



Keats Community Library

Annual Report and Financial Statements for the year ending 31st December 2020

Contents

Part A	The impact of COVID 19 and an update	Page 2
Part B	Objectives, Achievements and Impact	Page 3
Part C	2020 Financial Commentary	Page 9
Part D	Conclusion	Page 10
Part E	Statutory Report and Financial Statements	Page 12

Keats Community Library is a registered charity in England (number: 1146702) and a company limited by guarantee (07889559)
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Keats Community Library

Annual Report for the year ending 31st December 2020



The impact of COVID 19 and an update of events after 31st December 2020

This annual report is written in June 2021. In terms of reporting on 2020, the top line is that the Keats Community Library (“KCL”) survived, is solvent, but was frustrated at not being able to offer the services our community wants and needs.

All this was due to COVID 19. During 2020, our opening was limited as follows:

2nd January 2020 to 17th March – Library open as normal for 6 days a week.

18th March 2020: Library closed

18th July 2020: Library re-opened for 2 days a week

3rd November 2020: Library closed

5th December 2020: Library re-opened for 2 days a week

19th December 2020: Library closed

13th April 2021: Library reopened for 2 days a week.

The Library building has been maintained by the City of London, while Trustees have been looking after the library, reviewing the stock and communicating with members, all to be ready to re-open as soon as permitted and safe.

It has been frustrating to pass by a building ready to go yet depriving the community of a major source of culture and reading for both education and pleasure. The many students, who came to have a place to study in peace and who would normally be occupying all the seats at the desks in early summer had to stay at home, often in cramped rooms shared with others.

While deliveries of library books were initially undertaken locally for a short period, we felt it conflicted with the isolation mantra. We suspended fines in line with the advice to limit movement and reduce financial pressure on the community at this difficult time.

Keats Community Library

While closed, income has been from our wonderful regular donors who pay by standing order. We have had to cancel events well into 2021. The 2020 Hampstead Summer Festival which has been, by far, our largest single revenue source (2019: £13,500) was cancelled in March 2020. The Spring Book Sale which was due to take place on 28th March 2020 and for which all the stock was ready, was postponed to October - with visitor numbers curtailed by Social Distancing - and was our only Giant Book Sale that year. In 2020, Book Sales (including ongoing sales in the library) only provided £4,800 (2019: £ 10,500).

In 2020 our apprentice was placed in Furlough under the Government's Coronavirus Job Retention Scheme and we also paid the administration charge levied by the Agency he works for. We also continued to pay our Rhyme Time teacher even though we had no sessions. We had already paid in advance for some fixed costs, such as keeping the Library system operational, even though it was hardly used, and so on.

The City of London Corporation as Trustee for Keats House agreed to relieve the license charge while we are closed and then charge proportionally when we opened for less than the contractual 42 hours a week. The Trustees are most appreciative of the support shown by the City of London.

Investments: We have Investments in 2 Property Unit Trusts and this report shows the values at 31st December 2020. In 2020, these investments were temporarily "gated" as fair value could not be ascertained. In general, because of COVID 19, commercial rents were not being paid by many tenants and, while the Investments we chose have very low exposure to retail tenants, there was a small adverse impact on values and income.

Our decent level of reserves built up over good years, ensured continuity of an iconic community resource, especially in the light of our relatively short Licence from the City of London.

The rest of this report is about the year ending 31st December 2020 and the Library in general.

Part B Objectives, Achievements and Impact

Keats Community Library ("KCL") is a charity ("the Charity") with its main remit to run a library in Keats Grove, London NW3 2RR ("the Library").

Its Board of Trustees ("the Trustees") has set objectives for the Charity; normally, this report shows the key ones with their outcomes for 2020. However, 2020 was hardly "normal" and most of our objectives could not be met when we were closed so much of the time.

Even when open, visitor reluctance and volunteer concerns coupled with regulations including Social Distancing confined us to 2 days a week (2019: 6 days) and while these days were busy, they did not begin to replace the normal level of activity. In the extraordinary circumstances, the Trustees have not detailed the book movements or visitor numbers as the comparative figures would be misleading.

Keats Community Library

- **Lending Literary Resources:**
 - **Books, including Large Print and Audio books:** 25,000 books to lend with high quality stock augmented by regular buying and donations.
 - **Lending DVDs:** We remain the only local source of DVDs to borrow, adding classic titles by purchase and donation. The lack of charge makes borrowing attractive.
- **Encouraging people to use the Library:**
 - **Visitors** come for many reasons, to study, read newspapers or use the computers as well as taking out or returning books or attending events.
 - **Cards Issued:** As at June 2021 almost 8,000 KCL Library Cards have been issued (for which a small one-off admin fee is payable) since opening in April 2012.
- **Encouraging use by children:**
 - School Visits ceased in March 2020. Before that, the number of school classes using the Library continued to grow;
 - Rhyme Time, resumed only briefly in autumn, held outside.
 - Chess classes were suspended
 - Children's books are in great demand and inevitably suffer more wear than adult stock. We continued to replace and add to the stock.
- **Public access to the internet, computers, with printing and scanning.**
 - We remain the only local source of public access computers and, more importantly, we offer the ability to scan or print from the internet. There are 6 public computers normally fully occupied, particularly at weekends.
 - Public Wi-Fi remains free to all.
 - **In 2020, during the limited open days, computer access was reduced by 50% in order to ensure social distancing.**
- **Offering a quiet, safe place for study:**
 - Use of the 6 dedicated study tables and 2 settees was suspended in March 2020 despite previous high demand during study periods;
- **Community courses/activities:**
 - The reading group was suspended in March 2020
- **Providing training and social activities for volunteers:**
 - A cohort of about 50 volunteers, including the active Trustee Board, remains stable, with a few departures usually due to the volunteer leaving the area.
 - Our volunteers are, above all, loyal and reliable with a love of books and an amazing scope of knowledge and expertise relevant to the Library.
 - **The opening hours were reduced to 12 hours a week (2019 and previous years: 42 hours) allowing less opportunity for volunteers.**
- **Providing work place experience for young people:**
 - We offer volunteer slots to youngsters for community service, such as Duke of Edinburgh's Award or Scouts, and qualification related placements for local secondary schools. This was suspended in March 2020.
 - Our apprentice programme continues; our 2020/21 apprentice completed his term, having been on furlough since March 2020. We endeavour to replace our apprentice, funds permitting, after each has completed fourteen months.

Keats Community Library

- **Cultural events of the highest quality, which are affordable and accessible to all:**
 - We managed only 5 events in 2020 (2019: 15). We ran two talks by Zoom but, whilst the talks were excellent, we felt that they lacked the local community feel and the experience of being in the room with the speaker.
 - We are indebted to these people who are so generous in helping us and remain open to ideas on expanding our range of activities.

The community owes its thanks to all our volunteers for constantly expanding and improving our services. One of the rewards of being a volunteer is receiving comments from Library users on the helpful and friendly service.

Book stock

Even while closed, we continue to improve our stock by selective purchase and donation. Children's books are heavily used and need constant replacement. Most books, and all the children's books, are covered with film which adds to the costs.

We are grateful to our many supporters who continue to donate excellent quality books for us to take into stock. We are always grateful for donations and we strive to waste nothing. Donated books can be taken onto the shelves as needed, others sold in our (normally) twice yearly book sales, and the remainder sent to an agent who sells online, giving us a small commission. Donations, alongside supportive suppliers, allow us to add a lot more books than our modest budget alone would allow.

We remain determined to do what is needed to keep our stock relevant and in good condition. We ensure that we have the latest publications, such as the Baileys (formerly Costa) and Man Booker Prize long-list for fiction, and popular non-fiction books such as the TS Eliot and Samuel Johnson Prize winners, as promptly as possible. Our loyal readers scan the newspapers for recommendations.

We dispose of books which are either in poor condition or have not been borrowed for 4 years. Classics and other heavily read books are replaced.

DVDS

DVDs continue as part of our offering, for children and adults. We are now the only local source for the community to borrow films.

With the decline in the DVD market, acquisition of films approved for "rental" is ever harder as rental shops close and second hand DVDs become scarcer. We serve those in the community who are unable to download films. In the library, classic films are as popular as new releases.

A grant by **U3A in London** allowed us to lend DVDs free of charge from 2017 and this has been extended every year and continued in early 2020.

Keats Community Library

Children's Library ("CL")



Jana Harrison, a Trustee, is responsible for the Children's Library. Visits by local schools, (free of charge), continued to increase in early 2020 and relationships between KCL and these schools have become closer. Indeed, several of the schools collaborate with us to do reading related fundraisers for us for which we are most appreciative.

We were able to expand our commitment to several local schools with book donations during the second half of 2020. We sorted through book donations to accumulate relevant and high-quality books and arranged for socially distanced transfer of these books to the teachers. We are looking forward to welcoming our local schools back to the library in the autumn of 2021.

Our Licence Agreement with the City of London Corporation allows us to share the Nightingale Room, where we lay out the dedicated space for children. We have only Tuesdays, Fridays and Saturdays exclusively for the CL, but the City kindly allows us to use the room on other days when they do not need it. This has been working well, although attendance is lower on those days as we cannot advertise these *ex-gratia* hours or use them for regular school visits or CL activities.

Throughout much of 2020, the library was closed or only open on Tuesdays and Saturdays. We specifically chose these two days to enable our local families to take advantage of access to the Children's Library

Over 80 primary schoolchildren visit the Children's Library each week with their class during the school term, when permitted and many of their families subsequently join the Library. While there is considerable demand for library visits from our local schools and our outreach has been very successful, we are sadly limited in the hours we can offer to local schools due to our licence agreement.

We have increased our budget to buy more children's books - children's books wear out, get lost or damaged and, of course, we need to have new additions of *must have* series all the time.

During the first quarter of 2020 we continued to build up our activities. We have Rhyme Time sessions on Tuesday and Friday mornings, weekly Story Time session on Friday afternoon and chess classes. We also offer regular events for children such as creative writing workshops and art classes. In addition, we have twice yearly puppet shows and magic shows as well as author and illustrator visits.

Keats Community Library

When we were allowed to reopen in the autumn of 2020, we resumed our Rhyme Time classes outside in the beautiful garden of Keats House (weather permitting) and socially distanced with limited numbers. While this did not yield us any income, we felt it important to offer our local families an outlet for their toddlers.



Chess Classes

With Bryan Ellis, our wonderful teacher, we were building up the Saturday afternoon classes, before we had to close in March.

Thanks to the *Chess in Schools Association* we remain well equipped with boards and chess pieces.

Summer Reading Challenge

In 2020, we were unable to hold our annual Summer Reading Challenge. Based on the past success of this programme, we are planning to continue it in 2021.

Community Activities - Provided free of charge

Reading Group

In 2020, this was suspended.

Computer Classes

We were moving to bespoke on demand sessions which were suspended from March 2020.

Computers and technology

Public Access Computers/Internet: The 6 public computers are a key part of our community services and are frequently at weekends all in use with people waiting. There is also Wi-Fi available without charge or time limit. When open under social distancing rules, the number has been reduced to 3 computers, spaced out.

Printing was obviously greatly reduced with income under 25% of 2019. Previously, our printers were heavily used as the only place in the local area for public access printing from the internet, and in colour. In other years, they provided KCL with a modest surplus over costs of paper, rental and supplies, while allowing prices to be competitive with those of Camden libraries.

Keats Community Library

Our Library system, Heritage, is run through the internet and is a key part of our daily operation. We chose the best available system in 2012 and while it is certainly not the cheapest, it has proved reliable and easy for volunteers to use day to day. It provides an extensive range of management features which we are still learning about, when time allows. The change of Internet Service Provider has improved the response time on Heritage.

Jonathan Nakouzi is the Trustee who continues to take on IT responsibility for us and, with his team, worked hard to keep us running, and provide the free classes mentioned above.

Intern/ Apprentice

We supported our apprentice even while the Library was closed. His contract expired before we re-opened properly. We are looking to find a new apprentice for a 12-15 month period from summer 2021. The paid apprentice position, for 30 hours a week, provides a young person with an opportunity to learn a skill set, working in a public service area. The apprentice is on contract from an agency which undertakes more general training. In turn, the apprentice provides KCL with an important level of continuity across volunteer shifts, providing a more consistent offer to our visitors.

Relationships with other parties

Other Libraries: KCL keeps in touch with other libraries that were transferred to community use. Each has a different model so comparisons cannot be measured. KCL is unusual in paying significant sums for use of the building, and not being part of a larger organisation.

Public Bodies: We continue to try and contact many other bodies who champion reading. But we have had some difficulties accessing services from those, such as the Arts Council of England, who still do not consider independents, such as KCL, to be a “public library”.

Camden Council: We receive no funding towards our running costs from the Council. Informal friendly contact is maintained at councillor level. Camden officers have helped bridge the gap when organisations fail to recognise KCL as a “public library”.

City of London Corporation and Keats House: Relations with our landlord and neighbour have been assisted by internal changes within the City of London, as Keats House became part of the local Open Spaces team. Relationships have continued to thrive at all levels and, as we said last year, KCL is treated very much as part of the community team.

The Library is the Licensee under a so-called “licence to occupy”, which is a common type of arrangement used in situations where the landlord retains control over use of the premises and remains responsible for building management. The Library’s licence does not guarantee it unlimited access to the premises at all times, as would be usual under a conventional lease. On the other hand, in contrast to the standard “full repairing and insuring” format of a commercial lease, the licence stipulates that the landlord retains responsibility for maintenance, insurance and many routine services and utilities, thus reducing the Library’s exposure to exceptional costs.

The landlord is Keats House, a registered charity of which the City of London Corporation is the sole Trustee. Given the substantial costs connected with the management of the listed building in which the Library is housed, the Trustees consider that the Library receives fair value for the licence fee.

Keats Community Library

The high base cost is nevertheless one reason that we need to rely more on volunteers than other libraries, and have to work harder to raise money from the community by donation and from events. We have held a number of joint events with Keats House, mainly those based around poetry and the Romantic Era and plan more. We share the Children's Library on Sunday when Keats House hold a popular "family day" once a month.

Keats House have been highly supportive during the stressful days after March 2020. They relieved our licence payments proportionately, and equally importantly provided vital advice on how to run the building safely in line with best practice. They also provided us with equipment such as signage, sanitising stations and plastic screens to allow us to open.

Part C 2020 Financial Commentary

1 Introduction

The financial report for 2020 shows KCL achieved a reduced surplus of £9,139 (2019: £29,855) retaining a healthy cash balance and increased reserves. This makes us confident of being able to re-open and function for the medium term.

While this was an outstanding result, it depended on reducing costs to counter lost income. In 2020 we received only 2 donations over £1000, both in January. Fundraising remains unpredictable, we rely on one-off events and offers from celebrities and speakers, making long term planning challenging.

Our biggest single expense is the licence fee, reduced this year for 3 months of normal operation and then a number of days in the year totalling £9,391 (2019: £25,000) for the use of the library building, which we pay to the landlord. The licence fee makes our base costs much higher than those of most local community libraries and is one reason that we need to rely on volunteers and have to work harder to raise money from the community by donation and from events. Our second largest expense is the apprentice which cost £8941 (2020: £15,992)

Grant funding remains problematic for KCL, as most funders are keen to finance a specific "project" with added outcomes and will not support our on-going expenses.

KCL invested some of its reserves in 2 property unit trusts to attempt to replace the greatly reduced income from bank deposits. These were both impacted adversely by the pandemic and reduced income payments although these recovered surprisingly quickly. The loss in value was 6.4% in 2020 some of which has been reversed. Income was £3,292 (2019: £4024). Overall the choice of these funds was justified with their minimal exposure to retail business.

2 Library Operations Income

Day to day activities and charges in the Library normally provide a steady and relatively predictable stream of funds. We sell coffee and our two laser printers, books, DVDs, cards, postcards (which were donated) and so on. Our income from issuing library cards in 2020 was £545 (2019: £1349); we currently only levy this £5 charge for each household once on joining or when cards are lost.

Books Sales of £4,690 (2019: 10,500) are an important source of income. We only held one sale in 2020 (2019: 2 sales).

Keats Community Library

Rhyme Time when running continues to be very popular, generally more than covers its costs with donations made by most, but not all, attendees. In 2019, we started a Ballet class for children conducted by a local dance teacher.

3 Donations

The number of regular donors who contribute by Standing Order, monthly or annually, has been steady. Unsurprisingly with the library closed and “out of mind” no new net mandates were agreed. We remain so very grateful for those loyal supporters who stay with us even when they cannot use the library. Many comment how important the library is to them and the community and that they are happy to help. If only more of those who use and profess to love the library put their appreciation into action in this way!

Overall donations at £24,779 (2019 £49,435) including Gift Aid were amazing when we were open so little. We are delighted by the support that is shown by generous and altruistic donors, for example by one family that supports all the newspapers and magazines that are an integral part of the Library’s offer.

Gift Aid is a great help in increasing the value of individual donation and we encourage all donors to consider completing the simple form.

4 Sponsors

KCL has been very fortunate in receiving help from a few sponsors. In 2020 **U3A in London** renewed their generous support which goes towards allowing free DVD rentals and also some event support.

They were joined by **Osbornes Law**, a Camden and Hampstead firm of solicitors who have been amazing supporters of our events in the Library even in the sparse year of 2020. Their support has transformed our event options and allows KCL to keep prices down and to pay for room hire to outside hall owners such as the Royal Free Hospital and the Unitarian Chapel on Rosslyn Hill.

5 Hampstead Summer Festival (“HSF”)

2020 would have been our 8th year as a beneficiary of the wonderful Hampstead Summer Festival. Sadly the usual events had to be cancelled in March, and we only managed to run a reduced Family Garden Party in August, blighted by cold weather. In 2019 the Festival raised £13,500 for the Library.

We are most grateful for the Festival team’s dedicated hard work for the community and look forward to future Festivals.

Part D Conclusion

As we say every year, this is so much a community undertaking that it is inappropriate to single out people to thank, in addition to the sponsors and local businesses who have been so supportive.

On behalf of the Community, I would like to record here the deep debt of gratitude owed to the many volunteers, each of whom made an important contribution to the community and its Library.



S Bobasch
Chair of Trustees

Keats Community Library

Trustees and their Responsibilities:

- | | |
|-----------------------|---|
| • Steven Bobasch | Chair of Board |
| • Simon Brumfit | Apprentice Manager |
| • Andi Dollia | Treasurer |
| • Jana Harrison | Operations & Children's Library |
| • Vicky Joel | Events, Book Buying & Corporate Sponsorship |
| • Jonathan Nakouzi | Information Technology |
| • Nigel Steward | Company Secretary & Heath & Hampstead Society liaison |
| • Penelope Vita-Finzi | Volunteer recruitment and co-ordination |

Honorary President: Lee Montague

Patrons:

- | | |
|-------------------------|---------------------|
| • David Baddiel | • Jeremy Karpel |
| • Lord Bragg | • Sir Andrew Motion |
| • Simon Callow | • Deborah Moggach |
| • Dame Margaret Drabble | • Michael Palin |
| • Alan Hollinghurst | • Sue Perkins |
| • Anthony Horowitz | • Dame Janet Suzman |

Keats Community Library

The Report of the Trustees and Financial Statements for the Year Ended 31st December 2020 For Keats Community Library

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

	Page
Report of the Trustees	12
Independent Examiner's Report	17
Statement of Financial Activities	18
Balance Sheet	19
Notes to the Financial Statements	20

Keats Community Library

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2020

The Trustees of the Keats Community Library ("the Charity"), who are also directors of the Company for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31st December 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in September 2015 by the Charity Commission for England and Wales.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014.

REFERENCES AND ADMINISTRATIVE DETAILS

The Charity is known as Keats Community Library. The Trustees consider that the Charity is a "small charity" under the rules of the Charity Commission of England and Wales.

Registered Company number

07889559 (England and Wales)

Registered Charity number

1146702

Registered office

Keats Grove, London NW3 2RR

Honorary President

Lee Montague

Trustees

Steven Bobasch (Chairman)

Simon Brumfit

Andi Dollia (Treasurer)

Jana Harrison

Victoria Joel

Jonathan Nakouzi

Nigel Steward (Secretary)

Penelope Vita-Finzi

appointed:

19/01/12

01/04/17

10/07/18

29/01/13

19/01/12

19/01/12

21/12/11

01/01/17

Company Secretary

Nigel Steward

Independent Examiner

Anthony Ghilchik FCA, 6 Morland Close, London NW11 7JG

Bankers

Barclays Bank, 28, Hampstead High Street, London NW3 1QB

Keats Community Library

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Keats Community Library ("the Charity") is incorporated as a company limited by guarantee under the Companies Act 2006. It is also a registered charity. The Directors of the Company are also charity trustees as defined by section 97 of the Charities Act 1993. In this document they are referred to as Trustees.

Directors of the Charity are also Members of the company as are some former directors. Directors are appointed by the board by being co-opted and then confirmed at the next General Meeting of Members. The policy of the Board of Directors is to appoint people as directors who have a skill or interest to offer for which they take responsibility.

The Charity is governed by the terms of its Memorandum of Association and its Articles of Association.

Management

The Trustees have not delegated their powers to any one Trustee or other person, although from time to time in accordance with the Articles they delegate their powers to a sub-committee of more than one Trustee. The Trustees manage the day-to-day affairs of the Charity; there is no executive management. The Trustees meet regularly and take note of the acts of individual Trustees on behalf of the Company. The Trustees as individuals take on certain aspects of management of the Charity as set out in the Annual Report. The Charity does not employ any staff directly.

Risk and Internal Controls

The Trustees have a duty to identify and review the risks to which the company is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to manage exposure to the risks. The key types of risk to which the charity is exposed, along with the principal processes in place to manage and mitigate the risks, are briefly described below:

The Trustees have identified three main areas of risk:

1 Risk on Personnel: High reliance on volunteers for all aspects of operation. Ageing of volunteers.

Mitigations: The organisation derives its strength from the quality and dedication of volunteers, many of whom have been in post for over 7 years. A Trustee is dedicated to managing volunteers in addition to the person arranging the roster.

The principal internal controls, which apply to staff and volunteers, including segregation of duties and cash management controls including double signature etc., are set out in the office manual. As far as feasible all aspects of operation are checked by others.

New volunteers are trained and are subject to Criminal Records checks if likely to be unsupervised.

2 Funding Risks: the Charity is reliant on grants and donations of various kinds.

Mitigations: Many members of the community generously give regular donations which with income from Library operations provide a steady income. The Trustees seek to increase these to provide greater certainty of income.

As institutional grants are difficult to obtain for running costs, the Trustees focus on self-funding by offering events, many with celebrities, arrange book sales and generally seek to increase revenue. This has proved successful in previous years but unachievable in 2020.

Despite all the challenges of 2020, there was still a surplus as costs were cut dramatically. The Trustees have proved adept at adapting their fundraising sources over the past years and are confident of continuing to do so.

The level of reserves would allow the Library to continue for many years even if income does not improve from the Trustees hope is the nadir of 2020.

The Trustees maintain contacts with a range of grant providers and potential donors to understand their

Keats Community Library

requirements and to try to develop future funding.

3 Security of Tenure: the library building was subject to a three-year licence, for a limited number of hours per week which expired in April 2020

Mitigations:

The relationship with the Licensor now forms more in the nature of a “partnership” with the Library aims in the community echoing those of the City. The Licensor, the City of London Corporation which is also the owner of Keats House, wrote in May 2021 to confirm that it currently intended to continue the licence and to increase the period to 5 years.

The Trustees are advised that a new licence may not be issued until late 2021 as the City is unable to manage these matters while under Covid restrictions. The Trustees are confident that, as for all previous renewals, this process will prove to be a formality and will be documented formally in due course. Both parties behave as if the licence was running and licence fees are paid.

OBJECTIVES AND ACTIVITIES

Objectives and activities

The object of the Charity (as stated in the Articles) is the promotion of education, by way of providing education in the form of literary activity and learning through the facilities of a community centre based around a library. The activities include charitable services provided either without charge or for reasonable and proper remuneration which support this object. These charitable services are designed to respond to the various and changing needs of the community, and are not limited by the Charity’s constitution.

The Charity main activity is the running of a single library in Keats Grove for the benefit of the broader community. The library has separate rooms for children and adults and allows the borrowing of books and DVDs, access to newspapers and journals, study area, public access computers and Wi-Fi and a printing and photocopying service.

The Charity also organises a number of events all open to the public based on literacy, theatre and music. These events are intended to provide the community with access to high quality speakers and performers at modest cost. These events also provide part of the source of funding for the Charity. In addition, the Charity offers activities aimed specifically at children, such as Rhyme Time and Chess Classes.

ACHIEVEMENT AND PERFORMANCE

The Charity has kept open a much valued local resource for the benefit of the community. It provides a library environment for reading study, play and other activities for 42 hours every week. There is no comparable facility in the area. It has issued almost 8000 library cards (as at 1st April 2021) and replaced over 12,000 books from purchases and donations. Loan activity was obviously greatly reduced and is not comparable to 2019.

In 2020, there were only 5 public events organised by the Charity which continued to prove popular. In previous years there is typically one evening event a month for adults with a broad range from comedy to music to plays and of course literary evenings.

Also in the normal activities but mainly suspended in 2020, there are special events for children such as a garden party, puppets and magic shows, creative writing courses, art classes, family concerts, visits by prominent children’s authors and the Summer Reading Challenge. In addition, the weekly programmes for children of twice weekly Rhyme Time, story time and Chess classes continue. The Charity has continued the programme of inviting local school children some of whom bring multiple classes.

Keats Community Library

FINANCIAL REVIEW

Financial Results

The Charity spent £28,048 (2019: £58,737) on its charitable objects during the year. Expenditure on these charitable activities was offset by directly related incoming resources of £12,234 (2019: £35,635). The deficit on charitable activities thus amounted to £15,814 (2019: a deficit of £23,102). The Charity generated income of £24,779 (2019: £49,436), excluding investment interest. Fundraising activities in this reporting period were conducted by Trustees and volunteers who are not remunerated. As a result, in this period there were no identifiable costs of generating voluntary income. Net incoming resources for the year amounted to £13,644 (2019: £32,036). After adjustment for unrealised investment gains and losses, the surplus on ongoing activities amounted to £9,139 (2019: £29,855). The Trustees are grateful to all those who have contributed in any way to the achievement of these results.

Reserves policy

The Trustees have examined the Charity's requirements for free reserves, i.e. those funds which are not invested in fixed assets, nor designated for specific purposes nor otherwise committed. In making their assessment, Trustees have taken into consideration that at the date of approval of these statements the Charity does not have commitments to employees, although this position may change. As a result, at present the costs of cessation, should cessation become necessary, relate to fulfilment of conditions under the Licence with the City of London, leasing and similar agreements. No material costs of this nature are currently foreseen. Given the nature of the Charity's activities and its reliance on donations and community support, the Trustees however consider that it is prudent to maintain as far and for as long as possible a level of general funds corresponding to the total start-up funding received from the London Borough of Camden (£124,000). This is particularly the case since the Trustees have been informed that this funding is of a non-repeating nature. The level of cash reserves at year-end was adequate to meet that purpose. All reserves held are unrestricted and available for furtherance of the objects of the Charity.

FORMAT OF FINANCIAL STATEMENTS

The company is a registered charity and so achievements cannot be measured by normal commercial criteria. Accordingly, the Trustees consider it would be inappropriate to present the financial statements in either of the formats set out in the Companies Act 2006. Therefore, as permitted by the Companies Act, in order to reflect the special nature of the company's activities, the Trustees are of the opinion that it would be more appropriate to present a Statement of Financial Activities (incorporating income and expenditure account) rather than a Profit and Loss Account. Under the requirements of the guideline on Accounting and Reporting by Charities, the Trustees have assessed the major risks to which the Charity is exposed. They are satisfied that systems are in place to mitigate its exposure to major risks. These procedures will be reviewed annually to ensure that they still meet the needs of the Charity.

Going Concern

The Trustees are mindful of their obligations to ensure that the Charity is a going concern in respect of a period of at least one year from the date of approval of the financial statements. In making this assessment, the Trustees have considered the impact of Covid 19 and while some investment values are uncertain, these will not affect the Charity's ability to continue its charitable objects. In view of the substantial reserves, mainly in cash, and the very limited liabilities, the Trustees are satisfied that the Charity is a going concern.

ON BEHALF OF THE BOARD signed on 29th July 2021



S. Bobasch – Trustee



A. Dollia - Trustee

Keats Community Library

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF KEATS COMMUNITY LIBRARY

I report on the accounts for the year ended 31st December 2020 set out on pages 18 to 25

Respective responsibilities of trustees and examiner

The trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under Section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission under Section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention

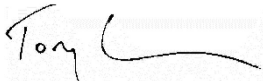
Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006, and which are consistent with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Anthony Ghilchik, FCA
6 Morland Close
London NW11 7JG

Date: 29th July 2021

Keats Community Library

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2020

		2020 Unrestricted funds	2019 Unrestricted funds
	Notes	£	£
INCOME			
Incoming resources from generated funds			
Donations and legacies	2	24,779	49,436
Investment income	3	4,679	5,702
Incoming resources from charitable activities	4		
General		<u>12,234</u>	<u>35,635</u>
Total incoming resources		41,692	90,773
 EXPENDITURE	5,6		
Expenditure on Raising Funds		-	-
Expenditure on Charitable Activities		<u>28,048</u>	<u>58,737</u>
Total resources expended		28,048	58,737
 NET INCOMING RESOURCES		13,644	32,036
 GAINS (LOSSES) ON INVESTMENTS		(4,505)	(2,181)
NET MOVEMENT IN FUNDS		9,139	29,855
 RECONCILIATION OF FUNDS:			
Total funds brought forward		<u>353,994</u>	<u>324,139</u>
 TOTAL FUNDS CARRIED FORWARD		<u>363,133</u>	<u>353,994</u>

Keats Community Library

BALANCE SHEET AT 31ST DECEMBER 2020

		2020 Unrestricted Funds £	2019 £
FIXED ASSETS	Notes		
Tangible Assets	7	-	389
Investments	8	<u>69,318</u>	<u>73,822</u>
		69,318	74,211
		-----	-----
CURRENT ASSETS			
Stocks		-	-
Debtors	9	-	-
Cash at bank and in hand		<u>297,004</u>	<u>280,221</u>
		297,004	280,221
CREDITORS			
Amounts falling due within one year	10	(3,189)	(438)
Loans		-	-
		-----	-----
NET CURRENT ASSETS		293,815	279,783
		-----	-----
TOTAL ASSETS LESS CURRENT LIABILITIES		363,133	353,994
		-----	-----
NET ASSETS		363,133	353,994
FUNDS	11		
Unrestricted Funds		363,133	353,994
		-----	-----
TOTAL FUNDS		363,133	353,994

For the year ending 31st December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements were approved by the Board of Trustees on 29th July 2021 and were signed on its behalf by:



S. Bobasch – Trustee



A. Dollia - Trustee

Keats Community Library

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Exemption from preparing a cash flow statement

Exemption has been taken from preparing a cash flow statement on the grounds that the Charity qualifies as a small charitable company.

Taxation

The Charity is exempt from corporation tax on its charitable activities. It is also exempt from VAT. VAT incurred on purchased goods and services is therefore unrecoverable and is included in expenditure under the cost heading to which it relates.

Income

All incoming resources are included on the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. As a result commitments to donate and to sponsor are usually accounted for on a cash received basis. In the case of donations eligible for Gift Aid, the amounts receivable from HMRC will in principle be accounted for in the year which the relevant donations are recognised (if appropriate, as accrued income). Items donated, principally books and other library materials, are recognised at their selling price if sold.

Resources expended

Expenditure is accounted for on cash basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. At the year end, Trustees will take a view on any material items of expenditure to decide on their treatment with regards to accruals and prepayments.

Tangible fixed assets

Assets are recognised in the balance sheet to the extent that the cost exceeds the de minimis threshold of £1000 per acquisition.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Plant and machinery	20% on cost
Office Equipment including computers	20% on cost

Investments

Since 2017 the Charity holds a part of its reserves in the form of units in Property Trust Funds. These are recognised at Market Value derived from the mid-market rates quoted by each fund at

Keats Community Library

year-end.

Stocks

The initial stock of library books as well as certain depreciated computer equipment were gifted to the Charity by the London Borough of Camden at the time of set-up. There is no historical cost associated with these assets. Subsequent purchases of library stock are expensed in the year in which they occur. As a result the stock of books is not reflected in the balance sheet. Subsequent acquisitions of computer equipment are capitalised to the extent that they conform to the Charity's accounting policy with regard to tangible fixed assets.

Fund accounting

Unrestricted funds may be used in accordance with the charitable objectives at the discretion of the Trustees. Restricted funds may only be used for particular restricted purposes within the objects of the Charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. At the present time the Charity has no restricted funds.

Charitable Activities

Charitable activities are those activities which are included in the objects of the association as set out in the Company's Articles of Association (and summarised in the Report of the Trustees).

Events

Events fall within the object of the Charity of providing cultural support to the community, and are hence treated as charitable activities, even though they may incidentally generate a surplus and/or attract sponsorship.

Sponsorship

Sponsorship receipts take several forms, including sponsorship in kind, reductions in amounts invoiced, and cash sponsorship of specific events. All sponsorship in 2020 is treated as Incoming Revenue from Charitable Activities. Cash value of sponsorship in kind is accounted for where information is available.

Balance Sheet Review

A balance sheet review is carried out annually to ensure that the individual assets and liabilities of the Charity as recorded in the financial statements are identified and known to Trustees.

Principal Assets not recorded in the Balance Sheet

Traditionally, the principal assets of a public library are the library building and the book collection. In the Charity's case, from a financial accounting standpoint it is proper not to reflect these assets in the Balance Sheet. Both are nevertheless tangible assets in the stewardship of the Charity and the Trustees take appropriate steps to protect them, including a rolling inventory and active management of the book collection (book protection, disposals, sales and purchases) and monitoring of the effectiveness of the building services provided by the landlord under the terms of the licence to occupy.

Roundings

All figures presented in the Financial Statements are rounded to the nearest pound sterling. As a result certain subtotals and totals may not correspond exactly to the sum of the constituent figures as stated.

Keats Community Library

2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Grants	-	-
Donations including Gift Aid	<u>24,779</u>	<u>49,436</u>
	<u>24,779</u>	<u>49,436</u>

Registration: Individuals using the Charity's facilities are invited both to register and to donate. Registration fees are accounted for under charitable activities (v. Note 4).

Sponsorship: The Charity's accounting policy is to include sponsorship in Incoming Resources from Charitable Activities (v. Note 1).

Grants: these are distinguished from donations to the extent that the donors are conventionally described as grantors. Where grants are received in the form of a rebate on services provided, these are not accounted for separately.

3. INVESTMENT INCOME

	2020	2019
	£	£
Deposit account and property fund interest	<u>4,679</u>	<u>5,702</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2020	2019
	£	£
Revenue from Cultural Events	2,880	9,420
Revenue from Library Operations	<u>9,354</u>	<u>26,215</u>
	<u>12,234</u>	<u>35,635</u>

5. EXPENDITURE ON CHARITABLE ACTIVITIES

	2020	2019
	£	£
Events Expenditure	190	1,445
Books and General Purchases	1,912	4,553
Licence to Occupy and space-related charges	9,936	25,515
Professional and contractor fees	10,767	19,825
Other Overheads	<u>5,243</u>	<u>7,399</u>
	<u>28,048</u>	<u>58,737</u>

Depreciation

Resources expended are stated after charging:

	2020	2019
	£	£
Depreciation - owned assets	<u>389</u>	<u>518</u>

Keats Community Library

Trustees' Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 31st December 2020 (2019: nil). Trustees' expenses, which were immaterial, were not accounted for separately from the expenses of volunteers and contractors. Other library costs incurred directly by Trustees are accounted for by cost element.

6. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	-	-
	2020	2019
Average monthly number of employees	-	-

During the year an amount of £8,942 (2019: £15,993) was incurred as a result of contracts entered into with companies offering the service of apprentices. The increase was due to training.

7. TANGIBLE FIXED ASSETS

	Plant and machinery etc.
	£
COST	
At 1st January 2020	16,763
Additions	0
Retirements	0
At 31st December 2020	16,763
DEPRECIATION	
At 1st January 2020	16,374
Charge for year	389
Retirements	0
At 31st December 2020	16,763
NET BOOK VALUE	
At 1 st January 2020	389
At 31st December 2020	0

8. INVESTMENTS

PROPERTY TRUST FUND		3,463
At 1st January 2017		
Additions	£	0
Market Value Brought Forward at 1 st January 2020	73,823	0
Additions at Cost	0	
Disposals at 31st December 2017	0	3,463
Realised Gain (Loss) on Disposals	0	
Unrealised Gain (Loss) on Investments	(4,505)	
Market Value at 31st December 2020	69,318	

Keats Community Library

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Prepayments and advances on account	0	0
Accrued Income	0	0
Other debtors	0	0
	<u>0</u>	<u>0</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Taxation and social security	-	-
Other creditors and accruals	3,189	438
	<u>3,189</u>	<u>438</u>

11. MOVEMENT IN FUNDS

	At 1/1/20	Net movement in funds	At 31/12/20
	£	£	£
Unrestricted funds			
General fund	<u>353,994</u>	<u>9,139</u>	<u>363,133</u>
TOTAL FUNDS	<u>353,994</u>	<u>9,139</u>	<u>363,133</u>

Net movements in funds included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	41,692	(32,553)	9,139
	<u>41,692</u>	<u>(32,553)</u>	<u>9,139</u>
TOTAL FUNDS	<u>41,692</u>	<u>(32,553)</u>	<u>9,139</u>

The movement in funds as stated above includes an unrealised loss of £4,505 on Investments.

12. RELATED PARTY DISCLOSURES

There are no related party disclosures.

13. PEOPLE WITH SIGNIFICANT CONTROL

Under regulations which came into force from 6th April 2016, companies are required by law to identify People with Significant Control. The Charity, as a Company limited by Guarantee, is within the scope of this legislation and complies with its recording requirements. There are currently no People (whether individuals or a Relevant Legal Entity under the terms of the legislation) who have Significant Control over the Charity. In particular, the Charity has more than four Members.

Keats Community Library

14. OPERATING LEASES

The Charity has an operating lease for its photocopier for 5 years from 11 May 2019 and the fixed cost is £480 per annum to which a charge is added based on each copy made. In 2020, this charge for copies amounted to £367 (2019: £438) and covers all supplies except paper. The annual obligations for the Photocopier are under £1,000.

15. GENERAL VOLUNTEERS

The role of volunteers is critical to the operation of the Charity. The numbers vary as people move in and out of the area or enter into other commitments. The Charity has a roster of approximately 50 volunteers (including the Trustees) many of whom have been generously helping the Charity since its opening in 2012.

16. RELATED PARTY TRANSACTIONS

The Trustees did not have any relevant transactions to disclose in 2020. The Trustees made donations in kind, such as providing free stamps, stationary and some supplies to the library as well as their time without charge. None of these donations in kind are considered to be of significant value to merit separate reporting.

Donations by Trustees (as appointed at 31st December 2020): One Trustee donates £20 a month by standing order and partners of Trustees donate £30 per month also by standing order.

17. TRUSTEE INDEMNITY INSURANCE

The Trustees take out an annual insurance policy for certain risks of operating the library including public liability and employment. Included in the policy is indemnity cover for the Trustees as Directors of a limited company. The overall premium does not identify any specific premium for the part of the policy providing these directors indemnity cover but the Trustees are advised that it amounts to under £100 a year.