

LIBRARIES CONNECTED
(Formerly Society of Chief Librarians)
(LIMITED BY GUARANTEE)

Trustees' Report and Financial Statements
for the year ending 31 March 2023

Company Number: 07559747

Charity Number: 1176482

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The Board of Trustees (Trustees are also Company Directors)	Ayub Khan MBE	President
	Carol Stump	Past President (Resigned 31 March 2023)
	Edward Jewell (President-Elect)	Trustee appt 8 March 2023
	Kathryn Harrison	Honorary Treasurer
	Anthony Hopkins BEM	Trustee
	Emma Noyce	Trustee
	Diana Edmonds	Trustee appt 19 th June 2023
	Paraic McKenna	Trustee appt 19 th June 2023
	Sarah Garbacz	Trustee appt 19 th June 2023
	Peter Gaw	Trustee appt 19 th June 2023
	Francesca Hill	Trustee appt 19 th June 2023
	Benjamin Holden	Trustee appt 19 th June 2023
	Ilona Kish	Trustee (Resigned 19 June 2023)
	Neil MacInnes OBE	Trustee (Resigned 30 April 2023)
	Mark Freeman MBE	Trustee (Resigned 28th February 2023)
	Martin Burton BEM	Trustee (Resigned 31 st March 2023)
Company Secretary & Chief Executive	Isobel Hunter MBE	
Registered Office	Libraries Connected 3 rd Floor, Islington Central Library 2 Fieldway Crescent London N5 1PF	
Auditor	Sayer Vincent LLP Invicta House 108-114 Golden Lane London, EC1Y 0TL	
Bankers	Royal Bank of Scotland 13-15 London Road Southend-on-Sea, SS1 1PR	
Company Number	07559747	
Charity Number	1176482	

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Trustees' Report for the year ended 31 March 2023

The Trustees present their annual report with audited financial statement for the year ended 31 March 2023. The comparative figures are those for the year ended 31 March 2022.

Public benefit, mission and values

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The Objects of the Charity are to advance the education of the public by assisting in the establishment, maintenance, operation and development of libraries and library services in the United Kingdom (which are either public or from which the public may benefit) and to further such other charitable purposes consistent with the above as the Trustees, in their absolute discretion, shall determine.

Libraries Connected is the membership organisation for the public library sector in England, Wales and Northern Ireland, and the Crown Dependencies of Guernsey, Jersey and the Isle of Man.

Libraries Connected's vision is an inclusive, modern, sustainable and high-quality public library service at the heart of every community in the UK. We believe modern public libraries should be the cornerstone of the community and should deliver a diverse spectrum of local needs around information, learning, literacy, employment and digital skills, health, culture and leisure.

As a sector support membership organisation, our mission is to work in the sector, for the sector focussing on 4 key areas:

- **DRIVE:** We drive innovation by gathering evidence and testing new ideas at a national scale. We create insight and intelligence that individual library services can apply to their current needs and future plans: social, financial, and environmental. Our programmes are designed collaboratively with our members and delivered in partnership with leading organisations. Our goal is for all public library services to reach more people with more impact.
- **GROW:** We develop and foster skills for change within our own organisation and throughout the public libraries sector. We build leadership skills and provide senior managers with the tools to lead high quality library services rooted in evidence and best practice. We support the creation of an inspired and inclusive new generation of library workers, helping build a workforce that truly reflects the communities it serves. Our goal is for public library services to have the skills and diversity to be vital and enduring community institutions.
- **CONNECT:** By connecting individual public library services we amplify the efforts of our members and the sector as a whole. This allows us and our sector to promote a shared

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understanding of the value of libraries and their role in tackling society's biggest challenges, including inequality and climate change. Our events, online networks, and regional capacity-building programmes create powerful professional communities and decentralised leadership, which helps create a resilient libraries sector.

Our goal is to enable collaboration which creates greater ambition and more effective action, amplifying the work of our members and partners.

- **ENGAGE:** We represent our sector and our members. We influence local and national decision-makers with evidence, insight and policy proposals that realise the unique potential of public libraries. We provide clear value to our members, while serving the public library sector as a whole.

Our goal is for those within and beyond our sector to champion public libraries and invest in their potential, which in turn strengthens the benefits libraries provide to society.

Plans and future activities

This year the sector continued to rebuild and adapt after the pandemic, and meet the emerging needs of communities in response to increased costs of living. Despite continued unprecedented challenges, we are pleased to see public libraries and their relationship with their communities emerge stronger and more resilient than ever.

This has allowed us to reshape and focus our work around the actions and outcomes in our new strategy and business plan covering 2023 to 2027.

These plans and goals are outlined below in our 4 key areas of DRIVE, GROW, CONNECT and ENGAGE:

DRIVE:

What we will do:

Establish a Futures Hub for the libraries sector, a programme of collaborative research on the challenges and opportunities of the next decade including inequality, climate, technology and skills.

Establish a public libraries data and evidence observatory.

Support and promote a Public Library Service Accreditation Scheme.

Continue to deliver innovative practical and research projects based on the Universal Library Offers (Health and Wellbeing, Culture and Creativity, Information and Digital, and Reading), underpinned by the Vision and Print Impaired People's Promise and The Children and Young People's Promise.

Our goal:

The libraries sector has the skills, knowledge and resilience to meet the challenges of the next decade.

Robust data and evidence play a greater role in service design, decision making and learning by public libraries.

More library services demonstrate the highest standards in governance, service design, audience engagement and workforce development.

Library leaders have stronger evidence to demonstrate the core impacts libraries make. Libraries form new partnerships with other organisations.

Libraries leverage more funding from statutory, corporate and voluntary sources. Library workers have access to more practical tools and guidance to help deliver high quality events and activities.

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Launch an environmental sustainability strategy for the libraries sector through the Green Libraries Partnership.

Launch supply chain engagement programme, including series of nationally negotiated deals for all library services to use.

Develop new commercial offers and business case models.

GROW:

What we will do:

Establish career pathway research and engagement programme. Develop next generation skills programme.

Expand existing leadership and workforce development programme, including peer mentoring, bursaries, new learning modules and international networking opportunities.

Develop codified organisational models for library services.

Launch an equality, diversity and inclusion learning and development programme for library services.
Hold the Libraries Connected Awards each year.

CONNECT:

What we will do:

Stage three Thought Leadership events each year: seminar, webinar and conference.

Provide intensive support to two regions each year.

Establish a support and collaboration network for library services serving ACE Priority Places and Levelling Up for Culture Places.

The role of libraries in achieving net zero is established, understood and embedded throughout the libraries sector.

Library leaders can access practical tools, resources and advice to reduce emissions and increase sustainability.

Library services and their users benefit from greater value for money, efficiency and effectiveness in procurement of books, content, digital systems and equipment.

Library services become more financially sustainable by diversifying their income streams.

Our goal:

The existing and next generation of library workers benefit from increased career transparency and more inclusive recruitment and progression.

Library leaders are more empowered, skilled, and attuned to the needs of their communities.

There is less duplication of work when services are reorganised, and organisational models coalesce around proven types.

Libraries become models of inclusive, diverse, and accessible local services.

Successes are celebrated, shared, and documented, supporting a culture of ambition in the libraries sector.

Our goal:

The libraries sector has common positions on key issues, increasing profile and influence on policymakers and budget holders.

Leadership of the libraries sector is decentralised and national delivery capacity is replicated at a regional level.

Library leaders and policy makers have robust evidence on how libraries can help tackle geographical inequalities. Library services in levelling up areas have greater access to funding and partnership opportunities.

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Continue to support and develop Libraries Connected online networks.

Library workers have stronger peer-to-peer relationships within the sector, which builds resilience and innovation.

ENGAGE:

What we will do:

Establish a commission on libraries and disadvantage to review the evidence on the role of public libraries in reducing social, environmental, financial and health inequalities.

Strengthen existing partnerships and establish new strategic partnerships with other organisations

Launch a strategic advocacy programme, including toolkit, publications, briefings and roundtable events.

Execute an organisational communications strategy that delivers our key messages internally (to our membership and the libraries sector) and externally (policy makers, wider public and voluntary sectors).

Develop and execute a public affairs strategy to influence government on key policy issues relating to public libraries.

Our goal:

Leaders and policy makers beyond the sector champion public libraries and invest in their potential.

Libraries Connected has greater access to expertise, resources and funding to advance the aims and ambitions of the library sector.

Library leaders can draw on evidence-based core messages around libraries' social impact, to effectively influence local and regional decision makers.

Internal audiences are more involved with the work of Libraries Connected and have a better understanding of the benefits of membership. External audiences have a better understanding of the impact, breadth and reach of modern library services.

The views and interests of the libraries sector are better understood by senior decision makers and reflected in government policy.

Advocacy and services

Our members are at the heart of everything we do, and we regularly consult them about the development of our work through their presence on our Board, Advisory Committee, regional networks, Universal Library Offer networks and through various tailored consultation events and reference groups.

Libraries Connected is also committed to working in partnership with other agencies to deliver tangible benefits to library services. Libraries Connected could not have accomplished all that it has during this financial year without the efforts and expertise of our partners. We would like to thank them for all their support and look forward to our continued partnership.

- Arts Council England
- The Association of Senior Children's and Educational Librarians
- BBC
- Book Trust
- British Library
- Carnegie UK Trust
- Change of Perspective
- Chief Culture and Leisure Officers' Association

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- CILIP
- Department for Digital Culture Media & Sport
- Empathy Lab
- Family Arts Campaign
- Local Government Association
- Network of Bridge Organisations
- The Reading Agency
- Share the Vision
- Sopra Steria
- St Helens Arts in Libraries

Achievements and performance

Summary

This year was dominated by the energy and cost of living crises, two areas where libraries played a key role supporting their communities, most notably through “warm spaces”. We were able to support our members by raising awareness of this important community role, facilitating networking and knowledge-sharing opportunities, and representing the library sector as a member of the Warm Welcome Network steering group. This work attracted widespread interest from the media, through which we were able to raise the profile of public libraries and highlight the work of individual members as case studies and interviews.

The war in Ukraine also led to public libraries taking up an important role: supporting the Homes for Ukraine scheme through assisting with host and visa applications, providing welcome information and making available a range of materials in Ukrainian.

This year also saw the start of some major new projects for Libraries Connected, including Know Your Neighbourhood, Elicensing and the impact evaluation work with Libraries Connected East and the University of East Anglia. While very different, we hope all these projects will ultimately lead to public libraries making even more of an impact in their communities – leveraging our unique position as the national membership body for heads of library services.

Our regional and national member networks continued to thrive this year, demonstrating the power of collaboration and partnership. This is work we hope to build on next year with the launch of a new Regional Development Project. Meanwhile, our membership engagement activity – both online and offline – continued to bring library leaders together to offer support, share experiences and explore new approaches to developing their services.

As an organisation, we were able to continue the work started in the previous year in becoming more resilient, sustainable and influential. In November we learned that we were successful in a bid to Arts Council England to become an Investment Principles Support Organisation (IPSO), meaning we will support public library services to embed the Arts Council's Investment Principles (Ambition & Quality, Dynamism, Environmental

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Responsibility and Inclusivity & Relevance) in their work. This will enable us to deliver key projects and activities in our strategic plan, which we also launched this year.

As always, we worked with a very wide range of partner organisations this year. These included our principal funder Arts Council England, the Department for Culture Media and Sport, the BBC, CILIP, the British Library, Local Government Association and The National Archives, among many others.

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Major projects and activities

Warm Libraries

Libraries Connected took a leading role in promoting the role of libraries as “warm spaces” during the winter of 2022/23. We became an inaugural partner and steering group member of the Warm Welcome Network, which brought together libraries, churches, community centres and other free venues that provided warmth and activities during the winter months. We received a large number of media enquiries relating to warm spaces, through which we were able to promote the work of a number of local library services and emphasise the vital community role of libraries. This resulted in widespread media coverage of Libraries Connected and member library services, including on the BBC News at Ten (see Communications and advocacy below). We will again be a partner of the Warm Welcome Network next year.

Know Your Neighbourhood

This year we were successful in our bid to manage and distribute £2.5m to library services in 27 disadvantaged areas across England as part of strand 1 of the DCMS Know Your Neighbourhood Fund. The project aims to enable volunteering and tackle loneliness in these areas. A Review Panel will be established to consider proposals and a project board will monitor progress and provide guidance for the duration of the project. Library services in all of these areas are expected to deliver projects over the two years of the fund. Libraries Connected will also be commissioning the Strand 1 evaluator on behalf of ACE, working under the overarching evaluator commissioned by DCMS.

Coronation

We were awarded £165,000 (£1,000 for each library service in England) by Arts Council England as part of its work celebrating the coronation of King Charles III. We distributed the funds to library services, which were free to mark the occasion in whatever way they thought would be most relevant for their communities. Library services were encouraged to work regionally and pool their funds across the region and initially there was enthusiasm, however only two regions worked collaboratively. For the most part, this was due to library services feeling that they could have more impact at a local level to serve their particular community.

Leading Libraries

The Arts Council England Transforming Leadership Leading Libraries Programme which involved 60 library staff concluded with the evaluation report in May 2022 and dissemination events at the annual seminar and to a full staff meeting at CILIP. The programme evaluation highlighted many successes of the programme and also challenges of recruiting the diverse community we were hoping to achieve. In Autumn 2022 we started working with Research Libraries UK and CILIP to scope a new leadership programme. Evidence Base at Birmingham City University have been commissioned to conduct the scoping exercise to determine the appetite and potential structure of a new shared leadership programme. The scoping exercise will conclude in September 2023.

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eLicensing

In February 2023, following a successful bid for funding of £49,830 through Arts Council England, Libraries Connected moved from an eLicensing task and finish group onto project delivery. The eLicensing project aims to increase affordability and availability of digital content to public library services by looking at new and existing business models. Emma House from Oreham Group was commissioned as an appropriately skilled freelance to work with publishers, aggregators and public libraries. A pilot of the business models with a group of publishers, aggregators and libraries is expected to commence in January 2024.

Ukraine

During the early summer of 2022 as we began to see people arriving from Ukraine to seek safety in the UK, we worked on a number of projects to support libraries to offer support to Ukrainian Families. We worked with the Association of Ukrainian Women in Great Britain and Dr Ludmila Pekarska, Shevchenko Library and Archive to write a welcome leaflet in English and Ukrainian. We also worked in partnership with Kashfi's Children a charity which produces picture books for children displaced from their countries by war to give books to families via libraries and Family Hubs, and in partnership with The British Library and the Ukrainian Embassy distributed Ukrainian books to add to library collections. During this year we also made contact with Lyusyena Shum, Executive Director of Library Country a Ukrainian organisation supporting public libraries and in February we ran a joint webinar for our respective public library services. We shared information about the Universal Library Offers and learned more about the challenges faced by our Ukrainian colleagues. This is a partnership we are continuing to develop in 2023/2024.

Accreditation

In May we published a draft accreditation scheme for public libraries. This was the culmination of a two-year project that brought together a coalition of library bodies to help inform the purpose and design of the scheme, including CILIP, the British Library, Local Government Association and The National Archives. Structured around the themes of People, Place, Purpose and Policy, it is designed to measure how well library services engage with their communities, respond to local need, work in partnership with others and demonstrate inspiring leadership. We have now embarked on the next stage in the process: identifying a sponsoring body that can manage, assess and promote the public library accreditation scheme.

Rugby League World Cup

In the autumn of 2022 Libraries Connected partnered with Rugby League World Cup 2021 to deliver a programme of cultural events around the tournament – led by the Yorkshire and Humber regional group - involving more than 500 different libraries involved across 34 authorities in the north of England, running for the duration of the tournament and beyond.

Impact and Evaluation in public libraries in the East of England

In May we began coordinating a major research project to investigate the social value of public libraries in the Eastern Region, focusing on three areas: children's literacy, digital inclusion and health. The library services that make up Libraries Connected East commissioned, facilitated and contributed £50,750 to the research, with additional support of £30,000 from Arts Council England. The contract is managed jointly by Libraries

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Connected and Libraries Connected East. Following a tender process, academics from CreativeUEA and UEA Health Economics Consulting were appointed as research partners, embarking on a programme of extensive library visits, user interviews and statistical analysis. Alongside a final report, to be published in summer 2023, the research team will produce a transferable and replicable framework with which library services in all parts of the country can estimate the social value of their activities.

Data Strategy

Robust data on sector activity is a critical gap for the library sector. Libraries Connected has been tracking and sharing activity data, and is working with an Arts Council England coordinated sector group to improve the collection, analysis and sharing of library data.

Future Funding

We continue to deliver programme to support the development of income generation skills across the library sector. While this is funded by Arts Council England, we are making activities available across our membership, where possible.

Following the development of the programme with the pathfinder group, and delivery and refinement with three pioneer cohorts we have been able to offer a third delivery of the programme through budget savings and additional income from the UKVI service. This began in January 2023 for 8 months and because of the broader funding we were able to include participants from Wales and Northern Ireland too. 80 people have now participated in the programme.

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Universal Library Offers

Our Universal Library Offers are the essential things that libraries do. Developed with library leaders, frontline workers and users, they provide a framework for a high-quality library service, drive innovation and demonstrate the power of libraries to enrich lives. The Universal Library Offers help to build a consistent library service across the country but are flexible enough that libraries can respond to the needs of their communities. Each Offer has a national lead, usually a head of service, supported by Offer leads from each regional group.

Highlights from the Offers this year include:

Reading (delivered in partnership with The Reading Agency)

- Launching the Children's Literacy Manifesto in June 2022, in collaboration with the National Literacy Trust.
- Initiating a research project with the University of Coventry to explore library staff perceptions of diversity in library book collections.
- Supporting the pilot phase of Ask for a Book, the personalised book recommendation platform funded by Arts Council and led by Opening the Book.
- Working with the Reading Agency and BBC Arts to deliver the Big Jubilee Read, a jubilee-themed reading for pleasure campaign featuring a booklist of 70 titles produced by authors from across the Commonwealth. The campaign resulted in a 174% increase in library loans of the selected titles. As a result, a working group of key stakeholders, chaired by Arts Council England, was established to oversee a two-year reading promotion planned for 2024/5.
- Collaborating with the Reading Agency to introduce Reading Well for Teenagers, a book list promotion aimed at supporting young people's mental health.

Culture

- Developing and publishing a toolkit to support the range of summer cultural and sporting events.
- Partnering with the Reading Agency to develop The Storytrails project, a unique immersive storytelling experience in 15 libraries across the UK and Northern Ireland.
- Working with Caterina Loriggio who was commissioned to create a range of art and cultural resources for libraries to use with families during the Women's World Cup.

Information and digital

- Launching and embedding two new digital Learning Pool modules for library staff: Key Digital Skills and Media and Information Literacy. Over 1,800 library workers completed these new modules this year.
- Partnering with Good Things Foundation to create a research project.
- Actively contributing to both DCMS's Media Literacy Taskforce and the Media and Information Literacy Taskforce.
- Participating in a pilot project called Newswise, which was run by The Guardian Foundations and focused on family literacy.
- Showcasing the work of the I&D ULO (Information and Digital Universal Learning Offer) group at the Libraries Connected Virtual Conference held in March.
- Supporting LibraryOn: We provided support to the British Library's LibraryOn team.

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Health and wellbeing (delivered in partnership with The Reading Agency)

- Launching the new Reading Well for Teens list on World Mental Health Day, October 2022. The collection features 27 books and 10 digital resources chosen by health professionals with an emphasis on health and wellbeing for 13–18-year-olds in a post-pandemic context.
- Delivering the Reading Friends Visual Impairment project in partnership with Share the Vision in Hillingdon, Norfolk, Oldham and Portsmouth library services. The project aims to highlight the Vision and Print Impaired People's Promise and has been funded by the Ulverscroft Foundation.
- Working with Health Education England (HEE) to fund small scale pilots in libraries across England to explore ways in which health literacy, underpinned by digital literacy, can be embedded locally. HEE has trained nine regional ambassadors to progress this and is funding eight library services to pilot the development of health and digital literacy work.
- Launching a new framework to help libraries support homeless people. The Framework was launched in February 2023 and introduced by the Reading Agency at a homelessness webinar in March.

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Membership engagement

Annual Seminar

The 2022 annual seminar took place in June at Wyboston Lakes, in Bedfordshire. It focused on the evolving needs of communities as we emerge from the pandemic into an uncertain economic environment. Speakers included Christian Lauersen, Director of Libraries and Citizen Services in Roskilde Municipality, Denmark, Jan Brodowski, External Relations and Statistics Coordinator in Kraków Library in Poland, and Lord Parkinson, Minister for Arts and DCMS Lords Minister. The seminar was attended by 185 people, mainly Heads of Service with a few invited partners, and it was sponsored by 14 companies. Libraries Connected also offered six bursary places to aspiring leaders. Feedback showed delegates found the event useful and would recommend it to a colleague.

Libraries Connected Awards

The second round of the Libraries Connected Awards opened for nominations in October and over 100 entries were received. Judging took place in March and the winners were announced at the 2023 Annual Seminar in June. The awards were sponsored by OverDrive who doubled their contribution making it possible to invite the runners up to the seminar and hire professionals to support the ceremony.

Online networks

We continued to facilitate engagement between libraries via our online networks, driving innovation by connecting library staff. These networks also provide Libraries Connected with an insight into the key issues of the day, as well as a platform to quickly share news and information with members.

All networks continue to be well used. The Library Innovator's Network has over 1200 members and 1146 posts on the message board this year. The Head of Service Network had almost 1989 posts and only six library services are not represented.

An Innovation Gathering brought members of the Library Innovator's Network together in Birmingham on 2 March. The programme was designed with a group of library staff to showcase library innovation and promote networking. In addition to 10 ignite talks from library staff, the 71 attendees heard from Melanie Mesquita, Librarian at the Louis Michel Library in Paris, and Daniel Clark, Director of Creative Programme at The Story Museum in Oxford.

Online Courses

Five new courses were made available via our Learning Pool platform this year: in April we began hosting the Action Counter Terrorism (ACT) Awareness course; in May we released two new information & Digital Literacy modules which we'd developed with funding from DCMS (replacing the Digital Skill modules launched in 2018); in September the Leading Libraries course launched, developed as a legacy to the programme funded by ACE; and in December we added Mental Health Awareness, a course developed by Learning Pool.

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This year saw a 40% increase in both module enrolment and completions from the previous year, with 7,359 enrolments and 4,636 completions.

Webinars

We ran a varied programme of webinars throughout the year focusing on data, opportunities, service development and strategic insight. We held 52 webinars which were attended by 2,960 people and generated over 900 views on YouTube.

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Regional and national networks

Our regional and national membership networks continued to grow and develop. Highlights include:

North West

- Joining a discussion with Baroness Sanderson regarding the new library strategy. The focus was on how libraries support informal learning and our relationships with Adult Learning colleagues and providers.
- Participating in literary and cultural festivals across the region, including Lancaster Litfest, Manchester Literature Festival and the Eurofest.

North East

- Celebrating the Queen's Jubilee with a "Queen's Handbag" storytime event in each authority. The author Steve Antony provided activity sheets and we also gifted copies of the book to local school children. Northumberland Libraries had an online session with the author.
- Participating in The Northern Children's Book Festival, a celebration of books and reading which takes place annually in November. During the festival 21 authors visited the region, there were 100 sessions and the total audience was roughly 9500.
- Working on the redevelopment of Darlington Library and on the development of Culture House, a new library for Sunderland City Centre

West Midlands

- Holding the annual toolkit conference for frontline staff, in partnership with the West Midlands Readers' Network.
- Successfully testing Eduroam, a new concept using G5 technology rather than council IT systems, in Coventry and Warwickshire.
- Discussing a potential collaboration with The Space - an ACE-funded, Birmingham-based digital agency already working with Coventry - around VR and immersive content. The Space has proposed a three-year joint project across the region.
- Supporting the warm libraries initiative, in response to the cost-of-living crisis.
- Working with the Stephen Lawrence Trust to support exhibitions and activities across the region to mark the 30th anniversary of Stephen's death, on April 22.
- Celebrating King Charles's Coronation in May with big screens, royal-themed story times, other children's activities, and in-library street parties. Several members copied Staffordshire's plan to give all library visitors a seed bookmark or card, in the run-up to the Coronation.
- Conducting a survey of pay grades across the region, with particular focus on library assistant salaries. The survey revealed library authority pay ranges varied considerably, with the lowest starting salary for library assistants less than £19,000 pa and the highest upper limit more than £24,000 pa.

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Yorkshire & Humber

- Commissioning Activist Group to research and produce a business case on the options, benefits and recommendations for taking forward Yorkshire & Humber's ambitions for a fully integrated library management system. The network has agreed to re-procure a new framework contract that enables a completely integrated system using a single shared database for any of the 15 authorities who wish to join.
- Facilitating a regional programme of Coronation activity which complemented activity at an authority level. Consultant Sarah Tyson from Books Up North was commissioned to produce and co-ordinate the programme.
- Supporting ASCEL in delivering a second festival of visual literacy, Reading Pictures: Seeing Stories. Altogether, 14 out of the 15 regional library services participated in the delivery of 400 events with over 7,300 children attending. Legacies from the project include a toolkit on organising a regional festival and resources for each authority including books and drawing materials.
- Leading the Rugby World Cup library programme across 34 authorities in the north of England, The programme, involving 593 individual libraries kicked off on 26 September 2022, running for the duration of the tournament and beyond with 182 events taking place attended by 3,046 people. In addition, 12,500 people listened into Forty20 Live podcasts that were broadcast from local libraries.

East Midlands

- Working together on recommissioning the region's shared library management system and stock procurement arrangements.
- As the council for Libraries and Information East Midlands (LIEM), our regional cross sector training partnership, creating and delivering a staff training and development programme for the region and beyond.

East of England

- Working with Libraries Connected national team and the University of East Anglia on a major research project to investigate the social value of public libraries in the Eastern Region.

London

- Delivering the City of Stories Home – Creative Writing project funded by Arts Council England (£100K) and Cockayne Arts Foundation (£20K) across all 33 London library authorities. Twenty established and emerging writers were commissioned, with over 1,500 participants attending workshops and events. The programme was successful in engaging mainly new readers who had not previously attended our online events.
- Running audience development pilots in Barnet, Ealing, Kingston and Newham for communities most impacted by Covid. Run in partnership with Libraries Connected.
- Commissioning Activist and Homeless Link to develop and deliver a homelessness training pilot to five London boroughs, Barnet, Brent, Hillingdon, Islington and Newham. A total of 30 London library staff participated.

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- Establishing partnerships with The Goods Things Foundation and London Office of Technology & Innovation to support more Londoners to get online. All 33 boroughs committed to join the databank scheme.

South West

- Partnering with The Reading Agency to present The Big Jubilee Read: Journeys in the Commonwealth, celebrating great reads from across the Commonwealth.
- Pooling funding to commission local Bristol based artist, Emily Ketteringham, to design a range of creative activities that were delivered across the region to celebrate the Queens Jubilee.
- Working with the Eden Project and the National Wildflower Centre to distribute wildflower seeds alongside creative engagement activities under the banner 'Grow with your library'.
- Initiating the Word Live in Libraries - a regionwide 20-venue tour of diverse authors and creative practitioners, working with regional partners South Western Regional Library Services and Literature Works.

South East

- Re-establishing regional links with the national Universal Library Offers, including re-confirming all the regional leads. The refreshed South East ULO groups have all met once now and will grow from here.
- Offering a support network for Heads of Service on particular issues, including making direct approaches to support those Heads of services facing challenging local circumstances.
- Holding useful topic discussions on key themes relevant to the group including Coronation events, how to make the case for library space amongst the challenges of co-locating services, staff safety and wellbeing, and finance
- Hosting Baroness Sanderson and Sheila Bennett to discuss the emerging new national strategy for libraries.

Wales

- SCL Cymru have been working with the Welsh Government and Shared Intelligence to update the Welsh Public Library Standards. They have also engaged with consultants feeding ideas into the development of the Welsh Government Culture Strategy.
- Work to retender for LMS Cymru the shared LMS system is underway alongside the ongoing work on the consortium agreement, costings model etc.
- Delivered the 'Living Well in Wales with your library' campaign funded by the Welsh Government. It focused on connection, ageing well, health benefits of reading and parental mental health.
- Working with CILIP Cymru Wales who were awarded funding via Anti-Racist Wales Plan to research options for a training programme for library staff on collection management and activity programming.
- Conversations are ongoing around potential sector support capacity.

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Trustees' Report for the year ended 31 March 2023

Northern Ireland

- Continued to offer welcoming, free and inclusive spaces to diverse customers in a challenging climate of financial, societal and economic uncertainty.
- Carried out significant work to re-engage with customer post covid
- Promoted the cost of living crisis service offer through engaging with new and existing customers to help combat loneliness and social isolation through our range of services, activities, hard copy and online resources.
- Removed reservation charges and identification requirement for membership
- Focus on Greening NI Libraries programme, alongside an exhibition devised in partnership with Climate NI highlighting key impacts of climate change and detailing ten actions to mitigate/lessen these impacts. This toured 66 libraries.

As part of the work to support Ukrainian arrivals, we worked with partners, contributed content to council 'welcome' packs, provided Ukrainian information listings of libraries, alongside computers and wifi. We lent resources including e-books, Ukrainian and Russian language newspapers and magazines, Reachdeck translation software to ensure Ukrainians had a smooth transition to library membership.

Marketing, communications and advocacy

Marketing and communications

With a new Marketing and Advocacy manager in post, the focus this year has been on developing the organisation's communications capacity post-Covid, particularly in relation to the media. We subscribed to a specialist media relations database, allowing us to easily target relevant journalists, and issued regular press releases and comments throughout the year. In November the staff team completed media training, led by M2 consultants, which was also attended by the chair of London Libraries. As a result our media profile has grown significantly, with over 20 pieces of coverage in the national, local and trade media across the year, and broadcast coverage on the BBC News at Ten, BBC Radio 4's Moneybox and others.

Advocacy

This year we began a series of briefing papers to highlight key issues facing the libraries sector and provide our members with up-to-date statistics and case studies, with which to advocate internally for their service. Topics covered this year were the cost-of-living, warm spaces, Ukrainian refugees and support for business. These were widely welcomed by members, who reported finding them useful in raising the profile and priority of libraries within their authorities. In November, the Commons DCMS committee published a report on placemaking and the levelling up agenda which recommended that the government support and modernise libraries because they are "an important part of a community's infrastructure" – Libraries Connected was mentioned in the report and our response was reported by The Guardian. Also that month, we attended the meeting of the All Party Parliamentary Group on Libraries, Information and Knowledge, where we briefed Parliamentarians on the response of public libraries to the cost-of-living crisis. In March 2023, we submitted written evidence to the Lords Culture and Communications Committee on digital exclusion.

Digital

In May we launched an Instagram account, which has achieved 235,500 impressions this year. Our Twitter account grew by nearly 500 followers, with a total of 360,000 impressions. Next year we plan to launch a LinkedIn page. We added 17 videos to our YouTube channel, mostly recordings of webinars, increasing their accessibility and impact. We also continued our programme of monthly email newsletters, which achieved an above-average open rate of 27%.

LIBRARIES CONNECTED

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Trustees' Report for the year ended 31 March 2023

Governance and strategy

We launched a new Libraries Connected strategic plan November 2022 for 2023 to 2027. The plan presents a set of key projects and priorities for the next five years, with a focus on creating a more diverse library workforce, building a robust evidence base on the impact of libraries and developing a stronger voice for the sector as it works with local and national government. The plan is structured around four core areas of action: drive, grow, connect and engage. These are underpinned by principles of sustainability, diversity, collaboration and financial stability with a commitment to working both nationally and regionally.

We learned we were successful in our application to become an Investment Principles Support Organisation in Autumn 2022, meaning we will support public library services to embed the Arts Council's Investment Principles (Ambition & Quality, Dynamism, Environmental Responsibility and Inclusivity & Relevance) in their work.

Personnel

We welcomed our new Marketing and Advocacy Manager James Gray in April. Victoria Dilly left in the summer 2022 for a new education role with RHS and Simon Savidge completed his Storytrails contract and was appointed as the new project manager for the Universal Library Offers.

This year two members of staff left the organisation. One employee earns more than £70,000 per year.

We have consolidated our processes as a dispersed, national organisation with staff continuing to work primarily from home connected by weekly team meetings, and we ran a team awayday in July 2021.

We are grateful to our external contractors, as their support throughout the year has supported our successful operations as a dispersed organisation:

- HR advice: Populo HR
- IT support: Trouble Free IT
- Payroll: Willow Accountancy
- Legal advice: Sills & Betteridge LLP and Wrigley Solicitors LLP
- VAT advice: Rickard Luckin

Volunteers

Libraries Connected is supported by many volunteers from across our membership. These include Trustees, members of our Advisory Board, regional chairs, Universal Library Offer leads, and steering or reference groups.

Together, they make invaluable contributions to support our governance, strategic planning, fundraising, advocacy and programme development and delivery. We are extremely grateful to them all for their enormous contribution.

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Trustees' Report for the year ended 31 March 2023

Reserves policy

Libraries Connected has established a reserves policy which appropriately reflects the risks to which the charity is exposed. In compliance with such policy, it will review both the sum it wishes to hold in reserves in the unrestricted budget and the basis for that figure. The reserve does not consider expenditure which is linked to restricted earnings which are covered by restricted funds.

The purpose of the unrestricted funds is to support all day to day activities necessary at Libraries Connected programmes, and development of prospects; due consideration has been given to these activities in the annual review of reserves policy.

In reviewing the potential costs that arise should a significant reduction in income be incurred, the Trustees have determined that unrestricted reserves should be maintained at approximately three months running costs equating to £378,462. The Trustees manage Libraries Connected finances so that an adequate level of reserves can be maintained in compliance with the reserves policy. Following a concerted effort to build up reserve funds, at 31 March 2023 this was £830,654. The Trustees are aware this is over the minimum level of the reserves policy, so will review this in the first quarter of the new financial year.

Principal funding sources

Libraries Connected Trustees record their thanks to all those individuals and organisations who have funded our work. Arts Council England which has provided £509,200 for our work as a Sector Support Organisation, and an additional £1,298,173 for project funding in 2022-23 and will provide £509,200 next year to fund our work as a Investment Principles Support Organisation.

Our membership subscriptions continue to make an important contribution to our work nationally and regionally.

Investment activities

Under the memorandum and articles of association, the charitable company has the power to make investments as the trustees see fit. Investments are made where required to further the aims and objectives and objects of the charity. The charity does not currently hold any investments other than cash on deposit with the Royal Bank of Scotland.

Financial review

The organisation is substantially supported by Arts Council England.

In the reporting period £1,335,425 (2022: £1,182,338) was spent on charitable activities, while £22,878 (2022: £52,238) was spent on income generation resulting in £982,658 surplus (2022: £279,271). There was an expenditure on regional funds of £ 29,699 (2022: £81,768 surplus).

At the end of 2022/23, the charity total reserves now stand at £2,528,958 of which £426,527 is for regional funds and £1,260,741 is restricted funds, free reserves stand at £841,690 (2022: 745,909) at the year end.

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Trustees' Report for the year ended 31 March 2023

Related parties

A register of interests has been established for Trustees and management staff to declare any interests including as Trustees of other organisations.

Mark Freeman is a Trustee for Share the Vision, which provides Libraries Connected with funding towards a project manager post for the Universal Library Offers.

Martin Burton is an employee for South Gloucestershire Council which operates a UKVI service point as part of the contract that Libraries Connected has with Sopra Steria.

We work in partnership with a range of organisations, and our relationships are documented, as appropriate, by partnership agreements and Memoranda of Understanding.

Risk management

The Board maintains a corporate risk register which is reviewed at every Board meeting. Projects have their own more detailed risk registers, which feed into the corporate risk register.

The risk register sets out the risks, their likelihood and impact and the mitigation measures. The risks relate to delivery of our business plan and major funded projects, as well as to our reputation, corporate partnerships and standing with our members.

The Board's Finance and Remuneration Sub-Committee has a role to review our financial risks in more detail, and the Board also established a commercial projects sub-committee to manage the risks associated with our commercial projects.

The major risks for our work forward are around broadening our funding base, and the financial challenges that local government is facing.

In terms of our own funding base we are still very dependent on Arts Council England funding and we are seeking with our Commercial team and Regional Development Team to secure funding external to this through corporate partnerships and regional / national procurement.

Local government is facing significant funding pressure at the moment and we expect this to continue to have an impact on our members. We address these through continuing close engagement with our members and tailored support webinars and briefing, and for our own operations planning flexibly and with contingency plans to move face-to-face meetings online if necessary.

We are also addressing our own internal risks by continuing to develop our project management and project governance processes, and reviewing our financial and procurement policies.

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Trustees' Report for the year ended 31 March 2023

Going concern

The trustees have considered going concern and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. We have secured Arts Council England funding for our core activities for the next two years, and hope to meet the criteria to be eligible for a third year's core funding. In addition we have been diversifying our funding beyond this core grant, and have built up sufficient reserves to meet our reserves target.

Fundraising activities

This year, we secured a grant of £509,200 per year for 2023 and 2024 financial years from ACE as an Investment Principles Support Organisation.

We also secured additional grants from ACE for these projects:

- Libraries Celebrating the Coronation of King Charles II: £165,000 to provide a grant of £1,000 to each library service to run community events in the Coronation weekend
- Libraries and social impact evaluation: £30,000 to support research into evidencing social impact of library services in the East of England
- Know Your Neighbourhood Funding: £2,575,000 grant from February 2023 to June 2025 to support libraries to develop and deliver services to address loneliness and increase volunteering opportunities.
- E-licensing - £48,930 to develop and pilot improved licensing models for library e-books in collaboration with publishers and other stakeholders.

During the year, the Charity did not engage any professional fundraiser or commercial participator to carry out any fundraising activities; any such activity was performed internally by the charity's own staff in the course of their duties.

During the year, no complaints about fundraising activity were received by the charity, or by a person acting on its behalf for the purposes of fundraising.

We do not raise funding directly from the public, so do not make any contact with the public or vulnerable people in relation to funding or supporting our work.

Structure, governance and management

Constitution

Libraries Connected is a registered charity (Charity number: 1176482; Company number: 07559747) limited by guarantee in England and Wales. The Company was registered on 10 March 2011 and as a charity on 02 January 2018 and therefore is governed by a Memorandum and Articles of Association.

Management of the company is vested in the trustees who are also directors of the company. The address of the registered office is given in the charity information on page 3

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of these financial statements. The nature of the charity's operations and principal activities are to provide core services of information advice and support to all members in England and Wales.

In the event of charity being wound up, the liability in respect of the guarantee is limited to £1 per trustee of the charity.

Recruitment and appointment of trustees

The Trustees were appointed through a process of open recruitment run by the Libraries Connected executive. We have 11 trustees –The chair of the Trustees is the President, and this role is elected by the membership.

Pay and remuneration of the Senior Management Team is decided using the industry norm as a guide.

Trustees' Induction and training

All new Trustees are provided with a comprehensive induction to Libraries Connected, which include the Memorandum and Articles of Association, the current strategic plan, staffing structure, annual budget and a copy of the latest audited financial statements. The Trustees received details of their obligations under both the charity and company law. Following their appointment, the three new Trustees attended a trustees' induction course run by NCVO.

We also joined the Association of Chairs as a source of advice and development for our President.

We held a Board away day in October 2022 which focused on governance development and implementation of the new strategy.

Statement of responsibilities of the Trustees

The Trustees, who are also directors of Libraries Connected for company law, are responsible for preparing the Trustees' Annual report and the financial statement in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity 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
- Make judgements and estimates that are reasonable and prudent
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that Libraries Connected will continue in operation

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Trustees' Report for the year ended 31 March 2023

- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of Libraries Connected and enable them to ensure that the financial statement comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Libraries Connected and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Sayer Vincent LLP were appointed as auditor to Libraries Connected during 2022.

Statement of disclosure to the auditors

In so far as the trustees are aware: at the time of approving our trustees' annual report:

- There is no relevant audit information of which the charity's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of the information.

The report was approved by the Board of Trustees and signed on their behalf by:

Ayub Khan

Trustee and President

Date: 7 December 2023

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Independent auditor's report to the members of Libraries Connected

Opinion

We have audited the financial statements of Libraries Connected (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Libraries Connected's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not

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Independent auditor's report to the members of Libraries Connected

cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going

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Independent auditor's report to the members of Libraries Connected

concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

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Independent auditor's report to the members of Libraries Connected

- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Noelia Serrano (Senior statutory auditor)

13 December 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Libraries Connected

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted £	Restricted £	2023 Total £	Restated Unrestricted £	Restated Restricted £	2022 Total £
Income from:							
Charitable activities	2	509,200	1,299,840	1,809,040	514,300	553,145	1,067,445
Other income activities	3	525,232	–	525,232	446,310	–	446,310
Investment income		6,689	–	6,689	92	–	92
Total income		1,041,121	1,299,840	2,340,961	960,702	553,145	1,513,847
Expenditure on:							
Raising funds		22,878	–	22,878	52,238	–	52,238
Charitable activities							
Services to improve the public library	4	977,167	358,258	1,335,425	666,830	515,508	1,182,338
Total expenditure		1,000,045	358,258	1,358,303	719,068	515,508	1,234,576
Net income for the year	7	41,076	941,582	982,658	241,634	37,637	279,271
Transfers between funds	17	25,005	(25,005)	–	–	–	–
Reconciliation of funds:							
Total funds brought forward (restated)	17	1,202,136	344,164	1,546,300	960,502	306,527	1,267,029
Total funds carried forward		1,268,217	1,260,741	2,528,958	1,202,136	344,164	1,546,300

All of the above results are derived from continuing activities. Movements in funds are disclosed in Note 17 to the financial statements.

Libraries Connected

Balance sheet

Company no. 07559747

As at 31 March 2023

	Note	£	2023 £	Restated 2022 £
Fixed assets:				
Tangible assets	12		11,036	16,555
			<u>11,036</u>	<u>16,555</u>
Current assets:				
Debtors	13	1,122,008	1,815,279	
Cash at bank and in hand		2,344,946	1,077,598	
		<u>3,466,954</u>	<u>2,892,877</u>	
Liabilities:				
Creditors: amounts falling due within one year	14	(949,032)	(1,363,132)	
		<u>(949,032)</u>	<u>(1,363,132)</u>	
Net current assets			<u>2,517,922</u>	<u>1,529,745</u>
Total net assets			<u><u>2,528,958</u></u>	<u><u>1,546,300</u></u>
The funds of the charity:	17a			
Restricted income funds			1,260,741	344,164
Unrestricted income funds:				
General funds		841,690	745,909	
Regional funds		426,527	456,227	
		<u>1,268,217</u>	<u>-</u>	<u>1,202,136</u>
Total unrestricted funds			<u>1,268,217</u>	<u>1,202,136</u>
Total charity funds			<u><u>2,528,958</u></u>	<u><u>1,546,300</u></u>

Approved by the trustees on 7th December 2023 and signed on their behalf by Ayub Khan

Ayub Khan
Trustee and President

Libraries Connected

Statement of cash flows

For the year ended 31 March 2023

	2023 £	£	2022 £	£
Cash flows from operating activities				
Net income for the reporting period (as per the statement of financial activities)	982,658		279,271	
Depreciation charges	5,519		8,276	
Interest income	(6,689)		(92)	
Interest paid	–		451	
Decrease/(Increase) in debtors	693,271		(911,193)	
(Decrease)/Increase in creditors	(414,100)		832,953	
Net cash provided by operating activities	1,260,660		209,666	
Cash flows from investing activities:				
Purchase of fixed assets	–		(17,160)	
Net cash provided (used in) investing activities		–		(17,160)
Cash flows from financing activities:				
Interest received	6,689		92	
Interest paid	–		(451)	
Net cash (used in) financing activities		6,689		(359)
Change in cash and cash equivalents in the year	1,267,348		192,147	
Cash and cash equivalents at the beginning of the year	1,077,598		885,451	
Cash and cash equivalents at the end of the year	2,344,946		1,077,598	

1 Accounting policies

(a) General information and basis of preparation

Libraries Connected is a registered charity (Charity number 1176482) and a company (Company number: 07559747) limited by guarantee, incorporated in England and Wales. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member. The address of the registered office is 3rd Floor, Islington Central Library, 2 Fieldway Crescent, London N5 1PF. The nature of the charity's operations and principal activities are to provide core services of information advice and support to all members in England and Wales.

The charity is a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective from 1 January 2019, the Companies Act 2006 and the Company's Memorandum and Articles of Association.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest pound.

Going Concern

The trustees have considered going concern and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. We have secured Arts Council England funding for our core activities for the next two years, and hope to meet the criteria to be eligible for a third year's core funding. In addition we have been diversifying our funding beyond this core grant, and have built up sufficient reserves to meet our reserves target. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

(b) Fund accounting

The charity maintains various types of funds as follows.

Unrestricted funds

Unrestricted funds represent income which is expendable at the discretion of the Trustees in the furtherance of the objects of the charity.

Designated funds - Regional funds:

Regional funds represent those funds held on behalf of regions.

Restricted funds

Restricted income represent income that can be spent wholly and exclusively on the project in line with the funding contract.

(c) Incoming resources from other trading activities

Incoming resources from other trading activities relates to membership subscriptions for services provided by the organisation. They are included in the year in which they are receivable, which is when the charity becomes entitled to the resource and the amount can be quantified with reasonable accuracy. These are valued at the estimated value to the charity of the services received.

1 Accounting policies (continued)

(d) Incoming resources from charitable activities

Incoming resources from charitable activities relates to performance related grants, mostly received from Arts Council England. Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, as it is probable that income will be received.

Deferred income represents amounts received for future periods and is released to incoming resources in the period in which it is earned. Investment income is included in the SOFA in the year in which it is receivable.

(e) Resources expended and basis of allocation of costs

Expenditure is recognised on an accrual basis as a liability is incurred, inclusive of VAT which cannot be recovered. Grants payable are charged in the year they become payable. Grants are available to qualifying persons upon submission of a relevant and reasonable application. Consideration of such application is made on an individual basis at meetings of management who decide upon the most deserving recipients. Grants payable should be recognised when the commitment is made which might be different to when the grant is payable.

Other resources expended are allocated directly to the activity where the cost relates to the activity.

Support costs have been allocated between charitable activities. Costs that are not wholly attributable to an expenditure category have been apportioned to each activity on an estimate of staff time.

(f) Costs of raising funds

Costs of raising funds comprise costs incurred in the pursuit of the charitable objects of the charity. Those costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs

(g) Costs of generating voluntary funds

Costs of charitable activities comprise costs incurred in the pursuit of the charitable objects of the charity. Those costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs.

(h) Charitable activities

Costs of charitable activities comprise costs incurred in the pursuit of the charitable objects of the charity. Those costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs.

1 Accounting policies (continued)

(i) Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity such as cost of board meetings, statutory compliance and costs linked to strategic management of the charity.

(j) Cash and Cash equivalent

Cash and cash equivalents comprise cash at bank and in hand and deposits held by the banks.

(k) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Fixed assets costing more than £150 are capitalised and included on the balance sheet at cost.

Fixed assets are depreciated on a reducing balance basis so as to write off the cost, less anticipated residual value, over their anticipated useful lives, subject to annual review, as follows:

Fixtures & Fittings	33.30%
Computer equipment	33.30%

(l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(m) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(n) Pension cost

The charity contributes to a stakeholder pension scheme by employees or contributes towards employee's personal pension schemes. The cost of the contributions is charged to the Statement of Financial Activities (SOFA) when the cost is incurred.

(o) Critical accounting estimates and areas of judgement

In the view of the Trustees, applying the accounting policies, no judgements were required that have a significant effect on the amounts recognised in the financial statements, or assumptions made carry a significant risk of material adjustment in the next financial year.

Libraries Connected

Notes to the financial statements

For the year ended 31 March 2023

2 Income from charitable activities

	Unrestricted £	Restricted £	Regional designated funds £	2023 Total £	Restated Unrestricted £	Restated Restricted £	Regional designated funds £	Restated 2022 Total £
Arts Council Grants	509,200	1,298,173	–	1,807,373	497,300	553,145	–	1,050,445
Other Grants		1,667	–	1,667	17,000	–	–	17,000
	509,200	1,299,840	–	1,809,040	514,300	553,145	–	1,067,445

Some of prior year figures have been re-classified from unrestricted to restricted, see note 18

3 Income from other income activities

	Unrestricted £	Restricted £	Regional designated £	2023 Total £	Unrestricted £	Restricted £	Regional designated £	2022 Total £
Seminar	94,702	–	–	94,702	114,165	–	–	114,165
Regional network	–	–	93,224	93,224	–	–	148,600	148,600
Programme	149,233	–	–	149,233	29,844	–	–	29,844
Subscription	81,622	–	–	81,622	77,952	–	–	77,952
UK visa and immigration	106,452	–	–	106,452	75,749	–	–	75,749
	432,009	–	93,224	525,232	297,710	–	148,600	446,310

4 Resources expended on charitable activities

	Unrestricted £	Restricted £	Regional £	2023 Total £	Unrestricted £	Restricted £	Regional £	2022 Total £
<i>Cost of charitable activities:</i>								
Direct staff costs	474,327	44,657	–	518,984	246,951	288,576	–	535,527
Core objectives	178,982	308,987	–	487,969	59,170	226,932	–	286,102
Member services	53,713	–	–	53,713	113,698	–	–	113,698
Overheads	76,955	4,614	–	81,569	140,257	–	–	140,257
Support and governance costs (note 6)	64,749	–	–	64,749	31,646	–	–	31,646
Regional network programme	–	–	122,923	122,923	–	–	66,832	66,832
Depreciation	5,519	–	–	5,519	8,276	–	–	8,276
	854,244	358,258	122,923	1,335,425	599,998	515,508	66,832	1,182,338

Some of prior year figures have been re-classified from unrestricted to restricted see note 18.

5 Charitable activities

	Direct staff costs £	Other direct costs £	Support & Governance £	2023 Total £	Direct staff costs £	Other direct costs £	Support & Governance £	2022 Total £
Cost of charitable activities	518,984	751,692	64,749	1,335,425	535,527	548,333	31,646	1,115,506

6 Support and governance costs

	Support £	Governance £	2023 Total £	Support £	Governance £	2022 Total £
General costs	2	1,969	1,971	8,300	–	8,300
Accountancy	15,033	951	15,984	1,151	–	1,151
Human Resources	7,225	–	7,225	–	–	–
Legal & Professional	1,838	–	1,838	–	–	–
Financial reporting (payroll)	2,389	–	2,389	(1,413)	–	(1,413)
Audit fees	–	24,915	24,915	–	13,495	13,495
Meeting cost	–	10,428	10,428	–	10,113	10,113
	26,487	38,262	64,749	8,038	23,608	31,646

Support costs are allocated to activities based on an assessment of the time spent by staff on each activity.

Notes to the financial statements

For the year ended 31 March 2023

7 Net income for the year

This is stated after charging:

	2023 £	2022 £
Depreciation	5,519	8,276
Auditor's remuneration (excluding VAT):		
Auditor's fee	11,400	9,900
Under accrual from prior year	15,015	3,595

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	425,984	467,723
Social security costs	42,083	44,484
Pension costs	21,195	23,320
Redundancy and termination costs	29,721	–
	518,984	535,527

The redundancy and termination costs were accrued at the balance sheet date. These costs were settled and paid on 30/5/2023.

The following number of employees received employee benefits (excluding employer pension costs and employer's

	2023 No.	2022 No.
£60,000 - £69,999	2	0
£70,000 – £79,999	1	1

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £87,797 (2022: £82,265).

The charity trustees were neither paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £4,404 (2022: £10,113) incurred by 7 (2022: 13) members relating to attendance at meetings of the trustees.

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 12 (2022: 13).

	2023 No.	2022 No.
Chief Executive	1.0	1.0
Communications Manager	1.0	2.0
Membership Manager	1.0	1.0
Finance Manager	1.0	1.0
Programme Director	1.0	1.0
Commercial Director	1.0	1.0
Project Manager	2.0	3.0
Administrative	4.0	3.0
	12.0	13.0

10 Related party transactions

A register of interests has been established for Trustees and management staff to declare any interests including as Trustees of other organisations.

Mark Freeman is a Trustee for Share the Vision, which provides Libraries Connected with funding towards a project manager post for the Universal Library Offers.

Martin Burton is an employee for South Gloucestershire Council which operates a UKVI service point as part of the contract that Libraries Connected has with Sopra Steria.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

11 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12 Tangible fixed assets

	Computer equipment £	Fixtures and fittings £	Total £
Cost			
At the start of the year	34,409	3,604	38,013
Additions in year	–	–	–
At the end of the year	34,409	3,604	38,013
Depreciation			
At the start of the year	18,567	2,891	21,458
Charge for the year	5,281	238	5,519
At the end of the year	23,848	3,129	26,977
Net book value			
At the end of the year	10,561	475	11,036
At the start of the year	15,842	713	16,555

All of the above assets are used for charitable purposes.

13 Debtors

	2023 £	Restated 2022 £
Trade debtors	701,570	1,798,529
Other debtors	306,434	–
Accrued income	114,004	16,750
	1,122,008	1,815,279

Libraries Connected

Notes to the financial statements

For the year ended 31 March 2023

14 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	72,217	70,387
Accruals	79,737	31,880
Deferred income (note 15)	69,408	58,377
Other creditors	727,670	1,202,488
	949,032	1,363,132

15 Deferred income

Deferred income comprises invoices issued in financial year for a seminar which are to take place in June 2022.

	2023 £	2022 £
Balance at the beginning of the year	58,377	–
Amount released to income in the year	(58,377)	–
Amount deferred in the year	69,408	58,377
	69,408	58,377

16a Analysis of net assets between funds (current year)

	Unrestricted £	Regional £	Restricted £	Total funds £
Tangible fixed assets	11,036	–	–	11,036
Current assets	1,779,686	426,527	1,260,741	3,466,954
Creditors: amount falling within one year	(949,032)	–	–	(949,032)
Net assets at 31 March 2023	841,690	426,527	1,260,741	2,528,958

16b Analysis of net assets between funds (prior year) restated

	Unrestricted £	Regional £	Restricted £	Total funds £
Tangible fixed assets	16,555	–	–	16,555
Current assets	2,092,486	456,227	344,164	2,892,877
Creditors: amount falling within one year	(1,363,132)	–	–	(1,363,132)
Net assets at 31 March 2022	745,909	456,227	344,164	1,546,300

Libraries Connected

Notes to the financial statements

For the year ended 31 March 2023

17a Movements in funds (current year)

	Restated At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Restricted funds:					
Accreditation	11,203	–	(3,202)	–	8,001
Impact & Eval in the East of England	85,000	35,000	(40,000)	(38,000)	42,000
Future Funding	54,384	–	–	(54,384)	–
Future Funding Phase 2	21,188	2,855	(40,571)	54,384	37,856
Transforming Leadership	(39,222)	34,200	(13,639)	18,661	–
Marketing the Library	28,544	5,500	(19,436)	(9,139)	5,469
Novels	25,567	(2,465)	(28,242)	5,140	–
E-Licensing	–	24,915	(1,000)	–	23,915
Coronation	–	150,000	(30,000)	–	120,000
Know Your Neighbourhood	–	1,002,943	(9,822)	–	993,121
Peer Mentorship	–	10,800	(9,180)	–	1,620
Apprenticeships	–	5,425	(2,666)	–	2,759
Developing Regional Support	–	7,500	–	–	7,500
Jubilee	157,500	17,500	(148,000)	–	27,000
Library & Literacy	–	4,000	(12,500)	–	(8,500)
Cilip – Green Libraries	–	1,667	–	(1,667)	–
Total restricted funds	344,164	1,299,840	(358,258)	(25,005)	1,260,741
Unrestricted funds:					
Regional funds	456,227	93,224	(122,923)	–	426,527
General funds	745,909	947,897	(877,122)	25,005	841,690
Total unrestricted funds	1,202,136	1,041,121	(1,000,045)	25,005	1,268,217
Total funds	1,546,300	2,340,961	(1,358,303)	–	2,528,958

The narrative to explain the purpose of each fund is given at the foot of the note below.

17b Movements in funds (prior year) restated

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
Accreditation	46,701	12,846	(48,344)	–	11,203
Impact & Eval in the East of England	–	85,000	–	–	85,000
Future Funding	43,818	15,000	(4,434)	–	54,384
Future Funding Phase 2	65,089	125,421	(169,322)	–	21,188
Transforming Leadership	66,162	75,060	(180,444)	–	(39,222)
Marketing	–	52,500	(23,956)	–	28,544
Novels	84,757	29,818	(89,008)	–	25,567
Jubilee	–	157,500	–	–	157,500
Total restricted funds	306,527	553,145	(515,508)	–	344,164
Unrestricted funds:					
Regional funds	374,459	148,600	(66,832)	–	456,227
General funds	586,043	812,102	(652,236)	–	745,909
Total unrestricted funds	960,502	960,702	(719,068)	–	1,202,136
Total funds	1,267,029	1,513,847	(1,234,576)	–	1,546,300

Purposes of restricted funds

E-Licensing

In February 2023, following a successful bid for funding of £49,830 through Arts Council England, Libraries Connected moved from an eLicensing task and finish group onto project delivery. The eLicensing project aims to increase affordability and availability of digital content to public library services by looking at new and existing business models.

Coronation

We were awarded £165,000 (£1,000 for each library service in England) by Arts Council England as part of its work celebrating the coronation of King Charles III. We distributed the funds to library services, which were free to mark the occasion in whatever way they thought would be most relevant for their communities.

Know Your Neighbourhood

This year we were successful in our bid to manage and distribute £2.5m to library services in 27 disadvantaged areas across England as part of strand 1 of the DCMS Know Your Neighbourhood Fund. The project aims to enable volunteering and tackle loneliness in these areas.

Peer Mentorship

Arts Council England grant of £21,600 towards the costs of establishing This is a structured mentoring scheme to help HoS access support tailored to their needs, and ensure that the support is provided by a wide number of HoS and not falling disproportionately on the shoulders of a few. Funds will support the set-up of the scheme with the intention that it can then be managed and sustained through LC's core resources and members' networks.

Apprenticeships

Arts Council England grant of £10,850 towards the costs of establishing a peer network for public libraries to support their work to offer high quality apprenticeships, kickstart opportunities and other employment training schemes.

Developing Regional Support

Programme exploring how to most effectively provide support to our regional groups.

Library & Literacy

Grant from Arts Council England of £20,000 to develop an evidence based report on libraries' role in literacy recovery in partnership with the National Literacy Trust. The funding is part to Libraries Connected, and part shared onwards to the National Literacy Trust – the timing of payments this has resulted in the negative balance carried forward at the year end.

Accreditation for public libraries

Grant of up to £128,456 towards the costs of scoping and developing through co-creation a form of accreditation for the statutory public library network in England, with potential for this to apply across other jurisdictions, and to include proposals for implementation, governance and sustainable administration. The grant was to support the costs of expert contractors, board and steering group meetings, webinars for libraries and project management.

Library Impacts in the East

Grant of up to £30,000 towards the costs of commissioning, supporting and publishing independent research to help measure, manage and evidence the impact of social connections in public libraries in the East of England. This included £55,000 from the libraries in the East of England. We commissioned Creative UEA to carry out the research which was published in June 2023.

Commercial Income Generation Capacity Building phase 1: "Future Funding"

Grant of up to £150,000 towards the costs of the first phase of researching, developing and promoting a knowledge base and resources for the public library sector to increase their capacity for income generation through individual service initiatives and participation in national programmes. The funding supported the costs of an expert contractor, consultation and meeting costs with a steering group and project management.

Purposes of restricted funds (continued)

Commercial Income Generation Capacity Building phase 2: "Future Funding"

Grant of up to £313,553 towards the costs of delivering the programme developed in the R&D phase 1 project to promote a knowledge base and resources for the public library sector to increase their capacity for income generation through individual service initiatives and participation in national programmes. The funding supported the costs of an expert contractor to deliver and develop the training programme and resources, venue costs, resource production and project management and evaluation. Through management of project costs we were able to offer an additional programme which ran from January to August 2023.

Transforming Leadership: "Leading Libraries"

A grant of up to £342,000 towards the costs of a leadership programme for libraries, with a focus on fostering diverse leadership and taking an innovative "whole service" approach. The funding will support the costs of an expert contractor, venue and travel costs for training sessions, resource production, webinars, project management and evaluation.

Marketing the Library

A grant of up to £35,000 towards the costs of commissioning a capacity building programme for public libraries in England to develop their skills and abilities to deliver professional, targeted marketing campaigns that will attract audiences as services emerge from the pandemic. The funding will support the costs of an expert contractor to work with two networks of libraries, digital marketing campaigns, training webinars, training resources and project management and evaluation.

Novels that Shaped Our World Community Festival

£253,680 towards the costs of a programme to engage diverse audiences with reading, using creative approaches. The funding will support project management; grants for libraries to deliver creative activities with commissioned artists, performers, writers; training sessions for the libraries; evaluation and marketing.

Transfers – transfers have been incurred during the year, as a result of the following

Impact and evaluation in the East: Combining duplicate funds, and brought forward overstated, due to costs incurred in prior year but not allocated.

Future Funding: Transfer from phase 1 to phase 2 of programme.

Transforming leadership: Combining duplicate funds and to balance against previous year transfer

Marketing the Library: Reassigning incorrectly allocated funds to this project.

Novels: Represents agreed Libraries Connected contribution.

Purposes of designated funds

The regional funds are levied by each of our regional networks. The funds are designated for use in each region, on purposes such as staff training, regional programmes, grants to libraries within the region, freelance admin and project management support and match funding for regional project grants.

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

19 Prior year Adjustment

Reserves position	Unrestricted 31 March 2022 £	Restricted 31 March 2022 £	Total £	Unrestricted 1 April 2021 £	Restricted 1 April 2021 £	Total £
Funds previously reported	1,248,252	298,048	1,546,300	1,161,682	105,347	1,267,029
Adjustments on transition						
Correction between Restricted and Unrestricted	(46,116)	46,116	–	–	–	–
Funds restated	1,202,136	344,164	1,546,300	960,502	306,527	1,267,029

It was noted in the year, that some of the income streams should be reported as restricted, this correction was to update the income brought forward and carried forward funds.