



**Haddenham
Community
Library**

HADDENHAM COMMUNITY LIBRARY

(A private company limited by guarantee)

Trustees' Report and Financial Statements

For the year ended 31st March 2017

Registered Charity Number 1148062

Registered Company Number 07972739

SATURDAY



A6JXPV1F

A11

25/11/2017

#181

COMPANIES HOUSE

Haddenham Community Library (HCL)

Trustees' Annual Report (including the directors' report)

Contents	Page
Report of the Trustees	1
Statement of Financial Activities	6
Balance Sheet	7
Notes forming part of the Financial Statements	8
Att: Independent Examiner's Report	

Report of the Trustees

The Trustees of Haddenham Community Library (HCL) present their annual report and accounts for the year ended 31st March 2017 and confirm that they comply with the requirements of HCL's Articles of Association and the Charities SORP 2015 (FRSSE).

Background

HCL was set up by the community in Haddenham in 2012 to take over the running of the village library which was facing the possibility of closure as part of local government cutbacks. Agreement was reached with Buckinghamshire County Council (BCC) to lease the library premises for a period of 25 years. A second agreement guaranteed a certain amount of grant and other income from BCC for an initial period of 5 years. HCL would also benefit from continued access to the county's book stock and the centralised library management computer system. Two members of staff would be employed by BCC but permanently seconded to and paid for by HCL.

HCL was required to find additional funding to ensure all the running costs of the library could be met. This was in part to be mitigated by the recruitment of a team of volunteers to assist the professional librarians. Having volunteers ensures money is saved in respect of additional staff salaries and overhead administrative costs.

HCL took over the running of the library in November 2012 and subsequently took on full responsibility for financial management from 1st April 2013.

Objectives and activities

HCL's objects as set out in 2012 in its Articles of Association are as follows:

- (1) To advance education by the provision of a library facility and other educational and community resources for the benefit of the residents of Haddenham and its surrounding areas.
- (2) To provide community facilities for use by the inhabitants of Haddenham and its surrounding areas including use for meetings, lectures and classes and other forms of recreation and leisure-time occupation with the object of improving the conditions of life of the said inhabitants.

These objects have since been augmented by HCL's Mission Statement which is as follows:

"To serve all sections of the community by providing a facility which inspires lifelong learning, offers an extensive range of information and supports recreational activities in a welcoming, caring and safe social environment."

HCL recognises that the traditional role of libraries is changing and that the introduction of community libraries is a reflection of this evolutionary process. Whilst retaining the basic function of a library, HCL works steadily to develop and broaden its range of activities.

Achievements and performance

HCL has now been managing the library in Haddenham for five years and it remains an important bedrock facility available for the benefit of the community. Staff and volunteers have worked hard throughout the year to run the core library service as well as maintaining the programme of additional activities described in last year's report.

In December 2016 HCL successfully ran its first Christmas raffles with a prize of a Christmas hamper each available for both adults and children. During the summer of 2017 HCL had a record entry of over sixty children for the Summer Reading Challenge three quarters of whom completed the course. The end of the challenge with its animal theme was marked by an Animal Encounter experience for children in the library.

The Trustees have been planning to enhance the facilities at the library for some time and are pleased to report that the first stage in this programme, refurbishment of the children's library, was carried out at the end of September and in early October. The children's area has been completely revamped in a vibrant new colour scheme with new shelving, fittings and furniture. It is a significant improvement to the facilities which sets the tone for the future of the library.

The Trustees have also moved forward with their proposal to extend the main library to provide additional meeting space, a customer toilet and more storage space. Drawings were prepared and submitted for planning permission which was granted and HCL now has until August 2020 to implement the permission.

HCL's fifth anniversary at the beginning November is being celebrated with a programme of events running during the month involving local celebrities, authors and our MP, John Bercow. The occasion also provides an opportunity to mark the official opening of the new children's library.

The Trustees are satisfied that HCL continues to successfully achieve its objects.

Financial review

The latest accounts for the year ended 31st March 2017 show a further but smaller reduction in income than the previous year. Total incoming resources fell by 2.6% to £52,260. This was due to a fall in rental income (as forecast last year) and some decline in donations offset by an increase in fundraising activities. HCL still received the benefit of donations from a range of local organisations and the Trustees would like to express their gratitude for this continuing support.

Overall expenses were up by £1540 to £45,616. HCL's widening programme of events and activities accounted for much of this increase. The cost for fixtures and fittings was also up due to some lighting work although the figure for the previous year was exceptionally low.

The effect of these changes was that net income fell by nearly £3,000 to £6,644. This is still a positive result which has contributed to an increase in funds thus enabling the Trustees to cover the cost of the children's library refurbishment without any impact on HCL's policy of maintaining at least 6 months running costs in reserve.

Risks

Future income generation remains the key risk to the long term viability of HCL. We are now in the fifth and last year of the Resource Grant Agreement with Buckinghamshire County Council (BCC). On a positive note, BCC has indicated that it will be extended by a year at present levels. However, after that it would taper off at a rate yet to be determined.

HCL is also concerned that the rental income received via BCC which fell further during the year, is likely to finish altogether after the end of the current financial year. On top of this BCC has also indicated that the salary charge which thus far has remained unchanged, will increase by a considerable amount in 2018/2019.

With the prospect of running costs rising to over £55,000 and income from BCC diminishing, the Trustees have embarked on the process of establishing future income streams including, if felt necessary, engaging the services of a professional fundraiser to assist them.

Future plans

The likelihood of increasing expenses and falling revenue as indicated above, ensures that the Trustees' priority is to guarantee sufficient income to keep the library open in the future. Plans to extend the building and refurbish the main part of the library must take second place to that aim.

A number of options for future developments are available to the Trustees subject to the perceived availability of the necessary funds. (The Trustees are mindful of the fact that planning permission for the extension expires in 2020). For example, Trustees may decide that funding limitations could result in a smaller extension or none at all.

Structure, governance and management

HCL is a charitable company limited by guarantee which was incorporated on 1st March 2012 and registered as a charity on 11th July 2012. The company was established under a Memorandum of Association and is governed under its Articles of Association which establish the objects and powers of the charitable company. The directors of the company are also the trustees of the charity. At the time of writing the eight existing directors are the only members of the company. In the event of the company being wound up the liability of the members is limited to a sum not exceeding £1 each.

Following the identification of a skills gap or a specific role, new Director/Trustees are sought by advertising in the library and within the local community media. Prospective candidates are interviewed by up to three of the existing Director/Trustees. The appointment of a new Director/Trustee has to be approved by the full board of Director/Trustees.

The Management Committee consists of all the Director/Trustees plus the Library Manager and Library Assistant who are seconded from BCC.

In accordance with the requirements of the Articles of Association two of the Director/Trustees, Mrs. S. Toner and Mr. K. Johnson resigned at the Company's AGM on 10th October 2017 and were duly re-elected for a further term of office.

Mrs. G. Bedding was unanimously elected as a Director/Trustee at the Director/Trustees' meeting on 13th June 2017.

Mrs C. Mason and Mr. N. Davies also served as Director/Trustees during part of the year ended 31st March 2017. They resigned as of 31st January 2017 and are no longer Director/Trustees or members of the company.

All Director/Trustees give their time voluntarily and receive no benefits from the charity outside of those generally available to all beneficiaries i.e. the provision of a library service in the community.

Reference and administrative information

Charity name: Haddenham Community Library

Charity Registration Number: 1148062

Company Registration Number: 07972739

Registered Office and
operational address: Haddenham Library
Banks Park
Banks Road
Haddenham
Aylesbury
Buckinghamshire
HP17 8EE

Management Committee:

Mr. S. Sharp	Chairman
Miss. E. Foster	Library Manager
Mrs. A. Gilbert	Library Assistant
Mrs. G. Bedding	
Mr. J. Brandis	
Mrs. L. Gooch	
Mr. K. Johnson	
Mr. P. Mason	
Mr. T. Mozley	Treasurer
Mrs. S. Toner	

Bankers: National Westminster Bank
3 Cornmarket
Thame
Oxfordshire
OX9 3YS

Independent Examiner: Jane Atkin ACMA CGMA

Exemptions from disclosure

There are no exemptions from disclosure.

Funds held as custodian trustee on behalf of others

There are no funds held as custodian trustee

Signed on behalf of the trustees by:

Mr. S. Sharp  (Chairman) Date: 17/11/17

HADDENHAM COMMUNITY LIBRARY
Statement of Financial Activities
(including income and expenditure account)

for the year ended 31st March 2017

		Unrestricted Funds 2017	Restricted Funds 2017	Total Funds 2017	Total Funds 2016
	Notes	£	£	£	£
Income from:					
Donations	3	32,876	0	32,876	34,639
Charitable activities	3	8,617	0	8,617	8,952
Other trading activities	3	10,510	0	10,510	9,824
Investment income	3	257	0	257	255
Total income		52,260	0	52,260	53,670
Expenditure on:					
Raising funds	4	653	0	653	595
Charitable activities	4	44,950	0	44,950	43,468
Other	4	13	0	13	13
Total expenditure		45,616	0	45,616	44,076
Net income/(expenditure) for the year		6,644	0	6,644	9,594
Total funds brought forward		61,085	0	61,085	51,491
Total funds carried forward		67,729	0	67,729	61,085

HADDENHAM COMMUNITY LIBRARY

Balance Sheet As at 31st March 2017

		Unrestricted Funds 2017	Restricted Funds 2017	Total Funds 2017	Total Funds 2016
	Notes	£	£	£	£
Fixed assets:					
Tangible assets	8	7,039	0	7,039	8,431
Current assets:					
Stocks		505	0	505	516
Debtors	9	216	0	216	150
Cash at bank and in hand		61,439	0	61,439	53,571
		62,160	0	62,160	54,237
Liabilities:					
Creditors falling due within one year	10	(1,470)	0	(1,470)	(1,583)
Net current assets		60,690	0	60,690	52,654
Total assets less current liabilities		67,729	0	67,729	61,085
Funds of the charity					
Funds brought forward		61,085	0	61,085	51,491
Surplus/(deficit) for the year		6,644	0	6,644	9,594
Total funds	11	67,729	0	67,729	61,085

Signed on behalf of the Trustees by:

Mr. S. Sharp 

(Chairman) Date: 17/11/17

Mr. T. Mozley 

(Treasurer) Date: 17/11/17

Notes forming part of the Financial Statements

For the year ended 31st March 2017

Note 1 Basis of preparation

These accounts have been prepared on the basis of historic cost in accordance with:

- Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2015 FRSSE):
- and with Accounting Standards
- and with the Charities Act

Note 2 Accounting policies

INCOMING RESOURCES

Recognition of incoming resources	All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is entitled to, and virtually certain to receive, the income and the amount can be quantified with reasonable accuracy.
Incoming resources with related expenditure	Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported as gross on the SoFA
Grants and donations	Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.
Volunteer help	The monetary value of any voluntary help received is not included in the accounts. Volunteers make a vital contribution by assisting in most aspects of the day to day running of the library.
Investment income	Deposit account interest is included in the accounts when receivable.
Fund accounting	Unrestricted funds are available to spend on any activity that furthers the charity's objectives. Restricted funds are those for which the donor has specified a particular purpose. HCL has no restricted funds.

EXPENDITURE AND LIABILITIES

Liability recognition	Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.
Governance costs	Include costs of the preparation and examination of statutory accounts, the costs of trustee meetings and cost of any legal advice to trustees on governance or constitutional matters

ASSETS

Tangible fixed assets for use by the charity These are capitalised if they can be used for more than one year and are of significant value given the size of the business i.e. cost more than £250. They are valued at cost or a reasonable value on receipt.

Stocks and work in progress These are valued at the lower of cost or market value.

Note 3 **Analysis of income**

(HCL did not receive any restricted or endowment income during the year)

	Analysis	2017 £	2016 £
Donations	Grants	24,931	24,831
	Other donations	7,945	9,808
	Total	32,876	34,639
Charitable activities	Room hire fees	3,466	3,032
	Library fees	5,151	5,920
	Total	8,617	8,952
Other trading activities	Rental income	5,396	7,929
	Fundraising events & activities	2,741	-
	Sale of old stock & donated items	1,489	1,033
	Sale of greeting cards	651	582
	Sale of reading glasses	200	194
	Miscellaneous	33	86
	Total	10,510	9,824
Investment income	Deposit account interest	257	255
	Total	257	255

Note 4 Analysis of expenditure

	Analysis	2017 £	2016 £
Raising funds	Purchase of greetings cards	422	387
	Purchase of reading glasses	231	208
	Total	653	595
Charitable activities	Salaries	27,000	27,000
	AV loan charges	1,061	1,630
	Books	1,837	1,479
	Cleaning	2,520	2,385
	Electricity	3,540	3,753
	Event & activity costs	1,749	520
	Furniture/equipment	1,481	261
	Insurance	576	520
	Newspapers/magazines	1,301	1,170
	Photocopier	430	403
	Printing/stationery	231	316
	Tel/ICT/TV/WiFi	745	650
	Depreciation	1,392	1,716
	Other	1,087	1,665
	Total	44,950	43,468
Other	Governance costs	13	13
	Total	13	13

Note 5 Details of certain items of expenditure**5.1 Trustees expenses**

	2017	2016
Number of trustees who were paid expenses	None	None
Nature of expenses	None	None
Total amount paid	None	None

5.2 Fees for examination or audit of the accounts	2017	2016
Independent Examiner's fee for reporting on accounts	None	None
Other fees paid to the independent examiner	None	None

Note 6 Paid employees

Two librarians employed by Buckinghamshire County Council are seconded to Haddenham Community Library for which HCL pays a contribution of £27,000.

Note 7 Taxation

As a charity HCL is exempt from tax on income and gains.

Note 8 Tangible fixed assets

HCL's assets are all categorised as furniture, fixtures, fittings and equipment.

Balance brought forward	1/4/16	£ 8,431
Additions		£ -
Depreciation charge		£ 1,392
Balance carried forward	31/3/17	£ 7,039

Depreciation is calculated on a straight line basis over the following periods - fixtures and fittings 10 years, furniture 5 years, computers and electronic equipment 3 years.

Note 9 Debtors, prepayments and accrued income

Trade debtors	£ 216
---------------	-------

All fall due within one year

Note 10 Creditors and accruals

BCC – recharges	£ 683
Other trade creditors	£ 787

<u>Total</u>	£ 1,470
---------------------	----------------

All fall due within one year

Note 11 **Funds of the charity**

The majority of the funds of HCL are represented by bank deposit and current accounts. The trustees have set aside £25,000 of these funds to comply with HCL's policy of maintaining at least six months running costs as a reserve. A further £25,000 was designated for expenditure on phase 1 of the library refurbishments (the children's library) all of which has now been spent. The balance of bank monies form the basis of funds for future developments and to ensure sufficient liquidity on a day to day basis.