

THE JAMES RECKITT LIBRARY ENDOWMENT

England & Wales · Charity number 225497

Details

Other names	THE JAMES RECKITT LIBRARY TRUST
Status	Registered
Legal form	Other
Registered	1964-02-05
Register	View on the Charity Commission register

Contact

Address	Corporate Finance City Treasury Hull City Council Guildhall Road Hull HU1 2AB
Phone	01482613282
Email	corpfinanceplanning@hullcc.gov.uk

Activities

Objects: 1. TO PROVIDE OR ASSIST IN THE PROVISION OF STAFF, PUBLIC SERVICES, EQUIPMENT AND FACILITIES FOR PUBLIC LIBRARIES IN HULL, AND THE REFURBISHMENT OF SUCH LIBRARY BUILDINGS WHEREBY THE SERVICES PROVIDED TO THE PUBLIC IN THOSE LIBRARIES WILL EXCEED THE PUBLIC LIBRARIES STANDARDS AS PRESCRIBED BY CENTRAL GOVERNMENT, AND2. TO PROVIDE OR ASSIST IN THE PROVISION OF ADDITIONAL STAFF, SERVICES AND FACILITIES IN ORDER TO BRING PUBLIC LIBRARY SERVICES TO THOSE LIVING, STUDYING AND WORKING IN HULL, INCLUDING THOSE WHO WOULD OTHERWISE MAKE LITTLE OR NO USE OF THE FACILITIES.

Activities: For the maintenance of the public library

Classification

- **How:** Provides Other Finance
- **What:** Education/training
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** HULL
- Kingston Upon Hull City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£506,080	£612,801	£17,670,309	0
2024-03-31	£471,359	£370,535	-	-
2023-03-31	£417,416	£451,895	-	-
2022-03-31	£346,917	£408,458	-	-
2021-03-31	£320,301	£360,851	-	-

Trustees

Name	Role	Appointed
CHLOE JANE FRANKISH	Chair	2019-01-22
COUNCILLOR HAROLDO HERRERA-RICHMOND		2021-05-20
Councillor Robert James Pritchard		2024-05-16
PROFESSOR GRAHAM CHESTERS		
Patricia Mary Dalby		2024-01-22

THE JAMES RECKITT LIBRARY ENDOWMENT

England & Wales - Charity number 225497

Accounts

Report of the Trustees and
Financial Statements
for the Year Ended 31st March 2025
for
The James Reckitt Library Endowment

Sadofskys
Statutory Auditors
Princes House
Wright Street
Kingston upon Hull
HU2 8HX

The James Reckitt Library Endowment

Contents of the Financial Statements
for the year ended 31st March 2025

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The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2025**

The trustees present their report with the financial statements of the charity for the year ended 31st March 2025. The trustees have adopted the provisions of 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 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives, aims and public benefit

In 1889 Sir James Reckitt founded at his own expense the James Reckitt Library in East Hull, the first free public library in the city. A Trust was established to take responsibility for it, and the trustees were vested with 'estate and effects' to fund its maintenance and development. These 'estate and effects' form the Endowment Fund referred to in the accompanying accounts.

In October 2008, the Charity Commission approved a scheme to vary the objects of the Trust. The management and use of the endowment was made the responsibility of a newly-constituted charitable trust regulated by the Charity Commission. Today the trust helps to develop public library provision throughout the city, and is responsible for the largest charitable endowment in the country devoted exclusively to public libraries.

The objectives of the charity are set out in the Trust's 2008 governing document:

- to provide or assist in the provision of staff, public services, equipment and facilities for public libraries in Hull, and the refurbishment of such library buildings whereby the services provided to the public in those libraries will exceed the public libraries standards as prescribed by central government, and
- to provide or assist in the provision of additional staff, services and facilities in order to bring public library services to those living, studying and working in Hull, including those who would otherwise make little or no use of the facilities.

Funding from The James Reckitt Library Trust is designed to ensure that modern public libraries remain at the heart of the city's development. Over the past fourteen years the trust has awarded over £7 million to projects and activities designed to extend the scope and impact of Hull's libraries.

The trustees apply the income to a wide range of projects that benefit the users of public libraries in Kingston upon Hull. The trustees are of the opinion that they have complied with the duty in Section 4 of the Charities Act 2011 with regard to public benefit guidance published by the Charity Commission.

ACHIEVEMENTS AND PERFORMANCE

During the year ended 31 March 2025, a total of £523,070 (2024: £288,129) was spent on approved projects.

Income generated from investments during the year was £506,080 (2024: £471,359). Total expenditure for the year was £612,801 (2024: £370,535).

During the year, trustees approved further funding for The Big Malarkey, Hull Libraries events and the Big Hull Quiz. Ongoing projects, including Curiosity continued to receive funding.

FINANCIAL REVIEW

Financial position

The financial position of the charity is strong with net assets at 31 March 2025 amounting to £17,670,309 (2024: £17,784,962).

Investment policy and objectives

The trustees reviewed and approved the Statement of Investment Policy, the aim of which is to minimise the financial risk whilst seeking to maintain adequate levels of income. This policy will be reviewed annually.

The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2025**

FINANCIAL REVIEW

Reserves policy

The Trustees of the James Reckitt Library Trust have adopted the following reserves policy;

The Trust has two sources of funds available for projects and its running costs: recurrent income and historic reserves. The historic reserves primarily arose following the accumulation of income in the years prior to the passing of the Charity Commission Scheme on 20 October 2008.

As well as spending money on annual projects, the Trustees may from time to time identify strategic projects that it wishes to support over the longer term. In such cases, the Trustees may withhold some of the recurrent income and/or use some of the historic reserves to fund these projects.

Unrestricted funds of £814,413 (2024: £849,119) are held principally to fund current and future projects.

Cash balances held within the investment portfolio are maintained for tactical reasons for future trading opportunities.

Going concern

The Charity has sufficient reserves to enable any debts to be paid as they fall due. The Trustees do not foresee any problems in the next 12 months from the date that these financial statements are authorised for issue and therefore consider it appropriate for the accounts to be prepared on the going concern basis.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is an unincorporated charity that is governed by a Charity Commission Scheme dated 20 October 2008. The charity is registered with the Charity Commission under registration number 225497.

Recruitment and appointment of new trustees

Nominated trustees must be appointed by Kingston upon Hull City Council.

Co-opted trustees must not be members of Kingston upon Hull City Council and must have special knowledge of the work and activities undertaken by the charity. The trustees must be appointed at a special meeting.

An appointment may, but need not, be made before the date on which the term of office of an existing co-opted trustee comes to an end, to take effect on that date. In these circumstances;

- the appointment may not be made more than 3 months before the date on which the existing co-opted trustee's term of office is due to end.
- Any co-opted trustee whose term of office is about to come to an end must not vote in favour of their own re-appointment.

Each appointment must be for a term of 4 years.

Organisational structure

Kingston upon Hull City Council is the Custodian Trustee of the charity. This means that any assets are held by Kingston upon Hull City Council. The charity is in all other respects independent of the Council. The trustees have authorised RBC Brewin Dolphin to hold the charity's investments in the name of RBC Brewin Dolphin's nominee company.

The charity is managed by a board of five trustees comprising three co-opted trustees appointed through application and competitive selection and two trustees nominated by the Council. The trustees meet for quarterly management meetings plus other meetings from time to time.

The charity currently procures financial and secretarial support from Kingston upon Hull City Council. These services are open to competitive tender.

Induction and training of new trustees

Each trustee on their appointment is given a copy of the scheme document together with any amendments made to it and a copy of the latest charity report and the accounts.

The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2025**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Charity has identified the risks to which it may be exposed and has implemented a risk management strategy which comprises:

- an annual review of the risks which the Charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the Charity should any of those risks materialise.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

225497

Principal address

Kingston upon Hull City Council
Guildhall
Alfred Gelder Street
Kingston upon Hull
HU1 2AA

Trustees

Nominated Trustees
Councillor H Herrera-Richmond
Councillor Pritchard

Co-opted Trustees

Mrs C J Frankish (Chair)
Professor G Chesters
Mrs P Dalby

Auditors

Sadofskys
Statutory Auditors
Princes House
Wright Street
Kingston upon Hull
HU2 8HX

Bankers

National Westminster Bank plc
34 King Edward Street
Hull
East Yorkshire
HU1 3SS

Investment Managers

Brewin Dolphin Ltd
Time Central
Gallowgate
Newcastle upon Tyne
NE1 4SR

The James Reckitt Library Endowment

Report of the Trustees
for the year ended 31st March 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 23rd October 2025 and signed on its behalf by:

Mrs C J Frankish – Chair of Trustees

**Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment**

Opinion

We have audited the financial statements of The James Reckitt Library Endowment (the 'charity') for the year ended 31st March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 the charity'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not 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.

In connection with our audit of the financial statements, 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with the trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, the Charities Statement of Recommended Practice (SORP), taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charities' legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

Date: 24th October 2025

The James Reckitt Library Endowment

Statement of Financial Activities
for the year ended 31st March 2025

	Notes	Unrestricted fund £	Endowment fund £	2025 Total funds £	2024 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	2	<u>506,080</u>	<u>-</u>	<u>506,080</u>	<u>471,359</u>
EXPENDITURE ON					
Raising funds	3	9,235	72,015	81,250	74,963
Charitable activities	4				
Expenditure on approved projects		523,070	-	523,070	288,129
Governance costs		3,720	-	3,720	3,240
Other		<u>4,761</u>	<u>-</u>	<u>4,761</u>	<u>4,203</u>
Total		<u>540,786</u>	<u>72,015</u>	<u>612,801</u>	<u>370,535</u>
Net gains/(losses) on investments		<u>-</u>	<u>(7,932)</u>	<u>(7,932)</u>	<u>1,506,953</u>
NET INCOME/(EXPENDITURE)		(34,706)	(79,947)	(114,653)	1,607,777
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>849,119</u>	<u>16,935,843</u>	<u>17,784,962</u>	<u>16,177,185</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>814,413</u></u>	<u><u>16,855,896</u></u>	<u><u>17,670,309</u></u>	<u><u>17,784,962</u></u>

The notes form part of these financial statements

The James Reckitt Library Endowment

Balance Sheet
31st March 2025

	Notes	Unrestricted fund £	Endowment fund £	2025 Total funds £	2024 Total funds £
FIXED ASSETS					
Investments	9	-	16,833,617	16,833,617	16,909,805
CURRENT ASSETS					
Debtors	10	908,257	8,629	916,886	912,739
Investments	11	<u>19,649</u>	<u>31,778</u>	<u>51,427</u>	<u>53,175</u>
		927,906	40,407	968,313	965,914
CREDITORS					
Amounts falling due within one year	12	<u>(113,493)</u>	<u>(18,128)</u>	<u>(131,621)</u>	<u>(90,757)</u>
NET CURRENT ASSETS		<u>814,413</u>	<u>22,279</u>	<u>836,692</u>	<u>875,157</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>814,413</u>	<u>16,855,896</u>	<u>17,670,309</u>	17,784,962
NET ASSETS		<u>814,413</u>	<u>16,855,896</u>	<u>17,670,309</u>	<u>17,784,962</u>
FUNDS	13				
Unrestricted funds				814,413	849,119
Endowment funds				<u>16,855,896</u>	<u>16,935,843</u>
TOTAL FUNDS				<u>17,670,309</u>	<u>17,784,962</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23rd October 2025 and were signed on its behalf by:

Mrs C J Frankish – Chair of Trustees

Councillor R Pritchard - Trustee

The notes form part of these financial statements

The James Reckitt Library Endowment

Cash Flow Statement
for the year ended 31st March 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(575,532)</u>	<u>(379,915)</u>
Net cash used in operating activities		<u>(575,532)</u>	<u>(379,915)</u>
Cash flows from investing activities			
Sale of fixed asset investments		826,902	(1,206,521)
Sale of social investments		(826,902)	1,206,521
Movements in investments		70,004	65,017
Interest received		42,934	34,773
Dividends received		<u>463,146</u>	<u>436,586</u>
Net cash provided by investing activities		<u>576,084</u>	<u>536,376</u>
Cash flows from financing activities			
Funded by KUHCC treasury		<u>(552)</u>	<u>(156,461)</u>
Net cash used in financing activities		<u>(552)</u>	<u>(156,461)</u>
Change in cash and cash equivalents in the reporting period			
		-	-
Cash and cash equivalents at the beginning of the reporting period			
		<u>-</u>	<u>-</u>
Cash and cash equivalents at the end of the reporting period			
		<u><u>-</u></u>	<u><u>-</u></u>

The notes form part of these financial statements

The James Reckitt Library Endowment

Notes to the Cash Flow Statement
for the year ended 31st March 2025

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025	2024
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(114,653)	1,607,777
Adjustments for:		
Losses/(gain) on investments	7,932	(1,506,953)
Interest received	(42,934)	(34,773)
Dividends received	(463,146)	(436,586)
(Increase)/decrease in debtors	(3,595)	4,714
Increase/(decrease) in creditors	<u>40,864</u>	<u>(14,094)</u>
Net cash used in operations	<u>(575,532)</u>	<u>(379,915)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/24	Cash flow	At 31/3/25
	£	£	£
Net cash			
Cash at bank and in hand	-	-	-
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	<u>53,175</u>	<u>(1,748)</u>	<u>51,427</u>
	<u>53,175</u>	<u>(1,748)</u>	<u>51,427</u>
Total	<u>53,175</u>	<u>(1,748)</u>	<u>51,427</u>

The James Reckitt Library Endowment

Notes to the Financial Statements **for the year ended 31st March 2025**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The presentation currency of the financial statements is the Pound Sterling (£).

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Endowment funds - these funds represent assets which must be held permanently by the charity, principally as investments. They can only be spent with prior permission from the Charity Commission. Income arising from the endowment can be used in accordance with the objects of the charity and is included as unrestricted income.

Fixed asset investments, stocks and shares

Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the statement of financial activities.

Stocks and shares are included at market value at the balance sheet date.

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2025

2. INVESTMENT INCOME

	2025	2024
	£	£
Investment income	463,146	436,586
Interest	<u>42,934</u>	<u>34,773</u>
	<u>506,080</u>	<u>471,359</u>

3. RAISING FUNDS

Investment management costs

	2025	2024
	£	£
Fund management costs	72,015	66,247
Website management / redevelopment	2,388	2,332
Support services recharge	<u>6,847</u>	<u>6,384</u>
	<u>81,250</u>	<u>74,963</u>

4. CHARITABLE ACTIVITIES COSTS

	2025	2024
	£	£
Hull Children's Book Award	93,328	20,220
Hull Children's Literature Festival (The Big Malarkey)	105,447	74,195
Community Engagement Programme	-	15,000
Larkin 100	-	11,403
Community Engagement Phase 3 (2023/24 & 2024/25)	85,290	114,703
#Curious	79,909	46,208
Creative Director - City of Curiosity	36,800	6,400
City of Curiosity	78,944	-
Citywide Reading Initiative	18,000	-
Hull's Young Storytellers: Lights, Camera, Read!	23,139	-
STEM	<u>2,213</u>	<u>-</u>
	<u>523,070</u>	<u>288,129</u>

5. SUPPORT COSTS

		Governance costs
		£
Governance costs		<u>8,481</u>

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2025

6. AUDITORS' REMUNERATION

	2025	2024
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>3,720</u>	<u>3,240</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2025 nor for the year ended 31st March 2024.

Trustees' expenses

	2025	2024
	£	£
Trustees' expenses	<u>-</u>	<u>1,503</u>

8. STAFF COSTS

There were no staff costs for the year ended 31 March 2025 nor for the year ended 31 March 2024.

9. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st April 2024	16,909,805
Additions	1,951,072
Disposals	(1,200,358)
Revaluations	<u>(826,902)</u>
At 31st March 2025	<u>16,833,617</u>
NET BOOK VALUE	
At 31st March 2025	<u>16,833,617</u>
At 31st March 2024	<u>16,909,805</u>

There were no investment assets outside the UK.

Quoted investments comprise shares and convertible capital bonds.

Investments are valued and reported on by RBC Brewin Dolphin on a quarterly basis using the fair value method.

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2025

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Kingston upon Hull City Council	867,975	867,423
RBC Brewin Dolphin stockbrokers	46,186	44,419
Prepayments and accrued income	<u>2,725</u>	<u>897</u>
	<u>916,886</u>	<u>912,739</u>

The Kingston upon Hull City Council debtor includes £8,629 (2024 - £8,629) in respect of permanent endowment funds held as cash.

11. CURRENT ASSET INVESTMENTS

	2025	2024
	£	£
RBC Brewin Dolphin - cash balances	<u>51,427</u>	<u>53,175</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Accrued expenses	<u>131,621</u>	<u>90,757</u>

13. MOVEMENT IN FUNDS

	At 1/4/24	Net movement in funds	At 31/3/25
	£	£	£
Unrestricted funds			
General funds	849,119	(34,706)	814,413
Endowment funds			
Permanent endowment fund	16,935,843	(79,947)	16,855,896
	<u>17,784,962</u>	<u>(114,653)</u>	<u>17,670,309</u>
TOTAL FUNDS			

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2025

13. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	506,080	(540,786)	-	(34,706)
Endowment funds				
Permanent endowment fund	-	(72,015)	(7,932)	(79,947)
TOTAL FUNDS	<u>506,080</u>	<u>(612,801)</u>	<u>(7,932)</u>	<u>(114,653)</u>

Comparatives for movement in funds

	At 1/4/23 £	Net movement in funds £	At 31/3/24 £
Unrestricted funds			
General funds	682,048	167,071	849,119
Endowment funds			
Permanent endowment fund	15,495,137	1,440,706	16,935,843
TOTAL FUNDS	<u>16,177,185</u>	<u>1,607,777</u>	<u>17,784,962</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	471,359	(304,288)	-	167,071
Endowment funds				
Permanent endowment fund	-	(66,247)	1,506,953	1,440,706
TOTAL FUNDS	<u>471,359</u>	<u>(370,535)</u>	<u>1,506,953</u>	<u>1,607,777</u>

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2025

13. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/23 £	Net movement in funds £	At 31/3/25 £
Unrestricted funds			
General funds	682,048	132,365	814,413
Endowment funds			
Permanent endowment fund	15,495,137	1,360,759	16,855,896
TOTAL FUNDS	<u>16,177,185</u>	<u>1,493,124</u>	<u>17,670,309</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	977,439	(845,074)	-	132,365
Endowment funds				
Permanent endowment fund	-	(138,262)	1,499,021	1,360,759
TOTAL FUNDS	<u>977,439</u>	<u>(983,336)</u>	<u>1,499,021</u>	<u>1,493,124</u>

The Restricted Fund was reclassified by Trustees as at 31 March 2018 and was transferred to the heading Unrestricted Fund. The Unrestricted Fund balances are held and administered by Kingston upon Hull City Council. The Unrestricted Fund is used to support a wide range of services across all the Council's libraries, provided that those services exceed the public libraries standards as prescribed by Central Government. It is also used to bring public library services and facilities to people living and working in Hull who would otherwise not use them.

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2025.

THE JAMES RECKITT LIBRARY ENDOWMENT

England & Wales - Charity number 225497

Accounts

Report of the Trustees and
Financial Statements
for the Year Ended 31st March 2024
for
The James Reckitt Library Endowment

Sadofskys
Statutory Auditors
Princes House
Wright Street
Kingston upon Hull
HU2 8HX

The James Reckitt Library Endowment

**Contents of the Financial Statements
for the year ended 31st March 2024**

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The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2024**

The trustees present their report with the financial statements of the charity for the year ended 31st March 2024. The trustees have adopted the provisions of 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 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives, aims and public benefit

In 1889 Sir James Reckitt founded at his own expense the James Reckitt Library in East Hull, the first free public library in the city. A Trust was established to take responsibility for it, and the trustees were vested with 'estate and effects' to fund its maintenance and development. These 'estate and effects' form the Endowment Fund referred to in the accompanying accounts.

In October 2008, the Charity Commission approved a scheme to vary the objects of the Trust. The management and use of the endowment was made the responsibility of a newly-constituted charitable trust regulated by the Charity Commission. Today the trust helps to develop public library provision throughout the city, and is responsible for the largest charitable endowment in the country devoted exclusively to public libraries.

The objectives of the charity are set out in the Trust's 2008 governing document:

- to provide or assist in the provision of staff, public services, equipment and facilities for public libraries in Hull, and the refurbishment of such library buildings whereby the services provided to the public in those libraries will exceed the public libraries standards as prescribed by central government, and

- to provide or assist in the provision of additional staff, services and facilities in order to bring public library services to those living, studying and working in Hull, including those who would otherwise make little or no use of the facilities.

Funding from The James Reckitt Library Trust is designed to ensure that modern public libraries remain at the heart of the city's development. Over the past fourteen years the trust has awarded over £6 million to projects and activities designed to extend the scope and impact of Hull's libraries.

The trustees apply the income to a wide range of projects that benefit the users of public libraries in Kingston upon Hull. The trustees are of the opinion that they have complied with the duty in Section 4 of the Charities Act 2011 with regard to public benefit guidance published by the Charity Commission.

ACHIEVEMENT AND PERFORMANCE

During the year ended 31 March 2024, a total of £288,129 (2023: £375,618) was spent on approved projects.

Income generated from investments during the year was £471,359 (2023: £417,416). Total expenditure for the year was £370,535 (2023: £451,895).

During the year, trustees approved further funding for Hull Children's Book Award and the Community Engagement Programme. They also approved funding for the #Curiosity, and appointed a consultant Creative Director to manage the wider Curiosity programme. Ongoing projects, including the Big Malarkey Festival and Larkin 100 continued to receive funding.

FINANCIAL REVIEW

Financial position

The financial position of the charity is strong with net assets at 31 March 2024 amounting to £17,784,962 (2023: £16,177,185).

Investment policy and objectives

The trustees reviewed and approved the Statement of Investment Policy, the aim of which is to minimise the financial risk whilst seeking to maintain adequate levels of income. This policy will be reviewed annually.

The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2024**

FINANCIAL REVIEW

Reserves policy

The Trustees of the James Reckitt Library Trust have adopted the following reserves policy;

The Trust has two sources of funds available for projects and its running costs: recurrent income and historic reserves. The historic reserves primarily arose following the accumulation of income in the years prior to the passing of the Charity Commission Scheme on 20 October 2008.

As well as spending money on annual projects, the Trustees may from time to time identify strategic projects that it wishes to support over the longer term. In such cases, the Trustees may withhold some of the recurrent income and/or use some of the historic reserves to fund these projects.

Unrestricted funds of £849,119 (2023: £682,048) are held principally to fund current and future projects.

Cash balances held within the investment portfolio are maintained for tactical reasons for future trading opportunities.

Going concern

The Charity has sufficient reserves to enable any debts to be paid as they fall due. The Trustees do not foresee any problems in the next 12 months from the date that these financial statements are authorised for issue and therefore consider it appropriate for the accounts to be prepared on the going concern basis.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is an unincorporated charity that is governed by a Charity Commission Scheme dated 20 October 2008. The charity is registered with the Charity Commission under registration number 225497.

Recruitment and appointment of new trustees

Nominated trustees must be appointed by Kingston upon Hull City Council.

Co-opted trustees must not be members of Kingston upon Hull City Council and must have special knowledge of the work and activities undertaken by the charity. The trustees must be appointed at a special meeting.

An appointment may, but need not, be made before the date on which the term of office of an existing co-opted trustee comes to an end, to take effect on that date. In these circumstances:

- the appointment may not be made more than 3 months before the date on which the existing co-opted trustee's term of office is due to end; and
- any co-opted trustee whose term of office is about to come to an end must not vote in favour of their own re-appointment.

Each appointment must be for a term of 4 years.

Organisational structure

Kingston upon Hull City Council is the Custodian Trustee of the charity. This means that any assets are held by Kingston upon Hull City Council. The charity is in all other respects independent of the Council. The trustees have authorised RBC Brewin Dolphin to hold the charity's investments in the name of RBC Brewin Dolphin's nominee company.

The charity is managed by a board of five trustees comprising three co-opted trustees appointed through application and competitive selection and two trustees nominated by the Council. The trustees meet for quarterly management meetings plus other meetings from time to time.

The charity currently procures financial and secretarial support from Kingston upon Hull City Council. These services are open to competitive tender.

Induction and training of new trustees

Each trustee on their appointment is given a copy of the scheme document together with any amendments made to it and a copy of the latest charity report and the accounts.

The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Charity has identified the risks to which it may be exposed and has implemented a risk management strategy which comprises:

- an annual review of the risks which the Charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the Charity should any of those risks materialise.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

225497

Principal address

Kingston upon Hull City Council
Guildhall
Alfred Gelder Street
Kingston upon Hull
HU1 2AA

Trustees

Nominated Trustees

Honorary Alderman J L Fareham (resigned 23/01/24)

Councillor H Herrera-Richmond

Co-opted Trustees

Dr R G Heseltine (retired 23/01/24)

Professor G Chesters

Mrs C J Frankish (Chair)

Miss Patricia Dalby (appointed 24/01/24)

Auditors

Sadofskys

Statutory Auditors

Princes House

Wright Street

Kingston upon Hull

HU2 8HX

Bankers

National Westminster Bank plc

34 King Edward Street

Kingston upon Hull

HU1 3SS

Investment Managers

Brewin Dolphin Ltd

Time Central

Gallowgate

Newcastle upon Tyne

NE1 4SR

The James Reckitt Library Endowment

Report of the Trustees
for the year ended 31st March 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 23rd October 2024 and signed on its behalf by:

Mrs C J Frankish - Trustee

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

Opinion

We have audited the financial statements of The James Reckitt Library Endowment (the 'charity') for the year ended 31st March 2024 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 the charity'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not 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.

In connection with our audit of the financial statements, 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with the trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, the Charities Statement of Recommended Practice (SORP), taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charities' legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sadofskys
Statutory Auditors
Princes House
Wright Street
Kingston upon Hull
HU2 8HX

1st November 2024

The James Reckitt Library Endowment

Statement of Financial Activities
for the year ended 31st March 2024

	Notes	Unrestricted fund £	Endowment fund £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	2	<u>471,359</u>	-	<u>471,359</u>	<u>417,416</u>
EXPENDITURE ON					
Raising funds	3	8,716	66,247	74,963	72,313
Charitable activities	4				
Expenditure on approved projects		288,129	-	288,129	375,618
Governance costs		3,240	-	3,240	3,000
Other		<u>4,203</u>	-	<u>4,203</u>	<u>964</u>
Total		<u>304,288</u>	<u>66,247</u>	<u>370,535</u>	<u>451,895</u>
Net gains/(losses) on investments		-	<u>1,506,953</u>	<u>1,506,953</u>	<u>(1,291,115)</u>
NET INCOME/(EXPENDITURE)		167,071	1,440,706	1,607,777	(1,325,594)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>682,048</u>	<u>15,495,137</u>	<u>16,177,185</u>	<u>17,502,779</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>849,119</u></u>	<u><u>16,935,843</u></u>	<u><u>17,784,962</u></u>	<u><u>16,177,185</u></u>

The notes form part of these financial statements

The James Reckitt Library Endowment

Balance Sheet
31st March 2024

	Notes	Unrestricted fund £	Endowment fund £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Investments	8	-	16,909,805	16,909,805	14,928,593
CURRENT ASSETS					
Debtors	9	904,110	8,629	912,739	760,992
Investments	10	<u>18,636</u>	<u>34,539</u>	<u>53,175</u>	<u>592,451</u>
		922,746	43,168	965,914	1,353,443
CREDITORS					
Amounts falling due within one year	11	<u>(73,627)</u>	<u>(17,130)</u>	<u>(90,757)</u>	(104,851)
NET CURRENT ASSETS		<u>849,119</u>	<u>26,038</u>	<u>875,157</u>	<u>1,248,592</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>849,119</u>	<u>16,935,843</u>	<u>17,784,962</u>	16,177,185
NET ASSETS		<u><u>849,119</u></u>	<u><u>16,935,843</u></u>	<u><u>17,784,962</u></u>	<u><u>16,177,185</u></u>
FUNDS	12				
Unrestricted funds				849,119	682,048
Endowment funds				<u>16,935,843</u>	<u>15,495,137</u>
TOTAL FUNDS				<u><u>17,784,962</u></u>	<u><u>16,177,185</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23rd October 2024 and were signed on its behalf by:

Mrs C J Frankish - Trustee

Councillor H Herrera-Richmond - Trustee

The James Reckitt Library Endowment

Notes to the Financial Statements for the year ended 31st March 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The presentation currency of the financial statements is the Pound Sterling (£).

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Endowment funds - these funds represent assets which must be held permanently by the charity, principally as investments. They can only be spent with prior permission from the Charity Commission. Income arising from the endowment can be used in accordance with the objects of the charity and is included as unrestricted income.

Fixed asset investments, stocks and shares

Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the statement of financial activities.

Stocks and shares are included at market value at the balance sheet date.

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2024

2. INVESTMENT INCOME		
	2024	2023
	£	£
Investment income	436,586	406,745
Interest	34,773	10,671
	<u>471,359</u>	<u>417,416</u>
3. RAISING FUNDS		
Investment management costs		
	2024	2023
	£	£
Fund management costs	66,247	64,365
Website management / redevelopment	2,332	1,890
Support services recharge	6,384	6,058
	<u>74,963</u>	<u>72,313</u>
4. CHARITABLE ACTIVITIES COSTS		
	2024	2023
	£	£
Hull Children's Book Award	20,220	28,188
Revealing the Past: Unlocking the Treasures in Hull Local Studies Library	-	16,653
Hull Children's Literature Festival (The Big Malarkey)	74,195	87,500
Events Programme	-	46,074
Community Engagement Programme	15,000	164,327
Community Engagement Phase 3 (2023/24 & 2024/25)	114,703	-
#Curious	46,208	-
Creative Director - City of Curiosity	6,400	-
Larkin 100	11,403	32,876
	<u>288,129</u>	<u>375,618</u>
5. AUDITORS' REMUNERATION		
	2024	2023
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	3,240	3,000

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2024

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2024 nor for the year ended 31st March 2023.

Trustees' expenses	2024	2023
	£	£
Trustees' expenses	<u>1,503</u>	<u>964</u>

7. STAFF COSTS

There were no staff costs for the year ended 31st March 2024 nor for the year ended 31st March 2023.

8. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st April 2023	14,928,593
Additions	1,425,407
Disposals	(650,717)
Revaluations	<u>1,206,522</u>
At 31st March 2024	<u>16,909,805</u>
NET BOOK VALUE	
At 31st March 2024	<u>16,909,805</u>
At 31st March 2023	<u>14,928,593</u>

There were no investment assets outside the UK.

Quoted investments comprise shares and convertible capital bonds.

Investments are valued and reported on by RBC Brewin Dolphin on a quarterly basis using the fair value method.

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2024

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2024	2023
	£	£
Kingston upon Hull City Council	867,423	710,962
RBC Brewin Dolphin stockbrokers	44,419	48,072
Prepayments and accrued income	897	1,958
	<u>912,739</u>	<u>760,992</u>

The Kingston upon Hull City Council debtor includes £8,629 (2023 - £8,629) in respect of permanent endowment funds held as cash.

10. CURRENT ASSET INVESTMENTS		
	2024	2023
	£	£
RBC Brewin Dolphin - cash balances	53,176	592,451

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2024	2023
	£	£
Accrued expenses	90,757	104,851

12. MOVEMENT IN FUNDS			
	At 1/4/23	Net movement in funds	At
	£	£	31/3/24
			£
Unrestricted funds			
General funds	682,048	167,071	849,119
Endowment funds			
Permanent endowment fund	15,495,137	1,440,706	16,935,843
TOTAL FUNDS	<u>16,177,185</u>	<u>1,607,777</u>	<u>17,784,962</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	471,359	(304,288)	-	167,071
Endowment funds				
Permanent endowment fund	-	(66,247)	1,506,953	1,440,706
TOTAL FUNDS	<u>471,359</u>	<u>(370,535)</u>	<u>1,506,953</u>	<u>1,607,777</u>

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2024

12. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/22 £	Net movement in funds £	At 31/3/23 £
Unrestricted funds			
General funds	652,162	29,886	682,048
Endowment funds			
Permanent endowment fund	16,850,617	(1,355,480)	15,495,137
TOTAL FUNDS	<u>17,502,779</u>	<u>(1,325,594)</u>	<u>16,177,185</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	417,416	(387,530)	-	29,886
Endowment funds				
Permanent endowment fund	-	(64,365)	(1,291,115)	(1,355,480)
TOTAL FUNDS	<u>417,416</u>	<u>(451,895)</u>	<u>(1,291,115)</u>	<u>(1,325,594)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/22 £	Net movement in funds £	At 31/3/24 £
Unrestricted funds			
General funds	652,162	196,957	849,119
Endowment funds			
Permanent endowment fund	16,850,617	85,226	16,935,843
TOTAL FUNDS	<u>17,502,779</u>	<u>282,183</u>	<u>17,784,962</u>

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2024

12. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	888,775	(691,818)	-	196,957
Endowment funds				
Permanent endowment fund	-	(130,612)	215,838	85,226
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>888,775</u>	<u>(822,430)</u>	<u>215,838</u>	<u>282,183</u>

The Restricted Fund was reclassified by the Trustees as at 31st March 2018 and was transferred to the heading Unrestricted Fund. The Unrestricted Fund balances are held and administered by Kingston upon Hull City Council. The Unrestricted Fund is used to support a wide range of services across all the Council's libraries, provided that those services exceed the public libraries standards as prescribed by Central Government. It is also used to bring public library services and facilities to people living and working in Hull who would otherwise not use them.

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2024.

THE JAMES RECKITT LIBRARY ENDOWMENT

England & Wales - Charity number 225497

Accounts

Report of the Trustees and
Financial Statements
for the Year Ended 31st March 2023
for
The James Reckitt Library Endowment

Sadofskys
Statutory Auditors
Princes House
Wright Street
Kingston upon Hull
HU2 8HX

The James Reckitt Library Endowment

Contents of the Financial Statements
for the year ended 31st March 2023

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The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2023**

The trustees present their report with the financial statements of the charity for the year ended 31st March 2023. The trustees have adopted the provisions of 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 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives, aims and public benefit

In 1889 Sir James Reckitt founded at his own expense the James Reckitt Library in East Hull, the first free public library in the city. A Trust was established to take responsibility for it, and the trustees were vested with 'estate and effects' to fund its maintenance and development. These 'estate and effects' form the Endowment Fund referred to in the accompanying accounts.

In October 2008, the Charity Commission approved a scheme to vary the objects of the Trust. The management and use of the endowment was made the responsibility of a newly-constituted charitable trust regulated by the Charity Commission. Today the trust helps to develop public library provision throughout the city, and is responsible for the largest charitable endowment in the country devoted exclusively to public libraries.

The objectives of the charity are set out in the Trust's 2008 governing document:

- to provide or assist in the provision of staff, public services, equipment and facilities for public libraries in Hull, and the refurbishment of such library buildings whereby the services provided to the public in those libraries will exceed the public libraries standards as prescribed by central government, and

- to provide or assist in the provision of additional staff, services and facilities in order to bring public library services to those living, studying and working in Hull, including those who would otherwise make little or no use of the facilities.

Funding from The James Reckitt Library Trust is designed to ensure that modern public libraries remain at the heart of the city's development. Over the past fourteen years the trust has awarded over £6 million to projects and activities designed to extend the scope and impact of Hull's libraries.

The trustees apply the income to a wide range of projects that benefit the users of public libraries in Kingston upon Hull. The trustees are of the opinion that they have complied with the duty in Section 4 of the Charities Act 2011 with regard to public benefit guidance published by the Charity Commission.

ACHIEVEMENT AND PERFORMANCE

During the year ended 31 March 2023, a total of £375,618 (2022 - £398,904) was spent on approved projects.

Income generated from investments during the year was £417,416 (2022 - £346,917). Total expenditure for the year was £451,895 (2022 - £480,529).

During the year, trustees approved funding for the Larkin 100 project and further funding for the Big Malarkey Festival, an extensive programme of events, and the new community engagement programme. Ongoing projects, including the Hull Children's Book Award and Revealing the Past: Unlocking the Treasures in Hull Local Studies Library continued to receive funding

FINANCIAL REVIEW

Financial position

The financial position of the charity is strong with net assets at 31 March 2023 amounting to £16,177,185 (2022 - £17,502,779).

Investment policy and objectives

The trustees reviewed and approved the Statement of Investment Policy, the aim of which is to minimise the financial risk whilst seeking to maintain adequate levels of income. This policy will be reviewed annually.

The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2023**

FINANCIAL REVIEW

Reserves policy

The Trustees of the James Reckitt Library Trust have adopted the following reserves policy:

The Trust has two sources of funds available for projects and its running costs: recurrent income and historic reserves. The historic reserves primarily arose following the accumulation of income in the years prior to the passing of the Charity Commission Scheme on 20 October 2008.

As well as spending money on annual projects, the Trustees may from time to time identify strategic projects that it wishes to support over the longer term. In such cases, the Trustees may withhold some of the recurrent income and/or use some of the historic reserves to fund these projects.

Unrestricted funds of £682,048 (2022 - £652,162) are held principally to fund current and future projects.

Cash balances held within the investment portfolio are maintained for tactical reasons for future trading opportunities.

Going concern

The Charity has sufficient reserves to enable any debts to be paid as they fall due. The Trustees do not foresee any problems in the next 12 months from the date that these financial statements are authorised for issue and therefore consider it appropriate for the accounts to be prepared on the going concern basis.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is an unincorporated charity that is governed by a Charity Commission Scheme dated 20 October 2008. The charity is registered with the Charity Commission under registration number 225497.

Recruitment and appointment of new trustees

Nominated trustees must be appointed by Kingston upon Hull City Council.

Co-opted trustees must not be members of Kingston upon Hull City Council and must have special knowledge of the work and activities undertaken by the charity. The trustees must be appointed at a special meeting.

An appointment may, but need not, be made before the date on which the term of office of an existing co-opted trustee comes to an end, to take effect on that date. In these circumstances:

- the appointment may not be made more than 3 months before the date on which the existing co-opted trustee's term of office is due to end; and
- any co-opted trustee whose term of office is about to come to an end must not vote in favour of their own re-appointment.

Each appointment must be for a term of 4 years.

Organisational structure

Kingston upon Hull City Council is the Custodian Trustee of the charity. This means that any assets are held by Kingston upon Hull City Council. The charity is in all other respects independent of the Council. The trustees have authorised RBC Brewin Dolphin to hold the charity's investments in the name of RBC Brewin Dolphin's nominee company.

The charity is managed by a board of five trustees comprising three co-opted trustees appointed through application and competitive selection and two trustees nominated by the Council. The trustees meet for quarterly management meetings plus other meetings from time to time.

The charity currently procures financial and secretarial support from Kingston upon Hull City Council. These services are open to competitive tender.

The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2023**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

Each trustee on their appointment is given a copy of the scheme document together with any amendments made to it and a copy of the latest charity report and the accounts.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Charity has identified the risks to which it may be exposed and has implemented a risk management strategy which comprises:

- an annual review of the risks which the Charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the Charity should any of those risks materialise.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

225497

Principal address

Kingston upon Hull City Council
Guildhall
Alfred Gelder Street
Kingston upon Hull
HU1 2AA

Trustees

Nominated Trustees

Honorary Alderman J L Fareham (resigned 23/01/24)

Councillor H Herrera-Richmond

Co-opted Trustees

Dr R G Heseltine (resigned 22/01/24)

Professor G Chesters

Mrs C J Frankish

Miss P M Dalby (appointed 22/01/24)

Auditors

Sadofskys

Statutory Auditors

Princes House

Wright Street

Kingston upon Hull

HU2 8HX

Bankers

National Westminster Bank plc

34 King Edward Street

Kingston upon Hull

HU1 3SS

The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Investment Managers

Brewin Dolphin Ltd
Time Central
Gallowgate
Newcastle upon Tyne
NE1 4SR

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 24th January 2024 and signed on its behalf by:

Mrs C J Frankish - Trustee

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

Opinion

We have audited the financial statements of The James Reckitt Library Endowment (the 'charity') for the year ended 31st March 2023 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 the charity'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not 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.

In connection with our audit of the financial statements, 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with the trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, the Charities Statement of Recommended Practice (SORP), taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charities' legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Sadofskys
Statutory Auditors
Princes House
Wright Street
Kingston upon Hull
HU2 8HX

26th January 2024

The James Reckitt Library Endowment

Statement of Financial Activities
for the year ended 31st March 2023

	Notes	Unrestricted fund £	Endowment fund £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	2	<u>417,416</u>	-	<u>417,416</u>	<u>346,917</u>
EXPENDITURE ON					
Raising funds	3	7,948	64,365	72,313	78,988
Charitable activities					
Expenditure on approved projects	4	375,618	-	375,618	398,904
Governance costs		3,000	-	3,000	2,400
Other		<u>964</u>	-	<u>964</u>	<u>237</u>
Total		<u>387,530</u>	<u>64,365</u>	<u>451,895</u>	<u>480,529</u>
Net gains/(losses) on investments		-	<u>(1,291,115)</u>	<u>(1,291,115)</u>	<u>887,047</u>
NET INCOME/(EXPENDITURE)		29,886	(1,355,480)	(1,325,594)	753,435
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>652,162</u>	<u>16,850,617</u>	<u>17,502,779</u>	16,749,344
TOTAL FUNDS CARRIED FORWARD		<u><u>682,048</u></u>	<u><u>15,495,137</u></u>	<u><u>16,177,185</u></u>	<u><u>17,502,779</u></u>

The notes form part of these financial statements

The James Reckitt Library Endowment

Balance Sheet
31st March 2023

	Notes	Unrestricted fund £	Endowment fund £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Investments	8	-	14,928,593	14,928,593	16,471,383
CURRENT ASSETS					
Debtors	9	752,363	8,629	760,992	740,465
Investments	10	<u>18,166</u>	<u>574,285</u>	<u>592,451</u>	<u>406,490</u>
		770,529	582,914	1,353,443	1,146,955
CREDITORS					
Amounts falling due within one year	11	(88,481)	(16,370)	(104,851)	(115,559)
NET CURRENT ASSETS		<u>682,048</u>	<u>566,544</u>	<u>1,248,592</u>	<u>1,031,396</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>682,048</u>	<u>15,495,137</u>	<u>16,177,185</u>	<u>17,502,779</u>
NET ASSETS		<u><u>682,048</u></u>	<u><u>15,495,137</u></u>	<u><u>16,177,185</u></u>	<u><u>17,502,779</u></u>
FUNDS	12				
Unrestricted funds				682,048	652,162
Endowment funds				<u>15,495,137</u>	<u>16,850,617</u>
TOTAL FUNDS				<u><u>16,177,185</u></u>	<u><u>17,502,779</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 24th January 2024 and were signed on its behalf by:

Mrs C J Frankish - Trustee

Councillor H Herrera-Richmond - Trustee

The James Reckitt Library Endowment

Notes to the Financial Statements **for the year ended 31st March 2023**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The presentation currency of the financial statements is the Pound Sterling (£).

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Endowment funds - these funds represent assets which must be held permanently by the charity, principally as investments. They can only be spent with prior permission from the Charity Commission. Income arising from the endowment can be used in accordance with the objects of the charity and is included as unrestricted income.

Fixed asset investments, stocks and shares

Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the statement of financial activities.

Stocks and shares are included at market value at the balance sheet date.

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2023

2. INVESTMENT INCOME

	2023	2022
	£	£
Investment income	406,745	346,379
Interest	10,671	538
	<u>417,416</u>	<u>346,917</u>

3. RAISING FUNDS

	2023	2022
	£	£
Fund management costs	64,365	72,071
Website management / redevelopment	1,890	1,080
Support services recharge	6,058	5,837
	<u>72,313</u>	<u>78,988</u>

4. CHARITABLE ACTIVITIES COSTS

	2023	2022
	£	£
Hull Children's Book Award	28,188	6,886
Revealing the Past: Unlocking the Treasures in Hull Local Studies Library	16,653	49,064
Hull Children's Literature Festival (The Big Malarkey)	87,500	63,986
Library Link	-	90,711
Events Programme	46,074	32,575
Community Engagement Programme	164,327	155,682
Larkin 100	32,876	-
	<u>375,618</u>	<u>398,904</u>

5. AUDITORS' REMUNERATION

	2023	2022
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	3,000	2,400

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2023

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2023 nor for the year ended 31st March 2022.

Trustees' expenses

	2023	2022
	£	£
Trustees' expenses	<u>964</u>	<u>237</u>

7. STAFF COSTS

There were no staff costs for the year ended 31st March 2023 nor for the year ended 31st March 2022.

8. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st April 2022	16,471,383
Additions	976,462
Disposals	(904,162)
Revaluations	<u>(1,615,090)</u>
At 31st March 2023	<u>14,928,593</u>
NET BOOK VALUE	
At 31st March 2023	<u>14,928,593</u>
At 31st March 2022	<u>16,471,383</u>

There were no investment assets outside the UK.

Quoted investments comprise shares and convertible capital bonds.

Investments are valued and reported on by RBC Brewin Dolphin on a quarterly basis using the fair value method.

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2023

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Kingston upon Hull City Council	710,962	723,230
RBC Brewin Dolphin stockbrokers	48,072	12,243
Prepayments and accrued income	<u>1,958</u>	<u>4,992</u>
	<u>760,992</u>	<u>740,465</u>

The Kingston upon Hull City Council debtor includes £8,629 (2022 - £8,629) in respect of permanent endowment funds held as cash.

10. CURRENT ASSET INVESTMENTS

	2023	2022
	£	£
RBC Brewin Dolphin - cash balances	<u>592,451</u>	<u>406,490</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Accrued expenses	<u>104,851</u>	<u>115,559</u>

12. MOVEMENT IN FUNDS

	At 1/4/22	Net movement in funds	At 31/3/23
	£	£	£
Unrestricted funds			
General funds	652,162	29,886	682,048
Endowment funds			
Permanent endowment fund	16,850,617	(1,355,480)	15,495,137
TOTAL FUNDS	<u>17,502,779</u>	<u>(1,325,594)</u>	<u>16,177,185</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General funds	417,416	(387,530)	-	29,886
Endowment funds				
Permanent endowment fund	-	(64,365)	(1,291,115)	(1,355,480)
TOTAL FUNDS	<u>417,416</u>	<u>(451,895)</u>	<u>(1,291,115)</u>	<u>(1,325,594)</u>

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2023

12. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General funds	713,703	(61,541)	652,162
Endowment funds			
Permanent endowment fund	16,035,641	814,976	16,850,617
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>16,749,344</u>	<u>753,435</u>	<u>17,502,779</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	346,917	(408,458)	-	(61,541)
Endowment funds				
Permanent endowment fund	-	(72,071)	887,047	814,976
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>346,917</u>	<u>(480,529)</u>	<u>887,047</u>	<u>753,435</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/21 £	Net movement in funds £	At 31/3/23 £
Unrestricted funds			
General funds	713,703	(31,655)	682,048
Endowment funds			
Permanent endowment fund	16,035,641	(540,504)	15,495,137
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>16,749,344</u>	<u>(572,159)</u>	<u>16,177,185</u>

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2023

12. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	764,333	(795,988)	-	(31,655)
Endowment funds				
Permanent endowment fund	-	(136,436)	(404,068)	(540,504)
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>764,333</u>	<u>(932,424)</u>	<u>(404,068)</u>	<u>(572,159)</u>

The Restricted Fund was reclassified by the Trustees as at 31st March 2018 and was transferred to the heading Unrestricted Fund. The Unrestricted Fund balances are held and administered by Kingston upon Hull City Council. The Unrestricted Fund is used to support a wide range of services across all the Council's libraries, provided that those services exceed the public libraries standards as prescribed by Central Government. It is also used to bring public library services and facilities to people living and working in Hull who would otherwise not use them.

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2023.

THE JAMES RECKITT LIBRARY ENDOWMENT

England & Wales - Charity number 225497

Accounts

Report of the Trustees and
Financial Statements
for the Year Ended 31st March 2022
for
The James Reckitt Library Endowment

cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

The James Reckitt Library Endowment

Contents of the Financial Statements
for the year ended 31st March 2022

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The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2022**

The trustees present their report with the financial statements of the charity for the year ended 31st March 2022. The trustees have adopted the provisions of 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 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives, aims and public benefit

In 1890 Sir James Reckitt founded the James Reckitt Library in East Hull and in 1892 the Library was given to the Council to be held on Trust. The Trust Deed provided for the establishment of "...a Public Library, known as 'The James Reckitt Free Library', for the use of the inhabitants residing in that portion of the Borough of Kingston upon Hull which is situated on the east side of the River Hull...". When opened, the library was fully furnished and stocked. The Trustees were vested with "...other personal estate and effects..." to provide future funding for the continued refurbishment and stocking of the library. These "estate and effects" form the Endowment Fund referred to in the accompanying Accounts.

Over the years the income arising from the Fund's investments has exceeded the running costs of the James Reckitt Library, and therefore the surplus has been used to provide funds for the upkeep of the general libraries' budget, including maintenance of the book stocks and buildings of all the Council's libraries.

In October 2008, the Charity Commission approved a scheme to vary the objects of the Trust. The new objects of the charity are to support a wide range of services across all the Council's libraries providing those services exceed the public libraries standards as prescribed by Central Government and also to bring public library services and facilities to people living and working in Hull who would otherwise not use them.

The trustees apply the income to a wide range of projects that benefit the users of public libraries in Kingston upon Hull. The trustees are of the opinion that they have complied with the duty in Section 4 of the Charities Act 2011 with regard to public benefit guidance published by the Charity Commission.

ACHIEVEMENT AND PERFORMANCE

During the year ended 31 March 2022, a total of £398,904 (2021 - £281,065) was spent on approved projects.

Income generated from investments during the year was £346,917 (2021 - £320,301). Total expenditure for the year was £480,529 (2021 - £360,851).

During the year, trustees approved funding for the Event Programme and further funding for the Big Malarkey Festival. Ongoing projects, including the Hull Children's Book Award, Revealing the Past: Unlocking the Treasures in Hull Local Studies Library, the Community Engagement Programme and the Library Link continued to receive funding. The impact of the Covid-19 pandemic has continued to have an effect on the progress of projects.

FINANCIAL REVIEW

Financial position

The financial position of the charity is strong with net assets at 31 March 2022 amounting to £17,502,779 (2021 - £16,749,344).

Investment policy and objectives

The trustees reviewed and approved the Statement of Investment Policy, the aim of which is to minimise the financial risk whilst seeking to maintain adequate levels of income. This policy will be reviewed annually.

The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2022**

FINANCIAL REVIEW

Reserves policy

The Trustees of the James Reckitt Library Trust have adopted the following reserves policy;

The Trust has two sources of funds available for projects and its running costs: recurrent income and historic reserves. The historic reserves primarily arose following the accumulation of income in the years prior to the passing of the Charity Commission Scheme on 20 October 2008.

As well as spending money on annual projects, the Trustees may from time to time identify strategic projects that it wishes to support over the longer term. In such cases, the Trustees may withhold some of the recurrent income and/or use some of the historic reserves to fund these projects.

Unrestricted funds of £652,162 (2021 - £713,703) are held principally to fund current and future projects.

Cash balances held within the investment portfolio are maintained for tactical reasons for future trading opportunities.

Going concern

The Charity has sufficient reserves to enable any debts to be paid as they fall due. The Trustees do not foresee any problems in the next 12 months from the date that these financial statements are authorized for issue and therefore consider it appropriate for the accounts to be prepared on the going concern basis.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is an unincorporated charity that is governed by a Charity Commission Scheme dated 20 October 2008. The charity is registered with the Charity Commission under registration number 225497.

Recruitment and appointment of new trustees

Nominated trustees must be appointed by Kingston upon Hull City Council.

Co-opted trustees must not be members of Kingston upon Hull City Council and must have special knowledge of the work and activities undertaken by the charity. The trustees must be appointed at a special meeting.

An appointment may, but need not, be made before the date on which the term of office of an existing co-opted trustee comes to an end, to take effect on that date. In these circumstances;

- the appointment may not be made more than 3 months before the date on which the existing co-opted trustee's term of office is due to end; and
- any co-opted trustee whose term of office is about to come to an end must not vote in favour of their own re-appointment.

Each appointment must be for a term of 4 years.

Organisational structure

Kingston upon Hull City Council is the Custodian Trustee of the charity. This means that any assets are held by Kingston upon Hull City Council. The trustees have authorised Brewin Dolphin to hold the charity's investments in the name of Brewin Dolphin's nominee company.

The charity is managed by a board of five trustees comprising two nominated trustees and three co-opted trustees. The trustees meet for quarterly management meetings plus other meetings from time to time.

Although the charity is independent of Kingston upon Hull City Council, the charity procures financial, legal and secretarial support and advice from Kingston upon Hull City Council.

The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2022**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

Each trustee on their appointment is given a copy of the scheme document together with any amendments made to it and a copy of the latest charity report and the accounts.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Charity has identified the risks to which it may be exposed and has implemented a risk management strategy which comprises:

- an annual review of the risks which the Charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the Charity should any of those risks materialise.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

225497

Principal address

Kingston upon Hull City Council
Guildhall
Alfred Gelder Street
Kingston upon Hull
HU1 2AA

Trustees

Nominated Trustees
Honorary Alderman J L Fareham
Councillor H Herrera-Richmond

Co-opted Trustees

Dr R G Heseltine (Chair)
Professor G Chesters
Mrs C J Frankish

Auditors

cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

National Westminster Bank plc
34 King Edward Street
Hull
East Yorkshire
HU1 3SS

Investment Managers

Brewin Dolphin Ltd
Time Central
Gallowgate
Newcastle upon Tyne
NE1 4SR

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 25th January 2023 and signed on its behalf by:

Dr R G Heseltine - Trustee

**Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment**

Opinion

We have audited the financial statements of The James Reckitt Library Endowment (the 'charity') for the year ended 31st March 2022 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 the charity'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not 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.

In connection with our audit of the financial statements, 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements;
- or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment**

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with the trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, the Charities Statement of Recommended Practice (SORP), taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charities' legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

26th January 2023

The James Reckitt Library Endowment

Statement of Financial Activities
for the year ended 31st March 2022

	Notes	Unrestricted fund £	Endowment fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	2	<u>346,917</u>	<u>-</u>	<u>346,917</u>	<u>320,301</u>
EXPENDITURE ON					
Raising funds	3	<u>6,917</u>	<u>72,071</u>	<u>78,988</u>	<u>78,226</u>
Charitable activities	4				
Expenditure on approved projects		<u>398,904</u>	<u>-</u>	<u>398,904</u>	<u>281,065</u>
Governance costs		<u>2,400</u>	<u>-</u>	<u>2,400</u>	<u>1,560</u>
Other		<u>237</u>	<u>-</u>	<u>237</u>	<u>-</u>
Total		<u>408,458</u>	<u>72,071</u>	<u>480,529</u>	<u>360,851</u>
Net gains on investments		<u>-</u>	<u>887,047</u>	<u>887,047</u>	<u>3,101,569</u>
NET INCOME/(EXPENDITURE)		(61,541)	814,976	753,435	3,061,019
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>713,703</u>	<u>16,035,641</u>	<u>16,749,344</u>	<u>13,688,325</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>652,162</u></u>	<u><u>16,850,617</u></u>	<u><u>17,502,779</u></u>	<u><u>16,749,344</u></u>

The notes form part of these financial statements

The James Reckitt Library Endowment

Balance Sheet
31st March 2022

	Notes	Unrestricted fund £	Endowment fund £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Investments	8	-	16,471,383	16,471,383	15,736,347
CURRENT ASSETS					
Debtors	9	731,836	8,629	740,465	785,572
Investments	10	<u>18,164</u>	<u>388,326</u>	<u>406,490</u>	<u>325,694</u>
		750,000	396,955	1,146,955	1,111,266
CREDITORS					
Amounts falling due within one year	11	(97,838)	(17,721)	(115,559)	(98,269)
NET CURRENT ASSETS		<u>652,162</u>	<u>379,234</u>	<u>1,031,396</u>	<u>1,012,997</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>652,162</u>	<u>16,850,617</u>	<u>17,502,779</u>	<u>16,749,344</u>
NET ASSETS		<u><u>652,162</u></u>	<u><u>16,850,617</u></u>	<u><u>17,502,779</u></u>	<u><u>16,749,344</u></u>
FUNDS	12				
Unrestricted funds				652,162	713,703
Endowment funds				<u>16,850,617</u>	<u>16,035,641</u>
TOTAL FUNDS				<u><u>17,502,779</u></u>	<u><u>16,749,344</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25th January 2023 and were signed on its behalf by:

Dr R G Heseltine - Trustee

Honorary Alderman J L Fareham - Trustee

The notes form part of these financial statements

The James Reckitt Library Endowment

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

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The presentation currency of the financial statements is the Pound Sterling (£).

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Endowment funds - these funds represent assets which must be held permanently by the charity, principally as investments. They can only be spent with prior permission from the Charity Commission. Income arising from the endowment can be used in accordance with the objects of the charity and is included as unrestricted income.

Fixed asset investments, stocks and shares

Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the statement of financial activities.

Stocks and shares are included at market value at the balance sheet date.

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2022

2. INVESTMENT INCOME

	2022	2021
	£	£
Investment income	346,379	318,705
Interest	<u>538</u>	<u>1,596</u>
	<u>346,917</u>	<u>320,301</u>

3. RAISING FUNDS

	2022	2021
	£	£
Fund management costs	72,071	63,782
Website management / redevelopment	1,080	8,911
Support services recharge	<u>5,837</u>	<u>5,533</u>
	<u>78,988</u>	<u>78,226</u>

4. CHARITABLE ACTIVITIES COSTS

	2022	2021
	£	£
Hull Children's Book Award	6,886	4,925
Audience Development & Engagement Programme	155,682	152,621
Hull Children's Literature Festival (The Big Malarkey)	63,986	26,641
Revealing the Past: Unlocking the Treasures in Hull Local Studies Library	49,064	40,799
Library Link	90,711	56,079
Events Programme	<u>32,575</u>	-
	<u>398,904</u>	<u>281,065</u>

5. AUDITORS' REMUNERATION

	2022	2021
	£	£
Fees payable to the charity's auditors for the audit of the charity's financial statements	<u>2,400</u>	<u>1,560</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2022 nor for the year ended 31st March 2021.

Trustees' expenses

	2022	2021
	£	£
Trustees' expenses	<u>237</u>	-

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2022

7. STAFF COSTS

There were no staff costs for the year ended 31st March 2022 nor for the year ended 31st March 2021.

8. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st April 2021	15,736,347
Additions	574,971
Disposals	(447,409)
Revaluations	<u>607,474</u>
At 31st March 2022	<u>16,471,383</u>
NET BOOK VALUE	
At 31st March 2022	<u>16,471,383</u>
At 31st March 2021	<u>15,736,347</u>

There were no investment assets outside the UK.

Quoted investments comprise shares and convertible capital bonds.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Kingston upon Hull City Council	723,230	768,012
Brewin Dolphin stockbrokers	12,243	11,403
Prepayments and accrued income	<u>4,992</u>	<u>6,157</u>
	<u>740,465</u>	<u>785,572</u>

The Kingston upon Hull City Council debtor includes £8,629 (2021 - £8,629) in respect of permanent endowment funds held as cash.

10. CURRENT ASSET INVESTMENTS

	2022	2021
	£	£
Brewin Dolphin - cash balances	<u>406,490</u>	<u>325,694</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Accrued expenses	<u>115,559</u>	<u>98,269</u>

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2022

12. MOVEMENT IN FUNDS

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General funds	713,703	(61,541)	652,162
Endowment funds			
Permanent endowment fund	16,035,641	814,976	16,850,617
TOTAL FUNDS	<u>16,749,344</u>	<u>753,435</u>	<u>17,502,779</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	346,917	(408,458)	-	(61,541)
Endowment funds				
Permanent endowment fund	-	(72,071)	887,047	814,976
TOTAL FUNDS	<u>346,917</u>	<u>(480,529)</u>	<u>887,047</u>	<u>753,435</u>

Comparatives for movement in funds

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General funds	690,471	23,232	713,703
Endowment funds			
Permanent endowment fund	12,997,854	3,037,787	16,035,641
TOTAL FUNDS	<u>13,688,325</u>	<u>3,061,019</u>	<u>16,749,344</u>

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2022

12. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	320,301	(297,069)	-	23,232
Endowment funds				
Permanent endowment fund	-	(63,782)	3,101,569	3,037,787
TOTAL FUNDS	<u>320,301</u>	<u>(360,851)</u>	<u>3,101,569</u>	<u>3,061,019</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/20 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General funds	690,471	(38,309)	652,162
Endowment funds			
Permanent endowment fund	12,997,854	3,852,763	16,850,617
TOTAL FUNDS	<u>13,688,325</u>	<u>3,814,454</u>	<u>17,502,779</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	667,218	(705,527)	-	(38,309)
Endowment funds				
Permanent endowment fund	-	(135,853)	3,988,616	3,852,763
TOTAL FUNDS	<u>667,218</u>	<u>(841,380)</u>	<u>3,988,616</u>	<u>3,814,454</u>

The Restricted Fund was reclassified by the Trustees as at 31st March 2018 and was transferred to the heading Unrestricted Fund. The Unrestricted Fund balances are held and administered by Kingston upon Hull City Council. The Unrestricted Fund is used to support a wide range of services across all the Council's libraries, provided that those services exceed the public libraries standards as prescribed by Central Government. It is also used to bring public library services and facilities to people living and working in Hull who would otherwise not use them.

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2022

13. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2022.

THE JAMES RECKITT LIBRARY ENDOWMENT

England & Wales - Charity number 225497

Accounts

Report of the Trustees and
Financial Statements
for the Year Ended 31st March 2021
for
The James Reckitt Library Endowment

cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

The James Reckitt Library Endowment

Contents of the Financial Statements
for the year ended 31st March 2021

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The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2021**

The trustees present their report with the financial statements of the charity for the year ended 31st March 2021. The trustees have adopted the provisions of 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 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives, aims and public benefit

In 1890 Sir James Reckitt founded the James Reckitt Library in East Hull and in 1892 the Library was given to the Council to be held on Trust. The Trust Deed provided for the establishment of "...a Public Library, known as 'The James Reckitt Free Library', for the use of the inhabitants residing in that portion of the Borough of Kingston upon Hull which is situated on the east side of the River Hull...". When opened, the library was fully furnished and stocked. The Trustees were vested with "...other personal estate and effects..." to provide future funding for the continued refurbishment and stocking of the library. These "estate and effects" form the Endowment Fund referred to in the accompanying Accounts.

Over the years the income arising from the Fund's investments has exceeded the running costs of the James Reckitt Library, and therefore the surplus has been used to provide funds for the upkeep of the general libraries' budget, including maintenance of the book stocks and buildings of all the Council's libraries.

In October 2008, the Charity Commission approved a scheme to vary the objects of the Trust. The new objects of the charity are to support a wide range of services across all the Council's libraries providing those services exceed the public libraries standards as prescribed by Central Government and also to bring public library services and facilities to people living and working in Hull who would otherwise not use them.

The trustees apply the income to a wide range of projects that benefit the users of public libraries in Kingston upon Hull. The trustees are of the opinion that they have complied with the duty in Section 4 of the Charities Act 2011 with regard to public benefit guidance published by the Charity Commission.

ACHIEVEMENT AND PERFORMANCE

During the year ended 31st March 2021, a total of £281,065 (2020 - £503,771) was spent on approved projects.

Income generated from investments during the year was £320,301 (2020 - £415,886). Total expenditure for the year was £360,851 (2020 - £574,638).

During the year, trustees approved further funding for the Big Malarkey Festival. Ongoing projects, including the Hull Children's Book Award, Revealing the Past: Unlocking the Treasures in Hull Local Studies Library, the Library Link and the Library Service Audience Development & Engagement programme continued to receive funding. However, the impact of the Covid-19 pandemic has had a significant effect on the progress of these projects.

FINANCIAL REVIEW

Financial position

The financial position of the charity is strong with net assets at 31st March 2021 amounting to £16,749,344 (2020 - £13,688,325).

Investment policy and objectives

The trustees reviewed and approved the Statement of Investment Policy, the aim of which is to minimise the financial risk whilst seeking to maintain adequate levels of income. This policy will be reviewed annually.

The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2021**

FINANCIAL REVIEW

Reserves policy

The Trustees of the James Reckitt Library Trust have adopted the following reserves policy:

The Trust has two sources of funds available for projects and its running costs: recurrent income and historic reserves. The historic reserves primarily arose following the accumulation of income in the years prior to the passing of the Charity Commission Scheme on 20th October 2008.

As well as spending money on annual projects, the Trustees may from time to time identify strategic projects that it wishes to support over the longer term. In such cases, the Trustees may withhold some of the recurrent income and/or use some of the historic reserves to fund these projects.

Unrestricted funds of £713,703 (2020 - £690,471) are held principally to fund current and future projects.

Cash balances held within the investment portfolio are maintained for tactical reasons for future trading opportunities.

Going concern

The charity has sufficient reserves to enable any debts to be paid as they fall due. The trustees do not foresee any problems in the next twelve months from the date that these financial statements are authorised for issue and therefore consider it appropriate for the accounts to be prepared on the going concern basis.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is an unincorporated charity that is governed by a Charity Commission Scheme dated 20th October 2008. The charity is registered with the Charity Commission under registration number 225497.

Organisational structure

Kingston upon Hull City Council is the Custodian Trustee of the charity. This means that any assets are held by Kingston upon Hull City Council. The trustees have authorised Brewin Dolphin to hold the charity's investments in the name of Brewin Dolphin's nominee company.

The charity is managed by a board of five trustees comprising two nominated trustees and three co-opted trustees. The trustees meet for quarterly management meetings plus other meetings from time to time.

Although the charity is independent of Kingston upon Hull City Council, the charity procures financial, legal and secretarial support and advice from Kingston upon Hull City Council.

Recruitment and appointment of new trustees

Nominated trustees must be appointed by Kingston upon Hull City Council.

Co-opted trustees must not be members of Kingston upon Hull City Council and must have special knowledge of the work and activities undertaken by the charity. The trustees must be appointed at a special meeting.

An appointment may, but need not, be made before the date on which the term of office of an existing co-opted trustee comes to an end, to take effect on that date. In these circumstances:

- the appointment may not be made more than 3 months before the date on which the existing co-opted trustee's term of office is due to end;
- any co-opted trustee whose term of office is about to come to an end must not vote in favour of their own re-appointment.

Each appointment must be for a term of 4 years.

Induction and training of new trustees

Each trustee on their appointment is given a copy of the scheme document together with any amendments made to it and a copy of the latest charity report and the accounts.

The James Reckitt Library Endowment

Report of the Trustees **for the year ended 31st March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Charity has identified the risks to which it may be exposed and has implemented a risk management strategy which comprises:

- an annual review of the risks which the Charity may face;
- the establishment of systems and procedures to mitigate those risks; and
- the implementation of procedures designed to minimise any potential impact on the Charity should any of those risks materialise.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

225497

Principal address

Kingston upon Hull City Council
Guildhall
Alfred Gelder Street
Hull
HU1 2AA

Trustees

Nominated Trustees
Councillor J L Fareham
Councillor H Herrera-Richmond

Co-opted Trustees

Dr R G Heseltine (Chair)
Professor G Chesters
Mrs C J Frankish

Auditors

cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
HU2 8HX

Bankers

National Westminster Bank plc
34 King Edward Street
Hull
HU1 3SS

Investment Managers

Brewin Dolphin Ltd
Time Central
Gallowgate
Newcastle upon Tyne
NE1 4SR

The James Reckitt Library Endowment

Report of the Trustees
for the year ended 31st March 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 26th January 2022 and signed on its behalf by:

Dr R G Heseltine

**Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment**

Opinion

We have audited the financial statements of The James Reckitt Library Endowment (the 'charity') for the year ended 31st March 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 the charity'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not 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.

In connection with our audit of the financial statements, 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

**Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment**

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with the trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Charities Act 2011, the Charities Statement of Recommended Practice (SORP), taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the charities' legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of
The James Reckitt Library Endowment

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

cbaSadofskys
Statutory Auditors
Princes House
Wright Street
Hull
East Yorkshire
HU2 8HX

31st January 2022

The James Reckitt Library Endowment

Statement of Financial Activities
for the year ended 31st March 2021

	Notes	Unrestricted fund £	Endowment fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	2	320,301	-	320,301	415,886
EXPENDITURE ON					
Raising funds	3	14,444	63,782	78,226	66,975
Charitable activities					
Expenditure on approved projects	4	281,065	-	281,065	503,771
Governance costs		1,560	-	1,560	1,440
Other		-	-	-	2,452
Total		297,069	63,782	360,851	574,638
Net gains/(losses) on investments		-	3,101,569	3,101,569	(1,355,630)
NET INCOME/(EXPENDITURE)		23,232	3,037,787	3,061,019	(1,514,382)
RECONCILIATION OF FUNDS					
Total funds brought forward		690,471	12,997,854	13,688,325	15,202,707
TOTAL FUNDS CARRIED FORWARD		713,703	16,035,641	16,749,344	13,688,325

The notes form part of these financial statements

The James Reckitt Library Endowment

Balance Sheet
31st March 2021

	Notes	Unrestricted fund £	Endowment fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Investments	7	-	15,736,347	15,736,347	12,550,123
CURRENT ASSETS					
Debtors	8	776,943	8,629	785,572	788,765
Investments	9	<u>18,164</u>	<u>307,530</u>	<u>325,694</u>	<u>467,032</u>
		795,107	316,159	1,111,266	1,255,797
CREDITORS					
Amounts falling due within one year	10	<u>(81,404)</u>	<u>(16,865)</u>	<u>(98,269)</u>	<u>(117,595)</u>
NET CURRENT ASSETS		<u>713,703</u>	<u>299,294</u>	<u>1,012,997</u>	<u>1,138,202</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>713,703</u>	<u>16,035,641</u>	<u>16,749,344</u>	13,688,325
NET ASSETS		<u>713,703</u>	<u>16,035,641</u>	<u>16,749,344</u>	<u>13,688,325</u>
FUNDS	11				
Unrestricted funds				713,703	690,471
Endowment funds				<u>16,035,641</u>	<u>12,997,854</u>
TOTAL FUNDS				<u>16,749,344</u>	<u>13,688,325</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 26th January 2022 and were signed on its behalf by:

Dr R G Heseltine

Cllr H Herrera-Richmond

The James Reckitt Library Endowment

Notes to the Financial Statements **for the year ended 31st March 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The presentation currency of the financial statements is the Pound Sterling (£).

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Endowment funds - these funds represent assets which must be held permanently by the charity, principally as investments. They can only be spent with prior permission from the Charity Commission. Income arising from the endowment can be used in accordance with the objects of the charity and is included as unrestricted income.

Fixed asset investments, stocks and shares

Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the statement of financial activities.

Stocks and shares are included at market value at the balance sheet date.

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2021

2. INVESTMENT INCOME

	2021	2020
	£	£
Investment income	318,705	409,411
Interest	<u>1,596</u>	<u>6,475</u>
	<u>320,301</u>	<u>415,886</u>

3. RAISING FUNDS

	2021	2020
	£	£
Fund management costs	63,782	61,225
Website management / redevelopment	8,911	643
Support services recharge	<u>5,533</u>	<u>5,107</u>
	<u>78,226</u>	<u>66,975</u>

4. CHARITABLE ACTIVITIES COSTS

	2021	2020
	£	£
Hull Children's Book Award	4,925	20,000
Audience Development & Engagement Programme	152,621	209,190
Untold Stories	-	174
Hull Children's Literature Festival (The Big Malarkey)	26,641	71,693
Reading Rooms	-	65,858
Development of FabLab / Makerspace (Central Library)	-	2,957
Revealing the Past: Unlocking the Treasures in Hull Local Studies Library	40,799	56,853
Development of the Library Strategy	-	26,161
Ships in the Sky	-	19,769
Enterprise & Business Support	-	26,388
Library Link	<u>56,079</u>	<u>4,728</u>
	<u>281,065</u>	<u>503,771</u>

5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st March 2021 nor for the year ended 31st March 2020.

Trustees' expenses

	2021	2020
	£	£
Trustees' expenses	<u>-</u>	<u>1,128</u>

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2021

6. STAFF COSTS

There were no staff costs for the year ended 31st March 2021 nor for the year ended 31st March 2020.

7. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st April 2020	12,550,123
Additions	4,100,605
Disposals	(3,982,537)
Revaluations	<u>3,068,156</u>
At 31st March 2021	<u>15,736,347</u>
NET BOOK VALUE	
At 31st March 2021	<u>15,736,347</u>
At 31st March 2020	<u>12,550,123</u>

There were no investment assets outside the UK.

Quoted investments comprise shares and convertible capital bonds.

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Kingston upon Hull City Council	768,012	759,784
Brewin Dolphin stockbrokers	11,403	20,557
Prepayments and accrued income	<u>6,157</u>	<u>8,424</u>
	<u>785,572</u>	<u>788,765</u>

The Kingston upon Hull City Council debtor includes £8,629 (2020 - £8,629) in respect of permanent endowment funds held as cash.

9. CURRENT ASSET INVESTMENTS

	2021 £	2020 £
Brewin Dolphin - cash balances	<u>325,694</u>	<u>467,032</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Accrued expenses	<u>98,269</u>	<u>117,595</u>

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2021

11. MOVEMENT IN FUNDS

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General funds	690,471	23,232	713,703
Endowment funds			
Permanent endowment fund	12,997,854	3,037,787	16,035,641
TOTAL FUNDS	<u>13,688,325</u>	<u>3,061,019</u>	<u>16,749,344</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	320,301	(297,069)	-	23,232
Endowment funds				
Permanent endowment fund	-	(63,782)	3,101,569	3,037,787
TOTAL FUNDS	<u>320,301</u>	<u>(360,851)</u>	<u>3,101,569</u>	<u>3,061,019</u>

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
Unrestricted funds			
General funds	787,998	(97,527)	690,471
Endowment funds			
Permanent endowment fund	14,414,709	(1,416,855)	12,997,854
TOTAL FUNDS	<u>15,202,707</u>	<u>(1,514,382)</u>	<u>13,688,325</u>

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2021

11. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	415,886	(513,413)	-	(97,527)
Endowment funds				
Permanent endowment fund	-	(61,225)	(1,355,630)	(1,416,855)
TOTAL FUNDS	<u>415,886</u>	<u>(574,638)</u>	<u>(1,355,630)</u>	<u>(1,514,382)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/19 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General funds	787,998	(74,295)	713,703
Endowment funds			
Permanent endowment fund	14,414,709	1,620,932	16,035,641
TOTAL FUNDS	<u>15,202,707</u>	<u>1,546,637</u>	<u>16,749,344</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General funds	736,187	(810,482)	-	(74,295)
Endowment funds				
Permanent endowment fund	-	(125,007)	1,745,939	1,620,932
TOTAL FUNDS	<u>736,187</u>	<u>(935,489)</u>	<u>1,745,939</u>	<u>1,546,637</u>

The Restricted Fund was reclassified by the Trustees as at 31st March 2018 and was transferred to the heading Unrestricted Fund. The Unrestricted Fund balances are held and administered by Kingston upon Hull City Council. The Unrestricted Fund is used to support a wide range of services across all the Council's libraries, provided that those services exceed the public libraries standards as prescribed by Central Government. It is also used to bring public library services and facilities to people living and working in Hull who would otherwise not use them.

The James Reckitt Library Endowment

Notes to the Financial Statements - continued
for the year ended 31st March 2021

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st March 2021.