



**Haddenham
Community
Library**

HADDENHAM COMMUNITY LIBRARY

(A private company limited by guarantee)

**Report of the Trustees and unaudited financial statements for the
year ended 31st March 2023**

Registered Charity Number 1148062

Registered Company Number 07972739

Haddenham Community Library (HCL)

Trustees Annual Report

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Report of the Trustees

The Trustees of Haddenham Community Library (HCL) present their annual report and accounts for the year ended 31st March 2023 and confirm that they comply with the requirements of HCL's Articles of Association and the Charities SORP 2015 (FRSSE).

Background

HCL was set up by the community in Haddenham in 2012 to take over the running of the village library which was facing the possibility of closure as part of local government cutbacks. Agreement was reached with Buckinghamshire County Council (BCC) (Buckinghamshire Council (BC) from 1st April 2020) to lease the library premises for a period of 25 years. A second resource grant agreement guaranteed a certain amount of grant and other income from BCC for an initial period of 5 years. This grant agreement is now periodically renewed. HCL would also benefit from continued access to the county's book stock and the centralised library management computer system. Two members of County staff (reduced to one from the beginning of 2019 and none from the end of 2021) would be employed by BCC but permanently seconded to and funded by HCL. County staff have now been replaced by contract managers on a job share basis.

HCL was required to find additional funding to ensure all the running costs of the library could be met. This was in part to be mitigated by the recruitment of a team of volunteers to assist the professional librarian. Having volunteers ensured money was saved in respect of additional staff salaries and overhead administrative costs.

HCL took over the running of the library in November 2012 and subsequently took on full responsibility for financial management from 1st April 2013.

Objectives and activities

HCL's objects as set out in 2012 in its Articles of Association are as follows:

- (1) To advance education by the provision of a library facility and other educational and community resources for the benefit of the residents of Haddenham and its surrounding areas.
- (2) To provide community facilities for use by the inhabitants of Haddenham and its surrounding areas including use for meetings, lectures and classes and other forms of recreation and leisure-time occupation with the object of improving the conditions of life of the said inhabitants.

These objects have since been augmented by HCL's Mission Statement which is now as follows:

"To provide an accessible, welcoming, family-friendly and vibrant modern library fit for the 21st century."

HCL recognises that the traditional role of libraries has changed in recent years and that the introduction of community libraries is a reflection of this evolutionary process. Whilst retaining the basic function of a library, HCL has worked steadily to develop and broaden its range of services and activities.

Achievements and performance

Since the Trustees' last report real progress has been made in several areas of the charity's business.

The refurbishment programme initiated in 2021 and now largely completed, was supplemented by a project to upgrade the lighting in the library considerably improving the internal environment of the building to the benefit of all library users. This additional work was finished in June and coincided with Buckinghamshire Council's project to replace the roofing felt, fascia boards, front and back exit doors and windows in the main library as well as painting the outside of the building which has now been finished. The overall effect of all this work has been a much-welcomed rejuvenation of the library building which was beginning to show its age.

The library staff situation has also taken a major step forward. The timely assistance of the two trustees who took over management of the library as an interim measure during 2022 and, in the case of one trustee, the first few months of 2023, has now come to an end. The Board of Trustees set out to find two contract managers who could take over management of the library on a job share basis. The trustees are pleased to report that both of these managers were appointed and started work during April 2023. To date the arrangement is progressing very well. The managers are now settled in their roles and have developed a very good working relationship with trustees and volunteers alike.

The end of Covid 19 left HCL with a smaller but experienced and dedicated group of volunteers who are so key to the ongoing success of the library. Encouragingly, the managers have also been able to recruit and train a number of new volunteers during the course of the year so this aspect of HCL's business is also going from strength to strength.

The Board of Trustees had shrunk to five members by the end of 2022 which was really insufficient to satisfactorily cope with the workload. We are now pleased to report that two new trustees joined the Board in the middle of 2023 making it easier to address the forecast development needs of HCL's business. The quest for further one or two new trustees remains in place.

In summary the Board of Trustees are confident the current organisational set up and the calibre of staff and volunteers provide the necessary sound footing for HCL to face future challenges to its continuing success as a key facility serving the community.

Financial review

Without doubt the most important of these challenges will be funding. The latest Resource Grant Agreement with Buckinghamshire Council ended on 31st March 2023. The Council agreed to maintain HCL's annual grant during 2023/24 at the same level as the grant for 2022/23 (£16719) as an interim measure while it assessed the long-term future of grants. HCL eventually received the Council's initial proposal for the future of the Resource Grant on 17th November 2023. This indicated that from 1st April 2024 the Council would award HCL a grant of £6000 p.a. over a three year grant period. Needless to say, this reduction of over 60% in the grant presents the Board with a very serious future funding problem.

At the time of approving this annual report the Board has not yet entered into any negotiations with the Council for the purpose of seeking an increase in the proposed new grant level. HCL remains cushioned by the generous grants received during Covid 19 which enabled it to build up a significant financial reserve. However, this money is already being considerably eroded by increased costs in contract management fees and, in particular, energy, with electricity charges almost trebling over the last year.

With a significantly reduced Resource Grant, HCL's excess of expenditure over regular income, some £14,574 in 2022/23, will increase to well over £20,000 p.a. and without major additional sources of income will drain cash reserves in just a few years. Contract manager fees and energy costs accounted for about 60% of expenditure in 2022/23 and it is difficult to find any major savings in these areas save cutting back on manager hours. The Board have no particular wish to alter such an advantageous arrangement unless absolutely necessary but it may have to be considered at some stage.

Further areas of revenue generation now have to be sought by the Board as a matter of even greater priority but one of the main issues is that many donors and grant making organisations prefer to fund specific projects rather than contribute to general running costs. The latter, of course is where the Board foresees the main funding requirement to be over the next few years.

Risks

The risks associated with Covid-19 have diminished but the Trustees are aware that there is a chance that similar situations may arise in the future. Notwithstanding that, the key risks to the business continue to be related to long term funding and the retention of a willing and dedicated group of trustees and volunteers.

Future plans

Despite the continuing difficulties of an unpredictable future, the Trustees remain optimistic for the library's further success over the next few years provided that they are successful in developing new areas of additional future income from potential donors and sponsors. Advertising for and recruiting both volunteers and trustees are a fixed part of future plans.

Structure, governance and management

HCL is a charitable company limited by guarantee which was incorporated on 1st March 2012 and registered as a charity on 11th July 2012. The company was established under a Memorandum of Association and is governed under its Articles of Association which establish the objects and powers of the charitable company. The Directors of the company are also the Trustees of the charity. At the time of writing the existing Directors are the only members of the company. In the event of the company being wound up the liability of the members is limited to a sum not exceeding £1 each.

The Board was joined by two new members when Mrs Lorna Watson and Mr. Paul Buckland were appointed as a Director/Trustees on 26th January 2023.

Mr. Peter Mason and Mrs. Angela Dauterman served as Director/Trustees during part of 2022/2023 but both resigned their positions with effect from the AGM on 24th November 2022.

In accordance with the requirements of the Articles of Association two of the Director/Trustees, Mrs. Hilary Vickers and Ms. Robyn Cook retired by rotation at the Company's AGM on 22nd November 2023 and were duly re-elected for a further term of office. Mrs Lorna Watson and Mr. Paul Buckland, having been appointed as directors within the year, sought ratification of their appointment and were duly elected.

All Director/Trustees currently give their time voluntarily and receive no benefits from the charity outside of those generally available to all beneficiaries i.e. the provision of a library service in the community.

Reference and administrative information

Charity name: Haddenham Community Library

Charity Registration Number: 1148062

Company Registration Number: 07972739

Registered Office and
operational address: Haddenham Library
Banks Park
Banks Road
Haddenham
Aylesbury
Buckinghamshire
HP17 8EE

Board of Director/Trustees:

Mrs. S. Toner	Chair
Mr. P. Buckland	
Ms. R. Cook	
Mr. T Hobbs	
Mr. T. Mozley	Treasurer
Mrs. H. Vickers	
Mrs. L. Watson	

Bankers: National Westminster Bank
22 Market Square
Aylesbury
Buckinghamshire
HP20 1TR

Independent Examiner: Mr. H. Creed FCA

Exemptions from disclosure

There are no exemptions from disclosure.

Funds held as custodian trustee on behalf of others

There are no funds held as custodian trustee.

Independent Examiner's report to the trustees of Haddenham Community Library ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st March 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purpose of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act")

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. The accounts did not accord with those records; or
3. The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to the charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

 23/11/23

H.R. Creed, FCA

HADDENHAM COMMUNITY LIBRARY

Statement of Financial Activities

For the year ended 31st March 2023

		Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023	Total Funds 2022
	Notes	£	£	£	£
Income and endowments from:					
Donations and legacies	3	25,484	(2270)	23,214	36,049
Charitable activities	4	11,856	0	11,856	3,241
Other trading activities	5	1,586	0	1,586	1,539
Investment income	6	0	0	0	16
Total		38,926	(2270)	36,656	40,845
Expenditure on:					
	7				
Raising funds		0	0	0	0
Charitable activities – library services		51,230	0	51,230	42,011
Total expenditure		51,230	0	51,230	42,011
Net income/(expenditure) for the year		(12,304)	(2270)	(14574)	(1,166)
Total funds brought forward		133,383	2,270	135653	136,819
Total funds carried forward		121,079	0	121,079	135,653

HADDENHAM COMMUNITY LIBRARY

Balance Sheet

At 31st March 2023

		Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023	Total Funds 2022
	Notes	£	£	£	£
Fixed assets:					
Tangible assets	10	29,841	0	29,841	21,906
Current assets:					
Stocks		1,045	0	1,045	1,571
Debtors	11	958	0	958	2,523
Cash at bank and in hand		98,801	0	98,801	113,922
		100,804	0	100,804	118,016
Creditors					
Amounts falling due within one year	12	(9,566)	0	(9,566)	(4,269)
Net current assets		91,238	0	91,238	113,747
Total assets less current liabilities		121,079	0	121,079	135,653
Net assets				121,079	135,653
Funds	13				
Unrestricted funds				121,079	133,383
Restricted funds				0	2,270
Total funds				121,079	135,653

Balance Sheet – continued

At 31st March 2023

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31st March 2023 in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for

- (a) Ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) Preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on 22nd November 2023 and were signed on its behalf by:

 23/11/23

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Susan Toner - Chair

Notes to the Financial Statements

For the year ended 31st March 2023

1 General Information

Haddenham Community Library is a charity limited by guarantee and incorporated in England and Wales. The address of the charity's registered office is Haddenham Library, Banks Park, Banks Road Haddenham, Aylesbury, Bucks, HP17 8EE. The registered number is 07972739.

2 Accounting policies

Basis of preparing financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015)", Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective September 2015) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accrual 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.

Tangible fixed assets

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

Furniture	straight line basis over 5 years
Fixtures and fittings	straight line basis over 10 years
Computers and electronic equipment	straight line basis over 3 years

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Assets are capitalised by the charity if they can be used for more than one year and are of significant value given the size of the business, i.e. cost more than £250.

Stocks

These are valued at the lower of cost or market value.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can 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.

The charity received £0 in restricted income during the current year. In 2021 £2,270 was received as a once off grant from the National Lottery for the purpose of refurbishing toilet facilities. The work has now been carried out and the income transferred out of restricted funds. There was no other restricted income.

3 Donations and legacies

	2023 £	2022 £
Grants	21,351	30,112
Transfer from restricted funds	2,270	0
Other donations	1,863	5,937
Total	<u>25,484</u>	<u>36,049</u>

Grants received during 2022/23 and 2021/2022 were provided by Buckinghamshire Council (BC) and Haddenham Parish Council.

4 Charitable Activities

	2023 £	2022 £
Room hire fees	10,025	2,340
Library fees	1,831	901
Total	<u>11,856</u>	<u>3,241</u>

5 Other trading activities

	2023	2022
	£	£
Fundraising events & activities	316	569
Sale of old stock & donated items	-	47
Profit on sale of greeting cards	95	249
Profit on sale of reading glasses	-	32
Miscellaneous	1,175	642
Total	<u>1,586</u>	<u>1,539</u>

6 Investment Income

	2023	2022
	£	£
Deposit account interest	<u>0</u>	<u>16</u>

7 Expenditure

	2023	2022
	£	£
Charitable activities		
Salaries and Contract Managers	23,204	21,167
Books	348	712
Cleaning	3,977	1,697
Electricity	7,492	2,809
Event & activity costs	587	167
Furniture/equipment	1,413	2,480
Insurance	642	537
Newspapers/magazines	99	175
Photocopier	-	83
Printing/stationery	654	273
Repairs & maintenance	1,145	1,247
Tel/ICT/TV/WIFI	1,195	1,526
Depreciation	8,135	5,420
Covid-19 costs	-	1,043
Other	2,286	2,022
Governance costs	53	653
Total	<u>51,230</u>	<u>42,011</u>

8 Trustees' remuneration and benefits

As mentioned in the report the two trustees who were appointed as contract library managers from 1st January 2022 on an interim basis have now terminated their contracts. They were remunerated as indicated in note 9 staff costs below. Trustees' remuneration for the year ended 31st March 2022 amounted to £5,555. There were no other trustee benefits paid during the year.

There were no Trustees' expenses paid for the year ended 31st March 2023 nor for the year ended 31st March 2022.

9 Staff costs

Payments of £23,204 (2022 £21,167) were made for library management.

10 Tangible fixed assets

Furniture, fixtures, fittings and equipment.

	£
Cost	
At 1 st April 2022	50,775
Additions	16,070
Disposals	-
At 31 st March 2023	66,845
Depreciation	
At 1 st April 2022	28,869
Charge for year	8,135
At 31 st March 2023	<u>37,004</u>
Net book value	
At 31 st March 2023	<u>29,841</u>
At 31 st March 2022	<u>21,906</u>

11 Debtors: amounts falling due within one year

	2023 £	2022 £
Trade debtors	<u>958</u>	<u>2,523</u>

12 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors and accruals	<u>9,566</u>	<u>4,269</u>

13 Movement in funds

	2022 £	Net movement in funds £	2023 £
Unrestricted funds	133,383	(12,304)	121,079
Restricted Funds	2,270	(2270)	0
Total funds	<u>135,653</u>	<u>(14,574)</u>	<u>121,079</u>

Movement in funds included in the above are as follows:

	Incoming Resources £	Resources expended £	Movement in funds £
Unrestricted funds	38,926	(51,230)	(12,304)
Restricted funds	0	(2,270)	(2,270)
Total funds	<u>38,926</u>	<u>(53,500)</u>	<u>(14,574)</u>

Comparatives for movement of funds as follows:

	2022 £	Net movement in funds £	2023 £
Unrestricted funds	134,549	(1,166)	133,383
Restricted funds	2,270	0	2,270
Total funds	<u>136,819</u>	<u>(1,166)</u>	<u>135,653</u>

Comparative net movement in funds included in the above as follows:

	Incoming Resources £	Resources expended £	Movement in funds £
Unrestricted funds	40,845	(42,011)	1,166
Restricted funds	0	0	0
Total funds	<u>40,845</u>	<u>(42,011)</u>	1,166

14 Related party disclosures

There were no related party transactions in the current or comparative year except as indicated in note 9 above.

15 Ultimate controlling party

The Charity was controlled throughout the year by The Board of Trustees.