

Upper Norwood Library Trust
Your local community learning hub



Company no. 08313429

Charity no. 1151668

Upper Norwood Library Trust
Company Limited by Guarantee
Annual Report and Financial Statements
31 March 2020

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Upper Norwood Library Trust (UNLT)

Company Limited by Guarantee
Reference and administrative details
Year ended 31 March 2020

The Trustees present their report and the unaudited financial statements for the year ended 31 March 2020. 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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name: Upper Norwood Library Trust (UNLT)
UNLT runs the Upper Norwood Library Hub (UNLH)

Charity registration number: 1151668

Company registration number: 08313429

Registered Office: 41 Westow Hill,
Upper Norwood
London, SE19 1TJ

The Trustees:

The following Trustees who were in office at 31 March 2020 and at the time this report was approved and served throughout the year, except where shown.

Trustee	Appointed	Resigned
Samantha C Brown	28 October 2019	
Thea J Edwards, Acting Chair	25 April 2019	
Sarah Fok		
Pam M Gray		
Barbara Gunter, Chair	18 June 2019	8 August 2020
Laura Wright		14 November 2019
June O'Sullivan		
Yee Man Anna Hui, Treasurer	21 December 2019	

Senior Management:

The following key senior management personnel were appointed from 5 July 2016 and were in office at 31 March 2020 and at the time this report was approved:

Margaret Adjaye, Joint Hub Director
Emily Jewell, Joint Hub Director

Bankers: National Westminster Bank plc
PO Box 575
Rotherham, S63 3FJ

Solicitor: Winkworth Sherwood
Minerva House
5 Montague Close
London SE1 9BB

Independent examiner: Jane Chandler

Exemptions from disclosure

No details concerning the names of Trustees, senior management team, 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.

Upper Norwood Library Trust (UNLT)

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2020

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.

Appointment of Trustees

Upper Norwood Library Trust has a structured recruitment and interview process for Trustees. Diversity and Equality lies at the heart of the process, and the Charity welcomes trustees from all backgrounds, irrespective of sex, sexual orientation, age, disability, race, nationality, or political, religious or other. Applicants successful at interview are approved by Trustees before they join the Board.

Trustee vacancies are advertised locally, in the library hub and through relevant professional networks particularly when seeking trustees with specific/specialist skills. UNLT sometimes advertise through national charity/umbrella organisations.

To ensure new and existing Trustees have specific and general knowledge of their responsibilities as a Charity Trustee to enable them to carry out their roles, there is a structured induction programme, a Trustee Reference Manual which includes material on the Charity Commission regulation and guidelines, the Charity's policies and processes plus individual meetings with other Trustees.

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.

Until March 2020, when Trustees started to meet virtually with increased frequency, sometimes on a weekly basis due to the COVID-19 pandemic ("COVID-19"), Trustees met as a body four times per year. They also considered specific items via group email or visits/informal meetings with the Hub Directors during the financial year ended 31 March 2020. Trustees receive monthly financial updates from the Hub Directors and detailed quarterly reports reviewed and approved by the Finance Committee.

No Trustee received any remuneration from the Charity during the period (2018/19: £nil).

Organisational structure

The company is controlled by The Board of Trustees, who are the directors of the company. Day to day management and decision making is delegated to the Hub Directors who are not trustees.

Two sub-committees of the board, namely the Finance Working Group and the Fundraising and Income Generation Working Group meet quarterly and support the strategic development and monitoring of the Charity's business, financial and fundraising strategies, legal, governance and organisational development activities.

Finance and administration

The Charity uses Xero for day to day financial management and reporting. Everyday management accounting, secretarial, legal and administrative requirements of the charity is delegated to the Hub Directors, supported by the Treasurer. Trustees receive monthly financial updates from the Hub Directors. Detailed management reports presented by the Finance Working Group at quarterly trustee meetings for forward planning and decision making purposes.

Arrangements for setting the pay and remuneration of the Charity's 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

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 £324 (2018/19: £110).

Upper Norwood Library Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) (continued)

Year ended 31 March 2020

Objectives and Activities

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 who campaigned to save the library building from closure. After successful negotiations with Lambeth and Croydon Councils, the Upper Norwood Library Trust established the Upper Norwood Library Hub (UNLH) in 2016 to take on the operation, governance and management of the building.

Today, the Upper Norwood Library Hub is a multi-purpose community and performance space available for hire, it also offers learning, wellbeing and enterprise services and a professional library service delivered by Lambeth Council, co-funded by Croydon Council. The Upper Norwood Library Hub also hosts the Crystal Palace Library of Things (the first library in the UK with a Library of Things) and a live-streaming service established in March 2020 in response to COVID-19 to continue its activities online and to engage, inform and support the community.

Our Vision

To protect and enhance the library service for current and future generations and help our community become stronger, wiser and healthier.

Our Mission

To maintain financial sustainability so we can provide a long-term home for our professional library service and the activities our community need and want.

Our aims and objectives

To:

- a) Ensure local residents have ongoing access to a professional library service and community services they need locally and cannot access elsewhere. Delivered through the following activity areas:
 - Culture and Creativity
 - Lending and Sharing
 - Community Enterprise
 - Community learning
 - Health and wellbeing
 - Financial Growth
- b) Continue to diversify income streams to achieve financial growth and sustainability for the library hub as follows:
 - **Use of the building and facilities:** generate income from the building, through equipment, space and car park hire; from community activities, entertainment and performance events such as large scale entertainment and box office events; increase daytime hire of spaces in the building and develop innovative community initiatives on our own or in partnership with organisations and local residents.
 - **Grants from Trusts and Foundations:** develop relationships with charitable trusts and foundations which offer unrestricted funds; apply for project funds to support partnership, learning, education and wellbeing initiatives, and capital funds for repairs and improvements to the building.
 - **Distributed delivery model:** identify and agree opportunities for partnership working, co-location of statutory services, or project funding with statutory agencies.
 - **Intensify marketing and promotion activities:** develop the supporters' scheme, and invest time in fundraising, corporate and sponsorship activities.
 - **Develop the livestream service** started in March 2020 due to Covid-19 into a fee earning service.

Public benefit

The charitable objects of the Charity centre on the education and welfare of our community and the provision of a library service to the public at large. The Charity entered into an initial two-year agreement with Lambeth and Croydon Councils in 2016-18 which was extended for another three years (2019 – 2021) albeit with significantly reduced funding - includes ongoing library provision and 35 librarian hours per week. This funding from the councils, charitable trusts and partner organisations enable the Charity to meet its aims and objectives.

During the year the Charity successfully applied for grants to deliver a range of services to local residents which included:

- 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
- London Voluntary Partnership Grant for 'Digital Inclusion and Skills Development Support in Crystal Palace'
- Croydon Council grant to extend the digital inclusion service
- Arts Council for the annual Attic Arts Festival which reached different people from the community through two weeks of comedy, theatre, music and artistic events.

The Charity is actively investigating and implementing different ways to generate income through music, arts, cultural and social events, funding applications, organising activities and, letting space will enable it to continue both housing the library service and providing free or subsidised services and activities to benefit the local community.

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

Achievements and Performance

What we set out to do

What we achieved

Manage the UNLH building

Upper Norwood Library Trust (UNLT) is responsible for managing and maintaining the building under License secured in 2016. Using the building and its facilities generate income to cover running costs and maintenance of the building. Room and car park hire increased, the library hub hosted a range of performance and community events which increased income from the bar and held over 38 activities. A new style Café was made possible through pro-bono support from Grimshaw Architects who refurbished the front of the library hub building. Monthly footfall to the building increased to 19,000 from 13,000 people, supporting UNLT's objective to sustain the library hub. Negotiations are underway with Lambeth and Croydon Councils to finalise outstanding building repair issues and lease arrangements for the building.

A volunteer host initiative was set up with the Crystal Palace Library of Things (LoT), 18 local volunteers were recruited and trained into customer service roles. The volunteers engage, inform, signpost, survey and support users and visitors to the building.

Support from local volunteers and unrestricted funds sustained the ESOL programme, benefiting over 82 people. Funding from the London Voluntary Partnership and Croydon Council helped develop the monthly Tea and Tech programme which is a learning, social and digital inclusion programme reaching 30-50 seniors and vulnerable people each month. Digital inclusion classes benefitted 150 elderly, isolated, lonely, unemployed and vulnerable people from the community.

Support from the Postcode Lottery established the YouthHub, an initiative in partnership with 'Men in Sheds' and local volunteers. This project saw up to 20 young people create woodwork from recycled materials. A youth debate with an expert panel chaired by a young person brought over 30 young people, local residents, councillors and supporters together to discuss youth crime, social, economic and educational challenges facing young people and strategies to improve their quality of life/experience.

The Reading club and arts and crafts sessions continued to support people of all ages, including creative writing sessions for adults and children delivered by a local partner. Little Brushstrokes (an arts camp) aimed at 5-11year olds continues to benefit 50-60 children during each school holiday. Affordable tuition for primary, secondary and sixth form students in partnership with IMTuition continue to improve educational attainment, reaching over 140 children/young people. The 'Star Students' initiative continues to offer tips, exam plans and rewards to encourage and support learners.

Grow and sustain wellbeing activities.

Additional funding from the Citizen's Advice Bureau allowed the library hub to continue to provide energy advice and support to local residents, helping over 300 people with 1-2-1 advice.

Partnership with St Christopher's Hospice continues to provide a free bereavement counselling service in the library hub run by trained/experienced volunteers.

A number of activities including T'ai Chi, Marty's Life drawing classes, yoga, ballet, swing dance and Nicola's Soundbath promote better health and wellbeing for all ages and backgrounds. Over 3,500 people access these services each year.

Sustain and develop the lending and sharing economy

Colleagues from the Lambeth Library services team continue the library provision, co-funded by Croydon Council. Book issues for 2019 were 74,247 (2018: 73,549) and footfall amounted to 180,641 (2018:173,805).

Membership to the Library of Things in 2019/20 was 2,293, with over 1,677 borrows.

Book and DVD donations from the community help to raise funds. Volunteers are a major lifeline and we have 102 volunteers of which 20 are regular, supporting front of house, hosting and signposting, promotion of events, facilitation of social and community projects, surveys in the building and more.

Grow our reputation as a local performance, cultural and creative hub.

Performance activities increased significantly in the 2019/20 financial year with theatrical, music, exhibitions, fetes, markets, comedy, singing, dancing, drama activities held in the space. The Local History group, Palace Acappella Choir, Swing Patrol, yoga, Sing & Sign, Baby Sensory, Coder Dojo, Soundbath London and Life Drawing are firmly established in the library hub.

This year proved to be another major success for the Attic Arts festival in partnership with Disentangle Projects – two weeks of fun, music, comedy, theatre, artistic festival in partnership with Disentangle projects, reached over 2,000 people (1,320 in 2019).

New performance and cultural initiatives were introduced, including a West End in the Library production in partnership with Daniel Stockton productions; Big Fish Little Fish, An Arts Fair; regular markets, comedy nights, open mic nights and much more, bringing in over 2,000 people. The community bar and café supported events and activities in the space.

Develop and sustain enterprise activities in order

Arts Council funding continued to support our drive to build diversified income, particularly from the community bar/café, events and space hire. Supporters in our "Supporters scheme" increased to 38 from 15 at the end of March 2019,

to increase trading income

raising £1,864.67. The library hub was very busy with performance events, wellbeing and community initiatives all of which generated income to sustain the building and services for the community.

Bookings for affordable room/office and car parking spaces for individuals, community groups, start-ups and local businesses increased to £36,857 (2018/19: £32,914).

Maintain good governance and communication across the organisation

Three new trustees including a new Treasurer joined the Trust following the resignation of Trustees from the previous year who led the original campaign to save the library building from closure. They bring a wide range of skills and expertise to the Board and support the organisation's drive to build a sustainable organisation. Weekly staff meetings were held and a new induction programme was implemented for volunteer hosts.

Continue to monitor and report on our impact and the differences we make.

The library hub continues to request completed evaluations after each event and project activities. The updated business plan now includes a Social Impact Framework which has informed impact monitoring of activities and services since April 2020.

Impact of Covid-19 on the library Hub

Due to Covid-19 the library hub closed its doors on 21 March 2020. The library hub saw a sharp drop in bookings (they include space hire, live events and community activities) from February 2020, with none in March.

Trustees and senior management team started to meet with increased frequency, sometimes weekly to monitor the impact of the pandemic on UNLH and devise actions to mitigate the risks.

Lambeth Library services continue to offer some activities online, ESOL and digital inclusion also moved online.

A new livestream service was set up by UNLT to connect, inform and entertain local residents. New performance and wellbeing initiatives were set up online, includes the Library Lunch show, yoga and live performances. <https://www.facebook.com/UpperNorLibHub>

Over 60 people from the Community Managed Libraries National Peer Network participated in online/networking sessions online. In March 2020 a survey was launched to capture the impact of the pandemic on community libraries. Findings informed bi-monthly virtual learning events for CMLs which are well attended (maximum of 20 CMLs per session). The virtual sessions are starting to capture insights and challenges faced by CMLs which are shared at a Government Cross Working group at which the Community Managed Libraries National Peer Network co-ordinated by UNLT is represented.

Going Concern and our Plans for 2020/21

Like many other organisations, due to COVID-19, UN|LT is facing unprecedented uncertainty about its future.

UNLT saw a sharp decline in room and car park bookings, cancellations of events and activities, and reduced footfall to the building from February 2020. The building was closed to the public on 21 March 2020.

Trustees started to work on recovery plans from March 2020 to secure grants and maintain financial resilience and to review the impact on staff and our services:

To generate income:

- A pipeline of grant opportunities has been developed. Trustees together with volunteers will support bid writing efforts to assure UNLT's viability and future in the long term. Funding will also be sought to sustain existing services and activities, including the new Live-Streaming services and a strategy designed to offer paid services online.
- UNLT will continue to target increasing earned income as part of its objective to become financially sustainable. This will involve trialling new trading activities and identifying strategies to generate income from corporates and major donors.
- UNLT intends to improve communication and marketing strategies and will identify funding to recruit a communication and marketing manager, and further funding to recruit a Community and Volunteer engagement officer.
- UNLT plans to increase use of the client relationship management system to improve communication and engagement.

In relation to expenditure, the Charity is utilising the government Coronavirus Job Retention Scheme and staff will be furloughed for as long as the scheme permits. This means reduced staff capacity so wherever possible UNLT will seek volunteer/trustee input to progress activities. UNLT reviewed its cost base, it reduced the operating cost of the building during the closure period and plan to maintain this cost focus going forwards.

Overall, UNLT will continue to monitor the impact of COVID-19 and engage with partners and stakeholders to identify risks and avoid significant impact on the organisation.

Trustees have met with increased frequency to monitor the impact of COVID-19 and take remedial actions as appropriate. They will meet with the councils, other statutory providers and grant funders to support fundraising and income generation efforts.

Trustees will also meet with Lambeth and Croydon Councils to finalise outstanding building repair issues and finalise lease arrangements. Further, UNLT will strengthen involvement in the Community Managed Libraries National Peer Network, ensure learning from the Network's activities and engagement with government, statutory and national bodies inform decision making/plans in the organisation.

To plan for the restoration of our services, the Trustees will also work with the councils on recovery plans. The aim is to minimise or prevent Covid-19 infections in the building and will be looking at phased re-opening, intensive cleaning and appropriate health and safety measures in line with government guidelines. Risk assessments and training for staff, event leaders and hirers will be provided as appropriate.

UNLT continues to maintain reserves, together with reduced operating costs and income generation plans, the trustees are content to adopt the going concern basis for preparing these accounts.

Our volunteers

We have grown volunteer numbers to 91 (of whom 15 are regular) and will continue to grow this further, bringing more volunteers in to support building services, reading with children, events, library of things, front of house', 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.

Upper Norwood Library Trust

Company Limited by Guarantee

Financial Review

Year ended 31 March 2020

FINANCIAL REVIEW

Financial performance

The statement of financial activities on page 19 summarises the income and expenditure of the charity during the year ended 31 March 2020.

Income

Our principal funding sources in this financial year were statutory grants from Lambeth and Croydon councils, grants from charitable trusts and foundations, donations, consultancy and income through use of the building and its facilities.

Total income for the 2019/20 financial year was: £249,980 (2018/19: £214,148). Donations for the year were £5,824: (2018/19: £6,640) and grants totalled £134,297 (2018/19: £172,192). UNLT lost income as several planned events and activities including space hire bookings were cancelled from February 2020. Potential income also lost as enquirers and those ready to make a booking decided not to go ahead due to Covid-19.

Expenditure

Expenditure for the 2019/20 financial year was £265,319 (2018/19: £221,287). £14,930 (2018/19: £16,162) of this relates to raising funds and £250,388 (2018/19: £205,125) was spent on charitable activities.

Even though income from use of the building and facilities dropped significantly from February 2020 due to COVID-19, UNLT continued to incur expenses. UNLT had to refund £1,454 to some hirers and others who had booked for events in February and March 2020.

Financial Position

The net movement in funds for the year was a deficit of £15,339 (2018/19: £7,138). The deficit was due to a drop in income in 2019/20, some of which can be attributed to the reduced focus on grants as more effort was put into using the building and its facilities. The impact of Covid-19 on space hire bookings and events, all cancelled in February and March 2020, therefore impacted UNLH particularly.

The Charity ended the 2019/20 financial year with reserves of £130,462 (2018/19: £145,800) of which £12,334 was restricted (2018/19: £29,036) and £118,128 (2018/19: £116,245) was unrestricted.

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 specified 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 weather disruptions to income and cash flow, to take advantage of change and opportunity as it presents itself, allow the fundraising and core charitable operations of the Charity to continue for a minimum of six 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. This has been shown to be particularly important during the current COVID crisis.

As the Charity's activities expand, the Trustees continue to assess the appropriate level of free reserves. 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 in line with UNLT's charitable objectives.

Risks, uncertainties and risk management

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 considered to be:

1) Effects of COVID-19 on financial performance

Due to COVID-19 UNLH saw a sharp decline in room and car park hires and in regular performance and community activities. It affected income this financial year, particularly as UNLT's strategy is to use the building more to generate income; improve marketing and promotion of services and strive towards reducing reliance on grants in the long term.

Though income levels dropped from February 2020, the organisation still had to cover its running costs. Staff were furloughed from March 2020 which is helping to mitigate the impact of COVID-19 on our finances. We were also able to secure some agreements with key suppliers towards the end of March 2020 this reduced or put some expenses on hold. The full effects will be seen from April 2020.

2) Effects of COVID-19 on organisational performance

UNLT started a livestreaming service offering performance arts, wellbeing and learning activities to local residents. Online service engage, entertain, inform and support the community during the pandemic. The service was run solely by volunteers – 10-15 volunteers each month, offering between 20-50 hours support. Trustees and volunteers supported bid writing efforts to secure grant funding for live-streaming activities and sustain the organisation during the pandemic, particularly as UNLT had to cover 20% of staff salaries and some unavoidable running costs.

3) Health and Safety of staff, library users and customers

Trustees always place the health and safety of staff, library users and customers at the heart of all decision making. In line with government's guidelines the library hub was closed in March 2020 to control the spread of the virus. Staff were furloughed, trustees and volunteers ensured the building was kept safe, they secured funding to support wellbeing and entertainment activities online and for making the building Covid-19 secure and safe for public use.

4) Fundraising risk in relation to committed projects and activities

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.

5) Risk of changes in local authority funding

This risk is considered to have increased due to the demands on council funding arising from COVID-19 but 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.

6) 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:

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

These risks and others identified relating to the Charity are analysed in a formal risk register which includes controls and actions to mitigate the risks. There is now increased frequency in the review of fundraising and financial performance by Trustees in light of Covid-19 and actions being taken accordingly to mitigate adverse impact on the organisation.

INDEPENDENT EXAMINER'S REPORT

Independent examiner's report to the members of Upper Norwood Library Trust (Registered Charity no. 1151668) on accounts for the year ended 31 March 2020 set out on pages 13 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 2020.

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:

Jane Chancer

Date: 11/12/20

Name:

JANE CHANCER, ACMA.

Upper Norwood Library Trust
Company Limited by Guarantee
Statement of financial activities (incorporating an income and expenditure account)
Year ended 31 March 2020

STATEMENT OF FINANCIAL ACTIVITIES

		2020			2019	2019	
	Note	Unrestricted funds	Restricted funds	Total funds	Total funds	Unrestricted funds	Restricted funds
		£	£	£	£	£	£
Income from:							
Donations	2	5,824	-	5,824	6,640	6,640	-
Grants receivable	3	80,000	54,297	134,297	172,192	121,250	50,942
Trading activities		109,860	-	109,860	34,984	34,984	-
Other		-	-	-	332	332	-
Total income		<u>195,684</u>	<u>54,297</u>	<u>249,980</u>	<u>214,148</u>	<u>163,206</u>	<u>50,942</u>
Expenditure on:							
Raising funds	4	14,930	-	14,930	16,162	16,162	-
Charitable activities	5	187,932	62,456	250,388	205,124	150,750	54,374
Total expenditure		<u>202,863</u>	<u>62,456</u>	<u>265,319</u>	<u>221,286</u>	<u>166,912</u>	<u>54,374</u>
Net (expenditure)/income		(7,179)	(8,160)	(15,339)	(7,138)	(3,706)	(3,432)
Transfers between funds		8,542	(8,542)	-	-	4,225	(4,225)
Net movement in funds		1,363	(16,702)	(15,339)	(7,138)	519	(7,656)
Reconciliation of funds							
Total funds brought forward at 1 April		<u>116,764</u>	<u>29,036</u>	<u>145,800</u>	<u>152,938</u>	<u>116,245</u>	<u>36,693</u>
Total funds carried forward at 31 March	13	<u>118,127</u>	<u>12,334</u>	<u>130,462</u>	<u>145,800</u>	<u>116,764</u>	<u>29,036</u>

All of the above results are derived from continuing activities.

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

Upper Norwood Library Trust
Company Limited by Guarantee
Balance Sheet
Year ended 31 March 2020

BALANCE SHEET

		The Group		The Charity	
		2020	2019	2020	2019
	Note	£	£	£	£
Fixed assets					
IT equipment	11	0		0	
Investment in subsidiary company		1	-	1	1
Current assets					
Debtors and prepayments		10,608	59,704	10,608	59,704
Prepayments		1,279	333	1,279	333
Stock		1,147	-	1,147	-
Cash at bank and in hand		132,556	96,798	132,556	96,798
Total Current Assets		145,590	156,835	145,590	156,835
Liabilities					
Creditors: amounts falling due within 1 year	12	(15,129)	(11,037)	(15,129)	(11,037)
Net current assets		130,462	145,800	130,462	145,800
Total assets less current liabilities		130,462	145,800	130,462	145,800
Total net assets		130,462	145,800	130,462	145,800
The funds of the Charity					
Restricted funds					
Junior Library (CP Mums)		1,013	1,013	1,013	1,013
Local Voluntary Partnership Grant		-	-	-	-
Power to Change- Seed Fund		500	-	500	-
National libraries peer network programme		10,822	10,237	10,822	10,237
Arts Council - Catalyst Fund		-	6,971	-	6,971
WonderWheels project		(1)	3,151	(1)	3,150
Learning & Work institute		-	-	-	-
Library of Things		-	-	-	-
Men in Sheds cycle project		-	7,665	-	7,665
Unrestricted funds					
Lambeth and Croydon Councils - 2016/18		(17,267)	44,095	(17,267)	44,096
General funds		135,395	72,667	135,395	72,668
Total Charity funds	13	130,462	145,800	130,462	145,800

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 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 19 January 2021 and were signed on its behalf by:



Thea Edwards



Yee Man Anna Hui

Trustees and Directors

Company no. 08313429

Charity no. 1151668

Upper Norwood Library Trust

Company Limited by Guarantee

Notes to the financial statements

Year ended 31 March 2020

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 have assessed whether the use of going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern.

The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements.

In particular, the trustees have considered the charitable company's forecasts and projections and have taken account of pressures on income.

The trustees have assessed the consequences of the current COVID-19 pandemic and recognise that this will impact income from donations, grants and generating income from the Trust's physical assets. The Directors and Trustees have taken steps to reduce the expenses of the charity, seek funding from grant opportunities, corporates and major donors and develop a strategy to offer paid services online (see "Going Concern and Our Plans for 2020/21" and "Reserves Policy" sections for more information).

Considering these actions, together with the Charity's existing reserves, the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

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. There are however no deferred grants this financial year.

Goods and services donated to the Charity

In the case of items donated for resale income is recognised at the point of sale.

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 objectives 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. 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, grant payments as they fall due and reserves.

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

2 Voluntary income

	Unrestricted	Restricted	2020 Total	Unrestricted	Restricted	2019 Total
	£	£	£	£	£	£
Donations						
Donated goods and services	-	-	-	1,447	-	1,447
Voluntary donations	5,824	-	5,824	5,193	-	5,193
Total	5,824	-	5,824	6,640	-	6,640

Donations

A new style Café/bar was made possible through pro-bono support from Grimshaw architects, who improved the front of the library hub building and the café/bar space, valued at £24,000.

3. Grants receivable

	Unrestricted	Restricted	2020 Total	Unrestricted	Restricted	2019 Total
	£	£	£	£	£	£
Lambeth and Croydon Councils - 2016-2018	80,000	-	80,000	121,250	-	121,250
Arts Council - Catalyst Fund	-	2,418	2,418	-	9,671	9,671
Groundwork London - Wonder Wheels - CG	-	1,920	1,920	-	4,902	4,902
National libraries peer network programme	-	14,999	14,999	-	-	-
Men in Sheds cycle project	-	-	-	-	-	-
Junior Library (CP Mums)	-	-	-	-	-	-
Arts Council - Attic Arts	-	15,000	15,000	-	-	-
CAB BESN Grant	-	11,000	11,000	-	-	-
Croydon Digital Funding	-	1,500	1,500	-	-	-
Local Voluntary Partnership Grant	-	4,960	4,960	-	-	-
Power to Change- Seed Fund	-	2,500	2,500	-	-	-
Big Lottery Fund	-	-	-	-	8,970	8,970
Library of Things	-	-	-	-	3,000	3,000
Learning and Work Institute - Improving Language, Improving Lives	-	-	-	-	1,000	1,000
BEIS BESN - 2 Initial Champions	-	-	-	-	10,000	10,000
Power to Change - Peer network programme	-	-	-	-	13,399	13,399
Total	80,000	54,297	134,297	121,250	50,942	172,192

4. Raising funds

	Note	2020		2019	
		Unrestricted	Restricted	Unrestricted	Restricted
		£	£	£	£
Support costs	7	14,930	-	16,162	-
Total		14,930	-	16,162	-

5. Charitable support for the library

	Note	2020		2019	
		Unrestricted	Restricted	Unrestricted	Restricted
		£	£	£	£
From grants:					
Arts Council - Catalyst Fund		-	7,289	-	13,043
WonderWheels project		-	3,870	-	3,971
National libraries peer network programme		-	13,134	-	-
Men in Sheds cycle project		-	6,515	-	-
Arts Council - Attic Arts		-	14,475	-	-
CAB BESN Grant		-	10,250	-	-
Croydon Digital Funding		-	1,250	-	-
Local Voluntary Partnership Grant		-	3,673	-	-
Power to Change- Seed Fund		-	2,000	-	-
National libraries peer network programme		-	-	-	5,729
Energy saving advice programme		-	-	-	15,606
ConnectingU isolation & loneliness programme		-	-	-	1,480
Learning & Work institute		-	-	-	1,411
Library of Things		-	-	-	3,000
Men in Sheds cycle project		-	-	-	1,750
Big Lottery Fund		-	-	-	8,384
General		52,957	-	3,761	-
Support costs	7	134,975	-	146,989	-
Total		187,932	62,456	150,750	54,374

6. Staff costs

Staff costs during the year were as follows:

	2020		2019	
	Group	Charity	Group	Charity
	£'000	£'000	£'000	£'000
Wages and salaries	114,427	114,427	118,746	118,746
Social security costs	8,558	8,558	9,699	9,699
Other pension costs	7,932	7,932	5,846	5,846
Total	130,917	130,917	134,291	134,291

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. The two joint directors are on the Pension scheme.

Pension payments recognised as an expense during the year amount to £8,864 (2018/19: £5,846).

The average number of employees (full time equivalent) of the group and the Charity was 4.8FTE (2018/19: 5). Their time was split approximately 10% fundraising (2018/19: 10%) and 90% charitable activities (2018/19: 90%).

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 (2018/19 none).

7. Support costs

	Raising funds	Charitable support of the library - from grants	Charitable support of the library - general	2020 Total	2019 Total
Note	£	£	£	£	£
	4	5	5		
People costs - staff, consultants, volunteers	8,998	35,993	44,992	89,984	100,665
Library Building facilities	4,064	12,193	24,386	40,644	31,746
Marketing & communications	-	-	1,127	1,127	1,434
IT and other office costs	1,749	6,996	8,745	17,490	28,468
Governance	-	331	331	662	764
	<u>14,812</u>	<u>55,513</u>	<u>79,581</u>	<u>149,906</u>	<u>163,077</u>

No payments were made to the professional accountant who independently examined and verified the accounts.

8. Taxation

Upper Norwood Library Trust is a registered charity and therefore is not liable to pay 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 to the year to 31 March 2020 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
	2020	2020	2019	2019
	£	£	£	£
IT equipment				
Cost				
At 1 April	5,220	5,220	5,220	5,220
Additions	-	-	-	-
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	(5,220)	(5,220)	(3,600)	(3,600)
Depreciation for the current year	-	-	(1,620)	(1,620)
Disposals	-	-	-	-
At 31 March	<u>(5,220)</u>	<u>(5,220)</u>	<u>(5,220)</u>	<u>(5,220)</u>
Net book value				
At 31 March	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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

	The Group	The Charity	The Group	The Charity
	2020	2020	2019	2019
	£	£	£	£
Amounts due to the subsidiary company	-	1	-	1
Accounts payable	7,628	7,628	2,604	2,604
Accruals	7,500	7,500	7,500	7,500
Other taxation and social security	-	-	932	932
	<u>15,129</u>	<u>15,129</u>	<u>11,036</u>	<u>11,036</u>

13. Movements in funds

The Group and the Charity	At 1 April 2019 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2020 £
Restricted Funds:					
National libraries peer network programme	10,237	14,999	(13,134)	(1,281)	10,822
Arts Council - Catalyst Fund	6,971	2,418	(7,289)	(2,100)	-
WonderWheels project	3,151	1,920	(3,870)	(1,200)	-
Men in Sheds cycle project	7,665	0	(6,515)	(1,150)	-
Junior Library (CP Mums)	1,013	-	-	-	1,013
Arts Council - Attic Arts	-	15,000	(14,475)	(525)	-
CAB BESN Grant 2019/20	-	11,000	(10,250)	(750)	-
Croydon Digital Funding	-	1,500	(1,250)	(250)	-
Local Voluntary Partnership Grant	-	4,960	(3,673)	(1,287)	-
Power to Change- Seed Fund	-	2,500	(2,000)	-	500
	-	-	-	-	-
Total Restricted Funds	<u>29,037</u>	<u>54,297</u>	<u>(62,456)</u>	<u>(8,542)</u>	12,334
Unrestricted Funds					
Lambeth and Croydon Councils - 2016-2018	44,095	80,000	(149,906)	8,542	(17,267)
General funds	<u>72,667</u>	<u>115,684</u>	<u>(52,957)</u>	-	135,395
Total Unrestricted Funds	116,763	195,684	(202,863)	8,542	118,128
Total funds	<u>145,800</u>	<u>249,980</u>	<u>(265,319)</u>	-	130,462

Purposes of restricted funds

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

From grants:

Community Managed Libraries National Peer Network

The Network was established in 2018 with funding from Power to Change. The has since grown and achieved charitable status in July 2019. It now seeks to be independent of UNLT. Funding is being sought to recruit a Network Manager to run activities, including its 5 year business and financial plans. A new bank account will also be opened.

Energy saving advice programme (National Energy Action – Big Energy Saving Network)

To deliver energy advice and support to local residents, plus advice and training sessions for front facing professionals to help them inform and support service users.

London Voluntary Partnership

Increased opportunities for the elderly, vulnerable, isolated and lonely to access digital inclusion support and social networking opportunities in the library hub.

Croydon Digital funds

To develop and grow digital inclusion classes and support for the elderly, vulnerable, and most isolated in the community.

Arts Council – Attic Arts Festival

To support the 2019 Attic Arts Festival

Arts Council – Catalyst Fund

The **Catalyst fund** grant is to identify sustainable income streams for the future.

Wonder Wheels (Groundwork)

To promote and support cycling amongst local residents

Postcode Lottery Project in partnership with Men in Sheds

To deliver an intergenerational and social enterprise programme for young people in partnership with Men in Sheds.

Other:

Junior library

To provide facilities for the junior section of the library from funds raised by local community group Crystal Palace Mums.

14. Analysis of net assets between funds

Analysis of group net assets between funds			
The Group	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fixed assets - IT equipment	-	-	-
Fixed asset investments	-	-	-
Current assets	133,256	12,334	145,590
Creditors: amounts falling due within 1 year	(15,129)	-	(15,129)
	<u>118,127</u>	<u>12,334</u>	<u>130,462</u>
The Charity	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Fixed assets - IT equipment	-	-	-
Fixed asset investments	0	-	0
Current assets	133,256	12,334	145,590
Creditors: amounts falling due within 1 year	(15,129)	-	(15,129)
	<u>118,128</u>	<u>12,334</u>	<u>130,462</u>

15. Liability of members

The Charity is constituted as a company limited by guarantee. In the event of the Charity being wound up, the members are required to contribute an amount not exceeding £1 each.

16. Related party transactions

Disclosure of related party transactions is provided in the Trustees' Report – Relationships with related parties on page 18. Other than the transactions disclosed in that section there were no related party transactions during the year.

17. Transfer between funds

The transfers from restricted to unrestricted relates to funds assigned to overheads incurred on restricted projects.

Thank you

We would like to take the opportunity to thank all of our wonderful funders, supporters, fundraisers and volunteers.

Get in touch

We welcome feedback and suggestions for future activity that will benefit and enhance the local community.

Donate:

Visit: www.unlt.org/donate

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Visit: www.unlt.org

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