



# Keats Community Library

## Annual Report and Financial Statements for the year ending 31<sup>st</sup> December 2021

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**Keats Community Library** is a registered charity in England (number: 1146702) and a company limited by guarantee (07889559)  
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Phone: 020 7431 1266

Website: [keatscommunitylibrary.org.uk](https://keatscommunitylibrary.org.uk)

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# Keats Community Library

## Annual Report for the year ending 31<sup>st</sup> December 2021



### The impact of COVID 19 in 2021

After the radical reduction in our operations due to the COVID-19 Pandemic in 2020, 2021 was also impacted.

After closing in December 2020 for a further lockdown, we reopened for two days a week from 13<sup>th</sup> April increasing the hours step by step until we were able to go back to six days a week only in November 2021.

As a library operating out of a physical building we were unable to operate in any meaningful fashion until the building could reopen. As a result during the periods of closure we lost much of our regular income including from book sales, computer use, fines and our programme of events which were reduced in 2021. The 2021 Hampstead Summer Festival which has been, by far, our largest single revenue source was held in a smaller format and the income we received was significantly reduced. During this difficult period we have been particularly grateful to our wonderful regular donors who pay by standing order and whose income has helped to sustain us.

The Spring Book Sale which was due to take place in March 2021 and for which all the stock was ready, was postponed to July and was our only Giant Book Sale that year.

The City of London Corporation, as trustee for Keats House, again agreed to relieve the license charge while we were closed and then charged 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.**

# Keats Community Library

## Part B Objectives, Achievements and Impact

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

The Board of Trustees (“the Trustees”) has set objectives for KCL. Normally this report would show the key objectives with their outcomes for 2021. However, 2021 was hardly “normal” and most of our objectives could not be met when we were closed so much of the time. Instead KCL tried to provide as many services as feasible in line with safe or legal practice.

Even when open, visitor reluctance and volunteer concerns coupled with regulations including Social Distancing confined us initially to operating on only two days a week and while fairly busy, these days did not match the normal level of activity. Overall, book movements were down by some 50% over 2019.

- **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, or use the computers as well as taking out or returning books or attending events.
  - **Cards Issued:** At the end of May 2022 almost 8,400 (2021: 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 only returning with greatly reduced numbers in autumn of 2021. Before that, the number of school classes using the Library continued to grow;
  - Rhyme Time resumed regularly in spring of 2021.
  - Chess classes were suspended until autumn 2021.
  - 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 printing. There are six public computers normally fully occupied, particularly at weekends.
  - Public Wi-Fi remains free to all.
  - **In 2021, during the limited open days, computer access was reduced by 50% in order to ensure social distancing. This has since been relaxed to allow full access.**
- **Offering a quiet, safe place for study:**
  - Use of the six dedicated study tables and two settees was re-started in late 2021 after being suspended since March 2020. Usage is again strong.
- **Community courses/activities:**
  - The reading group was suspended in March 2020 and restarted in 2022.
- **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.

# Keats Community Library

- 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 reduced opening hours in 2021 (before 2020: 42 hours) offered fewer opportunities 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 and resumed in January 2022
  - Our apprentice programme continues; our current apprentice joined in August 2021 and is now in the Library for 30 hours a week.
- **Cultural events of the highest quality, which are affordable and accessible to all:**
  - We managed 10 events in 2021 (2020:7, 2019:17) including the Hampstead Summer Festival. We consider that Zoom talks lacked the local community feel and the experience of being in the room with the speaker.
  - We are indebted to the speakers who are so generous in sharing their time with us, and we remain open to ideas on expanding our range of activities.

**Thanks are due 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, sold on our 'For sale' shelves or at our (normally) twice yearly book sales or sent to an agent in return for a commission. Book 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 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. Readers are also welcome to recommend titles for purchase.

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 have closed 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.

# Keats Community Library

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 2021.

## Children's Library ("CL")



Jana Harrison, a Trustee, is responsible for the Children's Library. Visits by local schools, (free of charge), ceased in March 2020 and picked up again on an ad hoc basis in autumn 2021. Despite a reduction in school visits we have continued our school outreach and have developed new relationships with local schools while maintaining current ones.

We continued in 2021 to expand our commitment to several local schools with book donations. We sorted through book donations to accumulate relevant and high-quality books and arranged for delivery of these books to the teachers. We are looking forward to welcoming our local schools back more regularly to the Library in the autumn of 2022.

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 planned CL activities.

Historically, 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 continue to increase 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 2021 we continued to build up our children's activities. We are again offering our Rhyme Time sessions on Tuesday and Friday mornings, weekly Story Time session on Saturday afternoon and chess classes. We also offer regular events for children such as poetry workshops and art classes. The summer Garden Party (part of the Hampstead Summer Festival) was very well attended and we had queues down the street waiting to get in. We plan to continue to re build up our children's programming in 2022.

# Keats Community Library



## **Chess Classes**

With Bryan Ellis, our wonderful teacher, we began building up the Saturday afternoon classes, in autumn 2021.

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

## **Summer Reading Challenge**

In 2021, we participated in the annual Summer Reading Challenge – encouraging children ages 3-12 to experience the joy of reading over the summer holidays.

## **Community Activities – Provided free of charge**

### **Reading Group**

In 2020 through 2021 this was suspended, and restored in 2022

### **Computers and technology**

Public Access Computers/Internet: The six public computers are a key part of our community offering and are frequently all in use with people waiting, particularly at weekends. When open under social distancing rules, the number was reduced to three computers, spaced out. The Library also offers Wi-Fi without charge or time limit.

Printing was again greatly reduced. 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 previous years this provided KCL with a modest surplus after costs of paper and rental while allowing prices to be competitive with those of Camden libraries.

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 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

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**

# Keats Community Library

After a pause while the Library was closed we restarted our apprenticeship programme in August 2021 in preparation for fully reopening. The apprentice provides KCL with continuity across volunteer shifts and provides a more consistent offer to our visitors.

The paid apprenticeship is arranged through a contract with specialist agency which employs them.. The programme provides a young person with an opportunity to learn a skill set while working in a full-time customer facing function. In addition to on-the-job training the apprentice can access more general training through the employing agency. Previous apprentices have gone on to work in publishing, customer service and into further library and information management training.

## Relationships with other parties

**Other Libraries:** We keep in touch with other libraries that were transferred to community use. Each has a different model so comparisons cannot be measured. **KCL is unusual having only limited use of the building, and in paying significant sums for use of the building. KCL also lacks support that could come from being part of a larger organisation.**

**Public Bodies:** We continue to try to contact many other bodies who champion reading. But we have had some difficulties accessing services from those, such as the Arts Council of England and the Reading Agency who still do not consider community libraries, such as the Library 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 and with Camden officers who 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 Licensor 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 KCL is treated very much as part of the community team.

KCL is the Licensee under a “licence to occupy”, which is an 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 unlimited access to the premises at all times, as would be usual under a conventional lease. KCL has access to 42 hours in the main rooms and only 25 hours in the Nightingale Room which is used as the Children’s Library. Other hours are by agreement and may involve hourly charges.

On the other hand 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 and the management time is resolving building issues.

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.

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 such as when Keats House holds a popular “family day” once a month.

# Keats Community Library

Keats House has been highly supportive throughout the COVID-19 pandemic. They relieved our licence payments proportionately, and equally importantly provided vital advice on how to run the building safely in line with best practice.

## Part C 2021 Financial Commentary

### 1. Introduction

During 2021 KCL achieved an operating surplus of £26,980 (2020: £13,644) retaining a healthy cash balance and increasing reserves.

While this was an outstanding result given the unprecedented operating environment, it depended on continuing to reduce costs to counter lost income. Donations were lower than in 2020. 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 for the use of the library building which we pay to the landlord. This was reduced this year to reflect three months of normal operation and then a number of days in the year the fee totalling £10,131 (2020: £9,391) compared to the cost in a normal year of £25,000. The licence fee makes our base costs 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, costing £3,807 (2020: £8,941)

Grant funding remains problematic as most funders are keen to finance a new specific “project” with added outcomes and will not support our on-going expenses.

The Library invested some of its reserves in two property unit trusts to attempt to augment income from bank deposits. These funds were both impacted adversely by the pandemic in 2020, however they recovered strongly in 2021 with income returning to previous levels and capital values increasing by £11,761 to £81,079. Overall the choice of these funds was justified with their minimal exposure to retail business.

### 2 Operations Income

Day to day activities and charges 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. Income from issuing library cards in 2021 was £735 (2019: £545); we currently only levy this £5 charge for each household once on joining, or when cards are lost.

Books Sales of £8,234 (2020: £4,690) are an important source of income, however remains lower than pre-pandemic when we often raised in excess of £12,000 annually. Sales are ongoing in the Library, with one Giant Book Sale taking place in 2021 (2020: 1 sale).

Rhyme Time, when running, continues to be very popular, generally more than covers its costs with donations made by most, but not all, attendees.



# Keats Community Library

## 3 Donations

Overall donations received in 2021 were £20,863 (2020 £24,779) including Gift Aid. 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. Gift Aid is a great help in increasing the value of individual donation and we encourage all donors to consider completing the simple form.

We are very grateful for those loyal supporters who stayed with us even when they could not use the library. Many comment how important the library is to them and the community and that they are happy to help.

We are delighted by the support that is shown by generous and altruistic donors.

## 4 Sponsors

We have been very fortunate in receiving help from a number of sponsors. In 2021 **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. 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 Rosslyn Hill Unitarian Chapel.

## 5 Hampstead Summer Festival (“HSF”)

KCL has a well-established relationship with the HSF. Indeed 2021 was the ninth year in which KCL was a beneficiary of funds raised by the HSF. In 2021 we ran four days of events, all held in the grounds of Keats House which were generously provided without cost. This was a significant increase on 2020 in which only a single event, the Family Garden party, was possible. The use of the grounds allowed us to control numbers to ensure distancing and giving comfort to nervous visitors. Events included an acapella version of The Country Diary of an Edwardian Lady, Twelfth Night performed by a professional company (where the audience and cast showed great fortitude in braving driving rain!); the Art Fair and the wonderful Family Garden Party. The Festival raised £5,300 for the Library (2020: £0; 2019: £13,500).

**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 Trustees, 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               |
| • Kate Burge          | 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 31<sup>st</sup> December 2021 For Keats Community Library

### CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021

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# Keats Community Library

## REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021

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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 31<sup>st</sup> December 2021. 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 (Chair)

Simon Brumfit

Andi Dollia (Treasurer)

Jana Harrison

Victoria Joel

Jonathan Nakouzi

Nigel Steward (Secretary)

Penelope Vita-Finzi

Kate Burge

**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 Resigned 22<sup>nd</sup> February 2022

07/06/22

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**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 of Personnel:** Heavy reliance on volunteers for all aspects of operation. Ageing of volunteers.

**Mitigation:** The organisation derives its strength from the quality and dedication of volunteers, many of whom have been in post since the Charity was established. During the pandemic a number of volunteers elected to pause or terminate their involvement with the Library. However we receive regular offers from potential new volunteers of all ages. Our volunteer manager interviews the applicants and maintains a list of appropriate new volunteers who can be inducted when a vacancy arises. In addition the apprentice ensures that there is a regular presence in the Library and that the requirement for volunteers is generally limited to one per shift.

2. **Risk of fraud and internal control failure.** Our work involves the handling of cash and donations. We may be subject to fraud.

**Mitigation:** 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. Our volunteers are subject to Criminal Records checks if likely to be unsupervised. The modest amount of cash in the Library is counted at the beginning and end of every day and wherever possible by different people. Cash is banked separately by a Trustee not involved in counting the money. Bank payments require signature by two Trustees.

3. **Safeguarding risk.** The Library welcomes many children and vulnerable adults. A safeguarding concern may arise.

**Mitigation:** All volunteers who are likely to have unsupervised access to children must be subject to an appropriate Criminal Record Check before commencing work. Children are not permitted to be left in the

# Keats Community Library

library unaccompanied by an adult. School groups are supervised by appropriate numbers of staff from their school

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

**Mitigation:** 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 remained limited in 2021.

Despite all the challenges of 2021, 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 a number of years even if there are deficits.

The Trustees maintain contacts with a range of grant providers and potential donors to understand their requirements and to try to develop future funding.

**5. Security of Tenure:** KCL operates under a license granted by The City of London Corporation (the "Licensor") which is also the Trustee of Keats House. The Licensor has yet to grant a new license following the conclusion of the previous license period in April 2020.

**Mitigation:** KCL has operated since April 202 by agreement with the Licensor as if the Licence was still in effect in terms of usage and payment. Previous renewals of the Licence have been agreed long after the relevant expiry.

The Licensor wrote in May 2021 to confirm that it intended to extend the licence to May 2026. The Trustees were advised in May 2022 that the Licensor intends to grant a one year licence (to March 2023) before engaging in discussions on the terms of a longer Licence with the intention of honouring their letter of May 2021.

The Trustees continue to press the Licensor for greater security of tenure. However, while it is likely that a longer term licence will be offered the Trustees must plan for the possibility that this is not forthcoming. For this reason the Charity maintains sufficient reserves to enable:

- relocation to an alternative venue at a potentially higher rent as well as the cost of establishing and fitting out the new location or
- If this is not possible, the winding up of the Charity.

## 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.

# Keats Community Library

## 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 8400 library cards (as at 1<sup>st</sup> June 2022) and replaced over 12,000 books from purchases and donations. Loan activity was obviously greatly reduced since 2019 has been gradually recovering but has still to reach the previously high figures.

In 2021, there were six public events (2020:5) organised by the Charity in addition to the HSF to which our loyal base came despite COVID-19. 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 years but mainly suspended during 2021, 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 primary schools some of whom bring multiple classes. We offered a very scaled-back version of our programming in the autumn of 2021 and have plans to continue to increase our offerings throughout 2022.

## FINANCIAL REVIEW

### Financial Results

The Charity spent £22,061 (2020: £28,048) on its charitable objects during the year. Expenditure on these charitable activities was offset by directly related incoming resources of £23,949 (2020 £12,234). The surplus on charitable activities thus amounted to £1,888 (2020: a deficit of £15,814). The Charity generated income of £20,863 (2020: £24,779), 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 £26,980 (2020: to £13,644). After adjustment for unrealised investment gains and losses, the surplus on ongoing activities amounted to £38,741 (2020: £9,139). 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 which are not material.

Given the expiry of the Charity's next planned license in May 2023 and the uncertainty until a further extension is executed substantial funds have to be kept aside in order allow the Charity to re-locate and to cover set-up and potentially higher operating costs if relocation is necessary. In addition, after the license is extended the Charity will need to replace or refurbish the library's fixtures and fittings in coming years. The Trustees consider the cash reserve position at year-end to be adequate to meet these purposes as well as to manage the winding up of the Charity should this be necessary. 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

# Keats Community Library

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.

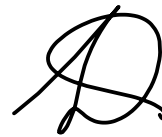
## Going Concern

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 02 August 2022



S. Bobasch – Trustee



A. Dollia - Trustee



# Keats Community Library

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

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I report on the accounts for the year ended 31<sup>st</sup> December 2021 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: 02 August 2022

# Keats Community Library

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2021

		2021 Unrestricted funds £	2020 Unrestricted funds £
<b>INCOME</b>	Notes		
<b>Incoming resources from generated funds</b>			
Donations and legacies	2	20,863	24,779
Investment income	3	4,229	4,679
<b>Incoming resources from charitable activities</b>	4		
General		<u>23,949</u>	<u>12,234</u>
<b>Total incoming resources</b>		<b>49,041</b>	<b>41,692</b>
 <b>EXPENDITURE</b>	 5,6		
Expenditure on Raising Funds		-	-
Expenditure on Charitable Activities		<u>22,061</u>	<u>28,048</u>
<b>Total resources expended</b>		<b>22,061</b>	<b>28,048</b>
 <b>NET INCOMING RESOURCES</b>		 <u><b>26,980</b></u>	 <u><b>13,644</b></u>
 <b>GAINS (LOSSES) ON INVESTMENTS</b>		 <u><b>11,761</b></u>	 <u><b>(4,505)</b></u>
<b>NET MOVEMENT IN FUNDS</b>		<b>38,741</b>	<b>9,139</b>
 <b>RECONCILIATION OF FUNDS:</b>			
Total funds brought forward		<u>363,133</u>	<u>353,994</u>
 <b>TOTAL FUNDS CARRIED FORWARD</b>		 <u><u><b>401,874</b></u></u>	 <u><u><b>363,133</b></u></u>

# Keats Community Library

## BALANCE SHEET AT 31ST DECEMBER 2021

		2021 Unrestricted Funds £	2020 £
	Notes		
<b>FIXED ASSETS</b>			
Tangible Assets	7	-	-
Investments	8	<u>81,079</u>	<u>69,318</u>
		81,079	69,318
<b>CURRENT ASSETS</b>			
Debtors	9	-	-
Cash at bank and in hand		<u>326,051</u>	<u>297,004</u>
		326,051	297,004
<b>CREDITORS</b>			
Amounts falling due within one year	10	(5,256)	(3,189)
<b>NET CURRENT ASSETS</b>		<u>320,795</u>	<u>293,815</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>401,874</u>	<u>363,133</u>
<b>NET ASSETS</b>		<u>401,874</u>	<u>363,133</u>
<b>FUNDS</b>	11		
Unrestricted Funds		<u>401,874</u>	<u>363,133</u>
<b>TOTAL FUNDS</b>		<u>401,874</u>	<u>363,133</u>

For the year ending 31<sup>st</sup> December 2021 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 02 August 2022 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 2021

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### 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 year-end.

# Keats Community Library

## **Stocks**

The initial stock of library books as well as certain depreciated computer equipment was 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

	2021	2020
	£	£
Grants	-	-
Donations including Gift Aid	<u>20,863</u>	<u>24,779</u>
	<u>20,863</u>	<u>24,779</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

	2021	2020
	£	£
Deposit account and property fund interest	<u>4,229</u>	<u>4,679</u>

## 4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Revenue from Cultural Events	12,673	2,880
Revenue from Library Operations	<u>11,276</u>	<u>9,354</u>
	<u>23,949</u>	<u>12,234</u>

## 5. EXPENDITURE ON CHARITABLE ACTIVITIES

	2021	2020
	£	£
Events Expenditure	304	190
Books and General Purchases	1,475	1,912
Licence to Occupy and space-related charges	10,659	9,936
Professional and contractor fees	4,731	10,767
Other Overheads	<u>4,892</u>	<u>5,243</u>
	<u>22,061</u>	<u>28,048</u>

### Depreciation

Resources expended are stated after charging:

	2021	2020
	£	£
Depreciation - owned assets	<u>-</u>	<u>389</u>

# Keats Community Library

## Trustees' Remuneration and Benefits

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 (2020: 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

	2021	2020
	£	£
Wages and salaries	-	-
	2021	2020
Average monthly number of employees	-	-

During the year an amount of £3,808 (2020: £8,942) was incurred as a result of contracts entered into with companies offering the service of apprentices.

## 7. TANGIBLE FIXED ASSETS

	Plant and machinery etc. £
<b>COST</b>	
At 1st January 2021	16,763
Additions	0
Retirements	0
<b>At 31st December 2021</b>	<b>16,763</b>
<b>DEPRECIATION</b>	
At 1st January 2021	16,763
Charge for year	0
Retirements	0
<b>At 31st December 2021</b>	<b>16,763</b>
<b>NET BOOK VALUE</b>	
At 1 <sup>st</sup> January 2021	0
<b>At 31st December 2021</b>	<b>0</b>

## 8. INVESTMENTS

### PROPERTY TRUST FUNDS

	£
Market Value Brought Forward at 1 <sup>st</sup> January 2021	69,318
Additions at Cost	0
Disposals at Proceeds Value	0
Realised Gain (Loss) on Disposals	0
Unrealised Gain (Loss) on Investments	11,761
<b>Market Value at 31st December 2021</b>	<b>81,079</b>

# Keats Community Library

## 9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Prepayments and advances on account	0	0
Accrued Income	0	0
Other debtors	<u>0</u>	<u>0</u>
	0	0

## 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Taxation and social security	-	-
Other creditors and accruals	<u>5,256</u>	<u>3,189</u>
	<u>5,256</u>	<u>3,189</u>

## 11. MOVEMENT IN FUNDS

	At 1/1/21	Net movement in funds	At 31/12/21
	£	£	£
<b>Unrestricted funds</b>			
General fund	<u>363,133</u>	<u>38,741</u>	<u>401,874</u>
<b>TOTAL FUNDS</b>	<u>363,133</u>	<u>38,741</u>	<u>401,874</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	60,802	(22,061)	38,741
	<u>60,802</u>	<u>(22,061)</u>	<u>38,741</u>
<b>TOTAL FUNDS</b>	<u>60,802</u>	<u>(22,061)</u>	<u>38,741</u>

The movement in funds as stated above includes an unrealised gain of £11,761 on Investments.

## 12. RELATED PARTY DISCLOSURES

There are no related party disclosures.

## 13. PEOPLE WITH SIGNIFICANT CONTROL

Under regulations which came into force from 6<sup>th</sup> 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



# Keats Community Library

Control over the Charity. In particular, the Charity has more than four Members.

## **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 £707 (2020: £367) 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 2021. 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 31<sup>st</sup> December 2021): 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.