

Company registration number: 07566546
Charity registration number: 1141606

FRIENDS OF KENSAL RISE LIBRARY LIMITED
(A company limited by guarantee)
Annual Report and Financial Statements
for the Year Ended 31 March 2020

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Trustees' Report for the year ended 31st March 2020

The Board of Trustees are pleased to submit their report and independently examined financial statements for the year ended 31st March 2020.

Reference and Administrative Information

Friends of Kensal Rise Library Limited is a charitable company limited by guarantee, incorporated as a company on 16th March 2011 and registered as a Charity on 26th April 2011.

The company was established under a Memorandum of Association which established the objects and the powers of the charitable company and is governed under its Articles of Association.

Friends of Kensal Rise Library Limited is a registered charity (number 1141606) and is constituted as a company limited by guarantee (number 07566546). Its objects, powers and other constitutional matters are set out in its Memorandum and Articles of Association. These financial statements comply with current statutory Memorandum and Articles of Association and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Registered office

21 Bathurst Gardens
London
NW10 5JA

Directors

The directors of the company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The trustees serving during the year and since the year end were as follows:

Ms Margaret Catherine Bailey - Chair
Mr Kyle Clark
Mrs Carole Buck – Treasurer
Mr Jonathan Bertulis-Fernandez
Mr Mark Fisher
Ms Elaine Sheppard
Mr John Patrick Walsh
Adam Charles Green (Appointed 19 November 2019)
Mr Michael Hulme (Resigned 2 July 2019)

Bankers

CAF Bank
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

Independent Examiners

Additude Ltd
9 Rhapsody Court
Wakeman Road
London
NW10 5DF

Trustees' Report for the year ended 31st March 2020 (continued)

Objects, Aims and Activities

Objects and Aims

The objects of the charity are:

- To advance public education by running and/or assisting in the running of a library at Bathurst Gardens, Kensal Rise, London, NW10 5JA, for the benefit of the residents of the London Borough of Brent.

Activities

The principal charitable activity of Friends of Kensal Rise Library Limited is in seeking to meet the above aims. We deliver our services in the library through various activities, events, other projects in close collaboration with the community. The activities include charitable services provided either without charge or for reasonable and proper remuneration which support this object. These charitable services are designed to respond to the various and changing needs of the community and are not limited by the Charity's constitution.

The Charity's main activity is the running of a single library in Bathurst Gardens for the benefit of the broader community. The library allows the borrowing of books, access to newspapers and journals, study area, public access computers and Wi-Fi and a printing and photocopying service.

The Charity also organises a number of events all open to the public based on literacy, theatre and music. These events are intended to provide the community with access to high quality speakers and performers at modest cost. These events also provide part of the source of funding for the Charity.

Our key activities undertaken in the period are:

Achievements and Performance

The Charity saved a much valued local resource for the benefit of the community.

During the year there were numerous public events/classes/meetings organised by the Charity. These continued to prove popular with the local community and maintained the use of the library space while the opening was being organised. Hire of the space was promoted and used by various users: local ward Councillors hold their monthly surgery and ward meetings; local children's parties and other social functions have been held; two successful markets have taken place. All of this has contributed to the sustainability of the charity.

The library appointed a Library Manager through successful fundraising.

The library continued to develop new, and strengthening existing, partnerships with other local charities like the Mayhew, Octavia, (both 'new'), schools and nurseries, businesses, churches.

Plan for Future Periods

The library did re-open to much fanfare and press attention and 100s attended including the Leader of the Council, local MP's and Councillors.

Open Weds-Sat from Oct 19 - March 20.

Trustees' Report for the year ended 31st March 2020 (continued)

Between the re-opening in Oct and closing for lockdown in March, over 600 adult and children membership cards were issued. All the book stock has been donated and there are now over 4,000 books of library condition on the shelves. The library continued to be a popular venue hire until lock down on 23 March 2020. Lockdown means the complete halt of our income stream from room hire - we had to cancel bookings that had been made all the way through to the summer. Further fundraising from successful award applications, donations and fundraising events like Programme of Writers' Masterclasses, including authors' and publisher's talks, until lockdown halted this also. Virtual events, meetings continue to take place and their extension explored to maintain engagement with the community. Links with local Mutual Aid established and the library space is used for both food and clothes collections. Preparations are underway for a phased reopening, including risk assessment for staff, volunteers and users.

Public Benefit

Friends of Kensal Rise Library Limited carries out a wide range of activities as detailed in pursuance of its charitable aims. In setting our work programme each year the trustees have regard to the Charity Commission's guidance on public benefit and ensure activities we undertake are in line with our charitable objectives and aims.

The Trustees are satisfied that the Charity's activities throughout the year provided public benefit because:

- the majority of its activities are free to the public;
- activities gave the public free access to local library; and
- feedback from participants consistently praised the work of the Charity.

Financial Review

During 2019-20 the charity made a deficit on its Unrestricted Funds of £7,703 (2019 – Surplus of £43,880).

Unrestricted Income made up of grants, donations and earned income totalling £52,006 (2019 - £92,313) were received during the year.

Overall, at 31st March 2020, the charity had total reserves of £85,819 (2019 - £93,522). These reserves were totally made up of free reserves (funds which are neither restricted nor designated).

At that time the charity held cash at bank of £89,841 (2019 - £95,330).

Compliance with Reserves Policy

Friends of Kensal Rise Library Limited reserves policy is designed to reflect the underlying risks facing the charity and to ensure that we have an appropriate level of reserves to safeguard its operations. We are in compliance with the Reserves Policy (as set out in the Structure, Governance and Management section) for 2019-20 and will continue an annual review of this policy and the underlying risks.

Trustees' Report for the year ended 31st March 2020 (continued)

Structure, Governance and Management

Governing document

The Memorandum of Association which established the objects and the powers of the charitable company and is governed under its Articles of Association.

Governance

It is the Board's duty to:

- Establish the guiding principles and policies for the organisation (through the decision-making process outlined below).
- To delegate responsibility and authority to those who are responsible for enacting the principles and policies
- To monitor compliance with those guiding principles and policies.
- To ensure that Staff and Board alike are held accountable for their performance.

The Trustees have not delegated their powers to any one Trustee or other person. The Trustees as individuals take on certain aspects of management of the Charity. The Charity employs one part-time staff.

The Trustees manage the day-to-day affairs of the Charity; there is no executive management. The Trustees meet regularly and take note of the acts of individual Trustees on behalf of the Company.

Responsible governance of the charity is exercised through the Board of Trustees who are all trustees of the charity ('the Board'). The Board is made up of independent lay members who are responsible for the conduct of Friends of Kensal Rise Library Limited and for ensuring that it satisfies all legal and contractual obligations. The trustees are volunteers and are not remunerated for their time.

The Board is responsible for setting the strategic direction of the charity and is ultimately accountable for how effectively the charity meets the defined aims through direct charitable activity. The Board employs a part time Library Manager to engage in direct charitable activities to service users.

Principle Risks and Uncertainties

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

In relation to these matters, and apart from matters completely outside the charities' control, the trustees consider that the risks to which the charity is subject have been mitigated to a satisfactory level.

The Trustees of Friends of Kensal Rise Library Limited have a risk management strategy which comprises:

- An ongoing review of the principal risks and uncertainties the charity faces.

Trustees' Report for the year ended 31st March 2020 (continued)

- The establishment of policies, systems and procedures to mitigate those risks identified.
- The implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.
- Management and monitoring of adequacy of risk management policies, systems and procedures, including the Reserves policy.

The key types of risk to which the charity is exposed, along with the principal processes in place to manage and mitigate the risks, are briefly described below:

1. Risk on Personnel: a reliance on one part-time member of staff for all aspects of operation.
2. Funding Risks: the Charity is reliant on grants and donations of various kinds. The Trustees have proved adept at adapting their fundraising sources over the past years and are confident of continuing to do so. The level of reserves buys considerable time to adapt further should the Charity find funding difficult. The Trustees maintain contacts with a range of grant providers and potential donors to understand their requirements and to try to develop future funding.

Related parties

No trustees received any payment of money or other material benefit (whether directly or indirectly) from the Charity except for reimbursement of reasonable out of pocket expenses as per our Memorandum and Articles.

Reserves policy

It is Friends of Kensal Rise Library Limited' policy to maintain free reserves (unrestricted reserves not invested in fixed assets or designated for specific purposes) at a level which can finance our projected closing liabilities, calculated based on shutting down the organisation with legal costs, redundancies and any other liabilities.

The reserves level approved for 2019-20 are £20,000.

Statement as to Disclosure of Information to the Independent Examiner

Each of the persons who are trustees at the time when this report is approved confirms that:

- (a) So far as each trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- (b) to the best of their knowledge and belief, each director has taken all the steps that ought to have been taken as a trustee, including making appropriate enquiries of fellow trustee and of the charity's auditor for that purpose, in order to make themselves aware of any information needed by the charity's auditor in connection with preparing its report and to establish that the charity's auditor is aware of that information.

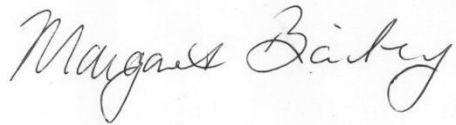
Independent Examiners

A resolution to re-appoint Additude Ltd as the charity's independent Examiner will be put forward to the forthcoming Annual General Meeting.

Trustees' Report for the year ended 31st March 2020 (continued)

The trustees have prepared this report in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

Approved by the Board and signed on its behalf by:

A handwritten signature in cursive script, reading "Margaret Bailey". The signature is written in black ink on a light-colored background.

Ms Margaret Catherine Bailey - Chair

Date: *25 Sept 2020*

Trustees' Report for the year ended 31st March 2020 (continued)

Statement of Trustees' responsibilities

The Trustees (who are also the Directors of Friends of Kensal Rise Library Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income or expenditure, of the charitable company for that period.

In preparing these accounts, the Trustees are required to:

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

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

Independent Examiner's Report for the year ended 31st March 2020

We report on the accounts of the company for the year ended 31 March 2020, which are set out on pages 9 to 14.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of CIPFA.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in, any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Andi Dollia, CPFA

ADDITUDE LTD
9 Rhapsody Court
Wakeman Road
London
NW10 5DF

Date: 25 Sept 2020

Statement of financial activities for the year ended 31st March 2020
(incorporating an income and expenditure account)

		2020			2019		
		Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
	Note	£	£	£	£	£	£
Income from:							
Donations and legacies	3	-	38,858	38,858	-	79,782	79,782
Charitable activities	4	-	13,148	13,148	-	12,531	12,531
Total income		-	52,006	52,006	-	92,313	92,313
Expenditure on:	5						
Raising funds		-	14,771	14,771	-	12,082	12,082
Charitable activities		-	44,938	44,938	-	36,351	36,351
Total expenditure		-	59,709	59,709	-	48,433	48,433
Net income (expenditure)	6	-	(7,703)	(7,703)	-	43,880	43,880
Transfers between funds		-	-	-	-	-	-
Net movement in funds		-	(7,703)	(7,703)	-	43,880	43,880
Reconciliation of funds:							
Total funds brought forward		-	93,522	93,522	-	49,642	49,642
Total funds carried forward		-	85,819	85,819	-	93,522	93,522

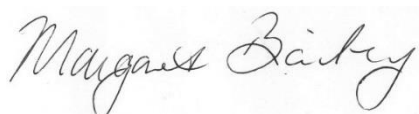
The notes on pages 11 to 14 form part of these financial statements.

Balance Sheet as at 31st March 2020

	Note	2020 £	2019 £
Fixed Assets			
Tangible fixed assets		-	-
Current assets			
Debtors		-	-
Cash at bank		89,841	95,330
		89,841	95,330
Creditors: amounts falling due within one year	9	(4,022)	(1,808)
Net current assets		85,819	93,522
Net assets	10	85,819	93,522
Funds			
Restricted	11	-	-
Unrestricted		85,819	93,522
Total funds		85,819	93,522

For the year ended 31 March 2020 the company was entitled to exemption under section 477 of the Companies Act 2006; and no notice has been deposited under section 476. No members have required the company to obtain an audit of its accounts for the year in question. The trustees acknowledge responsibility for: i) Ensuring the company keeps accounting records which comply with section 386; and ii) Preparing financial statements which give a true and fair view of the state of affairs of the company as at the year-end in accordance with requirements of section 394 and 395, and which otherwise comply with requirements of the Companies Act 2006 relating to financial statements, so far applicable to the company. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Trustees on 25 Sept 2020 and signed on their behalf by:



Ms Margaret Catherine Bailey

Chair, Director

Notes to the Financial Statements for the year ending 31st March 2020

1. Accounting policies**a. Going concern**

The Trustees confirm that at the time of approving the financial statements, there are no material uncertainties regarding the Charity's ability to continue in operational existence for the foreseeable future. In arriving at this conclusion, the Trustees have taken account of current and anticipated financial performance in the current economic conditions, its business plan and its reserves position. For this reason, the going concern basis continues to be adopted in the preparation of the Charity's financial statements.

b. Basis for preparation

The financial statements have been prepared under the historic cost convention unless otherwise stated in the relevant accounting policy notes and in accordance with Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1st January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The principal accounting policies that have been applied to all years presented in these financial statements are set out below.

c. Recognition of outstanding employee benefits

No provision for outstanding holiday pay was made under previous UK GAAP. Under FRS 102 the costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employees' services are received.

d. Fixed assets

Individual fixed assets costing £10,000 or more are initially recorded at cost. Fixed assets that cost less than £10,000 are treated as expenditure in the statement of financial activities.

e. Income

Income is recognised when the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably. Donations and grants are split between restricted and unrestricted funds in accordance with the terms of the grant or donation. Donations and gifts are recognised in the statement of financial activities when receivable. Income from government and other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred. Donated services and facilities are included at the value to the charity where this can be quantified.

Bank interest is recognised on an accrual basis.

Notes to the Financial Statements for the year ending 31st March 2020 (continued)

f. Expenditure

Expenditure is included in the statement of financial activities on an accrual's basis, inclusive of any VAT. It is recognised when there is a legal or constructive obligation to pay for it. Certain expenditure is directly attributable to specific activities and has been included in those cost categories.

g. Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Fixtures, fittings and equipment	33.33% straight line basis
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2. Critical judgements and estimates

No critical judgements have been made by management in applying the charity's accounting policies.

3. Donations and Legacies	Restricted	Unrestricted	2020 Total	2019 Total
	£	£	£	£
London Borough of Brent	-	8,808	8,808	25,500
Big Lottery Fund	-	10,000	10,000	10,000
Power to Change	-	4,806	4,806	8,616
Friends of Barham	-	-	-	5,000
Octavia Foundation	-	5,000	5,000	-
Aspect Capital	-	2,000	2,000	-
Claudia Hector	-	-	-	20,000
Other Grants and Donations	-	8,244	8,244	10,666
Total	-	38,858	38,858	79,782

There were no unfulfilled conditions or other contingencies attaching to these grants.

4. Income from Charitable Activities	Restricted	Unrestricted	2020 Total	2019 Total
	£	£	£	£
Events	-	3,628	3,628	5,835
Room Hire	-	8,846	8,846	6,696
Sales of books and other income	-	674	674	-
Total	-	13,148	13,148	12,531

Notes to the Financial Statements for the year ending 31st March 2020
(continued)

5. Expenditure	Raising funds	Charitable activities £	Support Costs £	2020 Total £	2019 Total £
Staff costs (note 7)	4,179	12,537	8,357	25,073	13,313
Rent, Insurance and Services	-	-	3,771	3,771	3,648
Office Overheads	-	-	1,944	1,944	2,270
Office Refurbishment and Repairs	-	-	26,806	26,806	26,272
Bank Charges	-	-	89	89	126
Event Costs	-	626	-	626	1,004
Independent Examination fee	-	-	1,250	1,250	1,500
Other Professional fees	-	-	150	150	300
	4,179	13,163	42,367	59,709	48,433
Add: allocation of support costs	10,592	31,775	(42,367)	-	-
Total expenditure	14,771	44,938	-	59,709	48,433

6. Net income/(expenditure) for the year

This is stated after charging / crediting:	2020 £	2019 £
Independent Examination fees	1,250	1,500

7. Staff Costs	2020 £	2019 £
Salaries and wages	25,073	13,313
Social security costs	-	-
Pension contributions	-	-
	25,073	13,313

Notes to the Financial Statements for the year ending 31st March 2020 (continued)

The average weekly number of staff (expressed as full-time equivalents) during the year was 0.6 (2019: 0)

	2020	2019
	No.	No.
Raising funds	0.1	0.1
Charitable activities	0.3	0.3
Support costs	0.2	0.2
	<u>0.6</u>	<u>0.6</u>

8. Taxation

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

9. Creditors: amounts due within 1 year

	2020	2019
	£	£
Taxation and social security	314	308
Other Creditors	2,458	-
Accruals and provisions	<u>1,250</u>	<u>1,500</u>
	<u>4,022</u>	<u>1,808</u>

10. Analysis of net assets between funds

	Restricted Funds	Unrestricted funds	Total funds
	£	£	£
Tangible fixed assets	-	-	-
Net current assets	<u>-</u>	<u>85,819</u>	<u>85,819</u>
Net assets at the end of the year	<u>-</u>	<u>85,819</u>	<u>85,819</u>

11. Movements in Funds

	At the start of the year	Incoming resources	Outgoing resources	Transfers	At the end of the year
	£	£	£	£	£
Unrestricted funds:					
General funds	<u>93,522</u>	52,006	(59,709)	-	<u>85,819</u>
Total unrestricted funds	<u>93,522</u>	<u>52,006</u>	<u>(59,709)</u>	<u>-</u>	<u>85,819</u>