1,488)
Light, heat and power	(3,557)	-	(3,557)	(3,713)
Insurance	(12,844)	-	(12,844)	(5,268)
Health and safety	(979)	-	(979)	(783)
Printing, postage and stationery	(2,728)	-	(2,728)	(2,176)
Cleaning	(242)	-	(242)	(413)
Advertising	(2,598)	-	(2,598)	(2,168)
Bank charges	(258)	-	(258)	(256)
Depreciation of fixtures and fittings	(795)	-	(795)	(850)
Depreciation of office equipment	(1,395)	-	(1,395)	(6,895)
Legal and professional fee	(6,106)	-	(6,106)	-
	<u>(94,854)</u>	<u>-</u>	<u>(94,854)</u>	<u>(95,844)</u>

Detailed Statement of Financial Activities for the Year Ended 31 December 2023

	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total £	Total 2022 £
Charitable activities (continued)				
Asset under construction				
Rates	-	(900)	(900)	(146)
Light, heat and power	-	(679)	(679)	(2,200)
Repairs and maintenance	-	(18)	(18)	(4,324)
Computer software and maintenance costs	-	-	-	(963)
Legal and professionals	-	(8,250)	(8,250)	(4,774)
Bank loan interest	(69,671)	-	(69,671)	(48,986)
Insurance	-	(688)	(688)	
	<u>(69,671)</u>	<u>(10,535)</u>	<u>(80,206)</u>	<u>(61,393)</u>
Governance costs				
Wages and salaries	(25,967)	-	(25,967)	(30,996)
Staff NIC (employers)	(1,862)	-	(1,862)	(1,867)
Staff pensions (defined contribution)	(3,064)	-	(3,064)	(3,054)
Insurance	(318)	-	(318)	(13,199)
Auditor's remuneration	(11,583)	-	(11,583)	(9,240)
Management fees	(4,402)	-	(4,402)	(3,900)
Legal and professional fees	-	-	-	(35,806)
	<u>(47,196)</u>	<u>-</u>	<u>(47,196)</u>	<u>(98,062)</u>
Total expenditure on charitable activities	<u><u>(642,398)</u></u>	<u><u>(10,535)</u></u>	<u><u>(652,933)</u></u>	<u><u>(715,000)</u></u>

	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total £	Total 2022 £
Gains/losses on investment assets				
Realised gains on Investments	2,480	-	2,480	555
Unrealised gains/(losses) on investments	6,237	-	6,237	(36,361)
	<u>8,717</u>	<u>-</u>	<u>8,717</u>	<u>(35,806)</u>

