

FRIENDS OF LAMBETH PALACE LIBRARY

STATEMENT OF FINANCIAL ACTIVITIES

for the the year ended 31st December 2023

	<i>Note</i>	<i>Unrestricted Operating Fund</i>	<i>Endowment Fund</i>	<i>Total Funds</i>	<i>Total Funds</i>
	10	2023	2023	2023	2022
		£	£	£	£
Income from					
Subscriptions, donations and legacies	2	76,020	-	76,020	51,954
Investments	3	38,391	-	38,391	37,649
Total income		114,411	-	114,411	89,603
Expenditure on					
Charitable expenditure		30,534	-	30,534	122,529
Raising funds	5	6,005	-	6,005	6,121
Support costs	6	8,860	-	8,860	8,687
Total expenditure		45,399	-	45,399	137,337
Surplus/(deficit) before investment gains/(losses)		69,013	-	69,012	(47,734)
Net gains/(losses) on investments					
realized	7	-	6,381	6,381	817
unrealized	7	-	35,488	35,488	(66,306)
Net income/(deficit)		69,013	41,869	110,882	(113,223)
Transfers between funds		-	-	-	-
Net movement in funds		69,013	41,869	110,882	(113,223)
Reconciliation of funds					
Total funds brought forward		502,362	776,095	1,278,457	1,391,681
Fund balances carried forward		571,375	817,964	1,389,339	1,278,458

FRIENDS OF LAMBETH PALACE LIBRARY

BALANCE SHEET as at 31st December 2023

	<i>Note</i>	<i>31st December 2023</i>		<i>31st December 2022</i>	
		<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Fixed assets					
Investments	7		1,236,558		1,174,637
Current assets					
Debtors and prepayments			3,566		7,044
Bank balances and deposits			157,958		107,484
			<u>161,524</u>		<u>114,528</u>
Liabilities					
Creditors falling due within one year			(3,461)		(4,287)
Life subscriptions carried forward			(5,280)		(6,420)
	8		<u>(8,741)</u>		<u>(10,707)</u>
Net current assets			152,782		103,820
Net assets			<u>1,389,339</u>		<u>1,278,458</u>
Representing					
Endowment fund	11		817,964		776,095
Operating fund	12		571,375		502,362
			<u>1,389,340</u>		<u>1,278,458</u>

Approved by the Trustees on ● and signed on their behalf by

Chairman

Honorary Treasurer

Note 11 to the accounts

	<i>Inv</i>	<i>NCA</i>	<i>Total</i>
Endowment Fund	817,964	-	817,964
Operating Fund	418,594	152,782	571,376
Total	<u>1,236,558</u>	<u>152,782</u>	<u>1,389,340</u>

FRIENDS OF LAMBETH PALACE LIBRARY

(Second draft dated 5 April 2024)

NOTES TO THE ACCOUNTS for the year ended 31st December 2023

1. Accounting policies

(a) Basis of accounting and assessment of going concern

The accounts have been prepared in accordance with the Charities SORP (FRS 102) “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” and with regulations made under the Charities Act 2011. A summary of the more important accounting policies is set out below.

The accounts have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trustees consider that there are no material uncertainties about the Charity’s ability to continue as a going concern nor any significant risk that uncertainty over estimates made for the purpose of these financial statements may cause a material adjustment to the carrying value of assets and liabilities.

The Charity is a public benefit entity.

(b) Income

Membership subscriptions are recognised upon receipt. Life subscriptions are treated as income evenly over ten years, starting with the year of their receipt. Dividends are recognised in the period in which the dividend becomes payable. Legacies are recognised in the period in which they are received or when there is probability of receipt. Other income is recognised in the period to which it relates. Donations for which no requirements are specified are recorded through the unrestricted Operating Fund.

(c) Expenditure

Expenditure is allocated between charitable activities, raising funds and support costs.

Expenditure on charitable activities comprises grants to Lambeth Palace Library for the purchase of printed books, manuscripts and other appropriate items, for cataloguing and for conservation. Such costs are charged to the unrestricted Operating Fund when they have been committed.

Expenditure on raising funds comprises the investment manager’s charges.

Support costs are those costs which are not attributable to a single activity but provide the necessary organisational support for all the Charity’s activities. They include the costs of the accountant and membership secretary, the annual general meeting and the independent examiner’s fee.

(d) Investments

Listed investments are stated in the balance sheet at their market value on the balance sheet date. The resultant unrealized surplus or deficit is recognized in the Endowment Fund.

2. Income from donations and legacies	<i>2023</i>	<i>2022</i>
	<i>£</i>	<i>£</i>
Annual subscriptions		
under Gift Aid	10,553	13,259
not under Gift Aid	2,864	3,645
Life membership	<u>1,740</u>	<u>1,980</u>
Total subscription income	15,157	18,884
Donations and legacies	56,629	31,421
Friends' events	1,215	1,649
Sales of books, postcards etc	<u>3,019</u>	<u>-</u>
	<u>76,020</u>	<u>51,954</u>

3. Income from investments	<i>2023</i>	<i>2022</i>
	<i>£</i>	<i>£</i>
Income from listed investments	37,084	37,351
Interest on deposits	<u>1,320</u>	<u>298</u>
Total investment income	<u>38,404</u>	<u>37,649</u>

4. Costs of charitable activities and grant making policies

All grants are given to Lambeth Palace Library to promote its interests by helping in the acquisition of printed books and manuscripts, conservation, cataloguing and in any other appropriate way. Grants in the year are analysed as shown below:

	<i>2023</i>	<i>2022</i>
	<i>£</i>	<i>£</i>
Grants for acquisitions	20,799	26,833
Grants for cataloguing	9,910	11,480
Special grants for new exhibition rooms and cases	-	84,131
Other grants	<u>-</u>	<u>85</u>
Total grants given in year	<u>30,709</u>	<u>122,529</u>

5. Expenditure on raising funds	<i>2023</i>	<i>2022</i>
	<i>£</i>	<i>£</i>
Investment manager's charges	<u>6,003</u>	<u>6,121</u>

6. Support costs	<i>2023</i>	<i>2022</i>
	<i>£</i>	<i>£</i>
Membership accountant's fees and expenses	6,399	6,320
Independent Examination fee	1,617	1,445
AGM Costs	755	840
Other costs	<u>89</u>	<u>82</u>
	<u>8,860</u>	<u>8,687</u>

7. Investment portfolio

As at 31st December 2023, the Charity's investment portfolio comprised holdings in a diverse group of collective investment vehicles, respectively focussed on income and capital growth. The portfolio is summarised in the following table:

	<i>Cost</i>	<i>Market value</i>	<i>Annual income (prospective)</i>	<i>Yield on market value</i>
31-Dec-23	£	£	£	%
UK Equity Funds	215,181	265,631	12,240	4.61%
International Equity Funds	476,827	630,020	13,807	2.19%
Bonds	139,265	137,828	6,121	4.44%
Multi-Asset Funds	9,024	11,076	55	0.50%
Alternative Funds	198,671	192,004	8,701	4.53%
Total portfolio	<u>1,038,968</u>	<u>1,236,559</u>	<u>40,924</u>	<u>3.31%</u>

Movements in year

	2023	2022
	£	£
Market value at beginning of year	1,174,638	1,245,829
Subsequent proceeds of sale	(283,386)	(128,484)
Cost of purchases	303,451	122,781
Realised gains	6,368	817
Unrealised gains/(losses)	<u>35,487</u>	<u>(66,306)</u>
Movement in year	<u>61,920</u>	<u>(71,192)</u>
Market value at end of year	<u>1,236,558</u>	<u>1,174,637</u>
Cost at end of year	<u>1,038,968</u>	<u>1,005,771</u>

8. Creditors

	2023	2022
	£	£
<i>Amounts payable within one year</i>		
Other creditors and accrued charges	3,636	4,286
<i>Other creditors</i>		
Life membership fees carried forward	<u>5,280</u>	<u>6,420</u>
	<u>8,916</u>	<u>10,706</u>

9. The funds of the charity

The Operating Fund is an unrestricted fund which records all the income of the Charity that is not subject to a restriction imposed by a donor. The income of the Operating Fund may be expended without restriction in furtherance of the Charity's objectives.

The Endowment Fund was established in 1985 as a permanent fund to provide income to further the objects of the charity. These funds may not be expended, but the income arising from investing the funds is credited to the Operating Fund.

10. Comparative Statement of Financial Activities for 2022

The table below is given in compliance with the SORP requirements in order to provide the split between the operating and endowment funds for the previous year.

		<i>Unrestricted</i>	<i>Endowment</i>	<i>Total</i>
	<i>Note</i>	<i>Operating Fund</i>	<i>Fund</i>	<i>Funds</i>
	10	2022	2022	2022
		£	£	£
Income from				
Subscriptions, donations and legacies	2	51,954	-	51,954
Investments	3	37,649	-	37,649
Total income		89,603	-	89,603
Expenditure on				
Charitable expenditure		122,529	-	122,529
Raising funds	5	6,121	-	6,121
Support costs	6	8,687	-	8,687
Total expenditure		137,337	-	137,337
(Deficit)/surplus before investment gains/(losses)		(47,734)	-	(47,734)
Net (losses)/gains on investments				
realized	7	-	817	817
unrealized	7	-	(66,306)	(66,306)
Net (deficit)/ income		(47,734)	(65,489)	(113,223)
Transfers between funds		-	-	-
Net movement in funds		(47,734)	(65,489)	(113,223)
Reconciliation of funds				
Total funds brought forward		550,097	841,585	1,391,682
Fund balances carried forward		502,363	776,096	1,278,459

11. Endowment Fund

	2023	2022
	£	£
At beginning of the year	776,096	841,585
Realised investment gains/(losses)	6,368	817
Unrealised investment gains/(losses)	<u>35,487</u>	<u>(66,306)</u>
At end of the year	817,951	<u>776,096</u>

12. Analysis of net assets between funds

	<i>Investments</i>	<i>Net current assets</i>	<i>Total</i>
	£	£	£
Endowment Fund	817,951	-	817,951
Operating Fund	<u>418,607</u>	<u>152,608</u>	<u>571,215</u>
Total	<u>1,236,558</u>	<u>152,608</u>	<u>1,389,166</u>

13. Policy on reserves

The Trustees have a balanced investment policy. Capital is retained as free reserves, represented by investments, in order to give rise to a reasonably predictable and regular level of income which the Trustees regard as necessary to maintain and support the Charity's operations.

At 31st December 2023, the Endowment Fund reserves stood at £817,951. The expendable Operating Fund stood at £571,215, giving aggregate reserves of £1,389,166 at that date.

14. Transactions with trustees

The trustees received no remuneration or reimbursement of expenses.

15. Merger with the Lambeth Palace Trust

A merger with the Lambeth Palace Library Trust is currently being considered by the trustees. The merger is still at the planning stage and will require permission from the Charity Commission and members. No set date for the merger has yet been agreed.

INDEPENDENT EXAMINER'S REPORT TO THE FRIENDS OF LAMBETH

PALACE LIBRARY FOR THE YEAR ENDED 31ST DECEMBER 2023

I report on the accounts of the Charity for the year ended 31st December 2023, which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made to the Trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken so that I might carry out an Independent Examination of the financial statements in accordance with the General Directions given by the Charity Commissioners. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees, as a body, for my examination for this report or for the opinions I have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Charity's Trustees are responsible for the preparation of the financial statements: The Charity's Trustees consider that an audit is not required for this year (under section 145 of the Charities Act 2011 (the Act) and that an independent examination is needed. It is my responsibility to examine the financial statements (under section 145(1)(a) of the Act); to follow procedures laid down in the General Directions given by the Charity Commissioners under section 145(5)(b) of the 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 you as 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 material matters have come to my attention which gives me cause to believe that in any material respect:

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

I have 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.

Greg Stevenson, F.C.A., Knox Cropper, Chartered Accountants
65 Leadenhall Street, London EC3A 2AD
8th May 2024

