

**Company registered in England and Wales, limited by guarantee, number 08430250**

**Registered charity, number 1151935**

# **FRIENDS OF JESMOND LIBRARY**

## **Trustees' Report and Financial Statements for the year ended 31 March 2022**

**Trustees' Report and Financial Statements for the year ended 31 March 2022**

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## **FRIENDS OF JESMOND LIBRARY**

### **Reference and administrative details of the charity and its trustees,**

### **for the year ended 31 March 2022**

#### **Trustees and Directors**

Sarah Elizabeth Langley Breakey (appointed 11/10/14, retired and immediately re-appointed for a third three-year term, 17/10/20)

Anne Burton (appointed 03/07/21, re-appointed for a first three-year term, 02/10/21)

Christopher John Lawrey Clarke (appointed 05/03/13, retired and immediately re-appointed for a third three-year term, 02/10/21)

Jeremy Christopher Hardy (appointed 24/09/16, retired and immediately re-appointed for a third three-year term, 02/10/21)

Gerard Francis Keating (appointed 28/07/18, retired and immediately re-appointed for a second three-year term, 17/10/20)

Johann Paul Luft (appointed 07/07/13, retired and immediately re-appointed for a third three-year term, 17/10/20)

Felicity Ann Mendelson (appointed 07/07/13, retired and immediately re-appointed for a third three-year term, 02/10/21)

Sarah Anne Barbour Mercer (appointed 07/07/13, retired and immediately re-appointed for a third three-year term 12/10/19; Chair since 28/07/18)

Susan Rea (appointed 03/09/16, retired and immediately re-appointed for a third three-year term, 02/10/21)

Catherine Ellen Bernadette Walker (appointed 07/07/13, retired and immediately re-appointed for a third three-year term, 12/10/19; elected Vice Chair on 03/08/19)

Richard John Watson (appointed 28/07/18, retired and immediately re-appointed for a first three-year term, 12/10/19)

Nicola Willingham (appointed 07/07/13, retired and immediately re-appointed for a third three-year term, 12/10/19)

Wendy Young (appointed 28/07/18, retired and immediately re-appointed for a second three-year term, 17/10/20)

**Company registered number**

08430250

**Charity registered number**

1151935

**Registered office**

Jesmond Library, St George's Terrace, Jesmond, Newcastle upon Tyne NE2 2DL

**Telephone number**

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**Website and Facebook site**

[www.jesmondlibrary.org](http://www.jesmondlibrary.org) and [www.facebook.com/JesmondLibrary](https://www.facebook.com/JesmondLibrary)

**Company secretary**

Christopher J L Clarke

**Independent examiner of the Financial Statements**

Geoffrey R Carter

**Bankers**

Barclays Bank plc, Leicester LE87 2BB

United Trust Bank, One Ropemaker Street, London EC2Y 9AW

## **FRIENDS OF JESMOND LIBRARY**

### **Trustees' report for the year ended 31 March 2022**

The trustees, who are also directors of the charitable company for the purposes of the Companies Act 2006, present their annual report together with the financial statements of the Friends of Jesmond Library (the charitable company) for the year ended 31 March 2022.

This has been another extraordinary year, starting on 1 April 2021 with only a "Click and Collect" library service and a much-reduced online events programme, but ending on 31 March 2022 with the library edging towards a measure of normality. Quite apart from the drastic effect on the services provided by the library, the COVID crisis completely changed the finances of the company's operations. More detail is provided in the rest of this report.

The financial statements have been prepared in accordance with the accounting policies set out note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006, and "Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

### **Structure, Governance and Management**

#### **a. Constitution**

The Friends of Jesmond Library is a charitable company, limited by guarantee. It was incorporated on 5 March 2013, with registered company number 08430250. It is also a registered charity, with charity number 1151935. The company's articles of association were amended by Special Resolution on 8 May 2013.

The objects of the company as stated in the amended articles are:

1. To advance the education of the public by the promotion of the use of a public lending library service for the benefit of the residents of Newcastle upon Tyne City (the area of benefit);
2. To promote the benefit of the inhabitants of the area of benefit without distinction of sex, sexual orientation, age, disability, nationality, race or of political, religious or other opinions, by associating together the said inhabitants and the statutory authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure-time occupation with the object of improving conditions of life for the said inhabitants;

3. To promote such other charitable purposes as may from time to time be determined.

#### **b. Method of appointment or election of members and trustees**

The articles of association define the company structure, which includes both members and directors. The directors are also known as trustees for the purposes of the Charities Act.

*In day-to-day operations the charitable company also uses the term “member” in a financial context (eg “Founder Member”) and in the context of borrowing books (people registered to borrow books are also commonly known as members of the library) but neither of these usages of the word “member” carries any relevance to the structure of the company. At present the only “members” of the company, in the sense used in the articles of association, are the trustee/directors.*

Under article 32 of the company’s rules all the directors were required to retire from office at the conclusion of the first Annual General Meeting, which was held on 11 October 2014. Since that date one third of the directors must resign from office each year, by rotation (unless there are sufficient casual resignations). Directors who resign are eligible for re-appointment. The Charity Commission has recommended that trustees should not normally stand for more than three, three-year terms, unless a specific reason is stated in this Annual Report. (Reasons for setting aside the Charity Commission recommendation might include the special expertise or experience of a particular long-serving trustee.) None of the present trustees has yet served three full three-year terms since 2014; the Charity Commission recommendation will be considered when this occurs.

There are currently no bodies that are automatically entitled to nominate directors to the Board, and the Board currently has no plans for changing this. Potential new director/trustees will be identified from time to time amongst the volunteers and supporters of the charitable company, bearing in mind the range of skills and experience available amongst the existing trustees and the qualities which the potential new trustee(s) can bring to the Board.

#### **c. Policies and practices adopted for the induction and training of trustees**

The charitable company has so far focussed on recruiting and training volunteers to staff the library. Training centres on the wide range of skills needed for operational purposes. All new trustees are subject to an induction process, including familiarity with Charity Commission guidance on the role and responsibilities of trustees. The company benefits from the wide range of pre-existing skills available amongst the trustees.

#### **d. Organisational structure and decision making**

The Board of Directors is responsible for making all strategic decisions and overseeing their implementation. Until the outbreak of the COVID pandemic all board meetings were held in

person, and were open not only to trustees but also to members of a loosely defined wider group, known as the Advisory Group, established to involve a wider range of skills in the governance of the company. At the beginning of the 2021/22 financial year board meetings were taking place online, using Zoom, and members of the Advisory Group only attended when a specific input was required. On 3 July 2021 “in person” board meetings resumed, although a “Zoom” option was retained for those who requested it. By September the membership and role of the Advisory Group had been reviewed. Advisory Group members now receive board papers but only need to attend meetings if they wish, or if their presence is specifically requested.

Current members of the Advisory Group are Julia Black (contracts for building maintenance and services), Graham Blake (IT), Peter Breakey (Founding Chair), Biddy Casselden (Research on the value of libraries), John Cook (the building), Pamela Denham (Wellbeing for Life, Elders Council of Newcastle), Tina Gough (architectural advice), Joan Hoenich (library operations), Kay Punshon (library operations) and Navi Sharma (Eclipse).

On formal matters before the board (of which there have been relatively few to date) only the trustees are eligible to vote. The board normally meets every six weeks, on a Saturday morning.

The board has also established a number of free-standing specialist groups, to involve a wider range of interests and skills in the operation and management of the library. All key matters discussed in the groups are brought to the board for formal decision making. Current groups include the Finance and Building Group, the Book Buying Group and the Marketing Group. During the coronavirus crisis a COVID group was also established to consider compliance with Public Health guidelines and their effect on library operations. Members of the groups include trustees, members of the advisory group, and other volunteers. The “Green” (ie. most experienced) volunteers also meet regularly.

A number of the trustees, advisory group members and other volunteers have taken on specific roles within the organisation, once again subject to the overall oversight of the board. These roles include:

Sarah Mercer: Chair, Thursday evening lectures and the library web-site;

Catherine Walker: Vice-Chair;

Chris Clarke: Treasurer and Company Secretary, organises the “Wellbeing for Life” programme with Pamela Denham and others;

Felicity Mendelson: Book buying and operational library management issues, minutes at Board Meetings, and supporting volunteer training, including liaison with Newcastle University and the City Council library service;

Barbara Trevitt: The recruitment, training and management of the volunteers, especially in ensuring adequate cover whenever the building is open, supported by Sue Rea and Anne Sweetman, and liaison with Newcastle University regarding student volunteers;

Paul Luft and John Cook: Building issues;

Julia Black: Building maintenance contracts;

Anne Burton: Fundraising and newsletters;

Sarah Breakey: The children's area, and displays. Sarah is supported in the organisation of children's activities by Joan Aarvold and others;

Pamela Denham: Wellbeing for Life, regular monthly meetings for older people, and liaison with the Elders Council of Newcastle;

Paul Rea (Red Square Design): Posters and publicity;

Jeremy Hardy: Publicity/marketing matters;

Richard Watson: The General Data Protection Regulation;

Navi Sharma: The library management system (Eclipse);

Despoina Papadopoulou: The layout of the main library room.

#### **e. Risk Management and Reserves Policy**

The trustees have assessed the major risks to which the charitable company is exposed, such as potential problems with the building, over-reliance on certain key individuals, and potential difficulties in maintaining the commitment of volunteers and financial supporters once the initial "honeymoon period" is over. Measures have been put in place to minimise these risks, which will continue to be kept under review over coming years. The risk of having to close or partially close the building for a long period (as was the case early in the COVID pandemic) has been addressed as part of the Reserves Policy (see below).

To minimise the potential risks for volunteers, the trustees' policy is not to open the building to the public unless at least two volunteers are present. (This does not apply for private room bookings and events). The library volunteers must not accept responsibility for children aged under 10, who are using the library, who must remain in the care of a parent, teacher or responsible adult at all times. Over that age, children are allowed in the library on their own. During the coronavirus period the company has taken careful note of all Government advice, relevant to safeguarding the health and wellbeing of library volunteers and users.

In managing the building the Friends aim at best practice, and have continued or improved on many of the routines set up originally by the council.

During the period covered by this report the company had public liability insurance cover of £10 million. Our own insurance also includes accidental damage to the large windows in the main room. Other aspects of building insurance are covered by the Council, under the terms of our lease.

Before the pandemic the company had introduced explicit terms and conditions for room hire, which clarified the responsibilities of people hiring rooms. This minimises the risk of any incident occurring, especially when the building is not otherwise open to the public.

Up until two years ago the first priority of the company's policy for its financial reserves was that there should always be enough funding in reserve to continue to pay our running costs for at least six months, if for some reason our income suddenly fell or we were forced to close the building. At the end of 2019/20, with the closure of the building on Government advice, the existence of this reserve became vital to secure the company's future. It was therefore decided that for the time being we should maintain an Operating Reserve covering twelve months normal, general running costs. This policy is still in place.

During the last three years we have started to draw up a planned maintenance programme, covering at least the next five years, which will assist us in further developing our Reserves Policy. Basic essential repairs are funded from within our normal income, but the second priority of the company's reserves policy is to fund longer term building improvements whose costs need to be funded over several years. A notable example of this is the replacement of all the windows in the main room of the library, whose metal frames had become seriously corroded, and whose heat insulation qualities do not meet modern standards of energy efficiency. Some of our reserves are restricted to this purpose, as a result of specific fundraising campaigns which began towards the end of 2019. Reserves kept for further major building improvements and longer term planned maintenance form the company's Building Fund.

The company also maintains a Wellbeing Reserve Fund, which holds grants, donations and income related to the Wellbeing for Life programme, run jointly by the Friends and the Elders Council of Newcastle.

### **Review of Activities**

In setting objectives and planning activities the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, and to the objects of the charitable company (pages 5/6).

### **Public Lending Library Services**

#### **a. Library operations**

At the time of writing this report the library is beginning to return to "normal", following the easing of the coronavirus crisis.

At the beginning of the 2021/22 financial year the library only operated a “Click and Collect” library service, located in the library porch. During the pandemic Jig-saws were added to the offer, as well as books. Users had no access to the library building itself.

From 13 April 2021 a partial re-opening of the main library space commenced, taking into account public health advice about social distancing, face masks, hand sanitising, extra cleaning, etc. Transparent screens were introduced to further protect the volunteers on duty. With many volunteers having been out of action during the pandemic, the need to retrain previous volunteers and begin to recruit new ones meant that at first the library was only able to open for eight hours a week, with a limited number of people allowed into the building at any one time, for browsing the bookshelves, borrowing books and using the People’s Network computers. No room hire was allowed and nearly all meetings continued to be held on Zoom.

Over the summer there were some minor increases in opening hours, and in the number of people allowed into the building at any one time, and a very small number of meetings in the library building resumed in September. Finally, on Saturday 2 October a nearly “normal service” was resumed, with opening hours increased to 18 hours a week, coffee, newspapers and donated magazines becoming available again, community notices displayed, toys appearing in the children’s area, and regular talks, events and room hire resuming. On 1 March 2022 opening hours increased again, to 20 hours a week (9:30am - 4:30pm on Tuesdays and Saturdays, and 12:00 mid-day - 6:00pm on Thursdays).

With so many changes, and some public caution about “returning to normal” it is not surprising that the number of people visiting the library has yet to recover to pre-pandemic levels. Altogether, over the full year, 8,414 visitors to the library were recorded in 2021/22, compared with 1,824 in the previous year. This was still much less than the figures of 22,000 or more recorded in previous years. Nevertheless, the number of visitors recorded in March 2022 was 1,345; if continued over a full year this would be equivalent to about 16,000 visitors – not so far short of previous figures.

On 31 March 2022, 3,866 people or organisations were registered to borrow books from Jesmond Library, compared with 3,520 in March 2021. Between 1 April 2021 and 31 March 2022, 7,803 book issues were recorded, an average of 150 per week. This compares with 1,977 in 2020/21 and 9,029 in 2019/20, providing further evidence that we are beginning to approach pre-pandemic service levels.

In 2021/22 we bought 261 new books, at a cost of just over £2,700. We also accepted 574 donated books, although we had been offered far more than this. Out of the total of 835 books added to our stock, 311 were categorised as Junior, 295 as Adult Fiction (including 10 Large Print) and 229 as Adult Non-Fiction (including 61 Local Studies).

The most borrowed author in the year was Julia Donaldson. All the most-borrowed authors wrote children's books, especially series. In two cases the "authors" were collectives of several authors writing under a single name (Adam Blade and Daisy Meadows). Enid Blyton ranked 8<sup>th</sup> equal. Surely this can't only be due to grandparents?! The most popular author of adults' books (only 11<sup>th</sup> equal overall) was Ann Cleeves. The most-borrowed individual book was "The Liar's Dictionary" by Eley Williams, closely followed by "Shuggie Bain" by Douglas Stuart.

Amongst adult books Booker short-listed volumes did well, along with the latest works by well-known authors such as Kazuo Ishiguro and Pat Barker. The most-borrowed non-fiction books were often linked to TV exposure, such as John Carey's anthology and the Alice Roberts book "Ancestors".

In total, at the end of 2020/21 we had 9,814 books and other items on the shelves. 49 items were for reference only. 4,564 were classified as Fiction and 5,250 as Non-Fiction (or "other"). During the lockdown we instituted a "swap shop" for jig saws, accepting donations of about 65 jig saws, which customers were able to swap for jig saws of their own.

## **b. Volunteers**

The charitable company directly employs no paid staff, and is wholly dependent on the unstinting efforts of volunteers for the operation of the library service and all other activities which take place in the building. During 2020/21 the need for volunteers was much reduced by lockdowns and restrictions on the services that we were able to provide, and as these restrictions eased not all of our original volunteers returned, for a variety of reasons.

Our volunteer coordinator has estimated that our volunteers worked a total of 2,092 hours during the year April 2021 – March 2022. If we assume a very approximate "value" of £10.50 per hour this would be equivalent to a total "value" of about £22,000. Besides the tremendous value of these efforts to the local community, we believe that many volunteers themselves derive a measure of personal satisfaction and sense of achievement, while some use their work experience to gain paid employment elsewhere.

At the end of March 2022 we had about 70 Front of House volunteers, including 11 more experienced, supervisor/trainers (known as "Greens"). In addition we have 16 back office and other volunteers and 13 trustees, making a total of approximately 100 people involved in some way in running the library. Our volunteers do not have to commit to working specific times or days, or numbers of hours per week, but use an online system (SignUp) to choose their own shifts (although the volunteer coordinator often has to send out last minute email appeals to fill the final vacant shifts).

Once again, the trustees are extremely grateful to all those who kept our services running through a very difficult year.

## **Education and Social Welfare**

### **c. Events and room hire**

At the beginning of 2021/22 COVID restrictions were still in full force and no “live” events were being held in the library, and no room bookings were being accepted.

Initially, some Zoom-based online events were being run from the homes of volunteers, but after 13 April 2021 the Wellbeing programme ran its Zoom meetings from the library, with a very small “live” audience of people who did not have access to IT facilities at home. For example, on 5 May there were 23 attendees on Zoom and 3 socially distanced individuals in the library. The number taking part in Wellbeing meetings in the library had increased to 12 by 4 August.

In September 2021 the first three room bookings were accepted from local community organisations, the library hosted a “Heritage Open Day” talk, and the Spanish Conversation group resumed its meetings in the library. In October there were 10 room bookings and 11 events run by library volunteers, and both these numbers steadily increased over the following months.

Between 1 April 2021 and 31 March 2022 there were 112 room bookings by outside organisations, 38 in the Main Room, 47 in the Catherine Cookson Room and 27 in the Sid Chaplin Room, and 99 events run by library volunteers, 59 in the Main Room, 19 in the Catherine Cookson Room and 21 in the Sid Chaplin Room. Total attendance at these events was 834. For comparison, in 2019/20, the last “normal” year, there had been 588 room bookings and 375 events run by library volunteers. We very much hope that the coming year will see these numbers get a bit closer to pre-pandemic levels.

At the present time some of the most popular regular events taking place in the library are the language conversation groups run by library volunteers; other events include a Book Group, play reading, poetry sharing, current affairs, the “Wellbeing for Life” series for older people, the very varied Thursday evening talks, and IT advice sessions. Groups making regular room bookings include Mindfulness, Meditation, Philosophy, La Jolie Ronde (Children’s French) and Councillors’ ward surgeries. The 2021 Jesmond Community Festival was greatly affected by COVID restrictions, but nonetheless library volunteers ran the hugely successful Teddy Bear Trail, and a number of guided walks, and organised a number of online events including talks and a murder mystery evening.

### **d. The People’s Network computers**

The council left its “People’s Network” public use computers in the building when they handed over the building. These are still maintained by the council and, prior to the lockdown, were very well used by members of the public. During the first few weeks of 2021/22 the public access computers were only in use when the library was available for

browsing. When the computers were opened for public use, social distancing rules reduced the number available. Over the full year there were 882 logins on the People's Network computers in Jesmond Library, gradually rising from 34 in March 2021 to 153 in March 2022.

#### **e. The building**

Jesmond Library is a much-loved and architecturally distinguished modern building, unusual in being a Grade 2 Listed Building designed and built in the 1960's. Some of the architecturally valuable features of the building, notably the huge windows and glass doors, provide particular challenges in terms of building maintenance. Since we took over management of the building we have sought, where possible, to return to the spirit of the original design of the building, while accommodating the present, flexible use of the building as a community hub as well as a public library.

During 2019/20 we carried out a pilot project for replacing sections of the glazing in the main room with a modern and better insulated equivalent. The pilot project was a success, and during 2020/21 and 2021/22 we were able to raise funding and implement second and third phases of window replacement. The final phase of window replacement is expected to take place in autumn 2022.

Taken together with earlier work to improve the insulation of the roof and brick walls, and install a new system for controlling the heating system, the completion of the window replacement programme is seen as another phase of a "green" strategy for the building, which will in future lead us to reconsider the heating system.

#### **f. Publicity and communications**

We publish regular events programmes and posters, whose impact is greatly helped by our designer, Paul Rea.

Our Facebook page, Tweets and Blogs are well-received by those of our users who make use of social media. Over the full year our Facebook page is estimated to have reached over 20,000 people, through over 1,500 page visits. The most popular items on our Facebook page during last year were both announcements about Library events, "Cooking with Yasmin" and "Hitler's Jesmond Spy", each of which reached over 3,000 people.

With the relaxation in COVID restrictions we have been able to resume printing copies of our occasional newsletter "The Blurb", as well as continuing the online bulletin, distributed via Mailchimp.

#### **g. Links with other community-managed libraries**

In our first year the Friends of Jesmond Library benefitted hugely from advice from some of the earliest community-managed libraries, and for this reason the Friends have always been happy to give advice and support to more recent entries to the field. The Friends of Jesmond

Library is actively involved in the establishment of the Community Managed Libraries Peer Group Network, of which Chris Clarke is a Board Member.

## **Financial Review**

### **a. Going Concern**

When it first re-opened, the charitable company enjoyed an immediate financial input from residents of Jesmond, from charitable bodies (notably, but not only, the Catherine Cookson Trust), and from the North and South Jesmond Ward Committees of the Council. This enabled the company to build up sufficient reserves during its first few months to be confident of remaining a going concern for at least the next few years, and probably much more. Our early optimism has proved to be well founded, despite the impact of the coronavirus crisis, and these accounts are therefore prepared on the basis that we are still a “going concern”, and likely to remain so for the foreseeable future.

### **b. Reserves Policy**

The trustees consider the reserves of the company to be more than adequate to meet its immediate working capital needs. Total funds as at 31 March 2022 were £102,228.62, a decrease of £13,804.32 over the previous year, partly as a result of reduced trading during the pandemic.

The company’s Reserves Policy has been in place since 2014/15, when an Operating Reserve Fund and a Building Improvement Fund were established. These two designated funds stand alongside the pre-existing Wellbeing Fund, which supports a programme of activities for older people, jointly run with the Elders Council of Newcastle. The funding for the Wellbeing for Life programme comes from grants and donations given specifically for that purpose. The funding reserved for the Wellbeing programme increased from £359 on 31 March 2021 to £1,161 on 31 March 2022, with reduced expenditure on Zoom meetings and publicity more than offset by donations and especially a grant of £1,400 from the W.G. Edwards Charitable Foundation.

Up until the end of 2019/20 the policy of the trustees was that unrestricted reserves should not fall below a level equivalent to six months’ routine, general expenditure (about £13,000 at the end of 2019/20). However, with the greatly increased uncertainty resulting from the coronavirus crisis, the trustees considered it prudent to increase the Operating Reserve from six to a full twelve months general running costs, and we intend to retain £26,000 for this purpose for the foreseeable future.

On 31 March 2022 the Building Improvement Fund stood at just over £56,000, compared with just under £74,000 on 31 March 2021. The purposes of the Building Fund are to finance capital items, such as the purchase of new furniture, which are paid for over several years, and to pay for major building refurbishment items, which will not recur every year. During

2021/22 part of the Building Fund was drawn on to contribute to the third phase of the window replacement programme, which is intended to be completed during the coming year.

### **c. Principal Funding**

The first financial priority of the trustees is to raise enough in monthly income to cover basic, general running costs (such as utility bills, insurance, stationery, and building and equipment maintenance). This was achieved during 2021/22, when our general account recorded a surplus of over £3,100. Compared with the previous year, our income began to recover whilst some routine expenditure items had not yet caught up with pre-pandemic levels.

### **Plans for the Future**

The first priority for the coming year must be to return the services provided by the library to the levels achieved before the COVID crisis. After that the trustees have two main aims for the future. First is to maintain and improve the range of services available to the local public, both by continuing to purchase new books and by continuing the ambitious events programme. Second is to continue to invest in the fabric of the building, furniture and fittings, restoring it to the best condition in which it will have been since it first opened, and at the same time sensitively bringing it up to date, including making a start on reorganising and refurbishing the main room of the library, to provide more room for the popular children's area and an improved space for library users to sit and read, or enjoy a coffee.

### **Statement of Trustees' Responsibilities**

The trustees (who are also directors of Friends of Jesmond Library for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and best practice advice. Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

#### **Provision of information to the independent examiner**

Each of the persons who are trustees at the time when this trustees' report is approved have confirmed that:

- so far as each trustee is aware, there is no relevant financial information of which the charitable company's independent examiner is unaware; and
- each trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charitable company's independent examiner in connection with preparing his report and to establish that the charitable company's independent examiner is aware of that information.

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the trustees on 3 September 2022 and signed on their behalf by:

**Sarah Barbour Mercer, Chair**

### **Independent examiner's report to the trustees of the Friends of Jesmond Library**

I report to the charity trustees on my examination of the accounts of the Friends of Jesmond Library for the year ended 31 March 2022, as set out on pages 18 to 28.

#### **Responsibilities and basis of my report**

The charity's trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the accounts of the company are not required to be audited for this year under Part 16 of the Companies Act 2006 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. 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 material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities Statement of Recommended Practice (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.

(signed)

**Geoffrey R Carter**

59 Queens Terrace, Jesmond, Newcastle upon Tyne NE2 2PL

3 September 2022

## FRIENDS OF JESMOND LIBRARY

### Statement of Financial Activities

#### Income and Expenditure Account

for the year ended 31 March 2022, compared with the year ended 31 March 2021

	Note	Total Funds 2021/22 £	Total Funds 2020/21 £
<b>Income</b>			
Incoming resources from generated funds:			
Voluntary receipts	2	21,192.32	15,963.62
Grants received	2	31,287.50	77,063.71
Receipts from fundraising activities	3	665.62	59.20
Investment income	4	329.89	528.05
Receipts from charitable activities	5	4,170.50	731.76
<b>Total Incoming Resources</b>		<b>57,645.83</b>	<b>94,346.34</b>
<b>Expenditure</b>			
Fundraising costs	6	1,029.76	281.00
Charitable activities	7	63,813.56	64,531.31
Governance costs	8	13.00	13.00
Depreciation	9	6,593.82	7,039.78
<b>Total Resources Expended</b>		<b>71,450.14</b>	<b>71,865.09</b>
<b>Net Income (Deficit) for the year</b>	10	<b>(13,804.31)</b>	<b>22,481.25</b>

The notes on pages 20 to 28 form part of these financial statements.

## FRIENDS OF JESMOND LIBRARY

### Balance Sheet

**as at 31 March 2022, compared with 31 March 2021**

	Note	31/03/2022 £	31/03/2021 £
<b>Fixed assets</b>	9		
Equipment		2,184.94	329.89
IT equipment		339.39	788.60
Library management system		0.00	0.00
Furniture		2,286.96	3,156.98
Book stock		6,561.15	6,433.67
<b>Total fixed assets</b>		<b>11,336.44</b>	<b>10,709.14</b>
<b>Current assets</b>			
Recoverable Gift Aid	12	215.75	487.55
Cash at bank	13	90,646.35	104,806.21
Petty cash		30.08	30.03
<b>Total current assets</b>		<b>90,892.18</b>	<b>105,323.79</b>
<b>Total assets</b>		<b>102,228.62</b>	<b>116,032.93</b>
<b>Represented by</b>		<b>31 March 2022</b>	<b>31 March 2021</b>
Balance brought forward		116,032.93	93,551.68
Net income for the year		(13,804.31)	22,481.25
<b>Total funds</b>	14	<b>102,228.62</b>	<b>116,032.93</b>

For the year ending 31 March 2022 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 in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard applicable to charities in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The financial statements were approved by the trustees on 3 September 2022 and signed on their behalf by Sarah Barbour Mercer (Chair).

**Sarah Barbour Mercer, Chair**

The notes on pages 20 to 28 form part of these financial statements.

**Notes to the Financial Statements for the year ended 31 March 2022**

**1. Accounting Policies**

**1.1 Basis of preparation of Financial Statements**

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

The trustees have considered the charitable company's current and future prospects and are satisfied that the company can continue to pay its liabilities as they fall due, for a period of well over twelve months from the date of approval of these financial statements, and is therefore a "going concern".

**1.2 Turnover**

Turnover comprises revenue recognised by the charitable company in respect of goods and services supplied during the year. The charitable company is not registered for Value Added Tax.

**1.3 Company status**

The charitable company is a company limited by guarantee. In the event of the company being wound up, the liability of the director/trustees of the company in respect of the guarantee is limited to £10.

**1.4 Fund accounting**

Designated funds are funds set aside by the company for specific purposes. At the present time the three funds designated by the company are the Wellbeing Fund, the Operating Reserve Fund and the Building Improvement Fund. The purposes of these funds were summarised on page 14 of this report. All remaining income and expenditure is contained in the General Fund, which is therefore where the vast majority of day-to-day income and expenditure is allocated.

**1.5 Incoming resources**

All incoming resources are included in the Income and Expenditure Account.

Voluntary income is primarily received as donations and grants. All monetary donations are included in full in the statement of financial activities when received, provided that there

are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition would be deferred until the pre-condition has been met.

Gifts in kind for use by the charity are valued at the estimated cost which would have been incurred by the charity, if they had been purchased. This method has been applied to second hand books donated by well-wishers to the library, whenever the books concerned have been added to our book stock. (Space on the shelves in Jesmond Library is limited, and some donated books, for which we do not have room, have been in turn donated to Oxfam or other local groups.) Books left in the library by the city council have not been given a value.

Investment income at present comprises only bank interest. The income is recognised when received.

### **1.6 Resources expended**

Expenditure is allocated to the activity to which it relates.

Governance costs are those costs associated with the constitutional and statutory requirements of the charitable company, principally an annual payment to Companies House.

## **2. Voluntary receipts and grants received**

Two main categories of donation were received from library users during the year. Regular Subscribers provided monthly or annual donations, of £20 a year or £2 a month, or more, normally by Standing Order, totalling £11,246 over the year (compared with £10,569 the year before); and there were a number of Miscellaneous Donations, totalling £5,826 (compared with £3,458 the year before). Our income from both Miscellaneous Donations and Standing Orders increased over a year in which our trading began to recover from pandemic restrictions. With the exception of a donation of £2,000 from the RFF Gibson Trust, and a number of other donations towards the window replacement programme, some of the miscellaneous income was related to our online events programme.

The Friends of Jesmond Library is registered with the Fundraising Regulator, and supports the principles that it promotes. Gift Aid is being claimed on all eligible donations, although not all the relevant reimbursements from HMRC were claimed or received during the year 2021/22. In any event, the table below includes all recoverable Gift Aid that we are eligible to claim, even when a claim had not yet been submitted. HMRC pay a very small amount of interest when paying Gift Aid claims, to cover the period between the eligible donation being made and the Gift Aid being paid. The company also uses the Gift Aid Small Donations Scheme in order to increase the value to us of small miscellaneous donations.

The company has arrangements for supporters to donate money through JustGiving, which became particularly convenient during the pandemic. This generated £3,178 for the Friends

during 2021/2 (compared with £1,502 in 2020/21), but also cost £216 in payments to contribute to JustGiving costs in that period. As with other miscellaneous donations, many JustGiving donations were related to the window replacement programme, or to online events. We also have an arrangement with Easyfundraising, which during 2021/22 generated £81 from commissions on internet shopping.

£31,288 was received in grants during 2021/22, compared with £77,064 the year before. Much of this came from the Government's grants schemes for businesses forced to close or partially close by the pandemic restrictions, from which the City Council awarded us grants totalling £12,000 in 2021/22 and £40,976 in 2020/21. In 2021/22 we received a number of grants towards the window replacement programme, from the Garfield Weston and Bernard Sunley Foundations (£7,000 and £5,000 respectively), the Joicey Trust (£3,400), North Jesmond Ward Committee of the City Council (£1,440) and Waitrose Community Matters (£100). We received an unrestricted £500 from the Percy Hedley 1990 Charitable Trust, a grant of £448 for the Reading Well collection from the North East Humanists and £1,400 from the W.G. Edwards Foundation for the Wellbeing programme. We are very grateful to all these organisations, and to the RFF Gibson Trust, whose gift was described as a donation (see above). The value of books donated by well-wishers and added to the library stock during 2021/22 was approximately £861.

<b>Voluntary receipts and grants included in the Income and Expenditure account</b>	<b>General Fund 2021/22 £</b>	<b>Wellbeing Fund 2021/22 £</b>	<b>Building Fund 2021/22 £</b>	<b>Total Funds 2021/22 £</b>	<b>Total Funds 2020/21 £</b>
Regular Subscriber donations (including related Gift Aid)	11,246.39			11,246.39	10,569.14
Miscellaneous donations	1,674.10	207.51	3,944.86	5,826.39	3,458.36
Interest on Gift Aid	0.07			0.07	0.09
JustGiving	2,046.28	0.00	1,131.54	3,177.82	1,501.84
Easyfundraising	80.57			80.57	104.19
Grants received		1,400.00	29,887.50	31,287.50	77,063.71
Value of Donated Books	861.00			861.00	330.00
<b>Total Voluntary Receipts and Grants Received</b>	<b>15,908.41</b>	<b>1,607.51</b>	<b>34,963.90</b>	<b>52,479.82</b>	<b>93,027.33</b>

### **3. Receipts from fundraising activities**

The main fundraising activities which normally raise money for the library are sales, including the sale of books which are surplus to requirements and of bought-in stock, cards, book marks, fridge magnets, teddy bears and walks leaflets, and the sale of coffee, tea and hot chocolate from the coffee machine. Small charges are also normally made for the display of small advertisements. All the proceeds of these activities are allocated to the General Fund. Very little activity of this type was able to take place in 2020/21, but there was an improvement in 2021/22.

	<b>Total Funds 2021/22 £</b>	<b>Total Funds 2020/21 £</b>
Shop Income, including books etc	540.62	59.20
Coffee and tea	125.00	0.00
Display of Small Advertisements	0.00	0.00
<b>Total receipts from fundraising activities</b>	<b>665.62</b>	<b>59.20</b>

### **4. Investment income**

Interest rates were generally low in 2021/22. £329.89 was received in investment income during 2021/22, compared with £528.05 the year before. In 2021/22 £143.40 was received from a 60-day notice account with the United Trust Bank, £180.18 from a 100-day notice account with the United Trust Bank, and £6.31 from an Active Saver account with Barclays.

### **5. Receipts from charitable activities**

Receipts generated from the library's activities normally include room hire fees, income generated from events organised by library volunteers, income from the printer/photocopier, and smaller categories such as the creative writing competition. Very little activity of this type was able to take place in 2020/21, but in 2021/22 the position has improved, without yet reaching pre-pandemic levels of activity. During the pandemic the trustees decided to stop charging fees for late returning books.

	<b>Total Funds 2021/22 £</b>	<b>Total Funds 2020/21 £</b>
Room Hire income	1,787.50	438.46
Event income	1,768.00	0.00
Printing and photocopying	550.00	237.50
Lost books, DVD's etc	21.50	0.00
Writing competition	43.00	21.00
Miscellaneous income (inc misc sales)	0.50	34.80
<b>Total receipts from charitable activities</b>	<b>4,170.50</b>	<b>731.76</b>

## **6. Fundraising costs**

This includes fees payable to JustGiving, an annual fee to the Fundraising Regulator, the costs of purchasing items for re-sale, and supplies for the coffee machine.

	<b>Total Funds 2021/22 £</b>	<b>Total Funds 2020/21 £</b>
Fundraising costs (including annual fee to Fundraising Regulator and cost of printing fundraising leaflets)	145.00	50.00
Payments to JustGiving	216.00	216.00
Goods for re-sale (including books and cards)	368.92	15.00
Supplies for the coffee machine	299.84	0.00
<b>Total fundraising costs</b>	<b>1,029.76</b>	<b>281.00</b>

## **7. Charitable activities**

This category includes all the revenue expenditure associated with running the library and its building. It does not include expenditure on capital items, such as books, furniture or equipment, which are treated as assets that can be expected to last several years. These appear in the Balance Sheet as capital items, and are depreciated over the anticipated life of the asset concerned (see note 9). However, expenditure on window replacement is treated as revenue expenditure, as it does not create a capital asset owned by the library (as it constitutes an improvement to a Council-owned building.)

	<b>General Fund 2021/22</b>	<b>Wellbeing Fund 2021/22</b>	<b>Total Funds 2021/22</b>	<b>Total Funds 2020/21</b>
	£	£	£	£
Volunteer training costs	2.00		2.00	0.00
Volunteer recruitment	7.92		7.92	0.00
Room hire for Wellbeing events		180.00	180.00	0.00
Travel costs for Wellbeing events		133.00	133.00	18.70
Refreshments at events	130.60	60.61	191.21	0.00
Event expenses		115.00	115.00	0.00
Refunds	1.10		1.10	103.82
Electricity	1,508.96		1,508.96	886.68
Gas	1,041.96		1,041.96	700.53
Water	90.00		90.00	578.00
Refuse disposal	394.16		394.16	419.16
Insurances	1,055.04		1,055.04	855.13
Windows Phase 2	0.00		0.00	34,446.75
Windows Phase 3	17,463.37		17,463.37	17,163.37
Windows Phase 4	28,751.22		28,751.22	0.00
Other Building Refurbishment	1,051.00		1,051.00	760.00
General repairs and maintenance	3,444.36		3,444.36	1,392.26
Regular cleaning	2,235.00		2,235.00	1,492.50
Security and alarms	1,483.94		1,483.94	1,445.36
Carpet Cleaning	70.00		70.00	475.00
Telephone and Email	417.84		417.84	508.15
TV licence	159.00		159.00	157.50
Postage	27.79		27.79	17.29
Other administrative items	397.41		397.41	296.99
Competition prizes	0.00		0.00	40.00
Stationery (including book jackets)	50.45		50.45	33.48
Newspapers	637.68		637.48	56.34
Subscriptions (Which?)	83.40		83.40	83.40
Printing and photocopying	58.06		58.06	134.42
Website	111.00		111.00	111.00
Publicity and posters	225.00	317.00	542.00	220.60
IT running costs	827.88		827.88	979.88
Library Management System	1,152.00		1,152.00	1,152.00
Bank charges	8.92		8.92	3.00
Licences	120.89		120.89	0.00
<b>Total charitable activity costs</b>	<b>63,007.95</b>	<b>805.61</b>	<b>63,813.56</b>	<b>64,531.31</b>

## **8. Governance costs**

In both 2020/21 and 2021/22 Governance costs amounted to £13.00, for the Annual Return to Companies House.

## **9. Depreciation of tangible fixed assets**

The costs of purchasing furniture, IT and other equipment, and books, are treated as capital expenditure and appear in the Balance Sheet. They are depreciated over 4-5 years, in order to write off the total costs of their acquisition over their expected useful lives. (IT and other

equipment, and the Library Management System, are depreciated over 4 years; furniture and books over 5 years.)

	Equipment £	IT Equipment £	Library Management System £	Furniture £	Book Stock £	Total £
<b>Cost of purchase</b>						
Assets acquired before 1 April 2021	12,963.36	4,046.75	4,422.60	15,982.31	27,694.21	65,109.23
Additions during 2021/22	2,613.00	73.99	0.00	951.60	3,582.53	7,221.12
<b>Total assets at 31 March 2022</b>	<b>15,576.36</b>	<b>4,120.74</b>	<b>4,422.60</b>	<b>16,933.91</b>	<b>31,276.74</b>	<b>72,330.35</b>
<b>Accumulated depreciation</b>						
Depreciation brought forward from 31 March 2021	12,633.46	3,258.15	4,422.60	12,825.33	21,260.53	54,400.07
Depreciation during 2021/22	793.95	523.20	0.00	1,821.62	3,455.05	6,593.82
<b>Total depreciation at 31 March 2022</b>	<b>13,427.41</b>	<b>3,781.35</b>	<b>4,422.60</b>	<b>14,646.95</b>	<b>24,715.58</b>	<b>60,993.89</b>
<b>Net book value at 31 March 2022</b>	<b>2,148.95</b>	<b>339.39</b>	<b>0.00</b>	<b>2,286.96</b>	<b>6,561.16</b>	<b>11,336.46</b>

The valuations of book stock given in the above table are based on a more detailed calculation which distinguishes between new, second hand and donated books, as follows:

	2021/22		2020/21		Comments
	Number of books	Value £	Number of books	Value £	
Donations	574	861.00	220	330.00	Estimated at £1.50 each
2 <sup>nd</sup> hand books	0	0.00	9	14.43	
New books	261	2,721.53	162	1,968.55	
<b>Total</b>	<b>835</b>	<b>3,582.53</b>	<b>391</b>	<b>2,312.98</b>	

## **10. Income and Expenditure by Fund**

The following table shows how the Total Funds 2021/22 column in the Income and Expenditure Account on page 18 can be sub-divided between funds.

Income and Expenditure	General Fund	Designated Funds			Total Funds 2021/22
		Wellbeing for Life Fund	Operating Reserve Fund	Building Improvement Fund	
	£	£	£	£	£
<b>Income</b>					
Voluntary receipts	15,908.41	1,607.51		34,963.90	52,479.82
Receipts from fundraising activities	665.62				665.62
Investment income	329.89				329.89
Receipts from charitable activities	4,170.50				4,170.50
<b>Total Incoming Resources</b>	<b>21,074.42</b>	<b>1,607.51</b>	<b>0.00</b>	<b>34,963.90</b>	<b>57,645.83</b>
<b>Expenditure</b>					
Fundraising costs	1,029.76				1,029.76
Charitable activities	63,007.95	805.61			63,813.56
Governance costs	13.00				13.00
Depreciation	6,593.82				6,593.82
<b>Total Resources Expended</b>	<b>70,644.53</b>	<b>805.61</b>	<b>0.00</b>	<b>0.00</b>	<b>71,450.14</b>
<b>Net Income (Loss) for the year, before transfers</b>	<b>(49,570.11)</b>	<b>801.90</b>	<b>0.00</b>	<b>34,963.90</b>	<b>(13,804.31)</b>

## 11. Transfers

Between 1 April 2021 and 31 March 2022 the Building Improvement Fund was drawn on to carry out window replacement in the main library room, purchase a new photocopier, carry out major repairs to the gate into the bin yard, instal LED lights, and purchase new display boards, a new fridge and a new webcam. Early in the year the Building Fund was used to purchase new books (as it had been in previous years), but it has now been decided that the purchase of books is so fundamental to the library's operations that it should henceforth be funded from general income. To cover these items a total of £52,733.60 was transferred from the Building Fund to the General Fund.

	General Fund	Wellbeing Fund	Operating Reserve	Building Fund	Total Funds 2021/22
	£	£	£	£	£
Net Income (Loss) for the year, before transfers	(49,570.11)	801.90		34,963.90	(13,804.31)
Transfers from the Building Fund to the General Fund	52,733.60			(52,733.60)	0.00
Net Income (Loss) for the year, after transfers	3,163.49	801.90	0.00	(17,769.70)	(13,804.31)

## **12. Recoverable Gift Aid**

Recoverable Gift Aid is Gift Aid to which we are entitled, but which has not yet been reclaimed from HMRC.

## **13. Cash at bank**

Cash held in bank accounts can be subdivided as follows:

	<b>Net asset value at 31 March 2022 £</b>	<b>Net asset value at 31 March 2021 £</b>
<b>Bank accounts</b>		
Barclays current account	3,754.23	9,943.98
Barclays active saver account	33,770.43	52,064.12
United Trust Bank 60-day notice account	22,674.53	22,531.13
United Trust Bank 100-day notice account	20,447.16	20,266.98
United Trust Bank 2-year bonds	10,000.00	
<b>Total in bank accounts</b>	<b>90,646.35</b>	<b>104,806.21</b>

## **14. Reconciliation of Funds**

The funds carried forward at the end of the 2021/22 financial year are held as follows. Funds held at the end of 2020/21 are given for comparison:

	<b>31/03/22 £</b>	<b>31/03/21 £</b>
General Fund	18,969.13	15,805.64
Wellbeing Fund	1,161.29	359.39
Operating Reserve Fund	26,000.00	26,000.00
Building Improvement Fund	56,698.20	73,867.90
<b>Total funds carried forward</b>	<b>102,228.62</b>	<b>116,032.93</b>