

**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 2023**

## **FRIENDS OF JESMOND LIBRARY**

### **Trustees' Report and Financial Statements for the year ended 31 March 2023**

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## **FRIENDS OF JESMOND LIBRARY**

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

### **for the year ended 31 March 2023**

#### **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 fourth three-year term 15/10/22; 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 fourth three-year term, 15/10/22; elected Vice Chair on 03/08/19)

Richard John Watson (appointed 28/07/18, retired and immediately re-appointed for a second three-year term, 15/10/22)

Nicola (Finn) Willingham (appointed 07/07/13, retired and immediately re-appointed for a fourth three-year term, 15/10/22)

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**

0191 281 2385

**Emails**

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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 2023**

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 2023.

The first recorded transaction in the company's bank account took place on 10 April 2013, although the library itself did not re-open until 21 September 2013. This is therefore the tenth set of the company trustees' annual report and accounts, since the company was formally established.

After the disruption of the pandemic, 2022/23 has to a large extent seen a return to pre-pandemic "normality", although the latter part of the year was affected by the cost-of-living crisis and increases in many of the company's trading expenses. Fortunately, income also held up well, and we ended the year with a welcome surplus of income over expenditure.

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. A number of the trustees are now into their fourth three-year terms, but it is considered by the other trustees that the company benefits greatly from the accumulated experience of these long-serving individuals. The trustees do fully consider the benefits of bringing in new ideas and individuals from time to time, through advisers and other volunteers, as well as through Board membership.

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 and other volunteers.

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

The Board of Directors is responsible for making all strategic decisions and overseeing their implementation. Board meetings are 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. Advisory Group members are entitled to 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), Despoina Papadopoulou (architectural advice, and in particular the internal furniture and fittings of the library), Tanya Pretswell (local councillor), Kay Punshon (library operations) and Barbara Trevitt (Volunteer Coordinator).

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. Members of the groups include trustees, members of the advisory group, and other volunteers. The “Green” (ie. most experienced) volunteers also meet regularly with the Volunteer Coordinator.

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, John Cook, Despoina Papadopoulou and Andrew (Wes) Wareing: 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.

In recent months the “Greens” and other volunteers have also agreed to take on particular individual operational responsibilities, such as for the photocopier, coffee machine, cash register, membership records and training.

#### **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.

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.

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 three 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 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 four 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 was 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 did not meet modern standards of energy efficiency. This work was completed during 2022/23, funded from grants and fundraising amongst supporters, topped up from reserves. 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, and the Friday Fund, which holds grants and donations raised for the library's work with asylum seekers and refugees, and for the Warm Zone initiative.

## **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 library operations have largely returned to “normal”, following the easing of the coronavirus crisis.

At the beginning of 2022/23 library opening hours comprised 20 hours a week (9:30am - 4:30pm on Tuesdays and Saturdays, and 12:00 mid-day - 6:00pm on Thursdays). From Thursday 6 October another 2.5 hours were added on Thursday mornings, with the opening time being brought forward to 9:30am.

In addition, from Friday 15 July 2022 the library opened on Friday mornings (9:30am - 12:30pm) for refugees and asylum seekers, who could attend free English as a second language classes, use the children’s area, and enjoy light refreshments. From Friday 2 December the Friday morning sessions, known as “Friends Fridays”, were opened up to the general public as a “Warm Zone” (with free hot drinks) and provided a normal library service for all. This brought total library opening hours to 25.5 hours a week.

17,192 visitors to the library were recorded in 2022/23, compared with 8,414 in the previous year. This was still less than the figures of 22,000 or more recorded in previous years, before the pandemic, but the trend is clearly going upwards, with the busiest month last year being March 2023, when 2,153 visits were recorded. If this is sustained throughout 2023/24, we should break previous records, since the library was re-opened by the Friends ten years ago.

During 2022/23 library volunteers carried out a “weed” of the records of registered borrowers, deleting people who were no longer active. As a result, on 31 March 2023, 1,820 people or organisations were registered to borrow books from Jesmond Library, compared with 3,866 in March 2022. Between 1 April 2022 and 31 March 2023, 9,685 book issues were recorded. This compares with 7,803 in 2021/22, 1,977 in 2020/21 and 9,029 in 2019/20, providing further evidence that we have returned to pre-pandemic service levels.

In 2022/23 we bought 210 new books, at a cost of over £2,200. We also accepted 402 donated books, although we had been offered far more than this, and bought 14 second hand books from Oxfam.

The most borrowed author in the year was once again Julia Donaldson, with Roger Hargreaves second. Ann Cleeves ranked third, Mari Hannah fifth, Ian Rankin sixth and Val

McDermid seventh. Jesmond residents must like murders! The most-borrowed individual book was “The Pianist of Yarmouk” by Aeham Ahmad, closely followed by “The Hard Way” by Lee Child, “Highway Rat” by Julia Donaldson, “Panic Room” by Robert Goddard, “Russia” by Dmitri Trenin and “Thin Air” by Ann Cleeves.

In total, at the end of 2022/23 we had 10,019 books and other items on the shelves. 30 items were for reference only. 4,673 were classified as Fiction and 5,346 as Non-Fiction (or “other”). We also continued with the small stock of jigsaws, first established during lockdown.

## **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. A number of volunteers had left us during the pandemic, for various reasons, so much of 2022/23 was taken in recruiting and training new volunteers, and re-training “rusty” ones.

Our volunteer coordinator has estimated that our volunteers worked a total of approximately 2,490 hours during the year April 2022 – March 2023. If we assume a very approximate “value” of £10.50 per hour this would be equivalent to a total “value” of about £26,000. 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 beginning of April 2023 we had 64 Front of House volunteers, including 21 experienced supervisor/trainers (known as “Greens”). 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 keep our services running and provide the friendly welcome which so many library customers appreciate.

## **Education and Social Welfare**

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

Between 1 April 2022 and 31 March 2023 there were 332 room bookings by outside organisations, compared to 112 in the previous year. 47 of the 2022/23 room bookings were in the Main Room, 179 in the Catherine Cookson Room and 106 in the Sid Chaplin Room.

In addition, there were 425 events run by library volunteers in 2022/23, compared with 99 in 2021/22. 191 of the 2022/23 events took place in the Main Room, 165 in the Catherine

Cookson Room, 78 in the Sid Chaplin Room and one at the United Reformed Church. Total attendance at these events was 4,473, a massive increase over the previous year.

For comparison, in 2019/20, the last “normal” year, there had been 588 room bookings and 375 events run by library volunteers.

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 Spanish), Keep Jesmond Clean, Jesmond Community Forum and Councillors’ ward surgeries.

The most notable innovation during 2022/23 was the institution of weekly “Friends Friday” morning sessions for asylum seekers and refugees. Later in the autumn Friends Fridays were further developed to become Warm Hubs, open to all, with free hot drinks and the full range of library services.

#### **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 are very well used by members of the public. Library volunteers frequently give informal assistance to People’s Network users. Over the full year there were 1,890 logins on the People’s Network computers which we have in operation; at the of the year we had 6 in use. This compares with 882 logins in the previous year.

#### **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.

In January 2023 we completed a four-year programme of replacing the glazing in the main room with a modern and better insulated, double glazed, equivalent. This was a major achievement, costing nearly £150,000, largely raised from grants and donations. While firm conclusions are hard to distinguish from other factors, it appears that this project is saving us significant energy costs, besides the visual benefits.

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 and further improve the energy efficiency of the building.

During last year we moved the location of the children’s area, giving it a little more space, and began to draw up plans to improve furniture and fittings in the information area, where a new coffee machine is already in place.

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

We publish regular events programmes and posters, whose impact is greatly helped by our designer, Paul Rea. Information on events is circulated electronically through Jesmond Community Forum and Jesmond Residents Association.

Our Facebook page, Tweets and Blogs are well-received by those of our users who make use of social media. We also publish an occasional newsletter “The Blurb”, and send out regular emailed bulletins for our volunteers.

#### **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 2023 were £112,928.11, an

increase of £10,699.49 over the previous year. This resulted primarily from a healthy post-pandemic recovery.

The basis of 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. During last year an additional designated fund called the Friday Fund was established, to keep grants, donations and expenses related to the Friday morning and other activities to support work with asylum seekers and the Warm Zone, separate from other funds.

The funding reserved for the Wellbeing programme increased from £1,161 on 31 March 2022 to £3,079 on 31 March 2023, largely as a result of grants from the Wellbank and Hedley Foundations (£2,100 and £500 respectively).

The Friday Fund was funded mainly through donations from library supporters, which totalled £2,348, plus a grant of £500 from the Council towards the Warm Zone initiative. At the end of the year £1,763 remained in the Fund.

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 2023 the Building Improvement Fund stood at just over £63,100, compared with just over £56,000 on 31 March 2022. 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 2022/23 part of the Building Fund was drawn on to contribute to the completion of the window replacement programme. On 31 March 2023 the Building Fund was topped up with £6,191, comprising the surplus accumulated in the General Fund over the year 2022/23. This will help fund improvements to the building planned to take place during 2023/24, including new furniture in the Information Area and an ambitious Air Leakage and Thermographic Survey of the building, which will provide essential information for us to plan future improvements to the heating system.

### **c. Principal Funding**

The first financial priority of the trustees is to raise enough in reasonably reliable monthly income to cover basic, general running costs (such as utility bills, insurance, stationery, and building and equipment maintenance). This was achieved during 2022/23, when the

library's general account recorded a surplus of £6,191, before the surplus was transferred to the Building Reserve Fund (see above). This compared with a surplus of £3,166 in 2021/22.

### **Plans for the Future**

In September 2023 the Friends of Jesmond Library will be celebrating 10 years since re-opening the library in 2013. Much has been achieved, but there is still more to do!

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 further developing the ambitious events programme. If possible, it would be good to further increase opening hours.

Second is to continue to invest in the fabric of the building, furniture and fittings, and at the same time sensitively bring it up to date. Over the next year we aim to largely complete the refurbishment of the information area, improve our PA and IT facilities for talks and events in the main room, and invest further in the children's area.

### **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 30 September 2023 and signed on their behalf by:

**Sarah Barbour Mercer, Chair**

**30 September 2023**

### **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 2023, 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

30 September 2023

## FRIENDS OF JESMOND LIBRARY

### Statement of Financial Activities

#### Income and Expenditure Account

for the year ended 31 March 2023, compared with the year ended 31 March 2022

	Note	Total Funds 2022/23 £	Total Funds 2021/22 £
<b>Income</b>			
Incoming resources from generated funds:			
Voluntary receipts	2	24,536.08	21,192.32
Grants received	2	34,760.00	31,287.50
Receipts from fundraising activities	3	1,983.64	665.62
Investment income	4	632.76	329.89
Receipts from charitable activities	5	15,439.68	4,170.50
<b>Total Incoming Resources</b>		<b>77,352.16</b>	57,645.83
<b>Expenditure</b>			
Fundraising costs	6	1,478.47	1,029.76
Charitable activities	7	57,246.86	63,813.56
Governance costs	8	13.00	13.00
Depreciation	9	7,914.34	6,593.82
<b>Total Resources Expended</b>		<b>66,652.67</b>	71,450.14
<b>Net Income (Deficit) for the year</b>	10	<b>10,699.49</b>	(13,804.31)

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

## FRIENDS OF JESMOND LIBRARY

### **Balance Sheet**

**as at 31 March 2023, compared with 31 March 2022**

	Note	31/03/2023 £	31/03/2022 £
<b>Fixed assets</b>	9		
Equipment		7,115.78	2,184.94
IT equipment		216.44	339.39
Library management system		0.00	0.00
Furniture		570.96	2,286.96
Book stock		6,185.04	6,561.15
<b>Total fixed assets</b>		<b>14,088.22</b>	11,336.44
<b>Current assets</b>			
Recoverable Gift Aid	12	54.63	215.75
Cash at bank	13	98,755.18	90,646.35
Petty cash		30.08	30.08
<b>Total current assets</b>		<b>98,839.89</b>	90,892.18
<b>Total assets</b>		<b>112,928.11</b>	102,228.62
<b>Represented by</b>		<b>31 March 2023</b>	31 March 2022
Balance brought forward		102,228.62	116,032.93
Net income for the year		10,699.49	(13,804.31)
<b>Total funds</b>	14	<b>112,928.11</b>	102,228.62

For the year ending 31 March 2023 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 30 September 2023 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 2023**

**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 four funds designated by the company are the Wellbeing Fund, the Friday 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 £10,588 over the year (compared with £11,246 the year before). There were also a number of Miscellaneous Donations, totalling £11,341 (compared with £5,826 the year before). Notable amongst the Miscellaneous Donations in 2022/23 were a final donation of £5,000 from the RFF Gibson Trust, regular supporters since we re-opened the library ten years ago, a significant number of donations supporting events for asylum seekers and refugees, and donations made at events, including those linked to Jesmond Community Festival.

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. 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. This generated £1,948 for the Friends during 2022/3 (compared with £3,178 in 2021/22, when pandemic restrictions moved a lot of events online), but also cost £216 in payments to

contribute to JustGiving costs in that period. We also have an arrangement with Easyfundraising, which during 2022/23 generated £55 from commissions on internet shopping.

£34,760 was received in grants during 2022/23, compared with £31,288 the year before. The largest 2022/23 grant by far was £30,000 from the Catherine Cookson Trust, to help finish off the window replacement programme. Two grants enabled us to continue the “Wellbeing for Life” programme for older people, £2,100 from the Wellbank Foundation and £500 from the Hedley Foundation. The City Council provided £500 for the Warm Zone initiative, and, through the South Jesmond Ward Committee, £660 for the windows and £500 towards the cost of a thermographic survey which will help us plan for a future new heating system for the library. 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 2022/23 was approximately £602.

<b>Voluntary receipts and grants included in the Income and Expenditure account</b>	<b>General Fund 2022/23 £</b>	<b>Wellbeing Fund 2022/23 £</b>	<b>Friday Fund 2022/23 £</b>	<b>Building Fund 2022/23 £</b>	<b>Total Funds 2022/23 £</b>	<b>Total Funds 2021/22 £</b>
Regular Subscriber donations (including related Gift Aid)	10,587.64				10,587.64	11,246.39
Miscellaneous donations	1,753.99	1,193.81	1,277.07	7,116.25	11,341.12	5,826.39
Interest on Gift Aid	3.01				3.01	0.07
JustGiving	500.71		1,070.92	376.03	1,947.66	3,177.82
Easyfundraising	55.15				55.15	80.57
Grants received		2,600.00	500.00	31,660.00	34,760.00	31,287.50
Value of Donated Books	601.50				601.50	861.00
<b>Total Voluntary Receipts and Grants Received</b>	<b>13,502.00</b>	<b>3,793.81</b>	<b>2,847.99</b>	<b>39,152.28</b>	<b>59,296.08</b>	<b>52,479.82</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. During 2022/23 we purchased a new, improved coffee machine, which has helped us increase income from this source.

	<b>Total Funds 2022/23</b>	<b>Total Funds 2021/22 £</b>
Shop Income, including books etc	1,229.64	540.62
Coffee and tea	741.50	125.00
Display of Small Advertisements	12.50	0.00
<b>Total receipts from fundraising activities</b>	<b>1,983.64</b>	<b>665.62</b>

#### **4. Investment income**

Interest rates increased in 2022/23. £632.76 was received in investment income during that year, compared with £329.89 the year before. In 2022/23 £150.21 was received from a 60-day notice account with the United Trust Bank (UTB), £250.77 from a 100-day notice account with UTB, £146.00 from two 2-year bonds with UTB, and £85.78 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. With the ending of the pandemic, the increase in income from events has been particularly welcome, while room hire income also returned to near pre-pandemic levels.

	<b>Total Funds 2022/23 £</b>	<b>Total Funds 2021/22 £</b>
Room Hire income	5,871.07	1,787.50
Event income	8,100.36	1,768.00
Printing and photocopying	1,139.25	550.00
Teddy Bear Trail	252.00	0.00
Lost books, DVD's etc	20.00	21.50
Writing competition	57.00	43.00
Miscellaneous income (inc misc sales)	0.00	0.50
<b>Total receipts from charitable activities</b>	<b>15,439.68</b>	<b>4,170.50</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 2022/23 £</b>	<b>Total Funds 2021/22 £</b>
Fundraising costs (including annual fee to Fundraising Regulator and cost of printing fundraising leaflets)	325.00	145.00
Payments to JustGiving	216.00	216.00
Goods for re-sale (including books and cards)	655.39	368.92
Supplies for the coffee machine	281.58	299.84
<b>Total fundraising costs</b>	<b>1,478.47</b>	<b>1,029.76</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.)

A number of costs went up significantly during the year, partly as a result of increased activity after the end of pandemic restrictions, but also as a result of the rising cost of living, especially energy costs.

	<b>General Fund 2022/23 £</b>	<b>Wellbeing Fund 2022/23 £</b>	<b>Friday Fund 2022/23 £</b>	<b>Total Funds 2022/23 £</b>	<b>Total Funds 2021/22 £</b>
Gifts and grants given	50.00	25.00		75.00	
Volunteer training costs					2.00
Volunteer recruitment					7.92
Volunteer expenses	2.00			2.00	0.00
Room hire		230.00	600.00	830.00	180.00
Travel costs for Wellbeing events		308.40		308.40	133.00
Refreshments at events	304.94	749.53	466.80	1,521.27	191.21
Event expenses	18.97	224.02	897.53	1,140.52	115.00
Refunds	2.00			2.00	1.10
Electricity	2,392.67			2,392.67	1,508.96
Gas	2,070.55			2,070.55	1,041.96
Water	115.00			115.00	90.00
Refuse disposal	405.86			405.86	394.16

Insurances	1,214.09			1,214.09	1,055.04
Windows Phase 3					17,463.37
Windows Phase 4	29,226.22			29,226.22	28,751.22
Other building refurbishment	300.00			300.00	1,051.00
General repairs and maintenance	3,186.78			3,186.78	3,444.36
Regular cleaning	2,809.00			2,809.00	2,235.00
Window cleaning	135.00			135.00	
Carpet cleaning					70.00
Security and alarms	1,812.33			1,812.33	1,483.94
Repair/service coffee machine	174.00			174.00	
Telephone and Email	442.77			442.77	417.84
TV licence	159.00			159.00	159.00
PRS and PPS licence	129.35			129.35	
Postage	41.79			41.79	27.79
Other administrative items	280.05			280.05	397.41
Competition prizes	9.00			9.00	
Stationery (including book jackets)	151.64			151.64	50.45
Newspapers	1,898.32			1,898.32	637.48
Subscriptions (Which?)	83.40			83.40	83.40
Printing and photocopying	254.20			254.20	58.06
Website	163.00			163.00	111.00
Publicity and posters	575.40	339.00		914.40	542.00
IT running costs	871.27			871.27	827.88
Library Management System	1,152.00			1,152.00	1,152.00
Bank charges	113.71			113.71	8.92
Licences	21.00			21.00	120.89
<b>Total charitable activity costs</b>	<b>53,406.58</b>	<b>1,875.95</b>	<b>1,964.33</b>	<b>57,246.86</b>	<b>63,813.56</b>

## **8. Governance costs**

In both 2021/22 and 2022/23 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.)

	Office Equipment £	IT Equipment £	Library Management System £	Furniture £	Book Stock £	Total £
<b>Cost of purchase</b>						
Assets acquired before 1 April 2022	15,576.36	4,120.74	4,422.60	16,933.91	31,276.74	72,330.35
Additions during 2022/23	7,674.39	50.00	0.00	0.00	2,941.73	10,666.12
<b>Total assets at 31 March 2023</b>	<b>23,250.75</b>	<b>4,170.74</b>	<b>4,422.60</b>	<b>16,933.91</b>	<b>34,218.47</b>	<b>82,996.47</b>
<b>Accumulated depreciation</b>						
Depreciation brought forward from 31 March 2022	13,427.41	3,781.35	4,422.60	14,646.95	24,715.58	60,993.89
Depreciation during 2022/23	2,707.55	172.95	0.00	1,716.00	3,317.84	7,914.34
<b>Total depreciation at 31 March 2023</b>	<b>16,134.96</b>	<b>3,954.30</b>	<b>4,422.60</b>	<b>16,362.95</b>	<b>28,033.42</b>	<b>68,908.23</b>
<b>Net book value at 31 March 2023</b>	<b>7,115.78</b>	<b>216.44</b>	<b>0.00</b>	<b>570.96</b>	<b>6,185.04</b>	<b>14,088.22</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:

	2022/23		2021/22		Comments
	Number Of books	Value £	Number of books	Value £	
Donations	402	640.58	574	861.00	Most estimated at £1.50 each, unless value known
2 <sup>nd</sup> hand books	14	36.58	0	0.00	
New books	210	2,264.57	261	2,721.53	
<b>Total</b>	<b>626</b>	<b>2,941.73</b>	<b>835</b>	<b>3,582.53</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 2022/23
		Wellbeing for Life Fund	Friday Fund	Operating Reserve Fund	Building Improvement Fund	
	£	£	£	£	£	£
<b>Income</b>						
Voluntary receipts	13,502.00	3,793.81	2,847.99		39,152.28	59,296.08
Receipts from fundraising activities	1,983.64					1,983.64
Investment income	632.76					632.76
Receipts from charitable activities	14,559.68		880.00			15,439.68
<b>Total Incoming Resources</b>	<b>30,678.08</b>	<b>3,793.81</b>	<b>3,727.99</b>	<b>0.00</b>	<b>39,152.28</b>	<b>77,352.16</b>
<b>Expenditure</b>						
Fundraising costs	1,478.47					1,478.47
Charitable activities	53,406.58	1,875.95	1,964.33			57,246.86
Governance costs	13.00					13.00
Depreciation	7,914.34					7,914.34
<b>Total Resources Expended</b>	<b>62,812.39</b>	<b>1,875.95</b>	<b>1,964.13</b>	<b>0.00</b>	<b>0.00</b>	<b>66,652.67</b>
<b>Net Income (Loss) for the year, before transfers</b>	<b>(32,134.31)</b>	<b>1,917.86</b>	<b>1,763.66</b>	<b>0.00</b>	<b>39,152.28</b>	<b>10,699.49</b>

## **11. Transfers**

Between 1 April 2022 and 31 March 2023 the Building Improvement Fund was drawn on to complete window replacement in the main library room, purchase a new coffee machine and commission thermographic and air leakage surveys. To cover these items a total of £38,326.24 was transferred from the Building Fund to the General Fund. At the end of the financial year the net surplus on the General Fund (£6,191.93) was transferred to the Building Fund, to be allocated in due course to improvements to the library building.

	General Fund	Wellbeing Fund	Friday Fund	Operating Reserve	Building Fund	Total Funds 2022/23
	£	£	£	£	£	£
Net Income (Loss) for the year, before transfers	(32,134.31)	1,917.86	1,763.66	0.00	39,152.28	10,699.49
Transfers from the Building Fund to the General Fund	38,326.24				(38,326.24)	0.00
Transfer from the General Fund to the Building Fund	(6,191.93)				6,191.93	0.00
Net Income (Loss) for the year, after transfers	0.00	1,917.86	1,763.66	0.00	7,017.97	10,699.49

## **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 2023 £</b>	<b>Net asset value at 31 March 2022 £</b>
<b>Bank accounts</b>		
Barclays current account	530.30	3,754.23
Barclays active saver account	44,556.21	33,770.43
United Trust Bank 60-day notice account	0.00	22,674.53
United Trust Bank 100-day notice account	20,697.93	20,447.16
United Trust Bank 2-year bonds	10,146.00	10,000.00
United Trust Bank 40-day notice account	22,824.74	0.00
<b>Total in bank accounts</b>	<b>98,755.18</b>	<b>90,646.35</b>

## **14. Reconciliation of Funds**

The funds carried forward at the end of the 2022/23 financial year are held as follows. Funds held at the end of 2021/22 are given for comparison:

	<b>31/03/23 £</b>	<b>31/03/22 £</b>
General Fund	18,969.13	18,969.13
Wellbeing Fund	3,079.15	1,161.29
Friday Fund	1,763.66	0.00
Operating Reserve Fund	26,000.00	26,000.00
Building Improvement Fund	63,116.17	56,698.20
<b>Total funds carried forward</b>	<b>112,928.11</b>	<b>102,228.62</b>