CHARITY REGISTRATION NUMBER: 1164005

The Carnegie Herne Hill Community Trust CIO

Unaudited Financial Statements

31 December 2025

WALTER HUNTER & CO LIMITED
Chartered accountants
24 Bridge Street
Newport
South Wales
NP20 4SF

The Carnegie Herne Hill Community Trust CIO

Financial Statements

Year ended 31 December 2025

	Page
Trustees' annual report	1
Independent examiner's report to the trustees	16
Statement of financial activities	17
Statement of financial position	18
Notes to the financial statements	19

The Carnegie Herne Hill Community Trust CIO

Trustees' Annual Report

Year ended 31 December 2025

The trustees present their report and the unaudited financial statements of the charity for the year ended 31 December 2025.

1. Reference and administrative details

Registered charity name	The Carnegie Herne Hill Community Trust CIO
Charity registration number	1164005
Principal office	Carnegie Library 192 Herne Hill Road Herne Hill LONDON SE24 0DG

The trustees

B Prince	
N McLeod	
Y B Karraz	(Resigned 12 December 2025)
T Halahan	
B Morrison	(Resigned 10 August 2026)
R Wilson	(Resigned 30 September 2026)
C Uyanna	(Appointed 29 May 2025)
E Agnew	(Appointed 12 May 2025)
R Jones	(Appointed 26 March 2025)
R Frankel	(Appointed 9 February 2025)

Independent examiner	Mr Jonathan Rhodes BSc BFP FCA 24 Bridge Street Newport South Wales NP20 4SF

2. Structure, governance and management

1. Type of governing document: Constitution
2. How is the charity constituted: CIO (Foundation Model)
3. Trustee recruitment via Reach Volunteering and local forums.
4. We have a Trustee Code of Conduct.
5. Organisational structure: Chair, Secretary, Treasurer

Our operations are managed by our Hub Manager. Our Hub Coordinator and Operations Coordinator report to the Hub Manager and our Community Caretakers report to our Operations Coordinator. We recruit team members by advertising locally.

The board of trustees meet monthly. Trustees are recruited by advertising locally and through Reach Volunteering website.

3. Objectives and activities



The CLH will manage and develop the Carnegie building on behalf of the community as a Community Hub, increase community use of the building, support additional footfall into the library, enhancing the lives of our local communities, strengthening the local economy, supporting local culture and encouraging wellbeing.

- The long-term sustainable future of the Carnegie Library building in Herne Hill will be secured as a community managed asset.
- The building will provide wide public access and community use to include a wide range of activities that complement the learning, literary, cultural and creative ethos originally envisaged in Andrew Carnegie's endowment.
- The historical legacy and the architectural fabric of the building will be secured.

In 2024 we operated under a license, however by the end of the year it was clear we were finally moving to a short-term lease with the local authority.

The main activity of the Hub is to hire out the five rooms in the building that are licensed to us, except the library room itself, for community and commercial activities to generate income. Wherever possible, hires are community based, local and attract local residents.

Volunteers make an important contribution by tending to the large garden area which surrounds the building and through volunteer DIY jobs. In particular, two regular garden volunteers continued to support the Hub one day per week, helping keep the front and back gardens well maintained.

4. Achievements and performance

2025 began with significant progress for the Carnegie Library Hub, with the new lease taking effect from 10 January and a renewed, more constructive working relationship with Lambeth Council developing at both strategic and operational levels. In February, the Trust submitted a community petition to Full Council seeking clarity on Lambeth's strategic vision for the building and its long-term future. Further background is available in our website article Petition for the Hub receives official reply from Lambeth. The petition, and the Council's official response, are set out below.

The core question of our petition-Lambeth's strategic vision for the building-remains crucial. We are delighted to share Lambeth's official response, approved by the relevant Cabinet member:

"The council continues to commit to the future of Carnegie Library as both a library and a hub that can support a range of activities that supports the wellbeing of the local community.

In January the council agreed a lease with the Carnegie Community Trust CIO to continue operating the Hub from the building, which will run for a 21-month period. The Trust and the council have committed to working in partnership to ensure the building is well used, maintained, and that the operation of the space is financially sustainable into the longer term. The council is excited to see what the Trust will deliver with the space in the library building and look forward to developing the long-term approach to the building in partnership and with input from the community."

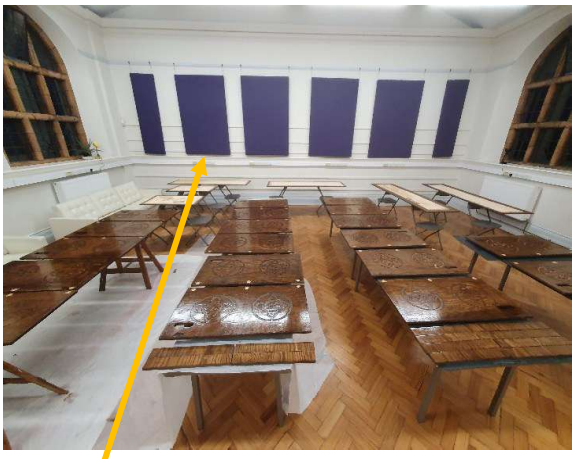
During 2025, the Trustees and staff worked to a multi workstream approach to strengthen the Hub's sustainability, governance, and community impact. Key workstreams are listed below.

4.1. Room Design and Wayfinding (Building Investment)

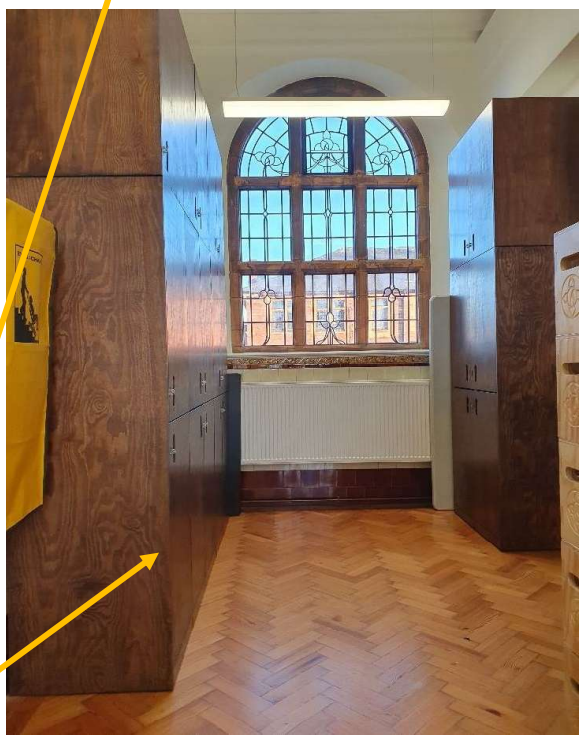
The Room Design and Wayfinding project was a central workstream of 2025, focused on improving the overall presence, experience and coherence of the building. As a complex multi tenancy site - housing a Lambeth run library, a Lambeth gym in the basement, Hub managed hire rooms, and a licensed community café - the building requires careful coordination to feel welcoming and intuitive for visitors. This project sought to establish a shared visual theme and identity that celebrates the building and its heritage while being respectful of each tenant and was developed with participation from the Libraries Service and the Gym. Alongside this, practical wayfinding improvements were introduced, including clearer signage and the development of flexible display totems. These movable totems allow the Hub, library and other tenants to clearly communicate what is happening in the building, improving navigation, visibility of activity, and the overall visitor experience.

The Room Design and Wayfinding project was supported by a total budget of £20,000 during 2025. This investment was allocated across a series of targeted improvements designed to enhance the building's coherence, visitor experience, and ease of navigation within a complex multi-tenancy environment. The budget was broken down across the following areas:









Room Design and Wayfinding Spend	
Herne Hill Room storage	£1,500
Folding chairs and tables	£2,300
Acoustic damping baffles	£3,500
12m2 mobile stackable stage	£1,600
Partner lockers and hub storage	£4,500
Display totems / wayfinding	£4,000







4.2. Community Café Integration

Establishing and embedding the community café and lounge as a core part of the Hub offer. Lambeth were incredibly helpful in supporting us to make small changes to the building to support plugging in café equipment. Old plastic electrical trunking was removed from the room, replacing with more discrete power sockets more in keeping with the heritage. Electrical spurs and metering were put in for the café equipment. What was incredibly successful was running a jointly financed project with Lambeth to replace the old office lights with more attractive lighting. Lambeth were refitting many of their buildings with LED lighting, we purchased heritage style lighting and Lambeth fitted them for the same projected cost as before.



In the summer of 2025, the Carnegie Library Hub opened a community cafe (the Carnegie Cafe) and Community Lounge (the Loughborough Junction Lounge) in one of the large rooms at the front of the building. In advance of launch, the Hub invited the community, librarians and other building stakeholders to take part in a poll on the café name, with "Carnegie Cafe" by far the most popular choice-and a natural fit for the building. The cafe is operated under licence by Sweet Carolina, which also owns cafes in in nearby West Norwood and Norwood Junction station. It is open daily and provides a relaxing, warm and welcoming place for the community. It also remains open at lunchtimes when the library is closed.

A fundraising Kickstarter event, organised by the café operator in April 2025, raised almost £5,000 towards the launch of the café. The Hub funded the build of the servery and heritage style lighting with £16,000 of Hub funds. The cafe opened to the public in early September and received several visits from local MP Helen Hayes, who has been a strong supporter of the initiative, as well as other local dignitaries and representatives from Lambeth Council. Alongside a range of affordable hot and cold drinks, snacks and warm lunches, the cafe team offers a 10% discount to Hub, library and gym employees.

With a range of seating options, including comfortable sofas, tables and a children's play area, the cafe and lounge area are a popular spot for local residents to meet friends, students and workers to use the WiFi service, and Hub class attendees and gym-goers to relax and refuel. Much of the furniture for the lounge and café was sourced directly by the Hub through donations and low-cost second-hand purchases, and the Hub also received a significant in-kind contribution from Peabody Development (from one of their local marketing suites).

4.3 Recruitment and Resources

As part of strengthening staff and volunteer capacity, the Trustees focused on addressing skills gaps within both the Board and the operational team. During the year, several new trustees were recruited to complement existing expertise, including the appointment of a Treasurer to strengthen financial oversight. Operational capacity was also enhanced through the recruitment of an Operations and Buildings Coordinator. This role proved highly effective in establishing improved working practices, strengthening event delivery, providing clearer management and support for Community Caretakers, and significantly improving building operations, compliance, and health and safety standards.

4.4 Marketing

During 2025 marketing activity focused on improving clarity, consistency and visibility of the Hub's offer and strengthening sales activity to increase enquiries and bookings. A successful CIC funding bid enabled access to volunteer creative support which helped to develop and formalise the Hub's brand identity. This was implemented across new posters and leaflets, including, for the first time, dedicated Hub leaflets for potential hirers setting out what the Hub offers as well as the types of spaces available and how the building can be used.

The team also reviewed the offer available for each room, updating web pages with improved visuals and clearer, easy-to-access information. Party packages were streamlined and promoted online leading to a rise in room enquiries and profitable bookings, at the same time reducing staff time spent negotiating details. With the opening of the café, increased awareness from visitors helped to spread the word about the quality and accessibility of rooms for parties and events, generating additional visits and bookings. A Partner starter package - with some restrictions - was introduced successfully to encourage new partners to launch classes as a first step towards longer-term partnerships. Alongside these initiatives, small but meaningful updates were made to the website to improve visibility and clarity of information.

4.5 Operational Readiness

Operational readiness was a major focus throughout the year as we prepared the organisation for increased activity and building use. Working with Active Lambeth, we agreed an addendum to our lease to allow shared use of the commercial bin area, creating a practical refuse solution and enabling us to scale events and parties more effectively.

We also developed a comprehensive security strategy, including procedures, training and physical measures, to support the operation of the open-plan, multi-tenancy building. Particular attention was given to the café's operating hours, ensuring the building can be used safely and securely by library staff, Hub staff, café staff and other users at different times of day.

Alongside this, we strengthened operational systems through improved inventory management, fire planning, health and safety processes, and an initial review of finance and invoicing procedures to support future growth.

4.6 Technology

Upgrading systems and digital tools to support operations, including reclaimed desktop PCs, improved Wi Fi and a dedicated communications smartphone.

4.7 Fundraising

During 2025, fundraising activity took place against a challenging funding landscape, particularly for community-run buildings operating as social enterprises. A key step forward was securing a letter of intent from Lambeth Council, which strengthened the Trust's position in supporting future funding and grant applications.

While structural barriers limited the number of bids that could be pursued during the year, the Trust benefited from successful volunteer support through the CIC Creative Impact Club, which provided valuable creative and capacity-building input. By the end of the year, the Trust submitted a National Lottery Awards for All application, marking an important step in developing a sustainable fundraising pipeline.

4.8 Training

During 2025, a range of training initiatives were delivered across the staff team, Trustees, and Community Caretakers. All Community Caretakers received fire safety training, with members of the wider team completing more advanced fire training to strengthen on site safety and compliance. Targeted training for Community Caretakers also focused on improving event delivery, customer experience, and room turnaround, resulting in noticeably higher standards and consistency in operations. Alongside this, the Hub rolled out a brand toolkit and implemented it through a shared Canva framework, enabling staff and volunteers to create consistent, professional quality posters and communications. Additional QuickBooks training was also delivered to strengthen financial administration and support the management of invoicing and the sales process.

4.9. Governance and Compliance

4.9.1. Governance
The Carnegie Community Trust is a Charitable Incorporated Organisation (CIO) governed by its Constitution, which sets out its charitable purposes, powers, and decision-making processes. The Board of Trustees is responsible for the overall governance, strategic direction, and financial stewardship of the charity, ensuring that it operates in furtherance of its charitable objectives and for the public benefit.

The Trustees have ultimate responsibility for setting strategy, approving budgets, monitoring performance, and ensuring appropriate systems of internal control and risk management are in place. Day-to-day management is delegated to the Team, with clear lines of accountability and reporting to the Board. In 2025, the Trustees approved a new three-year Business Plan/Strategy that promotes growth of the Carnegie Library Hub model.

4.9.2. Trustees

Trustees served throughout the entire year except where noted in the Trustees' details section of this report. The Trustee Board grew in 2025 to maintain a balance of skills, experience, and local knowledge relevant to the charity's activities, including governance, finance, community engagement, safeguarding, and property management. Recruitment of trustees is based on identified skills needs and is conducted in accordance with the Constitution. Across the past year priority skills were around Finance, Sales and Marketing.

The charity trustees are elected to serve for a period of four years after which they must be re-elected. All members of the Board give their time voluntarily and received no benefits from the charity.

New trustees that joined the board were inducted covering the following areas and received relevant charity documents including the Trustee Induction Handbook and all policies (as listed below, see 4.9.3)

There is an upcoming review and refresh of the Trustee Recruitment Procedure and Induction Pack to support planned Trustee recruitment for 2026.

4.9.3. Meetings and Decision Making
The Trustee Board met monthly throughout the year to consider strategy, operational performance, financial management, and risk. Standing agenda items included:

- Declaration of Conflicts of Interest
- Risk Review
- Action Review
- Hub
- Finances
- Operations

Where appropriate, the Board delegates detailed scrutiny to sub-groups or designated trustees, with recommendations brought back to the full Board for approval. The sub-groups that support activity are:

- Finance, Governance and Risk Sub-Committee
- Funding and Community Committee
- Sales and Marketing Working Group
- Cafe Integration Working Group

The charity maintains and reviews a suite of policies to support compliance and good governance, including:

- Safeguarding (children and vulnerable adults)
- Health and safety
- Equality, diversity and inclusion
- Data protection and GDPR
- Financial controls and reserves
- Conflicts of interest

Policies are reviewed periodically or when legislation or operational needs change. In 2025, the following policies were reviewed and updated:

- CLH Terms and Conditions of Room Hire
- CLH Trustee Code of Conduct
- Staff and Volunteer Code of Conduct
- CLH Conflict of Interest Policy
- Risk Register and Management Policy

Trustees are required to declare any conflicts of interest and withdraw from decisions where a conflict exists. A register of interests is maintained and reviewed by the Secretary with reminders at the start of each Trustee meeting for any declarations before discussions commence.

4.9.4. Risk Management

Throughout the year, the trustees approached risk management as an integral part of stewardship rather than a purely procedural exercise. In a dynamic community setting, where demand for inclusive spaces and services continues to evolve, the Board focused on maintaining a careful balance between ambition and resilience. Regular discussions considered both immediate operational pressures such as income volatility, building-related matters, capacity and longer-term strategic risks regarding the journey towards a long-term lease for the building, financial sustainability and addressing community needs. The trustees worked closely with the staff team to ensure that emerging issues were identified early with an action plan agreed to resolve issues promptly. This ongoing dialogue, supported by a live risk register and clear mitigation plans, has helped foster a culture in which risk is understood, shared, and managed proactively, enabling the charity to remain responsive while safeguarding its assets, reputation, and beneficiaries.

4.10. Organisational Statistics

Some high-level organisational statistics as follows:

	End of December 2023	End of December 2024	End December 2025
Part Time Team	3	2	3
Community Caretakers	4	3	4
Volunteers	2	2	3
Regular Partners	21	31	32
Website News Articles	65	73	10
Instagram Posts	64	84	100
Utilisation	8%	Unknown	10%

4.11. Social Value Delivered in 2025

During 2025, the organisation delivered significant social value by operating as a flexible, inclusive community hub, supporting children and young people, health and wellbeing, adult learning, arts and culture, and community cohesion.

A key focus was children, young people and families, through coding holiday clubs and clubs, drama and theatre activities, youth performance programmes, and a two-week NEET Graphic Design Academy with a graduation event. These activities supported skills development, confidence and inclusion, while also providing valuable enrichment and holiday provision for local families.

The space supported a broad programme of health, wellbeing and mental health activity, including regular and one-off sessions such as yoga, Pilates, mindfulness and retreats, alongside use by health organisations and support groups. This included ongoing provision for parents and carers of autistic people and events delivered with mental health partners, contributing to prevention, wellbeing and reduced social isolation.

The venue also enabled adult learning, skills development and community capacity-building, hosting training days, focus groups and network meetings for local residents, voluntary organisations and statutory partners. In parallel, a strong programme of arts, cultural and civic activity - including film festivals, talks, choirs, theatre, cultural events, residents' meetings and community campaigns - strengthened local participation, creativity and connection.

Overall, in 2025 the organisation provided accessible space and support that enabled learning, wellbeing, creativity and community engagement, contributing to stronger and more connected local communities.

4.12. Relationship with Lambeth Local Authority

Since signing the lease, our working relationship with Lambeth Council has improved significantly. We established a regular cadence of engagement at both senior level (to review governance and strategic progress) and operational level (working closely with the Libraries Service and on day-to-day building matters). As part of this improved relationship, we were also invited to submit a witness statement in relation to the Libraries Service. We have also introduced a shared action tracker to manage and evidence progress on building and landlord actions, which is reviewed with Lambeth's Assets team. Overall, the relationship has become productive, constructive and solutions-focused, representing a marked change from the difficulties in gaining traction experienced in the previous year.

4.13. Human Resources

Our Hub Manager indicated their desire to resign from post therefore the Trustees have decided on an interim plan to distribute more responsibilities to other existing team members and to start our search for a Hub Director ahead of schedule. This was always planned once the outcome of our short, dated lease with Lambeth was decided, however the need for this has been brought forward by this development.

4.14. Highlights and Summary of Achievements

As can be seen above, the team and trustees delivered several various workstreams, however we would like to draw out the following as highlight milestones

- **Community Cafe (named Carnegie Cafe) and Community Lounge (named the Loughborough Junction Lounge)** are a brilliant resource for the building and the community. The cafe and lounge are a welcoming place for all, open at lunchtimes when the library is closed, and the cafe very comfortable. The cafe is affordable, has food as well as drink, offers Hub, Library and Gym staff a 10% discount and friendly local staff. A good quality piano was also donated by the community and now resides in the lounge.



- **Room design and Wayfinding** make the building feel more cohesive. Coming into the main hallway feels like a building as a destination rather than an unloved and rather empty local authority building. Coupled with the cafe and lounge, the building also feels more alive. Signs around the place help navigate and the display totems bring continuity to visit experience, where it is not important for the visitor to understand who the tenant is.

- **First wedding hosted at the Hub** - During 2025, the Hub hosted its first wedding, demonstrating growing confidence in the building as a special-occasion venue and supporting higher-value hires.

- **Operational excellent** by hiring our Operations and Buildings lead significant standards were introduced in how we managed the building and event delivery. Caretakers were trained on customer service, health and safety, opening and closing, security, cleaning and room setup and take down. The standard of room turnaround was incredibly high, and a model that can be rolled out as our utilisation grows.
- **Christmas Market x 2** - In collaboration with the cafe we held 2 successful Christmas markets in December. The Herne Hill room was filled with local traders and creatives. The cafe was open for visitors and was busy. The feedback from the stallholders was positive. They all told us they would participate again. We collected £946.40 in stall fees. We plan to make this an annual event.

5. Financial review

5.1. Financial Performance

5.1.1. Performance Overview
The charity's total income for the year ended 31 December 2025 was £75,004 (2024: £79,713). The majority of income continued to derive from room and desk hire (£73,568), with additional income from the Carnegie Café (£445) and donations (£991).

Total expenditure increased significantly to £116,296 (2024: £74,937), driven primarily by staffing costs, Hub 2.0 development costs, and increased premises and professional costs. As a result, the charity recorded a net deficit of £41,292 for the year (2024: net surplus £4,776).

This deficit reflects deliberate strategic investment in Hub development, staffing capacity, and organisational strengthening during a period of lease and operating uncertainty.

5.1.2. Progress vs 2024
In 2024 the charity generated a surplus of £4,776 and held total reserves of £102,340. In 2025 the trustees deliberately approved a planned deficit of £41,292 to fund a capital investment £34,726 in Hub infrastructure and increase operational expenditure to support organisational development. Both strategic expenditure categories (capital and operational) were to strengthen the charity's long-term sustainability and income-generating capacity.

Compared with 2024, the charity strengthened governance through new trustee appointments, developed a three-year business plan, and established a formal reserves framework. These actions represent a significant improvement in financial planning, risk management, and organisational resilience compared with the previous year.

5.2. Financial Position

On 31 December 2025, total funds stood at £61,048 (2024: £102,340), of which £59,716 were unrestricted and £1,332 restricted. Cash at bank and in hand was £58,519 (2024: £101,264), with debtors of £3,659 and creditors falling due within one year of £3,671. Tangible fixed assets increased to £2,541 following additions during the year. The reduction in unrestricted reserves reflects the deficit and planned investment in Hub development.

5.3. Reserves Policy

During 2025, the trustees developed and implemented a formal reserves policy. The charity has designated three months of operating expenditure (approximately £21,000) from unrestricted reserves to mitigate short-term income volatility and unexpected costs. In addition, a proportion of unrestricted reserves has been moved into interest-bearing accounts to generate modest investment income and support financial sustainability. The trustees consider current unrestricted reserves of **£59,716** sufficient for short-term commitments but recognise the need to rebuild reserves considering potential future rental, business rates and service charge liabilities.

5.4. Principal Funding Sources

The charity remains primarily reliant on earned income from room and desk hire, supplemented by café activity, community events, and small-scale donations. Expanding regular community partnerships and diversifying income through fundraising and grant applications remain strategic priorities to improve predictability and resilience.

5.5. Going Concern and Future Risks

The trustees have considered the financial position of the charity and its future funding and have a reasonable expectation that the charity has adequate resources to continue its activities for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis. In reaching this conclusion, the trustees have taken account of the following factors:

5.5.1. Financial Performance and Reserves
On 31 December 2025, total funds were **£61,048**, with unrestricted reserves of **£59,716** and cash balances of **£58,519**. While reserves reduced significantly during the year due to planned investment and operating deficits, liquidity remained sufficient to meet short-term obligations.

5.5.2. Income Generation
Income from room hire and workspace totalled £73,568, with additional income from café licence fees and donations. This reflects continued strong demand for room hire and workspace, and the café is expected to increase footfall and referral bookings from 2026. Income declined slightly compared to 2024, reflecting broader economic pressures and ongoing uncertainty around the Hub's long-term future. Trustees are monitoring utilisation through monthly reporting and marketing initiatives to increase repeat and long-term bookings. The charity continues to develop new community and commercial uses for the building to increase utilisation.

5.5.3. Expenditure Management
Total expenditure increased to £116,296, largely due to increased staffing costs (£65,827), Hub development expenditure, and professional and premises costs. The trustees consider these expenditures to be strategic investments intended to strengthen operational capacity, improve facilities, and position the Hub for future growth. The trustees will be monitoring how this investment will increase utilisation state in 2026 including budget monitoring and oversight cadence (monthly board review). Trustees monitor rolling cashflow forecasts and maintain minimum cash thresholds to ensure operational resilience.

5.5.4. Risks and Uncertainties
The trustees recognise several key risks:

- Lease and landlord negotiations with Lambeth Council, including future rent, service charge, and business rate.
- Projected revenue and profitability from café partnership based on market demand.
- Trustee capacity risk, in line with the volume and requirements of the hub operations and statutory requirements.
- Income concentration risk, with continued reliance on room hire as the primary revenue stream.

A risk register has been re-developed, maintained and updated, with mitigation actions. The mitigation actions include diversification of income, cost control, fundraising strategy development, and governance recruitment.

5.5.5. Future Outlook
The trustees have developed a three-year business plan projecting increased earned and unearned income through expanded community partnerships, improved pricing models, and targeted fundraising. Unrestricted reserves will be strategically invested to support growth, including Hub improvements, staffing capacity, and systems development. Trustees expect investment income from interest-bearing accounts to provide modest supplementary income, although this is not currently material. The charity's CIO structure and ongoing negotiations with Lambeth form the basis for developing a sustainable long-term operating model.

5.5.6. Material Uncertainty (Landlord Risk)
The trustees note that the charity continues to operate under a deferred arrangement with Lambeth Council, under which rent, service charges, and business rates have not yet been applied. The trustees recognise that Lambeth may seek to implement full charges during 2026. If these charges were applied in full without mitigation, this would present a significant challenge to the charity's current operating and may require material adjustments to activities or funding arrangements. Negotiations with Lambeth are ongoing, and the trustees are actively exploring mitigation strategies including revised lease terms, increased fundraising, expanded commercial utilisation, and partnership income. While reserves and cash balances provide short-term resilience, the long-term financial sustainability of the Hub remains dependent on achieving a viable lease arrangement.

Summary developments within the year

- **Hub 2.0 Investment Programme:** The charity invested **£34,726** in Hub development and operational capacity-building, including infrastructure and governance improvements.
- **Business Plan Development:** A detailed three-year business plan was prepared for trustees and Lambeth Council, including financial projections, KPIs, and sustainability modelling.
- **Grant Pipeline Development:** The charity identified multiple grant opportunities totalling a potential £690,000, although structural barriers prevented applications in most cases (i.e. existence of short-term lease). Two applications were submitted and one was secured mid-point in the year.
- **Community and Partnership Development:** Continued engagement with community partners, including exploratory nurture-organisation activity, pilot cultural programming and partnership events.
- **Governance and Trustee Recruitment:** Several new trustees were appointed during the year to strengthen governance and strategic capacity.

6. Looking Forward to 2026

Looking ahead to 2026, the Trustees are clear that the organisation is entering a new phase of development. Throughout 2025, significant progress was made in establishing and strengthening the Hub's identity, including room development and wayfinding, a clearer and more consistent brand, the successful launch of the café and community lounge, and improved communications and social media presence. Together, these developments have helped position the Carnegie Library Hub as a more visible, welcoming and coherent destination locally.

Building on these foundations, the focus for 2026 will shift towards business development, with an increased emphasis on income generation and improved utilisation of the building. This will include proactively developing new, library sensitive opportunities that support financial sustainability while remaining aligned with the Hub's charitable objectives. By diversifying income streams and increasing repeat and long-term use of the building, the Trustees aim to reduce reliance on any single source of income and strengthen resilience.

Alongside this, the Hub will continue key workstreams from 2025, including further improvements to external signage and visibility, continued enhancement of operational standards, and strengthening compliance in areas such as fire safety and health and safety. Together, these priorities reflect a transition from a necessary period of building and consolidation in 2025 to a more outward facing phase of growth and development in 2026.

7. Summary

The Trustees are delighted with the year, which required strong commitment from a dedicated team to both sustain the Hub's community business and deliver a range of development initiatives. Trustees contributed significant time and expertise in supporting the staff team and leading key initiatives themselves. There was a clear focus on staged, realistic milestones, including working towards a financial contribution to Lambeth Council, demonstrating the Trust's commitment to the building and its principal stakeholder. However, the impact of the year goes far beyond financial measures. The Hub has become established as a vibrant, welcoming and free-to-access community destination, with the café and a more coherent building experience playing a central role in this success.



22 Oct 2026

The trustees' annual report was approved on ..... and signed on behalf of the board of trustees by:

T Halahan
Trustee

The Carnegie Herne Hill Community Trust CIO

Independent Examiner's Report to the Trustees of The Carnegie Herne Hill Community Trust CIO

Year ended 31 December 2025

I report to the trustees on my examination of the financial statements of The Carnegie Herne Hill Community Trust CIO ('the charity') for the year ended 31 December 2025.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements 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 examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or

2. the financial statements do not accord with those records; or

3. the financial statements do 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.

J Rhodes

Mr Jonathan Rhodes BSc BFP FCA
Independent Examiner

24 Bridge Street
Newport
South Wales
NP20 4SF

22 Oct 2026

The Carnegie Herne Hill Community Trust CIO

Statement of Financial Activities

Year ended 31 December 2025

	Note	2025 Unrestricted funds £	2025 Restricted funds £	2025 Total funds £	2024 Total funds £
Income and endowments					
Donations and legacies	**4**	991	–	991	1,400
Charitable activities	**5**	74,013	–	74,013	78,313
Total income		75,004	–	75,004	79,713
Expenditure					
Expenditure on charitable activities		80,570	1,000	81,570	74,937
Exceptional cost of Carnegie Library Hub		34,726	–	34,726	–
Total expenditure	**6,7**	115,296	1,000	116,296	74,937
Net (expenditure)/income and net movement in funds		(40,292)	(1,000)	(41,292)	4,776
Reconciliation of funds					
Total funds brought forward		100,008	2,332	102,340	97,564
Total funds carried forward		59,716	1,332	61,048	102,340

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 19 to 26 form part of these financial statements.

The Carnegie Herne Hill Community Trust CIO

Statement of Financial Position

31 December 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible fixed assets	**13**	2,541	2,332
Current assets			
Debtors	**14**	3,659	1,109
Cash at bank and in hand		58,519	101,264
		62,178	102,373
Creditors: amounts falling due within one year	**15**	3,671	2,365
Net current assets		58,507	100,008
Total assets less current liabilities		61,048	102,340
Net assets		61,048	102,340
Funds of the charity			
Restricted funds		1,332	2,332
Unrestricted funds		59,716	100,008
Total charity funds	**17**	61,048	102,340

These financial statements were approved by the board of trustees and authorised for issue on 22 Oct 2026, and are signed on behalf of the board by:

T Halahan
Trustee

The notes on pages 19 to 26 form part of these financial statements.

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Carnegie Library, 192 Herne Hill Road, Herne Hill, LONDON, SE24 0AG.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity, rounded to the nearest pound.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income tax

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

3. Accounting policies ***(continued)***

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- income from donated goods is measured at the fair value of the goods unless this is impracticle to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliabily measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are approrrtioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost and subsequently stated at cost less any accumulated depreciation and impairment losses.

3. Accounting policies ***(continued)***

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery - 20% p.a. Straight Line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2025 £**
Donations			
Donations	7	–	7
Christmas Market - Vendor Donations	984	–	984
Grants			
The London Community - BA Theatre	–	–	–
	991	–	991

4. Donations and legacies *(continued)*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
Donations	250	–	250
Christmas Market - Vendor Donations	–	–	–
Grants			
The London Community - BA Theatre	–	1,150	1,150
	250	1,150	1,400

5. Charitable activities

	Unrestricted Funds £	**Total Funds 2025 £**	Unrestricted Funds £	Total Funds 2024 £
Room & Desk Hire	73,568	73,568	77,429	77,429
Pop-up Cafe	–	–	884	884
Carnegie Cafe	445	445	–	–
	74,013	74,013	78,313	78,313

6. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2025 £**
Room & Desk Hire	72,448	–	72,448
The London Community	–	1,000	1,000
The London Community - BA Theatre	–	–	–
Support costs	8,122	–	8,122
	80,570	1,000	81,570
Exceptional cost of Carnegie Library Hub	34,726	–	34,726
	115,296	1,000	116,296

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Room & Desk Hire	65,304	–	65,304
The London Community	–	1,000	1,000
The London Community - BA Theatre	–	1,150	1,150
Support costs	7,483	–	7,483
	72,787	2,150	74,937
Exceptional cost of Carnegie Library Hub	–	–	–
	72,787	2,150	74,937

7. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	**Total funds 2025**	Total fund 2024
	£	£	**£**	£
Room & Desk Hire	72,448	7,308	79,756	72,787
Carnegie Library Hub	34,726	814	35,540	–
The London Community	1,000	–	1,000	1,000
The London Community - BA Theatre	–	–	–	1,150
	108,174	8,122	116,296	74,937

8. Analysis of support costs

	Room & Desk Hire	Carnegie Library Hub	**Total 2025**	Total 2024
	£	£	**£**	£
Premises	2,460	–	2,460	938
Communications and IT	529	–	529	1,817
General office	346	814	1,160	494
Finance costs	539	–	539	423
Legal and professional fees	3,434	–	3,434	3,811
	7,308	814	8,122	7,483

9. Net (expenditure)/income

Net (expenditure)/income is stated after charging/(crediting):

	2025	2024
	£	£
Depreciation of tangible fixed assets	1,241	1,000

10. Independent examination fees

	2025	2024
	£	£
Fees payable to the independent examiner for:		
Independent examination of the financial statements	1,400	1,355

11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025	2024
	£	£
Wages and salaries	65,477	55,634
Employer contributions to pension plans	350	317
	65,827	55,951

The average head count of employees during the year was 8 (2024: 7).

11. Staff costs *(continued)*

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £17,577 (2024: £17,040).

12. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees, other than those described below.

During the year, one trustee was reimbursed by the charity for expenditure totalling £804 (2024: £1,029).

13. Tangible fixed assets

	Plant and machinery £
Cost	
At 1 January 2025	4,999
Additions	1,450
At 31 December 2025	6,449
Depreciation	
At 1 January 2025	2,667
Charge for the year	1,241
At 31 December 2025	3,908
Carrying amount	
At 31 December 2025	2,541
At 31 December 2024	2,332

14. Debtors

	2025 £	2024 £
Trade debtors	3,089	659
Prepayments and accrued income	570	450
	3,659	1,109

15. Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	892	–
Accruals and deferred income	1,400	1,355
Social security and other taxes	1,328	959
Other creditors	51	51
	3,671	2,365

16. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £350 (2024: £317).

17. Analysis of charitable funds

Unrestricted funds

	At 1 January 2025	Income	Expenditure	Transfers	**At 31 December 2025**
	£	£	£	£	£
General funds	99,517	75,004	(79,756)	–	94,765
London Borough of Lambeth	–	–	–	–	–
Endowment	491	–	–	–	491
Carnegie Library Hub	–	–	(35,540)	–	(35,540)
	100,008	75,004	(115,296)	–	59,716

	At 1 January 2024	Income	Expenditure	Transfers	At 31 December 2024
	£	£	£	£	£
General funds	99,237	78,563	(72,787)	(5,496)	99,517
London Borough of Lambeth	(5,496)	–	–	5,496	–
Endowment	491	–	–	–	491
Carnegie Library Hub	–	–	–	–	–
	94,232	78,563	(72,787)	–	100,008

17. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 January 2025 £	Income £	Expenditure £	Transfers £	**At 31 December 2025 £**
The London Community	2,332	–	(1,000)	–	1,332
The London Community - BA Theatre	–	–	–	–	–
	2,332	–	(1,000)	–	1,332

	At 1 January 2024 £	Income £	Expenditure £	Transfers £	At 31 December 2024 £
The London Community	3,332	–	(1,000)	–	2,332
The London Community - BA Theatre	–	1,150	(1,150)	–	–
	3,332	1,150	(2,150)	–	2,332

18. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	**Total Funds 2025 £**
Tangible fixed assets	1,209	1,332	2,541
Current assets	62,178	–	62,178
Creditors less than 1 year	(3,671)	–	(3,671)
Net assets	59,716	1,332	61,048

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	–	2,332	2,332
Current assets	102,373	–	102,373
Creditors less than 1 year	(2,365)	–	(2,365)
Net assets	100,008	2,332	102,340