

GLADSTONE'S LIBRARY

GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended

31 December 2021

CHARITY REGISTRATION NO. 701399

COMPANY REGISTRATION NO. 02363642

GLADSTONE'S LIBRARY

Legal and Administrative Information

Trustees	Damian Barr Freddie Baveystock Gregory Cameron David Cannadine Zia Chaudhry Victoria Collins Virginia Davies Patrick Derham Jean Ellis Scott Evenbeck Caroline Gladstone Charles Gladstone Louisiana Lush Anthony Hall Tamara Harvey Alison Henshaw Martyn Percy Juliet Shield Julie Smith Phil Sykes Llyr Williams Linda Woodhead
Company secretary	The Revd Peter. B. Francis
Charity number	701399
Company number	02363642
Registered office	Church Lane Hawarden Deeside Flintshire CH5 3DF
Auditor	Mitchell Charlesworth (Audit) Limited 24 Nicholas Street Chester CH1 2AU

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Trustees' Report (including Directors' Report) For the year ended 31 December 2021

The Trustees, the majority of whom are also directors for the purposes of company law, present their annual report and the financial statements of the charity and the group for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "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 (FRS 102) (effective 1 January 2019)".

Warden's Introduction to the Annual Report 2021

Gladstone's Library and Covid 19 in 2021

Early 2021 reminded Gladstone's Library of the main lesson of the pandemic that as soon as a decision has been made about opening again, it is proved wrong. The start of 2021 saw a surge in new cases with North Wales being especially hard hit by the virus and lockdown reimposed. It was clear that the hoped for re-opening in the spring was now impossible.

The Chancellor's furlough scheme was extended until the end of September in his spring budget. There were signs of hope with the arrival of vaccines and the speedy administration of them. This has brought renewed hope. Searching for a feasible date to re-open, the Trustees agreed on 1 September, 2021. By then all adults will have been offered a vaccination and with social distancing, it should be possible to open and trade with some degree of confidence. The Library's process of recruitment and training is proceeding on the basis of a September opening. We are even planning a small-scale version of our literary festival, Gladfest, in September. This, as one Trustee eloquently put it, is a down-payment of hope.

By Easter 2021, the Shelf Scheme had passed its goal of £100,000 - an extraordinary achievement and testimony to the support of our friends and users. The improvements to the building continue to progress, funds have accumulated and issues of Gladstone's legacy have been addressed positively.

That hope would have been elusive without the help and support of Sarah Robertson who has so ably managed our finances through this difficult period and produced numerous financial projections, and Elizabeth Newmarch, who has been in charge of HR and Health and Safety throughout. Sarah and Elizabeth worked their normal hours throughout the pandemic but Annette Lewis and Louisa Yates worked one day per week out of furlough to look after our social media accounts (Louisa) and fundraising and grant writing (Annette). It is proposed that they work their normal hours from 1st June.

Gladstone's Library remained closed to the public due to Covid-19 coronavirus pandemic until 1st September 2021. The disruption due to the pandemic lasted from March 2020 – September 2021.

As previously reported, 2020 ended full of hope and expectation not least as we had managed to achieve financial security. A grant of £120,000 from the Wolfson Foundation and £149,000 from the Welsh Government's Cultural Recovery Fund together with the Library's own fundraising through the sponsor-a-shelf scheme meant that we now had reserves of over £1.3million and even with modest occupancy targets could see that trading was viable through to the end of 2022.

Work that was started in 2020 enabled us to make significant improvements to the buildings and facilities – a new fire alarm system, CCTV, computer and telecommunication system changes, structural alterations and improvements to the building – 4 new ensuite bedrooms, new toilets, removal of a dangerous step to improve access. We felt that we had made good use of the period of enforced closure.

However, the start of 2021 saw a surge in new cases of Covid-19 with North Wales being especially hard hit by the virus and lockdown reimposed. It was clear that any hoped for re-opening in the spring was now impossible.

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Searching for a feasible date to re-open, the Trustees agreed on 1 September, 2021. By then all adults will have been offered a vaccination and with social distancing, it should be possible to open and trade with some degree of confidence. The Library's process of recruitment and training proceeded on the basis of a September opening. We are even planning a small-scale version of our literary festival, Gladfest, in September. This, as one Trustee eloquently put it, is a down-payment of hope.

From 1st June, the core staff who had remained throughout the pandemic: Peter Francis, Sarah Robertson, Louisa Yates, Annette Lewis and Elizabeth Newmarch began to work their normal hours and working from home became less and less frequent. Recruitment of staff and training of new staff started from June through to opening on 1 September.

The report for 2021, as for the previous year, is shorter than normal as Gladstone's Library was only open for the last four months of the year.

1. Objectives and Activities

1.1. Memorandum of Association

In Gladstone's Library's Memorandum of Association, the objects for which the Charity is established are clearly stated:

- (a) The promotion of religion and education and the promotion of divine learning in connection with the Church of England and the Church of Wales as historical branches of the Catholic Church and in conformity to the living spirit of the Church of England and the Church in Wales.
- (b) The advancement of education for the public benefit by the maintenance and development of Gladstone's Library's collections, the encouragement of research, writing and debate on Gladstone's core subjects:

Theology and Spirituality
History and Current Affairs
Contemporary and Classical Literary Culture

1.2. Mission Document – By Way of Definition

The statements printed below were produced in 2010 by Freddie Baveystock in conjunction with staff, Trustees and users of Gladstone's Library as a defining statement, or set of words, to guide the development and future direction of Gladstone's Library.

Gladstone's Library is...

A residential library and meeting place dedicated to dialogue, debate and learning for open-minded individuals and groups who are looking to explore pressing questions and to pursue study and research in an age of distraction and easy solutions.

We help people engage more deeply in the questions that concern them.

We are committed to maintaining Gladstone's legacy of engagement with political, social, moral and spiritual questions.

We do not seek to provide the answers.

We offer resources for people to pursue those questions for themselves – through individual study as well as group debate.

Moreover . . . we are one of a kind.

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We offer a comfortable, sociable and stimulating environment in which to pursue live questions.

We provide the resources for creative study including renowned collections of religious, historical, cultural, and political materials.

We believe that the mind works best when the body is well catered for.

We enable our guests to enjoy solitude as well as social interaction.

We like everyone to leave having encountered something they weren't expecting – a book, an idea or a person, for example.

Moreover... We have an evolving programme of events that keeps us connected with a wide network of writers and thinkers – and makes us worth revisiting.

These are the values we seek to embody:

Welcoming: Friendly people in a comfortable environment; happy to accommodate special requests; open to long or short visits, groups and individuals; making our riches available to the widest audience possible.

Intelligent: Voracious readers; thoughtful about where we can make a difference.

Open-minded: Unafraid to explore ideas; hungry for new avenues of enquiry; engaged with contemporary questions and exploration of the connections between them; liberal in values and attitude; respectfully accommodating different points of view.

Surprising: Having more to us than meets the eye; maintaining the pace of innovation.

Diverse: Celebrating difference and inclusion; giving people space to be themselves.

Ethical: Defining value in social terms; pursuing progressive standards; caring for the environment.

In summary . . .

We are proudly Gladstonian, as these are the self-same liberal values he lived, breathed and bequeathed us.

The Trustees have given due regard to the Charity Commission's guidance on public benefit and believe that the aims, objectives and services provided by the charity are compliant.

Gladstone's Library responds to these aims and objectives in the following ways:

2. Achievements and Performance

The trauma of the pandemic and the closure of the Library was eased by successfully finding funds to ensure we could open after the pandemic and had enough money and resources to be able to survive until the end of 2022 by which time we expect the effect of the pandemic to the success of 2019 which, in terms of numbers, had been our most successful year. The success, however, was cut short by the Covid-19 pandemic and on 18 March 2020, the Library closed. The details of this extraordinary year are in the prologue to this report. An UK Government scheme allowed the Library to put the majority of staff on furlough which effectively paid their wages for a number of months. The scheme required employers to contribute an increasing amount from May and the Trustees took the hard decision of having to make 29 employees redundant. They did this to protect the future of the business. This left only 5 employees working hard to ensure the Library would reopen in September 2021.

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2.1 Library Collections

In many ways the 2020 and 2021 reviews mirror one another. In the former the Library was open from January to March 2020; the latter, from September to December 2021. Those three-month periods look very different, however. The 2020 annual review was predictably dominated by Covid-19. Happily, the 2021 review is filled with news of regeneration and revival. A new reading room team is in place, comprised only of permanent staff, and productivity is high. Many projects which previously languished due to the staff/GWE structure are now progressing well.

Louisa Yates, Director of Collections and Research, was the only member of the Reading Room team of the team in place prior to late August 2021. Her main task was to re-establish the Reading Rooms after a break of eighteen months. Although many of our ways of working have changed, the provision for Readers remains unchanged, and much has resumed from where we left it in March 2020. Reading Room occupancy is healthy, with averages of 21 per day. Requests for special collections and archives have returned to their former high levels and we're delighted to be able to support researchers again. Collection use has risen, which is particularly encouraging – after several years of increasing Reader levels, our recent Annual Plans have all centred our planning on increasing collection use.

Covid has meant that processes and procedures have been thoroughly reviewed, security tightened and safety ensured. However, despite these special measures, the Reading Rooms returned almost to normal very quickly and we've been delighted to welcome back Readers. As part of the developments while the Library was closed, it was decided to permit Readers access to the Theology Room until 10pm.

Technology has worked extremely well, with the shift to an online cloud-based server enabling new ways of working which have been enthusiastically embraced by the Team. Technology also allowed the signing-in system to be completely overhauled and replaced with a fully automated system.

The new Reading Room team was brought together via a recruitment process that ran from July-November 2021. Where pre-pandemic there was three permanent staff and three intern/work experience placements from 3-6 months, there are now 4.5 permanent staff (6 when Carnegie-funded project staff are included). This is a loss of around one FTE staff member but it's clear that the shift to an entirely permanent staff team plus investments in technology is counter-balancing the reduction in overall staffing hours.

Isobel Goodman joined us as a fulltime assistant librarian. She conducted a full review of the collections, identifying several priority areas such as security and catalogue improvements. Isobel worked to ensure the efficient restarting of several related projects, including SGH de-accessioning and general weeding across the collections. In these projects she is being ably assisted by the Reading Room assistants Louise Roberts and James Southerby.

A very different year, with some very hard moments but looking back it had some genuine positives and offered the Reading Rooms an opportunity to reflect and reset.

2.1.2 Archives

Alexandra Foulds joined us as a fulltime archivist and her role is divided between archives administration and the Gladstone's Writing project (due to complete at the end of August 2023). In regard to the project, Alexandra worked with Mike Pumford to ensure the timely restarting of that project.

Alexandra conducted a full review of the processes for requesting to view archives and for cataloguing archives in September 2021. Not only did this allow a number of pre-existing projects to restart but also identified areas of improvement and work yet to be completed. A timeline has been drawn up to manage these projects. Alexandra is also developing a new archives schema which more accurately communicates the arrangement of the archives held by the Library.

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These changes will bring the archives in line with current archival standards and best practice, and bring the archives closer to being able to apply for archives accreditation. As well as improving the security of the archives by making it easier to recognise when an item is missing, they will make it easier for users to access our archives. Our archives catalogues are uploaded to Discovery and to Archives Hub, two online databases that allow users to search the collections of all the archives in the United Kingdom.

As part of the new archives schema, Gladstone's Library's own institutional archive, the St Deiniol Archive, was formally created and brought together in one space, and organised into types of record.

Thanks to the addition of a key-coded door in the Annex and Alexandra's hard work, all archives are now securely housed either in the Annex Closed Access (now referred to as Special Collections and Archives or in the Strong Room.

A new table in the Reading Rooms has increased the number of invigilated seats to two. These developments significantly increase our ability to work with archives and in turn, to make them available to users.

The archives remain formally closed to new acquisitions, including donations, although we can process accruals linked to existing archives. Processing of existing deposits began again in November 2021 with the start of our new volunteer programme. Recent acquisitions (almost all deposited since 2016) await processing and housing. We will investigate more direct ways of funding the archive processing, particularly housing costs.

A review of archive housing is under way, starting with the Glynne-Gladstone Archive. Reference numbers are being added to each item and the collection will gradually be rehoused into concertina files. This will improve organisation and retain order.

Gladstone's Writing (Carnegie) began again in October 2021. By the end of the year the filenaming conventions had been reviewed and agreed, as had the digitisation workflows. Twelve volunteers had been recruited to work on the project (as well as wider Reading Room projects) and their induction is underway.

A major project was the completion and review of the Reading Room staff manual. This took approximately twenty-one days in total, spread across six weeks in September-December 2020. The full manual, alongside a training guide that links specific manual entries to specific training information, now resides on the staff information pages of the Gladstone Bag.

Louisa attended several free workshops and training days including 'Producing Outstanding Digital Resources' (National Archives, September 2020) and 'Copyright and Online Resources' (Naomi Korn Associates, October 2020). She also participated in an AHRC Town Hall which is seeking to scope a project encouraging libraries to play a greater role in the production of research (RLUK, March 2021).

2.1.3 Outreach and Public Engagement

Louisa Yates is once again an ILA committee member and is currently leading the organisation of the 2021 conference which will be hosted by The Leeds Library in a dual in-person and online format. She also offered consultancy advice to the Portico Library regarding the development of the Portico Prize.

Despite being closed, Gladstone's Library has remained a committed presence in the independent library sector as we all face a challenging year. We have offered a great deal of support to our fellow libraries and we remain an example of best practice across the board.

Volunteers: Our long-standing volunteers are currently on hiatus. Given the demographic, we do not yet know if they will be able or willing to return. The volunteer policy and volunteer management has been reviewed ahead of re-opening. Louisa has identified major long-running projects that will suit the recruitment and development of a new volunteer team alongside a new team of staff.

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Placements: Our successful partnership with Movida, where we host a Swiss intern in librarianship once a year, is on indefinite hold due to Covid-19 and Brexit. From the Swiss side, it may be that they can negotiate visa exemptions and we wait to hear in the future. Our placements with Glyndwr and Liverpool Universities, where humanities students spend time working with Reading Room staff may well come back online. Had we been open in 2020, the universities would have been willing to place students, and we hope to place students for 2022.

2.2 Achievements and Performance: Programme

2.2.1 Theology and Spirituality

There were no courses in theology and spirituality from September – December 2021 due to uncertainty over Covid.

2.2.2 Use of Chapel

Attendance at Monday – Friday morning chapel services decreased as the Library opened post-Covid. From an average 7 per day in 2020 to 3 per day in 2021.

The Chapel is a space that can be used for other events. Other groups who use the chapel regularly include yoga, mindfulness, and the local Baha'i community. It is also used as a place of quiet contemplation throughout the day by residents and day visitors. The chapel is often chosen as a venue for lectures and conferences and provides comfortable seating, excellent acoustic and a reliable sound system.

2.2.3 Arts and Literary Culture

The first event after re-opening was Gladfest. A very cut down, covid cautious event with some of our regular writers who willingly supported our attempt to get back to normal free of charge. This together with a few writers in residence who had waited patiently through the pandemic to come for their residency were accommodated in the final month of 2021.

2.2.4 History and Politics

The only event to report in the final months of 2021 was the regular meeting of the Gladstone Umbrella, an annual gathering of Gladstone scholars and enthusiasts who were determined to hold a 2021 event.

2.2.5 Achievements and Performance: Visitors

The data for 2020 was very limited but had promised an excellent year from the point of view of occupancy. 2021 information is even more limited and is too limited to be able to make any serious attempt at analysing trends and types of visitor. Post pandemic we have altered the way we monitor our bednights, we now count room nights rather than individual guests so the figures will be inevitably less than previously recorded.

Room Nights in 2021

September	537	69%
October	499	62%
November	514	62%
December	261	56%

Our aim in 2022 to achieve a consistent 70% occupancy by the summer. This will ensure that we are making a profit. We are, as in 2020, very grateful to the Welsh government and other funders for supporting us through this period of recovery.

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2.2.6 Achievements and Performance: Marketing

As was the case with the period of closure in 2020, so also in 2021, until we re-opened in September, we relied during closure on Louisa Yates working one day per week to keep our social media accounts up to date. Prior to opening we appointed Rhian Waller as our Marketing and Publicity Officer. Rhian has successfully extended our social media reach and ensured that our events and ideas were broadcast through social media, newsletters and local press. Our social media numbers have steadily increased through the final months of 2021.

3. Development

3.1 Reviewing prosed project

When we reopened Annette Lewis, who had been on furlough, agreed with the Warden and Trustees that the new building that had been planned should be abandoned. The aim now was to consult with the Trustees about the priorities for the future and plan smaller projects in the next couple of years.

3.2 Survival Plan and Fundraising

2021 saw the continuation of the policy to find funds to support the Library during its Covid shutdown and to ensure its survival. After the Library closed in March 2020, the talk quickly moved from expansion and the creation of new buildings to survival. It was clear that the Library did not have sufficient reserves to see it through an extensive lockdown let alone to embark on the creation of new buildings.

Peter Francis and Annette Lewis, Development Manager, who because of furlough restrictions was working only 1 day per week, set about finding sufficient funds to not only help the Library survive this crisis but use the closure as an opportunity to rectify aspects of the building that could not be addressed when the Library is open and functioning. It seemed likely that social distancing which has been a required response to the pandemic will be required for a significant amount of time after the Library reopens.

Together with the Trustees, we realised that all our bedrooms should have their own bathrooms in order to comply with social distancing requirements. We realised that the area by the front door and reception area was congested and we decided to make changes to alleviate that. The number of toilets on the ground floor was inadequate and that too was something we needed to address. In terms of repairs, two flat roofs, one over the annex bookstore and the other over the Lodge's kitchen and library garages needed urgent repair. As well as these material changes, we believed that after re-opening the numbers returning to stay might take some time to rebuild and we needed to have sufficient funds to ensure the Library would survive a consequent downturn in business when it reopens. Plans for alterations to the building were drawn up.

Ainsley Gommon Architects (AGA) were employed to produce plans for four en-suite bedrooms, improvements to access for the area adjacent to reception, and increasing the number of WCs on the ground floor. AGA consulted with Flintshire County Council planning and conservation services; eventually after long bureaucratic delays by Flintshire CC, the plans were approved and work started in January 2021.

3.3 Stephen Gladstone Hall

The proposed six bedroom study centre that was to be created out of the former Stephen Gladstone Hall bookstore was a victim of Covid. The project has been shelved and funds raised redirected for survival and changes to the Library building in response to the pandemic.

3.4 Friends of Gladstone's Library

The Friends of Gladstone's Library were generous and supportive throughout the period of closure. A number of on-line meetings helped Friends keep in touch with the progress towards re-opening. The generous support of Friends was particularly evident in their support of the Library's sponsor a shelf scheme.

3.5 U.S. Friends of Gladstone's Library

The period after September saw US visitors start to return in small numbers to the Library and we expect that the number of US visitors will increase in 2022.

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4. Operations

The major task in 2021 was the recruitment and training of a substantially new workforce for all areas of Gladstone's Library. This process took place throughout the last period of closure and we opened with a full range of staff in all areas: catering, housekeeping and the reading rooms.

4.1 Conferencing

The increase in conference bookings that was evident in 2019 and early 2020 was slow to recover in 2021. Questions remain whether this will bounce back to be the healthy income stream that it was before Covid.

5. Financial Review

5.1 Financial Results 2021

Gladstone's Library reopened in September 2021 with average 63% occupancy and average weekly revenue from accommodation, restaurant and conference facilities up 3% on 2020 pre closure weekly revenue. Projections for reopening were based on 70% occupancy so the cost base was monitored to ensure there was flexibility with occupancy levels. Our staff base was quickly built up again to pre-covid levels and we are proud to be a Living Wage Employer.

Overall 2021 saw a £689k drop in revenue due to the level of Covid grants and funding in 2020. Expenditure was up £39k due to increased repair works needed for reopening. This generated an overall surplus of £52,622 compared to £635,872 in 2020. This is after our investment portfolios showed a surplus of £89,320 compared to a deficit of £56,561 in 2020.

5.2 Reserves

At the 2021 year end the unrestricted reserves were equivalent to 9 months normal expenditure.

The reserves policy of the charity is to hold unrestricted, free reserves equivalent to 12 months expenditure of a typical trading year. The Trustees designate unrestricted reserves in respect of known forthcoming projects or liabilities. Details of the charity's designated reserves can be seen in note 22 of these accounts. After taking into account the designated reserves identified by the charity, the remaining level of free, unrestricted reserves fell short of the charity's policy. The Trustees are aware of this and will aim to work towards achieving the required level over future months.

6. Structure, Governance and Management

6.1 The Board of Trustees and Directors of the Company

The Board of Trustees of Gladstone's Library meets twice per annum, once at Gladstone's Library in early July for the AGM, Trustees' meeting and Founder's Day events. A further meeting is held in London in January or February. As at 31 December 2021, the following were Trustees of Gladstone's Library:

Damian Barr
Freddie Baveystock
Gregory Cameron
David Cannadine
Zia Chaudhry
Torja Collins
Virginia Davies
Patrick Derham
Jean Ellis
Scott Evenbeck
Caroline Gladstone
Charles Gladstone (President of Gladstone's Library)
Anthony Hall
Tamara Harvey
Alison Henshaw (Chair of Gladstone's Library)

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Louisiana Lush
Martyn Percy
Julie Smith
Phil Sykes
Llyr Williams
Linda Woodhead

The following remain Directors of the Company and Trustees of the Library:

Gregory Cameron
Anthony Hall
Alison Henshaw
Llyr Williams

Peter Francis remains Company Secretary and Warden of Gladstone's Library.

6.1.1 Gender Balance of the Board

New Trustees are appointed by the Board. Any member of the Board can suggest potential members to the Chair or the Warden. Membership has to be agreed by a majority of the Board having been discussed at the Management Committee or a full meeting of the Trustees. There is no interference by any external body. Careful consideration is given to the balance of the Board ensuring all core subjects are covered and the necessary expertise in hospitality, law, accountancy, business, local knowledge are all represented. Of the current twenty-one Trustees, eight are local (living within a twenty-five mile radius of the Library) and eight are from the academic / education sector. The Board is mindful to address its lack of diversity. Gender balance has been improved dramatically in recent years with 9 out of 22 Trustees being women. However, a more diverse age profile and representation of ethnicities other than white British or American needs addressing.

6.1.2 The Management Committee/Covid-19 Recovery Group

The Covid-19 recovery group that was formed at the start of the pandemic to help navigate the Library through this period and it continued throughout 2021. The following are members of the Covid Recovery Group:

Jean Ellis
Anthony Hall
Alison Henshaw (Chair of Gladstone's Library)
Llyr Williams
Peter Francis (Warden)
Sarah Robertson (Finance Manager)
Patrick Derham
Charlie Gladstone
Tamara Harvey
Louisiana Lush

6.1.3 Gladstone's Library Services Limited

A separate sister company, Gladstone's Library Services Ltd, has responsibility for all financial activities that are not core to the charitable purposes of Gladstone's Library. The directors of Gladstone's Library Services Ltd are:

Peter Francis
Sarah Robertson
Llyr Williams

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6.2 Gladstone's Library Staff

As at 31 December 2021, Gladstone's Library had the following members of staff:

Management and Department Heads

Peter Francis	Warden and Director
Sarah Robertson	Finance Manager and Director
Annette Lewis	Development Manager
Louisa Yates	Director of Collections and Research
Oussama Mantashe	Operations Manager

Margaret Cartner	Finance Assistant
Elizabeth Newmarch	Management PA / HR and H&S
Rhian Waller	Marketing Officer
Matthew Gibson	Head Chef
Lucy Anne Prescott	Head Housekeeper
Evan John	Maintenance

Collections: Reading Rooms and Archives

Isobel Goodman	Librarian
Alexandra Foulds	Archivist
Louise Roberts	Library Assistant
James Southerby	Library Assistant
Michael Pumford	Carnegie Project

Food for Thought Restaurant

Charly James	Chef
Gareth Messham	Chef
Nicola Jones	Restaurant Team Leader
Zee Dempsey	Restaurant
Isabella Edwards	Restaurant
Elizabeth Oakland	Restaurant
Denise Payne	Restaurant
Morgan Roberts	Restaurant
Alison Stevens	Restaurant
Jessica Waterson	Restaurant
Felicity Williams	Restaurant
Latisha Griffiths	Restaurant
Rebecca Hughes	Restaurant
Isabella Edwards	Restaurant
Ffion Jones	Restaurant
Owain Elmer	Restaurant

Housekeeping

Samantha Newell	Housekeeping
Caroline Sayer	Housekeeping
Rosie Parry	Housekeeping

Maintenance and Night Porter

Dominic King	Night Porter
Anthony Woolf	Night Porter

Reception

Caroline Jeffrey	Reception
Victoria Leary	Reception
Helene Webster	Reception
Nicola Whalley	Reception

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7. Reference and Administrative Details

Registered Charity Name	Gladstone's Library
Charity number	701399
Company registration number	2363642
Registered office	Gladstone's Library Church Lane Hawarden Flintshire CH5 3DF
Auditor	Mitchell Charlesworth (Audit) Limited 24 Nicholas Street Chester CH1 2AU
Bankers	Lloyds TSB Plc P.O. Box 251 8 Foregate Street Chester CH1 1XP

7.1 Trustees' Annual Report

The Trustees, three of whom are also directors for the purposes of company law, present their annual report and the financial statements of the charity for the year ended 31st December 2021.

7.2 Foundation

Gladstone's Library was founded by William Ewart Gladstone (1809-1898), arguably Britain's greatest Prime Minister, in 1889. It is the only Prime Ministerial Library in the UK and is unique in being a residential library with 26 bedrooms. The present Grade 1 listed building was opened in 1902 as the National Memorial to Gladstone. The Library was created around Gladstone's original donation of 28,000 books. It houses a world-renowned collection of theology and nineteenth century studies. The collection is up to date and now boasts more than 200,000 items.

7.3 Governance

Gladstone's Library is a charity (Registered Charity Number: 701399) and, as such, is run by a Warden (Peter Francis) who reports to the Trustees. The Library is also a company registered in England and Wales as a Company Limited by Guarantee (Number 2363642). At present, four of the Trustees are directors of the company for the purposes of the Companies Act. The Trustees are a body of not less than five and not more than twenty-four members. The Trustees meet twice a year - for the Founder's Day meeting of the Trustees which includes the AGM of the Company and for the London meeting in January or February. The Chairman may call other meetings of the Trustees or whenever he is summoned to do so by two or more Trustees. The Management Committee is delegated by the Trustees to act on their behalf. All acts and decisions taken under such delegated powers shall be reported to the Trustees and confirmed by them. The Management Committee meets at least three times each year. The Warden holds weekly staff management meetings.

7.4 Risk

Gladstone's Library monitors its risk register on an ongoing basis. This forms part of the work plan of the Board.

7.5 Auditors

Having expressed a willingness to continue in office, a resolution for the appointment of Mitchell Charlesworth (Audit) Limited will be proposed at the forthcoming Annual General Meeting.

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8. Trustees' Responsibilities

Those Trustees who are directors of Gladstone's Library are, for the purposes of company law, responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable legal and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accountancy Practice). Company law requires the directors to prepare financial statements for each financial year that give a true and fair state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that financial statements comply with the Companies Act 2006. The Trustees 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.

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

Registered Office:
Gladstone's Library
Church Lane
Hawarden
Flintshire
CH5 3DF

Signed by order of the Trustees:



The Revd Peter. B. Francis
Company Secretary

08/07/2022

GLADSTONE'S LIBRARY

Independent Auditor's Report To the Members of Gladstone's Library

Opinion

We have audited the financial statements of Gladstone's Library (the 'charity') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Group Statement of Financial Activities, the Group Balance Sheet, the Company Balance Sheet, the Group Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2021 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

GLADSTONE'S LIBRARY

Independent Auditor's Report (continued) To the Members of Gladstone's Library

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the accounts in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

GLADSTONE'S LIBRARY

Independent Auditor's Report (continued) To the Members of Gladstone's Library

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- the charity's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and trustees of their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

(i) The presentation of the charity's Statement of Financial Activities, (ii) the charity's accounting policy for revenue recognition and (iii) the charity's use of restricted funds. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, and the Statement of Recommended Practice - 'Accounting and Reporting by Charities' issued by the joint SORP making body.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. This includes regulations concerning Data Protection Regulations.

Audit response to risks identified

As a result of performing the above, we identified the safeguarding of the building and collection, and revenue recognition as the key audit matters related to the potential risk of fraud.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and members of the Board of Trustees concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

GLADSTONE'S LIBRARY

Independent Auditor's Report (continued) To the Members of Gladstone's Library

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Robert Hall (Senior Statutory Auditor)
for and on behalf of Mitchell Charlesworth (Audit) Limited

Accountants
Statutory Auditor

20/07/2022

24 Nicholas Street
Chester
CH1 2AU

GLADSTONE'S LIBRARY

Group statement of Financial Activities (including Income and Expenditure Account) For the year ended 31 December 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Income from:					
Donations and legacies	3	136,264	15,300	151,564	440,445
Grant income	3	-	188,067	188,067	692,749
Charitable activities	4	139,463	-	139,463	102,253
Investments	5	48,589	22,357	70,946	34,320
Trading company income	14	107,479	-	107,479	77,478
Total income		431,795	225,724	657,519	1,347,245
Expenditure on:					
Raising funds	6	49,607	2,270	51,877	38,109
Charitable activities	7	487,930	113,468	601,398	584,891
Investment costs	11	1,730	6,870	8,600	7,794
Trading company expenses	14	32,342	-	32,342	24,018
Total resources expended		571,609	122,608	694,217	654,812
Net (losses)/gains on investments	12	8,274	81,046	89,320	(56,561)
Net incoming resources before transfers		(131,540)	184,162	52,622	635,872
Gross transfers between funds	13	27,000	(27,000)	-	-
Net income for the year/Net movement in funds		(104,540)	157,162	52,622	635,872
Total funds brought forward		811,365	1,658,869	2,470,234	1,834,362
Total funds carried forward		706,825	1,816,031	2,522,856	2,470,234

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

GLADSTONE'S LIBRARY

Group statement of Financial Activities (including Income and Expenditure Account) For the year ended 31 December 2021

Comparative information in respect of the preceding period is as follows:

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from:				
Donations and legacies	3	312,716	127,729	440,445
Grant income	3	120,000	572,749	692,749
Charitable activities	4	102,253	-	102,253
Investments	5	33,869	451	34,320
Trading company income	14	77,478	-	77,478
Total income		646,316	700,929	1,347,245
Expenditure on:				
Raising funds	6	36,698	1,411	38,109
Charitable activities	7	442,134	142,757	584,891
Investment costs	11	1,531	6,263	7,794
Trading company expenses	14	24,018	-	24,018
Total resources expended		504,381	150,431	654,812
Net (losses)/gains on investments	12	(21,828)	(34,733)	(56,561)
Net incoming resources before transfers		120,107	515,765	635,872
Gross transfers between funds	13	25,750	(25,750)	-
Net income for the year/Net movement in funds		145,857	490,015	635,872
Total funds brought forward		665,508	1,168,854	1,834,362
Total funds carried forward		811,365	1,658,869	2,470,234

GLADSTONE'S LIBRARY

Group Balance Sheet As at 31 December 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Intangible assets	15		6,138		6,786
Tangible assets	16		420,428		192,797
Investments	17		1,240,056		1,124,308
			<u>1,666,622</u>		<u>1,323,891</u>
Current assets					
Stocks	18	3,533		3,504	
Debtors	19	7,783		7,474	
Cash at bank and in hand		<u>1,108,405</u>		<u>1,462,077</u>	
		1,119,721		1,473,055	
Creditors: amounts falling due within one year	20	<u>(263,487)</u>		<u>(326,712)</u>	
Net current assets			<u>856,234</u>		<u>1,146,343</u>
Total assets less current liabilities			<u>2,522,856</u>		<u>2,470,234</u>
Income funds					
Restricted funds	21		1,816,031		1,658,869
Unrestricted funds	22		<u>706,825</u>		<u>811,365</u>
			<u>2,522,856</u>		<u>2,470,234</u>

The accounts were approved by the Trustees on 18/07/2022.



Llyr Williams
Chairperson of Trustees

GLADSTONE'S LIBRARY

Company Balance Sheet As at 31 December 2021

	Notes	£	2021 £	£	2020 £
Fixed assets					
Intangible assets	15		6,138		6,786
Tangible assets	16		420,428		192,797
Investments	17		1,240,057		1,124,309
			<u>1,666,623</u>		<u>1,323,892</u>
Current assets					
Stocks	18	3,533		3,504	
Debtors	19	7,783		7,474	
Cash at bank and in hand		1,108,405		1,462,077	
			<u>1,119,721</u>	<u>1,473,055</u>	
Creditors: amounts falling due within one year	20	(263,508)		(326,733)	
Net current assets			<u>856,213</u>		<u>1,146,322</u>
Total assets less current liabilities			<u>2,522,836</u>		<u>2,470,214</u>
Income funds					
Restricted funds	21		1,816,031		1,658,869
Unrestricted funds	22		706,805		811,345
			<u>2,522,836</u>		<u>2,470,214</u>

The accounts were approved by the Trustees on 18/07/2022.



Llyr Williams
Chairperson of Trustees

Company Registration No. 02363642

GLADSTONE'S LIBRARY

Group Statement of Cash Flows For the year ended 31 December 2021

		2021		2020	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	25		60,287		695,963
Investing activities					
Dividends, interest and rents from investments		70,946		34,320	
Proceeds from the sales of PPE		249		-	
Purchase of Property, Plant and Equipment		(269,405)		(33,624)	
Purchase of intangible asset		-		(8,483)	
Net proceeds from movement on investments		(115,749)		63,067	
Net cash (used in)/generated from investing activities			(313,959)		55,280
Cash flows from financing activities:					
Repayments of borrowing		(100,000)		-	
Cash inflows from new borrowing		-		100,000	
Net cash provided by (used in)/generated from financing activities			(100,000)		100,000
Change in cash and cash equivalents in the reporting period			(353,672)		851,243
Cash and cash equivalents at beginning of year			1,462,077		610,834
Cash and cash equivalents at end of the year			1,108,405		1,462,077

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

1. Accounting policies

Charity information

Gladstone's Library is a private company limited by guarantee incorporated in England and Wales. The registered office is Church Lane, Hawarden, Flintshire, CH5 3DF, North Wales.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum of Association, the Companies Act 2006 and "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 (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements and having due regard to the impact of COVID-19, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Basis of consolidation

The consolidated financial statements incorporate those of Gladstone's Library and its subsidiary (i.e. an entity that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiary financial statements are made up to 31 December 2021 and accounting policies used therein are in line with those used by Gladstone's Library.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The group statement of financial activities and statement of cash flows also include the results and cash flows of Gladstone's Library Services Ltd, the subsidiary.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

1. Accounting policies (*continued*)

1.5 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.6 Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates. Expenditure incurred at the balance sheet date that relates to events taking place after the balance sheet date is carried forward as deferred expenditure.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

Governance costs are those costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	20% straight line
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GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

1. Accounting policies (*continued*)

1.8 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	10% reducing balance
Plant and equipment	10% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in net income/(expenditure) for the year.

1.9 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.10 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

1.11 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

1. Accounting policies (*continued*)

1.13 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2. Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

3. Donations and legacies	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Donations and gifts	136,264	15,300	151,564
Government grants	-	188,067	188,067
	<u>136,264</u>	<u>15,300</u>	<u>151,564</u>
Donations and gifts			
Donations - The Main Library	62,453	-	62,453
Donations - Voluntary	61,541	-	61,541
Donations - The Scholarship Fund	-	-	-
Donations - The Gladstone Project	-	300	300
Gift Aid - The Main Library	12,270	-	12,270
Carnegie fund donations	-	-	-
Arts sponsorship	-	15,000	15,000
	<u>136,264</u>	<u>15,300</u>	<u>151,564</u>
Grants receivable for core activities			
Garfield Weston funding	-	-	-
Wolfson Foundation funding	-	-	-
Welsh Government Covid funding	-	-	-
Welsh Government Cultural grant	-	146,900	146,900
CJRS Funding	-	12,167	12,167
Business rates grant	-	29,000	29,000
Moondance Foundation	-	-	-
National Heritage Funding	-	-	-
Other	-	-	-
	<u>-</u>	<u>188,067</u>	<u>188,067</u>

Comparative information in respect of the preceding period is as follows:

	Unrestricted funds 2020	Restricted funds 2020	Total 2020
Donations and gifts	312,716	127,729	440,445
Government grants	120,000	572,749	692,749
	<u>312,716</u>	<u>127,729</u>	<u>440,445</u>
Donations and gifts			
Donations - The Main Library	169,766	-	169,766
Donations - Voluntary	65,140	-	65,140
Donations - The Scholarship Fund	-	48,667	48,667
Donations - The Gladstone Project	-	464	464
Gift Aid - The Main Library	77,810	-	77,810
Carnegie fund donations	-	63,598	63,598
Arts sponsorship	-	15,000	15,000
	<u>312,716</u>	<u>127,729</u>	<u>440,445</u>

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

3.	Donations and legacies (continued)	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Grants receivable for core activities			
	Garfield Weston funding	-	100,000	100,000
	Wolfson Foundation funding	120,000	-	120,000
	Welsh Government Covid funding	-	30,000	30,000
	Welsh Government Cultural grant	-	149,000	149,000
	CJRS Funding	-	127,513	127,513
	Business rates grant	-	10,000	10,000
	Moondance Foundation	-	13,000	13,000
	National Heritage Funding	-	100,200	100,200
	Other	-	43,036	43,036
		<u>120,000</u>	<u>572,749</u>	<u>692,749</u>
		<u><u>120,000</u></u>	<u><u>572,749</u></u>	<u><u>692,749</u></u>
4.	Charitable activities	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Boarding and tuition fees	139,463	-	139,463
		<u>139,463</u>	<u>-</u>	<u>139,463</u>
		<u><u>139,463</u></u>	<u><u>-</u></u>	<u><u>139,463</u></u>
	Comparative information in respect of the preceding period is as follows:			
		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Boarding and tuition fees	102,253	-	102,253
		<u>102,253</u>	<u>-</u>	<u>102,253</u>
		<u><u>102,253</u></u>	<u><u>-</u></u>	<u><u>102,253</u></u>
5.	Investments	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Income from UK listed investments	38,454	14,498	52,952
	Cash on special deposit – Main Fund	10,128	-	10,128
	Cash on special deposit – Scholarship	-	7,859	7,859
	Bank interest receivable	7	-	7
		<u>48,589</u>	<u>22,357</u>	<u>70,946</u>
		<u><u>48,589</u></u>	<u><u>22,357</u></u>	<u><u>70,946</u></u>

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

5. Investments (continued)

Comparative information in respect of the preceding period is as follows:

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income from UK listed investments	31,711	5,513	37,224
Cash on special deposit – Main Fund	2,124	-	2,124
Cash on special deposit – Scholarship	-	(5,062)	(5,062)
Bank interest receivable	34	-	34
	<u>33,869</u>	<u>451</u>	<u>34,320</u>

6. Raising funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
<u>Fundraising and publicity</u>			
Fundraising salaries	32,809	-	32,809
Publicity	16,798	2,270	19,068
	<u>49,607</u>	<u>2,270</u>	<u>51,877</u>

Comparative information in respect of the preceding period is as follows:

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
<u>Fundraising and publicity</u>			
Fundraising salaries	27,518	-	27,518
Publicity	9,180	1,411	10,591
	<u>36,698</u>	<u>1,411</u>	<u>38,109</u>

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

7. Charitable activities (expenditure)	2021	2020
	£	£
Boarding and tuition fees costs		
Depreciation	40,191	17,520
Rates and water	8,369	9,007
Light and heat	40,038	31,371
Repairs and maintenance	79,954	14,057
Insurance	16,894	15,958
Catering and other purchases	2,720	4,964
Course expenses and training	310	651
Printing, postage and stationery	3,129	2,499
Purchase of books	2,975	3,557
Carnegie fund project costs	17,844	2,203
Exhibition costs	-	758
	<hr/>	<hr/>
	212,424	102,545
Share of support costs (see note 8)	383,974	479,896
Share of governance costs (see note 8)	5,000	2,450
	<hr/>	<hr/>
	601,398	584,891
	<hr/>	<hr/>
Analysis by fund		
Unrestricted funds	487,930	442,134
Restricted funds	113,468	142,757
	<hr/>	<hr/>
	601,398	584,891
	<hr/>	<hr/>

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

8. Support costs	Support costs 2021 £	Governance costs 2021 £	Total 2021 £
Library, conference and residential salaries	251,784	-	251,784
Wages and salaries	58,278	-	58,278
Leasing and rental	5,260	-	5,260
Motor and travel expenses	6,147	-	6,147
Consultancy fees	7,004	-	7,004
Telephone	4,905	-	4,905
Computer costs	23,662	-	23,662
Bank charges	4,094	-	4,094
Sundry	22,840	-	22,840
Audit	-	1,260	1,260
Accountancy	-	3,740	3,740
	<u>383,974</u>	<u>5,000</u>	<u>388,974</u>
Analysed between Charitable activities	<u>383,974</u>	<u>5,000</u>	<u>388,974</u>

Governance costs includes payments to the auditors of £1,260 (2020 - £1,200) for audit fees.

Comparative information in respect of the preceding period is as follows:

	Support costs 2020 £	Governance costs 2020 £	Total 2020 £
Library, conference and residential salaries	359,403	-	359,403
Wages and salaries	55,790	-	55,790
Leasing and rental	4,085	-	4,085
Motor and travel expenses	10,303	-	10,303
Consultancy fees	11,962	-	11,962
Telephone	10,826	-	10,826
Computer costs	17,181	-	17,181
Bank charges	4,642	-	4,642
Sundry	5,704	-	5,704
Audit	-	(1,850)	(1,850)
Accountancy	-	4,300	4,300
	<u>479,896</u>	<u>2,450</u>	<u>482,346</u>
Analysed between Charitable activities	<u>479,896</u>	<u>2,450</u>	<u>482,346</u>

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

9. Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

10. Employees

Number of Employees	2021 Number	2020 Number
Number of charitable staff	18	22
	<hr/>	<hr/>
Employment Costs	2021 £	2020 £
Wages and salaries	305,781	403,190
Social security costs	20,279	23,546
Pension costs	14,153	15,305
	<hr/>	<hr/>
	340,213	442,041
	<hr/>	<hr/>

No employee received any remuneration of more than £60,000 during the year (2020 - £Nil).

The number of full-time equivalent staff at the year end was 23 (2020 - 4).

11. Investment management costs	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Profit/loss on disposal of tangible fixed assets	90	-	90
Investment management costs	1,640	6,870	8,510
	<hr/>	<hr/>	<hr/>
	1,730	6,870	8,600
	<hr/>	<hr/>	<hr/>

Comparative information in respect of the preceding period is as follows:

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Investment management costs	1,531	6,263	7,794
	<hr/>	<hr/>	<hr/>

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

12. Net gains/(losses) on investments	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Gain/(loss) on sale of investments	8,274	81,046	89,320

Comparative information in respect of the preceding period is as follows:

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Gain/(loss) on sale of investments	(21,828)	(34,733)	(56,561)

13. Transfer between funds

A transfer of £27,000 (2020 - £25,750) was made during the year from the Scholarship Fund to the Gladstone Project. The transfer was made in order to fund the boarding and tuition fees of scholars.

14. Trading subsidiary

Gladstone's Library Services Ltd is a wholly owned subsidiary of the charity which runs the café/restaurant services to support Gladstone's Library. Below are the trading results which have been included in the consolidated accounts.

Profit and Loss Account Gladstone's Library Services Ltd	2021 £	2020 £
Turnover	107,479	77,478
Cost of sales	26,591	21,281
Gross profit	80,197	56,197
Administrative expenses	5,751	2,737
Profit before tax	75,137	53,460
Tax on profit/(loss) on ordinary activities	-	-
Profit for the financial year	75,137	53,460

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

15. Intangible fixed assets

Group and Company	Software £	Total £
Cost		
At 1 January 2021 and 31 December 2021	8,483	8,483
Depreciation		
At 1 January 2021	1,697	1,697
Charge for the year	648	648
At 31 December 2021	2,345	2,345
Carrying amount		
At 31 December 2021	6,138	6,138
At 31 December 2020	6,786	6,786

16. Tangible fixed assets

Group and Company	Freehold land and buildings £	Plant and equipment £	Total £
Cost			
At 1 January 2021	62,355	438,590	500,945
Additions	156,911	112,494	269,405
Disposals	-	(338)	(338)
At 31 December 2021	219,266	550,746	770,012
Depreciation and impairment			
At 1 January 2021	21,140	287,008	308,148
Depreciation charged in the year	19,629	21,807	41,436
At 31 December 2021	40,769	308,815	349,584
Carrying amount			
At 31 December 2021	178,497	241,931	420,428
At 31 December 2020	41,215	151,582	192,797

The freehold property, and books and manuscripts, were each initially valued at a nominal £1 in 1989. All subsequent additions to books and manuscripts have been written off.

Any additional amounts under 'Freehold land and buildings' are improvements to freehold property. This includes costs to extend the current building.

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

17. Fixed asset investments

	Main fund investments £	Scholarship fund investments £	Cash on special deposit - Main fund £	Cash on special deposit - Scholarship fund £	Other investments £	Total £
Cost or valuation						
At 1 January 2021	211,031	844,461	6,289	62,527	1	1,124,309
Additions	22,638	93,230	(22,638)	(93,230)	-	-
Valuation changes	18,402	88,905	-	-	-	107,307
Other movements	-	-	815	7,626	-	8,441
Disposals	(19,708)	(98,021)	19,708	98,021	-	-
At 31 December 2021	232,363	928,575	4,174	74,944	1	1,240,057
Carrying amount						
At 31 December 2021	232,363	928,575	4,174	74,944	1	1,240,057
At 31 December 2020	211,031	844,461	6,289	62,527	1	1,124,309

100% of the investments are held by Gladstone's Library, therefore none relate to Gladstone's Library Services Ltd.

The investments held by the group are shown at £1,240,056 (2020 - £1,124,308) as the £1 share held in Gladstone's Library Services Ltd has been eliminated on consolidation.

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

18. Stock	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Stock	3,533	3,504	3,533	3,504
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
19. Debtors	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	-	-	-	-
Other debtors	7,783	7,474	7,783	7,474
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>7,783</u>	<u>7,474</u>	<u>7,783</u>	<u>7,474</u>
20. Creditors: amounts falling due within one year	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year:				
Trade creditors	57,295	33,128	50,378	32,288
Owed to group companies	-	-	8,338	2,361
Other taxation and social security	17,388	14,577	17,388	14,577
Other creditors	188,804	179,008	187,404	177,507
Bank loan	-	100,000	-	100,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>263,487</u>	<u>326,713</u>	<u>263,508</u>	<u>326,733</u>

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

21. Restricted income funds	Balance at 1 January 2021 £	Movement in funds				Balance at 31 December 2021 £
		Incoming resources £	Resources expended £	Transfers £	Gains & losses £	
Scholarship Fund	779,801	22,357	(6,870)	(27,000)	81,046	849,334
Writers in Residence	75,044	15,000	(2,270)	-	-	87,774
Living Heritage Fund	21,952	300	(4,341)	-	-	17,911
Maartin Merten donations	1,681	-	-	-	-	1,681
Carnegie fund	150,576	-	(17,844)	-	-	132,732
Exhibition fund	18,269	-	-	-	-	18,269
House of Wisdom donations	319	-	-	-	-	319
Elizabeth Hilton legacy	2,000	-	-	-	-	2,000
COVID grants received	440,601	188,067	(91,283)	-	-	537,385
Golothan fund	168,626	-	-	-	-	168,626
	<u>1,658,869</u>	<u>225,724</u>	<u>(122,608)</u>	<u>(27,000)</u>	<u>81,046</u>	<u>1,816,031</u>

Scholarship fund breakdown

	2021		2020	
	%	£	%	£
Canon Symonds	7.41	62,935	7.41	57,783
Bishop Moorman	5.26	44,675	5.26	41,018
Dr McGregor	14.49	123,068	14.49	112,993
General	7.39	62,766	7.39	57,627
Tom Jarman	3.82	32,445	3.82	29,788
Veronica Powles	2.88	24,461	2.88	22,458
The Lawton	3.63	30,831	3.63	28,307
The Drew	4.83	41,023	4.83	37,664
Dr Daisy Ronco	2.24	19,025	2.24	17,468
Richard Hills	4.67	39,664	4.67	36,417
Gladstone	0.92	7,814	0.92	7,174
Ernest Walder	3.22	27,348	3.22	25,110
Canon Denys Ruddy	7.37	62,596	7.37	57,471
Father John Thorold	6.16	52,319	6.16	48,036
Jim Cotter Trust	10.71	90,964	10.71	83,517
Stantan Memorial	5.35	45,439	5.35	41,719
Eileen Stamper	9.65	81,961	9.65	75,251
	<u>100.00</u>	<u>849,334</u>	<u>100.00</u>	<u>779,801</u>

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

21. Restricted income funds (*continued*)

Comparative information in respect of the preceding period is as follows:

	Balance at 1 January 2020 £	Movement in funds			Balance at 31 December 2020 £
		Incoming resources £	Resources expended £	Transfers £	
Scholarship Fund	846,055	492	(6,263)	(25,750)	779,801
Writers in Residence	61,455	15,000	(1,411)	-	75,044
Living Heritage Fund	29,136	464	(7,648)	-	21,952
Maartin Merten donations	1,681	-	-	-	1,681
Carnegie fund	89,181	63,598	(2,203)	-	150,576
Exhibition fund	19,027	-	(758)	-	18,269
House of Wisdom donations	319	-	-	-	319
Elizabeth Hilton legacy	2,000	-	-	-	2,000
COVID grants received	-	572,749	(132,148)	-	440,601
Golothan fund	120,000	48,626	-	-	168,626
	<u>1,168,854</u>	<u>700,929</u>	<u>(150,431)</u>	<u>(25,750)</u>	<u>1,658,869</u>

Scholarship Fund

Legacy funds, the majority of which, is invested with stockbrokers to fund scholarship students staying at the library.

Writers in Residence

Sponsorship funds donated to cover the expenses of visiting authors and authors events.

Carnegie Fund

Funding to sponsor the Digitisation project of Gladstone papers.

COVID grants

Funding received to support the business during Coronavirus closure.

Golothan Fund

Funding received to fund a series of lectures at the library.

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

22. Unrestricted income funds

	Balance at 1 January 2021 £	Movement in funds			Gains & losses £	Balance at 31 December 2021 £
		Incoming resources £	Resources expended £	Transfers £		
Designated Funds						
Investment reserve	217,320	48,589	(1,640)	(36,006)	8,274	236,537
The Gladstone Project	282,958	-	-	-	-	282,958
Wolfson Foundation	120,000	-	-	-	-	120,000
Sponsor a Shelf Funds	56,978	31,440	-	-	-	88,418
	677,256	80,029	(1,640)	(36,006)	8,274	727,913
General Fund	(265,713)	244,287	(537,627)	63,006	-	(496,047)
Trading company reserves	399,822	107,479	(32,342)	-	-	474,959
	811,365	431,795	(571,609)	27,000	8,274	706,825

Comparative information in respect of the preceding period is as follows:

	Balance at 1 January 2020 £	Movement in funds			Gains & losses £	Balance at 31 December 2020 £
		Incoming resources £	Resources expended £	Transfers £		
Designated Funds						
Investment reserve	263,844	33,869	(1,531)	(57,034)	(21,828)	217,320
The Gladstone Project	261,188	21,770	-	-	-	282,958
Wolfson Foundation	-	120,000	-	-	-	120,000
Sponsor a Shelf Funds	-	56,978	-	-	-	56,978
	525,032	232,617	(1,531)	(57,034)	(21,828)	677,256
General Fund	(205,886)	336,221	(478,832)	82,784	-	(265,713)
Trading company reserves	346,362	77,478	(24,018)	-	-	399,822
	665,508	646,316	(504,381)	25,750	(21,828)	811,365

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

22. Unrestricted income funds (*continued*)

Investment reserve

Legacy funds invested with stockbrokers to cover day to day expenditure.

The Gladstone Project

The Gladstone Project was established on the centenary of the founder's death in 1998 in order to raise additional funds necessary to enable the Trustees of Gladstone's Library to satisfy their objectives and to develop Gladstone's Library and its facilities. In 2006 - 2008, an additional fundraising drive began to put into place refurbishment, essential repairs and the continued development of Gladstone's Library. This new fundraising drive attracted grants from Cadw, Heritage Lottery Fund and numerous Trusts as well as individual sponsors. The work supported by these donors concluded in 2008. The ongoing development of the Gladstone's Library continues, and funds and donations for new projects are held in the Gladstone Project and Development Fund bank accounts. The Trustees consider monies held in these funds to be designated for the ongoing development of Gladstone's Library whilst remaining within the total unrestricted funds.

Wolfson Foundation

Funding received to support improvements made following Covid closure.

Sponsor a Shelf

Funding to support day to day activities generated by sponsorship of a shelf in the library by individuals.

Trading company

Income generated from Gladstone Library Services Ltd, generated from Food for Thought and conference income.

23. Company limited by guarantee

The company is limited by guarantee and does not have a share capital. The liability of the directors of the charity is such that it will not exceed £1. Due to the structure of the company, no one has control or significant influence over the entity.

24. Related party transactions

Gladstone's Library Services Ltd is a wholly owned subsidiary of the company. During the year Gladstone's Library Services Ltd donated £75,137 (2020 – £53,460) to the company.

The balance due to Gladstone's Library Services Ltd at the year-end was £8,338 (2020 – £2,361).

Remuneration of key management personnel

The remuneration of key management personnel, including the Warden and Finance Manager, is as follows:

	2021	2020
	£	£
Total remuneration	77,239	76,272
	<u>77,239</u>	<u>76,272</u>

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

25. Cash generated from operations	2021 £	2020 £
Surplus/(deficit) for the year	52,622	635,872
Adjustments for:		
Depreciation charges	42,084	19,724
Dividends, interest and rents from investments	(70,946)	(34,320)
Loss/(profit) on the sale of fixed assets	90	-
Movements in working capital:		
(Increase)/decrease in stocks	(29)	1,314
(Increase)/decrease in debtors	(309)	41,594
(Increase)/decrease in creditors	36,775	31,779
Cash generated from operations	60,287	695,963

26. Analysis of net assets between funds

Group	Unrestricted £	Restricted £	Total £
Fund balances at 31 December 2021 are represented by:			
Intangible assets	6,138	-	6,138
Tangible assets	204,899	215,529	420,428
Investments	236,538	1,003,519	1,240,057
Current assets/(liabilities)	259,250	596,983	856,233
	706,825	1,816,031	2,522,856
Company	Unrestricted £	Restricted £	Total £
Fund balances at 31 December 2021 are represented by:			
Intangible assets	6,138	-	6,138
Tangible assets	204,899	215,529	420,428
Investments	236,538	1,003,519	1,240,057
Current assets/(liabilities)	259,230	596,983	856,213
	706,805	1,816,031	2,522,836

GLADSTONE'S LIBRARY

Notes to the Financial Statements For the year ended 31 December 2021

26. Analysis of net assets between funds (*continued*)

Comparative information in respect of the preceding period is as follows:

Group	Unrestricted £	Restricted £	Total £
Fund balances at 31 December 2020 are represented by:			
Intangible assets	6,786	-	6,786
Tangible assets	167,804	24,993	192,797
Investments	217,320	906,988	1,124,308
Current assets/(liabilities)	419,454	726,888	1,146,342
	<u>811,364</u>	<u>1,658,869</u>	<u>2,470,233</u>

Company	Unrestricted £	Restricted £	Total £
Fund balances at 31 December 2020 are represented by:			
Intangible assets	6,786	-	6,786
Tangible assets	167,804	24,993	192,797
Investments	217,321	906,988	1,124,309
Current assets/(liabilities)	419,434	726,888	1,146,322
	<u>811,345</u>	<u>1,658,869</u>	<u>2,470,214</u>

27. Analysis of changes in net (debt)/funds

	At 1 January 2021 £	Cash flows £	31 December 2021 £
Cash at bank and in hand	1,462,077	(353,672)	1,108,405
	<u>1,462,077</u>	<u>(353,672)</u>	<u>1,108,405</u>