

Upper Norwood Library Trust
Your local community learning hub



Company no. 08313429

Charity no. 1151668

ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended 31 March 2019

Contents

Trustees' report

Page

3	Objectives
6	Activities, achievements and performance
13	Plans for future periods
14	Financial review
16	Structure, governance and management
18	Statement of Trustees' responsibilities
19	Reference and administrative details, exemptions from disclosure and funds held as custodian Trustee on behalf of others

Financial statements

21	Independent examiner's report to the members of Upper Norwood Library Trust
22	Consolidated statement of financial activities
23	Balance sheets
24	Notes to the financial statements

TRUSTEES' REPORT

The Trustees present their report and the unaudited financial statements for the year ended 31 March 2019. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Objectives

Charitable purpose

The charitable objects of the Charity relate to the community and residents of Upper Norwood and surrounding areas and in particular but without limitation are to:

1. Advance the education of the public by the provision of or assistance in the provision of a library and/or a library service to be available to the public at large;
2. Without prejudice to the generality of the above, advance the education of the public by the management and operation of The Upper Norwood Library, including facilities for adults, children, young people, including information and study facilities;
3. Advance the education of the public through the development of programmes to promote literacy and lifelong learning;
4. Develop the skills and capacity of those sections of the community in need, whether by reason of youth, age, infirmity, disability or social or economic circumstances to enable them to participate more fully in society;
5. Pursue such other charitable purposes consistent with the above, as the trustees in their absolute discretion shall determine.

Background

The Upper Norwood Library Trust (UNLT) was formed in November 2012 by local residents with the objective of taking over the operation, governance and management of the Upper Norwood Joint Library (UNJL) as a library and community hub in response to overwhelming support from the community for the continued running of the library, and its transfer to the community as a locally managed asset.

UNJL was, an independent library supported and jointly funded for the previous 112 years by a Joint Library Committee of elected members from Lambeth and Croydon borough councils, and local community representatives. Due to significant funding reductions the joint funding arrangement between both councils became problematic and the library has been at risk of closure.

UNLT successfully negotiated with Lambeth and Croydon councils to continue the library services in the community, with UNLT delivering other valuable community services to local residents. The Trust established Upper Norwood Library Hub (UNLH) in 2016 as a social enterprise when Lambeth Council handed over the management of the building to the trustees of UNLT, from which the Councils continue to provide a library service.

Our Vision

To create a safe, vibrant, responsive and sustainable space for local residents and service users to access not just books, but services, knowledge, time, skills, 'things' and experiences all under one roof to build tangible social capital in a 'cheek by jowl' urban town.

Our aims and objectives

To:

1. Ensure local residents have ongoing access to traditional library services and a wide range of social, learning, educational, cultural and wellbeing services that meet their needs, in the following activity areas:
 - lending and sharing economy
 - culture and creativity
 - community learning and education
 - community enterprise
 - health and wellbeing

2. Strive towards financial and economic stability and steadily reduce reliance on council and short-term grant funding and will do this by:
 - growing earned income from the building, from social enterprise activities, a new membership scheme, consultancy activities and by trialling new trading/business ideas and scaling up wherever possible
 - securing extended funding from the councils to support the library services and our plans to become more sustainable plus some grant funding to deliver community services which local residents need and want
 - building relationships and communication with service commissioners, existing and new grant funders, with local and national corporate and other organisations
 - continuing to increase footfall in the library hub

Public benefit

The charitable objects of the Charity are set out above and they centre on the education and welfare of our community and the provision of a library service to the public at large. Funding from both Croydon and Lambeth was made available to the Charity to enable it to meet the aims and objectives outlined above.

An initial two-year package of support and grant funding from the London Borough of Lambeth and the London Borough of Croydon was agreed for 2016-18, funding has been extended for another 3 years, 2019 - 2021, albeit significantly reduced, plus provision of the lending service and 35 librarian hours, (the service is delivered by Lambeth co funded by Croydon). During the year the Charity successfully applied for/maintained grants and donations from funding organisations to deliver a range of services to local residents which included:

- The Learning and Work Organisation for our ESOL programme
- The Arts Council Catalyst fund to help us diversify our income base
- The Big Energy Saving Network (BESN) jointly funded by the Department for Business, Energy and Industrial Strategy (BEIS) and National Energy Action (NEA) to deliver help and advice to vulnerable residents in our community
- Groundwork's Cycling grants to share the joys and benefits of cycling with local residents in partnership with Bromley and Croydon Woman's aid

- Awards for All – Big Lottery Fund to invest in equipment to support arts and theatrical activities in the library hub
- Post Code Lottery for an inter-generational project
- Support from the Co-op Fund, to help with volunteering and core activities
- Power to Change's Sandbox Grant programme to create a sustainable Peer Network for Community Managed Libraries

We are actively investigating and implementing different ways of generating income through music, arts, cultural and social events, funding applications, organising activities, letting space, benchmarking services, and have drafted a Fundraising Strategy and Action Plan.

Therefore, the Trustees believe they have complied with the duty to have due regard to guidance published by the Charity Commission.

Activities, achievements and performance

Our main activities and achievements in 2018 - 2019

Under our agreement with Lambeth and Croydon councils we continued to manage the library building and extend services offered to the community creating a library hub. Under our five main areas, we successfully implemented the following activities in 2018/19:

Objective – What we set out to do	What we did	What we achieved
<p>Management of the library building:</p> <p>Manage the library building and capitalise on the improved facilities</p> <p>Secure ongoing funding from Lambeth and Croydon councils whilst seeking to grow earned income and source alternative funding for our planned activities.</p> <p>Improve communication and marketing within and from the Library Hub</p>	<p>We continued to manage the building under the licence secured on 4 July 2016. We cover building repairs, maintenance and running costs.</p> <p>The initial two-year funding from the councils ended in 2018 and we started dialogue with the two councils to extend our funding for another 3 years and a continuation of the 35 librarian hours.</p> <p>We invested in additional capacity to grow earned income from the building.</p>	<p>The building continues to be used for delivering valued services to the community and the refurbishment is enabling us to diversify our offer to the community e.g. increased space and car park hire by our community and over 38 activities run in the library hub, generating income to support running of the library building and services.</p> <p>We successfully negotiated a further 3-year funding (2019 – 2021) from the councils, albeit significantly reduced.</p> <p>Recruited 2 events co-ordinators to organise, support, market and promote a range of activities in the building enabling us to increase income from the building.</p>
<p>Community Learning:</p> <p>Build on proven track record and key activities established between 2016-18 and introduce new activities.</p> <p>Seek funding, collaborate and work in partnership with local residents, community organisations both local and</p>	<p>We continue to offer a range of community learning activities to local residents and introduced new community learning initiatives eg webinars for community managed libraries.</p>	<p>Our range of community learning initiatives grew in 2018/19, including our digital inclusion offer, ESOL, reading club, arts and crafts sessions, Brushstrokes (an arts camp), creative writing courses and more. The most notable are as follows:</p>

Objective – What we set out to do	What we did	What we achieved
<p>national to deliver a range of community learning events and activities, including:</p> <ul style="list-style-type: none"> Digital inclusion classes 	<p>The charity's unrestricted funds continued to support digital inclusion classes for local people. We are now seeking funding to expand the service including taking the service to people who are housebound.</p>	<p>Well over 80 local residents including seniors, the unemployed and vulnerable adults looking to improve their computer skills, gain knowledge and greater confidence in the use of the internet and commonly used software packages participated in our digital inclusion classes.</p>
<ul style="list-style-type: none"> Little Brushstrokes 	<p>We ran the Little Brushstrokes holiday art camp giving children between 5-11 the opportunity to discover new skills, techniques and learn about famous individuals as they express their creativity in a hands-on way.</p>	<p>The sessions are priced in order to make it accessible to all and UNLH provide low cost wraparound care so that working families can participate in the scheme with 135 children attending events in 2018.</p>
<ul style="list-style-type: none"> ESOL classes 	<p>Secured a £1k contribution from the Learning and Work Organisation to support our ESOL programme. Weekly classes organised over the course of the year. Volunteer reading helpers recruited and trained to support people who needed additional support outside of the classroom.</p>	<p>60 adult learners benefited from ESOL classes. New learners made a £30 donation to sustain the ESOL programme. 3 classes run each week aimed at beginners and those at intermediate level. 3 very passionate and experienced volunteers led ESOL classes. Some learners benefited from additional one to one reading support from volunteers. Others attended social meetings organised by a tutor in a local cafe. Some case studies shared by the learners show increased confidence in speaking English, some secured jobs and others grew their social networks.</p>

Objective – What we set out to do	What we did	What we achieved
<ul style="list-style-type: none"> Host Webinar based learning sessions for community libraries and peer learning activities with other community libraries nationally 	<p>Funding from Power to Change continued to help us organise shared learning activities for community libraries.</p>	<p>45 people participated in webinar sessions. We also organised some networking events for peers to share and learn together.</p> <p>We continue to publish blogs on the CML Peer Network site.</p> <p>We formed a shadow board to take forward a programme of work to make the Network sustainable in the long term.</p> <p>Power to Change funding will allow the Network to seek charity status becoming an entity on its own; it will support development of a business plan, sustainability and financial strategies. UNLT will continue to be involved through the Network's board.</p> <p>600 people benefitted from energy advice to help them reduce their bills and conserve natural resources.</p>
<ul style="list-style-type: none"> Energy saving initiatives 	<p>We secured another round of funding from the Department for Business, Energy and Industrial Strategy (BEIS) to continue with the provision of energy advice and support to local residents.</p>	<p>Plans developed for a free bereavement counselling service in the next financial year run by trained/experienced volunteers.</p>
<ul style="list-style-type: none"> Project to tackle isolation and loneliness 	<p>We set up a partnership with St Christopher's Hospice to plan for a bereavement service in the library hub.</p>	<p>Classes open to primary, secondary and sixth form students continue benefiting 140 children and their families.</p>
<ul style="list-style-type: none"> Tuition classes in the library hub. 	<p>Delivered in partnership with IMTuition - includes a local teacher</p>	<p>IM Tuition develop 'Star Students', offer tips and exam plans and rewards to encourage and support learners.</p>

Objective – What we set out to do	What we did	What we achieved
<p>Lending and sharing economy</p> <p>Build on proven track record and activities established in 2016-18 and Continue implementing our strategy to proactively engage, involve and inform our community, engage local schools, recruit and work with a range of volunteers.</p>	<p>We intensified use of our social media and communication channels with support from one of our events co-ordinators.</p>	<p>Social media channels have over 2,120 regular users combined. Our twitter account has gone from 0 to 842 and our Instagram has gone from 0 – 727 and our website has an average of 600 visits per month.</p>
<ul style="list-style-type: none"> Library service: sustain the library service, grow membership of the library including football. 	<p>Lambeth Library services continue to deliver professional library services to local residents.</p>	<p>Issues for 2018 were 73,549 (57,854 in 2018) and football amounted to 173,805 (101,143 in 2017).</p>
<ul style="list-style-type: none"> Sales of books, DVDs etc 	<p>We encouraged our community to donate books, comics and DVDs to the library hub for sale.</p>	<p>Donated books and DVDs continue to be sold in the library hub, raising £796.02 in funds</p>
<ul style="list-style-type: none"> Volunteering: having received expressions of interest from potential volunteers across a range of our potential activities we endeavoured to utilise their skills wherever possible. 	<p>Our Volunteering programme continues to grow from strength to strength. Processes for managing work placement and Duke of Edinburgh activities were developed.</p>	<p>We have 91 volunteers (up from 30 last year), 15 are regular volunteers. They support on front of house, hosting and signposting, they help to facilitate activities and community events, provide data entry and administrative assistance and support community projects such as promoting services at fetes.</p> <p>We offered two work placement opportunities to a local secondary school and supported 5 Duke of Edinburgh Award students.</p>
<p>Cultural and Creative Library Hub</p> <p>To build on proven track record and activities established in 2016-18 and introduce new ones.</p> <p>Engage with local theatre groups, museums, drama and cultural groups to</p>	<p>We continued to encourage local residents to use the building for community and cultural activities.</p>	<p>The Local History group, Choir, Swing Patrol, Pilates, Sing & Sign and Life Drawing continue to host activities and events in the library hub</p> <p>In partnership with Disentangled Projects we delivered a very successful 1st Attic Arts event in June 2018, attended by 1320 people. We had 2 weeks of well</p>

Objective – What we set out to do	What we did	What we achieved
<p>implement a range of cultural and creative activities in the library hub. This to include drama classes for adults and children, initiatives aimed at people with disabilities, projects to support people into employment and a skills development programmes.</p>	<p>We developed a stronger community presence in the arts, culture and music.</p>	<p>attended real entertainment – music, theatre, arts, cultural programmes aimed at all ages and backgrounds. We targeted vulnerable/disadvantaged people in our community, albeit take-up at events was low. Strategy for engaging and reaching people from these communities will be put in place for next year's Attic Arts event.</p> <p>Crystal Palace Drama for 5-11 years old launched a course ending the term with a finale performance for parents and members of the public. The activity focuses on improving confidence and concentration in a fun and accessible way and at a low cost to participants.</p>
<p>Promote library hub as a space for hire, for events, social and community activities, arts, culture and music events.</p>	<p>Offered a range of activities organised by local residents/businesses in the library hub</p>	<p>The local resident run coffee shop continues to attract customers and act as a focal point for shared reading, crafts and wellbeing activities.</p> <p>UNLH also now hosts a wide range of new activities and events in the Hub including: T'ai Chi, Stay & Play, band rehearsals, Shared Reading, Creative Writing, Baby Sensory, Yoga, Ballet, Barre, Games Club and Soundbaths.</p>
<p>Enterprise and Fundraising activities</p> <p>Initiative programme of work to diversify our income base including launch of a Supporter's scheme.</p> <p>To continue to raise our profile within the local community through a strategy for regular planned communications and a fundraising campaign to grow our supporter base and voluntary income.</p>	<p>We started fundraising and enterprise activities in earnest as part of our sustainability plans.</p> <p>We consulted on a Supporters' scheme with our users/community.</p>	<p>With support from the Arts Council's Catalyst fund, we reviewed our business model, business plan and implemented a revised fundraising strategy.</p> <p>In November 2018, with support from the Arts Council's fund we launched our first Supporters' Scheme. The scheme was revamped in February 2019 to increase membership by offering discounts to some</p>

Objective – What we set out to do	What we did	What we achieved
<p>We also planned to research available funding sources and apply for grants.</p>		<p>of our events including the second Attic Arts event planned for June 2019.</p> <p>We secured funding from BESN for energy advice, Power to Change for the Community Managed Libraries Peer Network and Groundworks for the Cycle Confident programme aimed at families which experience domestic abuse.</p> <p>We continue to build on our funding pipeline and developing strong relationships with grant giving bodies.</p>
<p>Offer Space Hire for community events and activities.</p>	<p>Trading in space hire continues post refurbishment</p>	<p>Bookings for affordable room/office and car parking spaces for individuals, community groups, start-ups and local businesses grew significantly from £13,256.28 in 2017/18 to £32,914.29 in 2018/19.</p>
<p>Governance activities</p> <p>Maintain focus on ensuring that:</p> <ul style="list-style-type: none"> • we have a trustee board that reflects the range of expertise the Charity needs to be effectively run in compliance with principles of good governance; • we stay abreast of all legal and regulatory requirements, including those issued by the Charity Commission, the Institute of Fundraising and the Fundraising Regulator around supporter acquisition/retention programmes and opt in/out requirements; 	<p>We recruited new trustees and held an induction session for trustees.</p> <p>We continued to receive, research and review communications from the relevant bodies, sharing information with Trustees and Hub Directors.</p>	<p>Induction sessions were held for new trustees. Trustees continue to support and drive the organisation's strategic vision and direction. Trustees regularly ensure learning from Charity Commission guidance and updates is incorporated into all procedures and policies.</p> <p>We moved from monthly to quarterly trustee meetings, as the Hub Directors became more established. Finances and fundraising activities continue to be monitored closely by the trustees as well as the Treasurer and the hub directors</p>

Objective – What we set out to do	What we did	What we achieved
<ul style="list-style-type: none"> under General Data Protection Regulation (GDPR) we fulfil our duty to ensure the organisation is compliant with new data protection rules; where appropriate we develop new policies to ensure the Charity adheres to best practice and regularly review all relevant policies. 	<p>We worked on GDPR to ensure compliance with new data protection rules</p>	<p>GDPR was successfully implemented and we continue to monitor this area</p>
<p>Measuring success</p> <p>For each of the following indicators, set key metrics that enable us to measure both outputs, for example numbers of activities and beneficiaries, and social impact through qualitative evaluation of our services with key beneficiaries and stakeholders.</p> <ul style="list-style-type: none"> Disadvantaged residents (low skills, income and/or socially excluded) have enhanced lifelong learning opportunities Local residents have increased opportunities to enhance their lifelong learning and knowledge People have the skills to find work and achieve financial security Residents are supported to be healthier for longer Improved educational attainment for young people 	<p>Informed by learning from the activities we undertook, we are now better equipped to develop our social impact framework which will be used across all our projects and services in 2019/20.</p> <p>We monitored numbers attending events and programmes and captured feedback through case studies, stories and we shared these widely, using them to determine success factors and where we need to make adjustments or do more.</p>	<p>Event attendees were asked to complete an evaluation form after each event.</p> <p>Evaluations were carried out as part of project funding reporting requirements.</p> <p>We achieved average footfall of 13,000 people pm.</p> <p>Over 30 new partnerships were formed with a range of organisations at local/national level.</p> <p>Digital inclusion classes helped around 80 people, they included those looking for employment opportunities, the socially isolated and vulnerable in our community.</p> <p>The professional library service run by Lambeth and Croydon councils continued to support our community's passion for learning and knowledge.</p> <p>The local history group, ESOL, book clubs continued to increase learning and knowledge amongst a rich diversity of people in our community.</p> <p>Digital inclusion classes supported the long term unemployed to hone their skills/learning. Sessions also</p>

Objective – What we set out to do	What we did	What we achieved
<ul style="list-style-type: none"> • Older people increase their social inclusion • Residents feel valued, take responsibility for and are demonstrably part of their neighbourhoods. 		<p>allowed people who are isolated to socialise with others on a weekly basis, improving their mental wellbeing.</p> <p>Energy advice sessions for people who are financially disadvantaged, the socially isolated and vulnerable allowed them to manage their costs and reduce avoid debt in the process.</p> <p>Community events run by local residents for the community eg Tai Chi, Zumba and more, connected people to others in our community, they also improved social inclusion and promoted better wellbeing.</p>

Our Future

We will continue to implement actions in our business plan and fundraising strategy. As part of this we will trial new trading and sales activities and scale up others in order to grow our core income.

We will look at ways to develop and expand our Supporters' scheme and design a corporate engagement and sponsorship strategy.

We plan to invest in a new CRM which will allow us to improve our communication, engagement, fundraising and income generation activities.

We will monitor our finances regularly and to support this we will improve and expand our financial systems and reporting processes.

Building on our existing proven track record and learning we will implement a number of new activities and build the foundations for a number of long-term programmes and services to align with the business plan.

In 2019/20 we will:

1. Start conversations with the councils for ongoing funding, albeit reduced whilst we drive for business sustainability
2. Invest more of our time in growing earned income from the building eg consultancy work, large scale events in the building
3. Sustain the library service in our community
4. Continue to improve communications and marketing within and from the Library Hub
5. Continue to ensure our governance maintains high standards.
6. Due to our continued drive to improve earned income from the building, we have not been able to implement an impact framework this financial year, we therefore plan to design and implement processes for capturing our impact and learning at the latter part of 2019/20. We will also explore how the new CRM and Xero our financial system could be used for measuring and monitoring our financial and organisational impact.

Our plan is to implement a system which uses case studies, surveys, discussion groups, consultations, statistical monitoring against appropriate benchmarks, research and videography to monitor and assess our impact.

Our volunteers

We have grown volunteer numbers to 91 (of which 15 are regular) and will continue to grow this further, bringing more volunteers in to support building services, reading with children, homework clubs, events, library of things, front of office, events, bid writing, social impact, marketing and communications.

In accordance with the SORP, due to the absence of any reliable measurement basis, the contribution of these volunteers is not recognised in the financial statements.

Financial review

Financial performance

The statement of financial activities on page 24 summarises the income and expenditure of the charity during the year ended 31 March 2019.

Income

Total income for the year was £214,148 (2017/18: £294,523). Donations for the year were £6,640 (2017/18: £13,992) and grants were £172,192 (2017/18: £267,220).

Expenditure

Expenditure for the year was £221,286 (2017/18: £209,807). £16,162 (2017/18: £13,711) of this relates to raising funds and £205,124 (2017/18: £196,096) was spent on charitable activities.

Financial position

The net movement in funds for the year was a deficit of £7,138 (2017/18: surplus £84,716). The deficit was due to a drop in our income during in 2018/19 compared to 2017/18. In 2017/18 we put all our energies into raising grant funding, however for this financial year, we invested considerable time into building the blocks to grow earned income from the building. We were also not successful with a few grant applications. Most importantly without any notification, we received a business rates bill for the period between 2016 and 2019. We applied for full rebate but were only granted the charity's mandatory 80% rebate. As the £19,667 we paid in 2018/19 for the years 2016-19 was not budgeted for because we thought we would qualify for a full rebate, this added to the deficit for the financial year.

The Charity ended the year with reserves of £145,800 (2017/18: £152,938) of which £29,036 (2017/18: £36,693) was restricted and £116,764 (2017/18: £116,245) was unrestricted, with £81,697 being designated towards future running costs leaving £35,067 free reserves.

Details of restricted funds can be found in note 13 to the financial statements together with an analysis of movements in the year.

Funds raised in the year are held as either restricted funds (where grant funders or donors have specifically requested that their grants or donations are used on a project) or within unrestricted funds (where no restrictions are placed by the donor).

The Trustees are satisfied with the year-end position of the Charity.

Reserves policy

The Trustees reviewed the Charity's reserves policy during the year. Trustees believe it is prudent to hold a level of free reserves to enable them to weather any disruptions to income and cash flow, to take advantage of change and opportunity as it presents itself and to allow the fundraising and core charitable operations of the Charity to continue for a minimum of three months. This will allow the Charity to respond in a considered way to an adverse change in circumstances, giving sufficient time to enable emerging circumstances to be assessed and appropriate plans developed and implemented, without requiring a crisis response.

As the Charity's activities expand, the Trustees continue to assess the appropriate level of free reserves for such purposes to allow for the uncertainty of both actual receipt and timing

of grants and future fundraising income and meeting the unplanned costs of urgent requirements or of sudden closure. These reserves will be held in liquid and readily realisable assets accessible within one month.

Any free reserves held at any time over and above the agreed amount will be considered by Trustees to be available for new projects.

Trustees believe good progress has been made towards reaching an appropriate level.

Principal risks and uncertainties

The Trustees reviewed the risk policy during the year and have given consideration to the major risks to which the Charity is exposed and believe that the Charity has established systems and procedures to manage those risks.

The Trustees seek actively to manage the Charity's key strategic risks, which are assessed by the Trustees on a regular basis (at least annually). The current key strategic risks are considered to be:

- Fundraising risk for committed projects

This risk is mitigated through the application of the Trustees' reserves policy such that a commitment will not be made unless funding has been secured or where Trustees agree a designation from free reserves to cover the balance not yet fully secured.

- Environment risk of changes in local authority funding

This risk is mitigated through Trustees working closely with local authority funders, seeking to agree funding well in advance, being kept informed of changes to government policy and developments in local authority spending policy and the impact this is likely to have on the library so they can assess the impact on the Charity and plan accordingly. In light of proposed reductions in our funding, whilst we will seek to keep local authority funding maintained at viable levels, we are allocating resources towards identifying and realising alternative funding sources.

- Increasing media focus on regulation of fundraising, economic environment and competitive market for charities

This risk is mitigated through the Charity implementing a strategic fundraising plan which is:

- focused on investment in a wide assortment of fundraising and revenue generating activities to reduce reliance on a more limited range;
- responsive to staying abreast of all the regulatory changes and best practice requirements for fundraising and facilitates the growth of income under new and increasing regulations; and
- reviewed, updated and approved annually by Trustees.

These risks and other identified risks relating to the Charity are analysed in a formal risk register which includes controls and actions to mitigate the risks.

Fundraising and financial performance is reviewed monthly by senior management and quarterly by trustees. As we become fully operational this review will compare actual outcomes against key indicators, including review of the forecast financial outturn. Trends will be acted upon through tactical shifts in the plan.

Structure, governance and management

Structure and governance

Upper Norwood Library Trust ('the Charity') is a company limited by guarantee (Company no. 08313429) and a registered charity (Charity no. 1151668) governed by its memorandum and articles of association. The Trustees constitute Directors of the Charity for the purposes of company law.

Regular focus is placed on the skills mix of the Trustees to ensure that the Board of Trustees has all the necessary skills required to contribute fully to the Charity's development.

An induction and training programme developed for new Trustees to ensure that all Trustees have specific knowledge of the Charity, and general knowledge of their responsibilities as a Charity Trustee so as to enable them to carry out their roles. A reference manual is provided that includes material on the Charity Commission regulation and guidelines and the charity's policies and processes. Additionally, individual meetings are arranged with other trustees.

Trustees met as a body 4 times and additionally considered specific items via group email or visits/informal meetings with the Hub Directors during the year ended 31 March 2019.

No Trustee received any remuneration from the Charity during the period (2017/18: £nil).

Management

The management of the Charity falls into five areas of responsibility:

Assessment and approval of business plan

The Hub Directors prepare a detailed business plan and annual budget for consideration and approval by the Trustee board to lay out the objectives for the financial year ahead.

Identification and approval of projects for funding

Specific trustees, supported by the Hub Directors, have responsibility for this area, reporting to the Trustee board.

Fundraising and communications

This area covers all fundraising initiatives and the way that the Charity presents itself to the outside world. Specific trustees, supported by the Hub Directors, have responsibility for this area, reporting to the Trustee board.

Finance and administration

This covers the accounting, secretarial, legal and administrative requirements of the Charity. The everyday management of this area is delegated to the Hub Directors, supported by the Treasurer.

Arrangements for setting the pay and remuneration of the Charity's key senior management personnel

Senior management personnel are remunerated in line with market rates for comparable roles in similar organisations in the Charity sector. Salaries are set by the Trustees.

Relationships with related parties

Gunpowder Studios

The Trust's website is hosted by Gunpowder Studios, a web design and services business also based in Upper Norwood. During the period the Charity spent £728.40 (2017/18: £676) on fees to Gunpowder studios for website hosting. Emma Sharville who resigned in November 2018, is married to Tim Sharville, proprietor of Gunpowder Studios. The remaining Trustees approved these arm's length transactions.

Payments to a Trustee

No payments were made to trustees.

Upper Norwood Enterprise Company Limited

There were no transactions with the Charity's wholly owned subsidiary Upper Norwood Library Enterprises Limited which was dormant throughout the period.

Other than those transactions stated above there were no related party transactions during the period.

Donations to the Charity from a Trustee or a related party

No donations with conditions attached were received by the Charity from a Trustee or related party. The total amount of donations received from a Trustee or a related party without conditions was £110 (2017/18: £150).

Reference and administrative details, exemptions from disclosure, funds held as custodian Trustee on behalf of others

Reference and administrative information

Company number 08313429

Charity number 1151668

Registered office	39-41 Westow Hill Upper Norwood London SE19 1TJ
Bankers	National Westminster Bank plc PO Box 575 Rotherham S63 3FJ
Solicitor	Winkworth Sherwood Minerva House 5 Montague Close London SE1 9BB
Independent examiner	Peter Wallyn FCA Thomton Springer LLP 67 Westow Street London SE19 3RW

Trustees

The following Trustees who were in office at 31 March 2019 and at the time this report was approved and served throughout the year, except where shown. Most of the trustees who resigned this financial year were involved for over 8 years in the drive to save the library and supported the start-up of the charity. We launched a drive to recruit new trustees and the campaign continues.

Trustees	Appointed	Capacity
Sam Brown	28 October 2019	
Thea Edwards	25 April 2019	
Sarah Fok	6 February 2019	
Pam Gray		
Barbara Gunter	18 June 2019	Acting Chair
June O'Sullivan		

Trustees	Resignation Date
Laura Wright, Chair	14 November 2019
Marcus Lloyd Davy	21 January 2019
Joanna Redhead	2 December 2018
Jane Gregory	13 November 2018
Emma Sharville	6 November 2018

Senior management

The following key senior management personnel were appointed from 5 July 2016 and were in office at 31 March 2019 and at the time this report was approved:

Margaret Adjaye – Joint Hub Director

Emily Jewell – Joint Hub Director

Exemptions from disclosure

No details concerning the names of Trustees, the Charity's principal address, name of any chief executive officer or other senior staff members have been withheld from this report.

Funds held as custodian Trustee on behalf of others

Neither the Charity nor its Trustees are acting as custodian Trustees therefore this is not featured in this report.

FINANCIAL STATEMENTS

Independent examiner's report to the members of Upper Norwood Library Trust (Registered Charity no. 1151668) on accounts for the year ended 31 March 2019 set out on pages 22 to 31

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 March 2019.

Respective responsibilities of trustees and examiner

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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

Signed:



Date:

23/12/19

Name: P L Wallyn FCA

Address: Thornton Springer LLP
67 Westow Street
Upper Norwood
London SE19 3RW

Statement of financial activities (incorporating an income and expenditure account)**For the year ended 31 March 2019**

		2019			2018
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income from:					
Donations	2	6,640	-	6,640	13,992
Grants receivable	3	121,250	50,942	172,192	267,220
Trading activities		34,984	-	34,984	12,665
Other		332	-	332	646
Total income		<u>163,206</u>	<u>50,942</u>	<u>214,148</u>	<u>294,523</u>
Expenditure on:					
Raising funds	4	16,162	-	16,162	13,711
Charitable activities	5	150,750	54,374	205,124	196,096
Total expenditure		<u>166,912</u>	<u>54,374</u>	<u>221,286</u>	<u>209,807</u>
Net (expenditure)/income		(3,706)	(3,432)	(7,138)	84,716
Transfers between funds	17	4,225	(4,225)	-	-
Net movement in funds		519	(7,656)	(7,138)	84,716
Reconciliation of funds					
Total funds brought forward at 1 April		<u>116,245</u>	<u>36,693</u>	<u>152,938</u>	<u>68,222</u>
Total funds carried forward at 31 March	13	<u>116,764</u>	<u>29,036</u>	<u>145,800</u>	<u>152,938</u>

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

Balance sheets**As at 31 March 2019**

	The Group		The Charity		
	Note	2019 £	2018 £	2019 £	2018 £
Fixed assets					
IT equipment	11	-	1,620	-	1,620
Investment in subsidiary company			-	1	1
Current assets					
Debtors and prepayments		60,038	3,109	60,038	3,109
Cash at bank and in hand		96,798	168,086	96,798	168,086
Total Current Assets		156,836	171,195	156,836	171,195
Liabilities					
Creditors: amounts falling due within 1 year	12	(11,036)	(19,877)	(11,036)	(19,877)
Net current assets		145,800	151,317	145,800	151,317
Total assets less current liabilities		145,800	152,938	145,800	152,938
Creditors: amounts falling due after 1 year		-	-	-	-
Total net assets		145,800	152,938	145,800	152,938
The funds of the Charity					
Restricted funds					
National libraries peer network programme		10,237	4,316	10,237	4,316
Energy saving advice programme			6,221		6,221
Arts Council - Catalyst Fund		6,971	11,368	6,971	11,368
ConnectingU isolation & loneliness programme			1,480		1,480
Learning & Work institute		-	411	-	411
WonderWheels project		3,150	2,219	3,150	2,219
Library of Things		-	-	-	-
Big Lottery Fund		-	-	-	-
Postcode Lottery project		7,665	9,665	7,665	9,665
Junior Library (CP Mums)		1,013	1,013	1,013	1,013
Unrestricted funds					
Lambeth and Croydon Councils - 2016/18		44,096	81,697	44,096	81,697
General funds		72,668	34,548	72,668	34,548
Total Charity funds	13	145,800	152,938	145,800	152,938

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2019 in accordance with Section 476 of the Companies Act 2006. The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its

surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies' regime.

The financial statements were approved by the Board of Trustees on 20 December 2019 and were signed on its behalf by:

Barbara Gunter



Pam Gray:



Trustees and Directors

Company no. 08313429

Charity no. 1151668

Notes to the financial statements

1. Principal accounting policies

a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. There are no material uncertainties affecting the current year's financial statements.

In future years, the key risk to the Charity is a failure to generate income from donations or grants or other activities and the Trustees are actively seeking other potential funding streams to mitigate those risks (see the risk management and reserves sections of the annual report for more information).

The Charity is a public benefit entity. The financial statements are presented in sterling.

b) Income

Income is recognised once the Charity is entitled to receipt, it is probable (more likely than not) that the resources will be received and the amount can be measured with reasonable reliability. Where there are terms or conditions attached to income, particularly grants, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be satisfied until that point. Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

Goods and services donated to the Charity

Income is recognised for donated goods or services once the income recognition criteria attached to the donation have been fully met:

- entitlement – the Charity has received the goods or service;
- probable – it is more likely than not that the associated economic benefit will flow to the Charity;
- measurable – the fair value or value to the Charity can be measured reliably.

In the case of items donated for resale this means recognition takes place when the items are sold.

c) Expenditure

Expenditure is included in the statement of financial activities on an accruals basis and recognised when there is a legal or constructive obligation to make payments to third parties and includes any attributable VAT which cannot be recovered.

Expenditure is allocated to the particular activity where the cost relates directly to that activity and comprise the following:

- The costs of raising funds are those costs attributable to generating income for the Charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking trading activities in furtherance of the Charity's objects. The costs of raising funds represent fundraising costs, direct costs and overheads associated with raising donated income.
- Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the Charity.
- Support costs, which include governance costs, are those costs which do not relate directly to a single activity. These comprise costs incurred which are directly attributable to the administration of the Charity, management of the Charity's assets, organisational procedures and the necessary legal procedures for compliance with statutory and constitutional requirements, and other support costs. The majority of costs are directly attributable to specific activities. Certain shared costs are apportioned between fundraising costs and charitable activities on an appropriate basis. Support costs are allocated based on the direct costs incurred by each activity.

d) Investment in subsidiary company

The Charity's investment in the subsidiary company is included in the financial statements valued at £1.00.

e) Depreciation

The assets were depreciated using the straight-line method over their expected useful lives.

f) Debtors

Debtors are amounts owed to the Charity. They are measured based on the amount recoverable. All amounts included as debtors fall due within one year.

g) Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the Charity and grant payments as they fall due.

h) Creditors

Creditors are amounts owed by the Charity. They are measured at the amount that the Charity expects to have to pay to settle the debt.

Amounts which are payable in more than a year are shown as long-term creditors.

i) Restricted funds

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

j) General funds

General funds represent those monies which are freely available to the Trustees for application towards achieving any charitable purpose that falls within the Charity's charitable objects.

k) Going concern

The financial statements have been prepared on a going concern basis as the Trustees consider that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from the date of approval of these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Donations

	Unrestricted	Restricted	2019 Total	Unrestricted	Restricted	2018 Total
	£	£	£	£	£	£
Donations						
Donated goods and services	1,447	-	1,447	425	-	425
Voluntary donations	5,193	-	5,193	7,277	6,290	13,567
Total	6,640	-	6,640	7,702	6,290	13,992

3. Grants receivable

	Unrestricted	Restricted	2019 Total	Unrestricted	Restricted	2018 Total
	£	£	£	£	£	£
Lambeth and Croydon Councils - 2016-2018	121,250	-	121,250	191,250	-	191,250
Arts Council - Catalyst Fund	-	9,671	9,671	-	-	-
Big Lottery Fund	-	8,970	8,970	-	-	-
Library of Things	-	3,000	3,000	-	-	-
Groundwork London - Wonder Wheels - CG	-	4,902	4,902	-	6,777	6,777
Learning and Work Institute - Improving La	-	1,000	1,000	-	1,000	1,000
BEIS BESN - 2 Initial Champions	-	10,000	10,000	-	8,000	8,000
Power to Change - Peer network programme	-	13,399	13,399	-	33,725	33,725
DCMS Community managed libraries nation	-	-	-	-	1,214	1,214
National Energy Action - Energy saving advi	-	-	-	-	2,000	2,000
Arts Council - Artilexia programme	-	-	-	-	1,150	1,150
Arts Council - Catalyst fund	-	-	-	-	12,089	12,089
Postcode Local - Men in Sheds	-	-	-	-	10,015	10,015
Total	121,250	50,942	172,192	191,250	75,970	267,220

4. Raising funds

Note	Unrestricted	Restricted	2019 Total	Unrestricted	Restricted	2018 Total
	£	£	£	£	£	£
Fundraising costs	74	-	74	-	316	316
Donated goods and services	-	-	-	425	-	425
Support costs	6	16,088	16,088	12,970	-	12,970
Total	16,162	-	16,162	13,395	316	13,711

5. Charitable support of the library

	Note	Unrestricted	Restricted	2019 Total	Unrestricted	Restricted	2018 Total
		£	£	£	£	£	£
From grants:							
National libraries peer network programme	-	-	5,729	5,729	-	42,105	42,105
Energy saving advice programme	-	-	15,606	15,606	-	9,229	9,229
Artlexia and confidence building programme	-	-	-	-	-	3,315	3,315
ESOL programme	-	-	-	-	-	1,431	1,431
ConnectingU isolation & loneliness programme	-	-	1,480	1,480	-	7,830	7,830
Arts Council - Catalyst Fund	-	-	13,043	13,043	-	600	600
WonderWheels project	-	-	3,971	3,971	-	4,558	4,558
Learning & Work institute	-	-	1,411	1,411	-	589	589
Library of Things	-	-	3,000	3,000	-	6,810	6,810
Postcode Lottery Men in Sheds project	-	-	1,750	1,750	-	250	250
Big Lottery Fund	-	-	8,384	8,384	-	-	-
General		3,761	-	3,761	177	-	177
Support costs	6	146,989	-	146,989	119,202	-	119,202
		<u>150,750</u>	<u>54,374</u>	<u>205,124</u>	<u>119,379</u>	<u>76,717</u>	<u>196,096</u>

6. Support costs

Note	Raising funds	Charitable support of the library - from grants	Charitable support of the library - general	2019 Total	2018 Total
	£	£	£	£	£
	4	5	5		
People costs - staff, consultants, volunteers	10,066	40,266	50,332	100,665	83,518
Library Building facilities	3,175	9,524	19,047	31,746	35,253
Marketing & communications	-	-	1,434	1,434	2,168
IT and other office costs	2,847	11,387	14,234	28,468	10,928
Governance	-	382	382	764	305
	<u>16,088</u>	<u>61,559</u>	<u>85,430</u>	<u>163,077</u>	<u>132,172</u>

7. Staff costs

Staff costs during the year were as follows:

	2019		2018	
	Group £'000	Charity £'000	Group £'000	Charity £'000
Wages and salaries	118,746	118,746	111,271	111,271
Social security costs	9,699	9,699	9,275	9,275
Other pension costs	5,846	5,846	2,991	2,991
	<u>134,291</u>	<u>134,291</u>	<u>123,537</u>	<u>123,537</u>

The salaries of the Hub Directors are set by the Trustees. Salaries of other staff are set by the Hub Directors within the budget approved by Trustees.

Employees of the Charity are entitled to join the People's Pensions Scheme. The Scheme is a defined contribution scheme.

Pension payments recognised as an expense during the year amount to £5,846 (2017/18: 2,991).

The average number of employees (full time equivalent) of the group and the Charity was 4.9 (2017/18: 4). Their time was split approximately 10% (2017/18: 15%) Fundraising, 90% (2017/18: 85%) Charitable activities.

No employees during the year received gross pay and benefits (excluding employer pension contributions) of £60,000 or more.

No Trustee/Director has received any remuneration or expenses during the year (2017/18: none).

8. Taxation

Upper Norwood Library Trust is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

9. Net incoming/(outgoing) resources before transfers

The members have not required the company to obtain an audit of its accounts for the year to 31 March 2019 in accordance with section 476 of the Companies Act 2006.

10. Results of the subsidiary company

The Charity owns the whole of the issued share capital of Upper Norwood Library Enterprises Limited, a company registered in England (Company number 08313584). The subsidiary will be used for any significant non-primary purpose trading activities but did not trade during the period. As a dormant company since incorporation, the subsidiary company is exempt from the requirements to prepare individual accounts under section 394A, or to file individual accounts under 448A of the Companies Act 2006.

11. Fixed assets

Tangible fixed assets

	The Group	The Charity	The Group	The Charity
	2019	2019	2018	2018
	£	£	£	£
IT equipment				
Cost				
At 1 April	5,220	5,220	1,979	1,979
Additions	-	-	3,241	3,241
Disposals	-	-	-	-
At 31 March	<u>5,220</u>	<u>5,220</u>	<u>5,220</u>	<u>5,220</u>
Accumulated depreciation				
At 1 April	(3,600)	(3,600)	(990)	(990)
Depreciation for the current year	(1,620)	(1,620)	(2,610)	(2,610)
Disposals	-	-	-	-
At 31 March	<u>(5,220)</u>	<u>(5,220)</u>	<u>(3,600)</u>	<u>(3,600)</u>
Net book value				
At 31 March	<u>-</u>	<u>-</u>	<u>1,620</u>	<u>1,620</u>

Fixed asset investments

The Charity holds the entire issued share capital of its subsidiary company, Upper Norwood Library Enterprises Limited, totalling £1

12. Creditors: amounts falling due within one year

12. Creditors: Amounts falling due within 1 year

	The Group 2019 £	The Charity 2019 £	The Group 2018 £	The Charity 2018 £
Amounts due to the subsidiary company		1	-	1
Accounts payable	2,604	2,604	4,500	4,500
Accruals and deferred income	8,432	8,432	15,377	15,376
	<u>11,036</u>	<u>11,036</u>	<u>19,877</u>	<u>19,877</u>

13. Movements in funds

The Group and the Charity	At 1 April 2018 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2019 £
Restricted Funds:					
National libraries peer network programme	4,316	13,399	(5,729)	(1,749)	10,237
Energy saving advice programme	6,221	10,000	(15,606)	(615)	
Arts Council - Catalyst Fund	11,368	9,671	(13,043)	(1,025)	6,971
ConnectingU isolation & loneliness programme	1,480	-	(1,480)	-	
Learning & Work institute	411	1,000	(1,411)	-	
WonderWheels project	2,219	4,902	(3,971)	-	3,150
Library of Things	-	3,000	(3,000)	-	
Big Lottery Fund	-	8,970	(8,384)	(586)	
Men in Sheds cycle project	9,665	-	(1,750)	(250)	7,665
Junior Library (CP Mums)	1,013	-	-	-	1,013
Total Restricted Funds	<u>36,693</u>	<u>50,942</u>	<u>(54,374)</u>	<u>(4,225)</u>	<u>29,036</u>
Unrestricted Funds					
Lambeth and Croydon Councils - 2016-2018	81,697	121,250	(163,076)	4,225	44,096
General funds	34,548	41,956	(3,836)	-	72,668
Total Unrestricted Funds	<u>116,245</u>	<u>163,206</u>	<u>(166,912)</u>	<u>4,225</u>	<u>116,764</u>
Total funds	<u>152,938</u>	<u>214,148</u>	<u>(221,286)</u>	<u>-</u>	<u>145,800</u>

Purposes of restricted funds

The income funds of the Charity include restricted funds comprising balances of donations and grants held on trusts to be applied for specific purposes. The specific purposes for which the funds are to be applied are as follows:

From grants:

National libraries peer network programme (Power to Change).

To continue the work we started on the Peer Network in 2018, growing the Network and creating a sustainable organisation for the future.