



SUFFOLK'S LIBRARIES IPS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

SUFFOLK'S LIBRARIES IPS LIMITED

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SUFFOLK'S LIBRARIES IPS LIMITED

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SOCIETY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2022**

Board members Tony Brown, Chair to September 2021
 Sylvia Knights, Vice Chair
 Maureen Garratt Simpson, Honorary Secretary
 Bruce Leeke, Chief Executive
 David Styles (resigned 31 May 2021)
 Alison Leyshon (co-opted) (resigned 30 June 2021)
 Debra Reay, Chair from October 2021
 Derrick Haley
 Elizabeth Ditton
 Georgie Quinn (resigned 30 June 2021)
 Kathy Oliver
 Kevin Rodger (resigned 31 August 2021)
 Rebecca Leek
 Sheila Fox (resigned 30 September 2021)
 Krupa Sodha (appointed 1 December 2021)
 Belle Bradley (appointed 1 December 2021)

**Company registered
number** IP031542

Registered office Ipswich County Library
 Northgate Street
 Ipswich
 Suffolk
 IP1 3DE

Chief executive officer Bruce Leeke

Independent auditors Larking Gowen LLP
 Chartered Accountants
 1 Claydon Business Park
 Great Blakenham
 Ipswich
 Suffolk
 IP6 0NL

Bankers Santander
 Bootle
 Merseyside
 L30 4GB

Solicitors Prettys
 Elm House
 25 Elm Street
 Ipswich
 Suffolk
 IP1 2AD

SUFFOLK'S LIBRARIES IPS LIMITED

CHAIR'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

The chair presents his statement for the year.

Chair's introduction

Writing this report, in the approach to the 10th anniversary of Suffolk Libraries, I am filled with such great pride and admiration for the organisation of which I am a user, Friend, Board Member and Chair. As I reflect on the past year, I find that pride has become the theme of this, my first report. It is not an emotion I am much used to claiming, but in the case of Suffolk Libraries it is absolutely appropriate, and here are some of the reasons why.

Suffolk Libraries achievements are admirable by any measure. Over its tenure it has strengthened and transformed the service in Suffolk, elevating it to one of the very best library services in the country. Its offer is surprisingly multi-faceted, presenting a dizzying array of programmes. Its vision remains clear, a clear eyed and straightforward commitment to improving the well-being and happiness of our people and communities.

This past year, however, we have all been tested beyond our experience by the Covid pandemic. Whilst our libraries were forced to close for a time, the work continued, and in extraordinary ways. In the most difficult circumstances the compassion, commitment and ingenuity of staff shone through. Over 11,000 befriending calls were made to vulnerable people during the lockdowns, a customised laptop loan scheme was delivered to people isolated at home and the Me Myself and Baby perinatal support service reached out to expectant and new mums. I feel so proud of Suffolk Libraries in their 'ordinary' work, but in extremis they have proved to be quite extraordinary in their care, commitment, and determination. The leadership of our Chief Executive, Bruce Leeke has been a real inspiration. On behalf of the Board, I wish to record our thanks to him and to our amazing staff team for their dedication and fortitude in a time of great personal difficulty.

We are grateful for the emergency financial support from Government which has ensured that Suffolk Libraries has been able to continue to pay its bills while we were unable to trade. But the disruption of Covid had left us with a very significant deficit to manage. In response the organisation is stepping up its fundraising with determination and drive.

In 'normal times' Suffolk County Council would be retendering the contract for its library service in 2022. Covid has shifted the time scale to 2024. We are pleased to extend our contract with Suffolk County Council to cover the gap, confident in the knowledge that as a well-run, adaptable, independent charity Suffolk Libraries will deliver the best of public service tailored to our varied and various communities through the knowledge and skills of our talented staff team.

On a personal level I was deeply honoured be elected as Chair Suffolk Libraries at the AGM. It is with humility that I take it on the role, in recognition of the huge contribution of my predecessor and fellow Board members. Tony Brown has so ably chaired the Board for the past nine years and provided great wisdom and insight throughout. I am indebted to him and to our Vice Chair Sylvia Knights for their confidence, encouragement and example. Suffolk Libraries is a strong energetic and ambitious organisation. As it approaches its tenth anniversary all eyes are to the future.



.....
Debra Reay
Chair
Date: 25 August 2022

SUFFOLK'S LIBRARIES IPS LIMITED

BOARD MEMBERS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

Objectives and activities

The objects of the Society shall be to carry on any business for the benefit of the community by enabling comprehensive and efficient library services principally but not exclusively for the people of Suffolk, that includes any of the following:

- (a) promote and enable reading, learning and the sharing of knowledge through free access to book borrowing, electronic and other information services;
- (b) make other educational, cultural and entertainment materials available for hire;
- (c) encourage access to informal adult learning, skills training and employment opportunities;
- (d) facilitate activities to improve wellbeing;
- (e) provide welcoming accessible environments where social inclusion and community development can safely prosper in response to changing demographic, socio-economic and educational needs of the people in the area of benefit;
- (f) build partnerships of shared interest between public, private and voluntary sectors at the heart of communities.

The vision that shaped our activities

The vision is to enrich everyone's quality of life. Suffolk Libraries aims to provide safe, fun and inspiring spaces that stimulate creativity, expand knowledge, foster a sense of community and connect people.

To ensure that the organisation has the strongest focus on achieving its vision four strategic pillars have been devised. These are:

- delivering the core offer
- developing new partnerships and services to attract new customers and increase income
- inspiring existing stakeholders and promoting our brand and services to more people
- establishing, measuring and monitoring our social impact

In shaping our objectives for the period and planning our activities, the Directors have considered the Charity Commission's guidance on public benefit, including the guidance on fee charging. The organisation relies on grants and the income from fees and charges to cover its operating costs. In setting the level of fees, charges and concessions, the Directors give careful consideration to the accessibility of Suffolk Libraries for those on low incomes.

SUFFOLK'S LIBRARIES IPS LIMITED

BOARD MEMBERS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Business Plan

The business plan objectives for 2021/22 to achieve the charity's aims and objectives:

Aligning the core and wider library offer with Suffolk County Council's public health goals by evidencing a clear link between library use and improvements in wellbeing.

This will be achieved by:

1. Meeting wellbeing challenges through the breadth of the offer:
 - Raising awareness of how we can create healthier communities and
 - Researching and understanding the challenges created by deteriorating wellbeing in a post Covid-19 world.
2. Advocating a different view of libraries by promoting their wellbeing benefits – nationally and locally:
 - Showcasing why the organisations local model is a USP in a post Covid-19 world and
 - Measuring and communicating our impact.
3. Matching the brand promise and as a result supporting our vision for libraries and projecting ourselves as a charity that needs support:
 - Using digital to engage new audiences and increase reach.
4. Meeting the funding challenge by creating new commercial revenue streams.

Achievements and performance

Recovery of face-to-face services

Following two years in which the Covid-19 pandemic had a significant effect on Suffolk Libraries' ability to operate normally 2021/22 was a year of recovery. Covid-19 restrictions were relaxed in July 2021 allowing the charity to restart face-to-face services. Recovery was best illustrated by a large increase in public engagement across several key areas:

- 1,708,888 Physical issues during the year, compared to 527,418 in 2020/21
- 79,382 public computer sessions totalling 51,170 hours in duration during the year, with quarter 4, the highest quarterly figures since before the pandemic (27,045 sessions totalling 17,944 hours)
- 10,996 instances where public computers were used for job searching, applications and CVs
- 5,051 instances where public computers were used for universal credit applications
- 13,026 instances where public computers were used for homework and study
- 1,299,853 physical library visits during the year, compared to 455,935 in 2020/21
- 84,338 attendees at events and activities in 2021/22, following a year when it wasn't possible for libraries to run activities. The attendee figure increased each quarter, with 33,045 attendees in quarter 4, compared to 29,996 in quarter 3 and 17,751 in quarter 2
- 54,332 physical borrowers during the year, compared to 26,519 in 2020/21
- 5,200 'Pressreader' users (online magazines and newspapers) during the year, compared to 3,613 in 2020/21
- 10,480 'Overdrive' users (eBooks and eAudio) during the year, compared to 7,230 in 2020/21
- 3,268 'Borrowbox' users (eAudio) during the year, compared to 2,351 in 2020/21
- 311 HLS customers in quarter 4 of 2021/22, the highest quarterly figure since pre-Covid-19, up from 259 in quarter 3
- 1,258 'Phone a Friend' calls made since the service launched in quarter 4 of 2020/21
- 410,081 website users during the year compared to 273,862 in 2020/21
- A twelve-fold increase in volunteering compared to 2020/21: The number of volunteering days contributed increased from 234 to 2,970.

SUFFOLK'S LIBRARIES IPS LIMITED

BOARD MEMBERS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Meeting wellbeing challenges through the breadth of the offer

Suffolk Libraries is the only charity with a presence at the heart of every significant community in the county. As a result, it has the unique ability to meet wellbeing needs across Suffolk. This section highlights some of the key wellbeing initiatives of 2021/22.

SAGES and New Chapters

A reworked SAGES website was launched. It was redesigned to address the emerging wellbeing needs of people because of Covid-19. Open Space groups fully restarted and soon regained their levels of pre-covid-19 engagement, proving their enormous value to Suffolk communities.

Jumpstart

The annual Jumpstart January campaign moved online due to the Omicron variant of Covid-19. Engagement with online events was so impressive that the programme was continued beyond January and into the Spring. Jumpstart also received overwhelmingly positive feedback from users and further funding is being sourced to expand the programme into the future.

Me, Myself and Baby

Me, Myself and Baby, Suffolk Libraries' unique perinatal service, continued to develop and expand. The listening service re-launched in physical spaces with new 'stay and play' sessions adding to the support available for users.

Pride and Periods

Pride and Periods, the scheme designed to reduce period poverty, was relaunched. There are plans to extend this service into other personal care items such as deodorant, toothpaste etc. in 2022/23.

Baby weighing in libraries

From January 2022, libraries became a place where parents and carers can self-weigh their babies. This service was previously offered in Children's Centres, alongside the formal weigh clinics, but there is now a choice; formal weigh clinics will remain with health visitors, but parents choosing to self-weigh can come to the library. Self-weigh will be offered at regular Wordplay sessions to encourage more parents and carers to attend the groups.

Advocating a different view of libraries by promoting their wellbeing benefits – nationally and locally

Libraries are misunderstood and it is one of Suffolk Libraries key goals to get national and local policy makers to see their true value. Key projects designed to bring to life this value that developed during 2021/22 were as follows.

University of Suffolk Research into the clinical benefits of libraries

In late 2020 Suffolk Libraries made a successful bid, with the University of Suffolk, for Keep+ funding to explore the clinical benefits of visiting the library. Analysis of the research data has revealed that regular visits to the library, and engagement with library activities, increase people's feelings of wellbeing and satisfaction as well as their sense of community and connectedness. As a result, the University research team felt that the results were statistically significant.

The research also notably found that for key demographic groups, attendance at library activities over time decreased their feelings of loneliness. The research also concluded that:

- Suffolk's libraries are an important community-based resource and provide a means for improving personal subjective wellbeing, life satisfaction, social inclusion, and community
- Suffolk Libraries provide neutral, non-stigmatised, non-clinical community spaces, making the public library a good place to offer social and health activities aimed at promoting and enhancing wellbeing
- The more people visit or engage with library activities, their feelings of social connectedness and social assurance also increase to become 'highly significant'.

**BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

This academic research provides further proof that libraries should be at the forefront of national preventative health initiatives like social prescribing and personalised care.

Discover More

Discover More is a digital platform that is designed to intelligently refer users to personalised recommendations for events and activities. The system has been developed with an artificially intelligent algorithm at its core. The algorithm uses personal data and the Suffolk Mind Emotional Needs Audit (ENA) tool to personalise the recommendations. As the algorithm is artificially intelligent it learns as it goes along, making future recommendations even more accurate and impactful.

The system is currently available as a test site only and Suffolk Libraries, who wholly own the technology, are about to embark on further user testing. This will help to refine the product, train the algorithm and iron out any technical challenges. Future development will focus on scalability and evolving the system to optimise its potential both in terms of user experience, data capture and reporting.

Once user testing is complete (in the second half of 2022) Discover More will initially be developed as an enhanced search function on the Suffolk Libraries website. This will take advantage of the sites existing traffic (circa 50k users per month). This will also ensure that the algorithm develops in a real-world setting. At this stage there is also potential to further enhance data capture by developing the profile building questions. There is also potential to draw on other data sources such as Let's Get Creative (another Suffolk Libraries website).

Health Education England – health literacy project

Suffolk Libraries were successful in their bid to deliver one of the funded pilot projects in a national scheme fronted by Health Education England, CILIP and Libraries Connected, focussing on improving health and digital literacy through public libraries. Starting in April 2022, the project in Suffolk will focus on community outreach in Haverhill supported by an enhanced health information offer in Haverhill Library. The project will also include staff support and training to increase skills and confidence in supporting customer health information enquiries and guidance

Matching the brand promise and as a result supporting our vision for libraries and projecting ourselves as a charity that needs support

Libraries are the last free to access, stigma free, safe place where anyone can come for help and support. It is Suffolk Libraries ambition to break down barriers to access and change perceptions, increasing public engagement. This section outlines some of the key initiatives of 2021/22.

The Stitching Stowe project

Another exciting Building Libraries on Creativity (BLOC) project focused on redeveloping the public courtyard of Stowmarket Library. The project was completed with partners Modece Architects and Fox's Yard Studios. The grounds were cleared, and new planting took place with local artists contributing several vibrant touches. The space was totally transformed including complete repaving, removal of old lighting and equipment and planting of new shrubs and flowers. The community buzz on social media was hugely positive especially as the project had involved local makers and crafters. The launch event took place in early October 2021 and was a huge success with over 100 people attending.

Let's Get Creative website

The BLOC team designed, built, and launched the Let's Get Creative website in late 2021. The arts, libraries and museums funded collaboration is now live after a highly successful artist lab and residency. The site is designed to offer a one stop shop for great creative activities and opportunities across Suffolk. It proved an instant success with arts organisations willingly contributing content and users finding it a powerful and helpful resource.

SUFFOLK'S LIBRARIES IPS LIMITED

BOARD MEMBERS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Summer Reading Challenge

Considering challenges around Covid-19 and a potential lack of take up, the 2021 Summer Reading Challenge, Wild World Heroes, proved successful. The final figures for participation were:

- Total registered: 6,061
- 1 Book read: 4,767
- 2 Books read: 4,440
- 3 Books read: 4,074
- 4 Books read: 3,829
- 5 Books read: 3,589
- Complete (6 books read): 3,467

Although this is not quite at the level seen in previous years (pre-Covid-19 registrations could be around 7,000 – 8,000), all things considered, the take up has been impressive. Notable for the physical, in-library participation is the completion rate which, at just over 57% is significantly higher than in previous years, where the rate was nearer 50%. During the period of the Summer Reading Challenge, 2,793 children joined the library, and 202,838 children's books were borrowed.

National Literacy Trust (NLT) Haverhill Hub launch

The first of three literacy hubs was launched in Haverhill with the library integral to its success. Readings took place across 10 benches in the town accompanied by a book giveaway. In conjunction with the literacy hub launch and Libraries Week, libraries took part in NLT's Take 10 events where library colleagues stopped and read for 10 minutes to promote reading. Similar hubs have also launched in Lowestoft and Stowmarket. Suffolk Libraries is a key partner in this national literacy programme and continues to help plan activity across Suffolk with the NLT.

National accreditation pilot

Suffolk Libraries took part in a pilot for a new national accreditation scheme for libraries. This intends to provide a way of benchmarking and measuring the effectiveness of library services across England. The organisation was able to provide a good spread of evidence to show that the service has significant breadth and depth. The organisation achieved 'high impact' across the board for all areas (the highest level) and it was noted that Suffolk Libraries runs an efficient, highly impactful, and motivated service.

Community languages and refugees

During the year, Suffolk Libraries undertook work to review and improve the offer of books in languages other than English. External partners and community members were consulted to understand what is needed in terms of languages and material types. Additional stock was sourced to enhance and update the collections accordingly and Suffolk Libraries is working with a new supplier to source the best resources possible. The organisation has also been working with Suffolk Refugee Support to develop a welcoming offer for refugees newly arrived in the county. Initial focus was put on new arrivals from Afghanistan and Ukraine.

Festival of Suffolk

Suffolk Libraries will be delivering two projects as part of the Festival of Suffolk. 'My Suffolk Story' is a competition for early years school children that captures young people's love of Suffolk and its environment through storytelling. The competition winners will be announced in mid-Summer 2022. The BLOC team will also be delivering a creative programme as part of Suffolk's Green Canopy which is a project that is designed to encourage the planting of more trees.

Growing Minds

The Growing Minds project officially launched. The programme runs across a specific number of postcodes in Bury St. Edmunds and is a multi-partner programme to improve outcomes for children through literacy. Suffolk Libraries will run the Dolly Parton Imagination Library and undertake reader development within the community.

SUFFOLK'S LIBRARIES IPS LIMITED

BOARD MEMBERS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

We Are Radikl

The latest cohort of We Are Radikl participants started the course designed to support female entrepreneurs. Due to a revised recruitment process, the participants in this cohort have been much more engaged than previous cohorts. Suffolk Libraries is also holding a focus group with cohort members to gain feedback on the programme and to discover what else Suffolk Libraries can do to help support people starting up and building businesses.

Meeting the funding challenge by creating new commercial revenue streams

Suffolk Libraries self-funds significant parts of the library service in Suffolk. To continue to do this it needs to generate more of its own income. Some key developments in this area in 2021/22 were as follows.

Prison Libraries

Suffolk Libraries works with commercial partner PeoplePlus to run prison libraries across England. 2021/22 was a challenging year for prison libraries due to recruitment challenges and the demands of client the Ministry of Justice. Suffolk Libraries was running ten prison libraries at the start of the year but was forced to withdraw from Onley Prison because of ongoing health and safety concerns. The contract with PeoplePlus provides valuable income that supports the ongoing development of the library offer in Suffolk. Prison libraries also offer a route to rehabilitation for prison residents and Suffolk Libraries continues to strive to make a success of this challenging business unit.

Kickstart

The organisation hosted three more cohorts of young people taking part in the government's Kickstart Scheme. For Suffolk Libraries the scheme has been an overwhelming success with 18 young people securing permanent work at the charity and several others getting work elsewhere. The confidence, skills and pride that developed amongst the young people taking part was inspiring and once again showcases the power of libraries as a place that can transform life chances. Abby from Lowestoft said "How welcoming and warm customers and staff are! I've never been more happy and confident to ask questions and meet new people."

Suffolk County Council library consultation

The end of the year saw the start of a twelve-month consultation on libraries in Suffolk. This process, led by Suffolk County Council, is designed to understand what all key stakeholders, across the county want from their libraries in future. The results of this consultation will be used to inform the new specification for running libraries in the county that will be in place from August 2024. The results are also likely to inform how much funding is available for the service in future.

SUFFOLK'S LIBRARIES IPS LIMITED

BOARD MEMBERS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Plans for future periods

In a highly uncertain social and economic climate and although we have a signed contract to July 2024, the level of funding is not committed past March 2023, therefore planning is challenging. Suffolk County Council, like other local authorities, currently receive annual funding settlements from national government. This means it is difficult for the council to make any concrete commitments. Therefore, Suffolk Libraries cannot be certain of what level of funding it will receive in future years, or whether it will be the service provider moving forward.

Against this backdrop the charity continues to focus its output on delivering for its beneficiaries across Suffolk. Since its formation in 2012 the organisation has gradually grown the service offer and increased opening hours. These improvements have been self-funded, and Suffolk Libraries plans to continue its 'value added' approach.

Its key objective for the year is to continue to be an innovative, adaptable, responsive, and sustainable library service that meets the needs of the communities it serves, helping to make lives better through the provision of high quality and accessible literacy, education, support, and wellbeing services. It will do this by focusing on the following key priorities:

- Meet the funding challenge through securing new (unrestricted) income streams to ensure all core service costs (and funding gaps) are covered, by
 - focusing on fundraising and securing corporate partners
 - and driving a sustained recovery in pre-Covid-19 levels of onsite income
- Confidently, proudly, and proactively telling its story and demonstrating the positive impact it has on local communities. Showing how it makes people's lives better, every day. Showcasing its impact and 'value added'. Making it easy for people to see and believe why Suffolk Libraries matter, by
 - creating extensive PR around its 10th anniversary
 - capturing stories of how the charity has transformed lives
 - calculating the total social value and an ROI for the entire service
- Effectively leveraging its position to influence key stakeholders by
 - informing key stakeholders and partners of the multi-faceted nature of the service
 - breaking down preconceptions of what the service does and offers to increase usage.

SUFFOLK'S LIBRARIES IPS LIMITED

BOARD MEMBERS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Financial review

Suffolk Libraries set a deficit budget of £318K for 2021/22, this was a deficit of £328K by year end.

This deficit was mainly achieved because of the governments Covid-19 leisure support grants. Without the grants received of £494K Suffolk Libraries would have reported a deficit of £822K.

Over the past two years Covid-19 restrictions have had a negative effect on Suffolk Libraries ability to generate income. The short-term impact of this has been mitigated by the leisure support grants, but the long-term effects will only become clear in coming years. Suffolk Libraries continues to explore new income streams to mitigate the slow recovery of traditional income sources like printing, copying and room hire.

The organisation has used the surplus achieved in 2020/21 to mitigate the volatile environment during 2021/22 and it was Suffolk Libraries expectation that reserves would be drawn down to offset the reduction in turnover in year. Towards the end of the year, there were tentative signs of improving market conditions with library-based income recovering in the last quarter.

An extension to the existing contract with Suffolk County Council has been granted to 2024, with the original 10-year contract coming to an end in July 2022. The extension was agreed due to the Covid-19 restrictions delaying any significant public procurement processes in Suffolk.

Going Concern

The Directors undertake an assessment each year into the financial position of the organisation as a going concern. This review considers the results for this financial year, the strength of the balance sheet, and the projected financial health of the organisation in 2022/23.

After this assessment, the Directors are confident that the charity continues to operate as a going concern. The ability to retain Suffolk Libraries as a going concern during the recovery period after Covid-19 restrictions have been lifted is due to the strength of its Balance Sheet in terms of unrestricted reserves, the continued support from SCC in maintaining the grant funding level in 2022/23 and the encouraging signs of recovery.

Investment Powers and Policy

Suffolk Libraries holds no investments outside of its normal banking partner Santander.

The investment policy of Suffolk Libraries allows for investments to be made provided they meet the principles laid down in the policy.

Reserves Policy

Reserves are needed to enable the day to day running of the company during periods of uncertainty. It is the aim of Suffolk Libraries to maintain an unrestricted reserve of two months essential running costs, this is estimated at £950K.

Total Funds as at 31st March 2022 are £1.3 million (31st March 2021 £1.6 million), of this restricted funds, available for specific projects only, of £144K are held (31st March 2021 £305K) and unrestricted reserves available for running costs of £1.1 million (31st March 2021 £1.3 million), a decrease of £227K.

The unrestricted reserves meet the requirements set out by the Trustees; however, this needs to be taken in context with the budgeted deficit of £404K in 2022/23. Reducing this deficit is a continuing challenge as the economy recovers from the pandemic.

SUFFOLK'S LIBRARIES IPS LIMITED

**BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Structure, governance and management

Directors

The Directors of the Society are its trustees for the purpose of charity law. The Directors and Officers serving during the period were as follows:

Suffolk Libraries - Annual Board Member List		
Name:	Role:	Date Appointed/Retired:
Debra Reay	Chair	Appointed October 2021
	Board Member	Appointed 08/2020
Tony Brown	Chair	Appointed 12 September 2013
		Reappointed 10 September 2015
		Reappointed 25 September 2018 Stood down September 2021
Sylvia Knights	Vice Chair	Appointed 15 February 2012
		Reappointed 11 September 2014
		Reappointed 28 September 2017
Maureen Garrett-Simpson	Honorary Secretary	Appointed 29 September 2016
Bruce Leeke	Chief Executive	Appointed 29 January 2018
Alison Leyshon	Board Member	Co-opted 20 December 2018 Resigned 06/2021
David Styles	Board Member	Appointed 12/2020 Resigned 05/2021
Derrick Haley	Board Member	Appointed 08/2020
Elizabeth Ditton	Board Member	Appointed 08/2020
Georgie Quinn	Board Member	Appointed 12/2020 Resigned 06/2021
Kathy Oliver	Board Member	Appointed 02/2020
Kevin Rodger	Board Member	Appointed 12/2020 Resigned 08/2021
Rebecca Leek	Board Member	Appointed 08/2020
Sheila Fox	Board Member	Appointed 08/2020 Resigned 09/2021
Krupa Sodha	Board Member	Appointed 12/2021
Belle Bradley	Board member	Appointed 12/2021

SUFFOLK'S LIBRARIES IPS LIMITED

BOARD MEMBERS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Suffolk Libraries IPS Limited is a Registered Society governed by its Rules dated 7 August 2013. It is an exempt charity, regulated by the Financial Conduct Authority. Members are local community groups or local councils who are committed to supporting their local library and Suffolk Libraries as a whole. On 31 March 2022 there were 44 members representing libraries out of a possible 44 libraries.

Appointment of Directors

As set out in the Rules the Chair of the Directors is elected by the Board of Directors. Seven Directors are elected annually by the members of the organisation attending the Annual General Meeting and serve for a period of three years. The Directors have the power to co-opt up to five further Directors.

The Chief Executive is an ex-officio member of the Board, and an employee

All members are circulated with invitations to nominate Directors prior to the AGM advising them of the retiring Directors and requesting nominations for the AGM. When considering co-opting Directors, the Board has regard to the requirement for any specialist skills needed.

Trustee induction and training

New Directors undergo a briefing on their legal obligations under charity and other relevant law, the Charity Commission guidance on public benefit, content of the Society's rules, the committees and decision-making processes, the business plan and recent financial performance of Suffolk Libraries. During their induction, they will meet key employees and other Directors. Directors are encouraged to attend appropriate events held by community groups where these will facilitate the undertaking of their role.

Board

The Board of Directors, which can have up to 13 members, administers the Society. The board and its sub-committees covering governance, finance and audit and staffing meet regularly. The Chief Executive appointed by the Directors manages the day-to-day operations of Suffolk Libraries. To facilitate effective operations, the chief Executive and senior staff have delegated authority, within terms of delegation approved by the Directors, for operational matters including finance, employment and operational matters.

Related parties

None of the Directors receive remuneration or other benefit from their work with Suffolk Libraries except for the Chief Executive who is an employee and details of their remuneration is set out in note 19. Any connection between a Director or senior manager of Suffolk Libraries with a supplier or contractor must be disclosed to the full Board of Directors and details of such relationships in the current year are set out in note 19.

SUFFOLK'S LIBRARIES IPS LIMITED

BOARD MEMBERS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Risk management

It is the responsibility of the Directors is to have a risk management strategy which comprises:

- an annual review of the risks the Society may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the Society should those risks materialise.

This work that has been carried out has identified that financial sustainability is the major financial risk for the Society. A key element in the management of financial risk is via a reviewed reserves policy and the retention of sufficient working capital. Attention has also been focused on non-financial risks arising from fire, health and safety, management of public access and safeguarding. As previously stated the Reserves policy is reviewed annually and forms part of the Financial Regulations which were also reviewed and accepted at this meeting.

Directors' responsibilities in relation to the financial statements

The Society's Directors (who are also the trustees of the Society for the purposes of Charity law) are responsible for preparing a Directors' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to Registered Societies in England and Wales requires the Society's Directors to prepare financial statements for each period which give a true and fair view of the state of affairs of the Society and of the incoming resources and application of resources, including the income and expenditure for that period. In preparing the 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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Society Act 2014, Charity law and the provisions of the rules. They are also responsible for safeguarding the assets of the Society and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the Society's auditors are unaware; and
- the Directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

SUFFOLK'S LIBRARIES IPS LIMITED

**BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

Auditors

Larking Gowen have expressed their willingness to be reappointed auditors at the forthcoming Annual General Meeting.

Approved by order of the members of the board of Directors and signed on their behalf by:



Bruce Leeke
Chief Executive

Date: 25 August 2022

SUFFOLK'S LIBRARIES IPS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUFFOLK'S LIBRARIES IPS LIMITED

Opinion

We have audited the financial statements of Suffolk's Libraries IPS Limited (the 'Society') for the year ended 31 March 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, 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 Society's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure 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 Co-operative and Community Benefit Societies Act 2014.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Directors' 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 charitable company'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 Directors with respect to going concern are described in the relevant sections of this report.

SUFFOLK'S LIBRARIES IPS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUFFOLK'S LIBRARIES IPS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Directors 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 materially 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- the Society has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation; or
- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the society's books of account; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, the Directors (who are also the trustees of the Society for the purposes 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 Directors are responsible for assessing the Society'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 Directors either intend to liquidate the Society or to cease operations, or have no realistic alternative but to do so.

SUFFOLK'S LIBRARIES IPS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUFFOLK'S LIBRARIES IPS LIMITED (CONTINUED)

Auditors' 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 Auditors' 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.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: health and safety; employment law and compliance with charity law and regulations.

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:

- Enquiries with management about any actual and potential litigations and claims against the Society;
- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing board minutes;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

SUFFOLK'S LIBRARIES IPS LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUFFOLK'S LIBRARIES IPS LIMITED
(CONTINUED)**

Use of our report

This report is made solely to the Society's members, as a body, in accordance with the Co-operative and Community Benefit Society Act 2014. Our audit work has been undertaken so that we might state to the Society'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 Society and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Larking Gowen

Larking Gowen LLP
Chartered Accountants
Statutory Auditors
Ipswich

Date: 8 September 2022

Larking Gowen LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

SUFFOLK'S LIBRARIES IPS LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	557,409	34,820	592,229	950,977
Charitable activities	4	6,126,948	1,496,815	7,623,763	7,259,606
Investments	7	1,185	-	1,185	3,055
Total income		6,685,542	1,531,635	8,217,177	8,213,638
Expenditure on:					
Charitable activities		6,864,200	1,680,721	8,544,921	7,461,868
Total expenditure		6,864,200	1,680,721	8,544,921	7,461,868
Net (expenditure)/income		(178,658)	(149,086)	(327,744)	751,770
Transfers between funds	19	12,105	(12,105)	-	-
Net movement in funds		(166,553)	(161,191)	(327,744)	751,770
Reconciliation of funds:					
Total funds brought forward		1,327,285	305,467	1,632,752	880,982
Net movement in funds		(166,553)	(161,191)	(327,744)	751,770
Total funds carried forward		1,160,732	144,276	1,305,008	1,632,752

The financial statements were approved by the Board members on 25 August 2022 and signed on their behalf, by:



Maureen Garratt Simpson
Honorary Secretary



Sylvia Knights
Chair of Finance and Audit Committee



Bruce Leeke
Chief Executive

The notes on pages 22 to 45 form part of these financial statements.

SUFFOLK'S LIBRARIES IPS LIMITED
REGISTERED NUMBER: IP031542

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	29,358	43,560
Current assets			
Debtors	17	2,516,436	2,163,523
Cash at bank and in hand		1,597,727	1,678,968
		<u>4,114,163</u>	<u>3,842,491</u>
Creditors: amounts falling due within one year	18	<u>(2,838,513)</u>	<u>(2,253,299)</u>
Net current assets		1,275,650	1,589,192
Total net assets		<u>1,305,008</u>	<u>1,632,752</u>
Charity funds			
Restricted funds	19	144,276	305,467
Unrestricted funds	19	1,160,732	1,327,285
Total funds		<u>1,305,008</u>	<u>1,632,752</u>

The financial statements were approved by the Board members on 25 August 2022 and signed on their behalf, by:



Maureen Garratt Simpson
Honorary Secretary



Bruce Leeke
Chief Executive

Date: 25 August 2022

The notes on pages 22 to 45 form part of these financial statements.



Sylvia Knights
Chair of Finance and Audit Committee

SUFFOLK'S LIBRARIES IPS LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	21	(51,547)	744,435
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of tangible fixed assets		(29,694)	(16,940)
		<hr/>	<hr/>
Net cash used in investing activities		(29,694)	(16,940)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(81,241)	727,495
Cash and cash equivalents at the beginning of the year		1,678,968	951,473
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	22	1,597,727	1,678,968
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 22 to 45 form part of these financial statements

SUFFOLK'S LIBRARIES IPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

Suffolk's Libraries IPS Limited is a Society registered in England and Wales, registration number IP031542. The registered office is Ipswich County Library, Northgate Street, Ipswich, Suffolk, IP1 3DE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Co-operative and Community Benefit Societies Act 2014.

Suffolk's Libraries IPS Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The financial statements are presented in Sterling (£) and rounded to the nearest £.

2.2 Going concern

The library service throughout Suffolk has again been supported through the pandemic by the county's local authorities. This cash support has covered some of the loss of income experienced through the year and ensured that no staff were furloughed. In the 2021/22 financial year the Society received restart grants of £484k from the government.

The main library services contract with Suffolk County Council has been extended to July 2024, however the level of funding has only been committed to March 2023. This poses some challenges in future planning for the Society. The Society looks to increase their income levels through other means of funding, including grants, fundraising, prison contract work and other activities. Based on the committed funding to March 2023, with knowledge of a contract with Suffolk County Council to July 2024, their careful managing of budgets and reserves position, the Society is confident that it can continue operating to at least September 2023.

For the reasons above, the Directors consider the Society to be a going concern and therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

SUFFOLK'S LIBRARIES IPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the Society and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Society for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 Income

All income is recognised once the Society has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Society has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Society, can be reliably measured.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Donated services or facilities are recognised when the Society has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Society of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised. Please refer to the Board members' report for more information about their contribution.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Society which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

SUFFOLK'S LIBRARIES IPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Society's objectives, as well as any associated support costs.

Support costs are those costs incurred directly in support of expenditure on the objects of the Society and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the Society and compliance with constitutional and statutory requirements.

2.6 Tangible fixed assets and depreciation

Suffolk County Council has an obligation to provide a library service to the people of Suffolk. Under the terms of the contract the society has the right to use the necessary assets, including the lending stock and relevant software and licences. Fixed assets, such as fixtures and fittings and properties are utilised under the terms of the contract with Suffolk County Council. On termination of the contract Suffolk Libraries IPS Ltd are obliged to hand back all assets for the consideration of £1 which are required to run the service to the same standard as prior to termination of the contract, this includes assets which have been donated or purchased out of donations. The Society does not legally own these assets, have any rights or obligations over them or receive any monetary benefit directly from their use. These assets are therefore not capitalised within the financial statements of the society.

Assets purchased to maintain the running of the service at the current standard are taken as costs during the year they are purchased. Assets purchased to extend the Society's services are capitalised.

Depreciation periods has been determined in the expectation that the current libraries contract will run to August 2024.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the Society assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

SUFFOLK'S LIBRARIES IPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Leasehold improvements	- over the period until contract renewal.
Fixtures and fittings	- 33% Straight line
Computer equipment	- 33% Straight line

2.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Society; this is normally upon notification of the interest paid or payable by the Bank.

2.8 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Society anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2.12 Financial instruments

The Society only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

SUFFOLK'S LIBRARIES IPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.13 Taxation

The Society is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Society is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.14 Pensions

The society operates two pension schemes for the benefit of its employees.

A number of employees are members of the Local Government Pension Scheme ("LGPS"), the Suffolk Pension Fund. This is a multi-employer defined benefit scheme funded by contributions from employee and employer. The draft results of the 31 March 2016 valuation indicate that scheme liabilities attributable to the Society were funded by assets at a level of 131%. Employer contributions for the three years to 31 March 2023 were proposed at a multiple of salary that is projected to amount to £400,755 in 2022/23.

Should the provider of library services change then either the new provider or Suffolk County Council will inherit those liabilities in respect of the LGPS, as determined by an actuary. The Society is therefore unable to reliably estimate future liabilities in respect of the LGPS and the scheme is accounted for as if it were a defined contribution scheme, with the pension charge representing the amounts payable by the Society to the fund in respect of the year.

Other employees have the option to join the group stakeholder pension scheme operated by Aviva plc. This is a defined contribution scheme. Employees joining this scheme contract directly with the insurance company. The pension charge included within the financial statements represents the amounts payable by the society to the funds in respect of the year.

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

3. Income from donations

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Group contributions cash donations	-	34,570	34,570
Local government grants	26,327	-	26,327
Fundraising by staff	7,715	-	7,715
Covid-19 support grants	483,756	-	483,756
Donations	38,511	-	38,511
Libraries Extra	1,100	250	1,350
Total 2022	557,409	34,820	592,229
	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Group contributions cash donations	-	59,067	59,067
Fundraising by staff	811	-	811
Covid-19 support grants	873,492	-	873,492
Donations	16,882	-	16,882
Libraries Extra	725	-	725
<i>Total 2021</i>	<i>891,910</i>	<i>59,067</i>	<i>950,977</i>

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Libraries service contract income	4,934,548	-	4,934,548
Contract stock budget income	-	988,242	988,242
NPO - arts project	-	198,518	198,518
Grants received	-	215,001	215,001
Other library income (note 5)	421,838	348	422,186
Professional services (note 6)	679,982	94,706	774,688
Collection fees	90,580	-	90,580
Total 2022	6,126,948	1,496,815	7,623,763
	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Libraries service contract income	4,934,548	-	4,934,548
Contract stock budget income	-	988,242	988,242
NPO - arts project	-	176,033	176,033
Grants received	-	113,455	113,455
Other library income	189,346	3,058	192,404
Professional services	642,669	175,000	817,669
Collection fees	37,255	-	37,255
<i>Total 2021</i>	<i>5,803,818</i>	<i>1,455,788</i>	<i>7,259,606</i>

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

5. Other library income

	2022	<i>2021</i>
	£	£
Stock unit	348	3,058
Hosted office space and other income	147,384	71,151
Prisons	60,000	60,000
In-house projects	149,009	48,578
Room and equipment hire	63,640	6,739
Central offices	1,806	2,878
	422,187	<i>192,404</i>
	422,187	<i>192,404</i>

6. Professional services

	2022	<i>2021</i>
	£	£
Prisons library service	677,320	620,619
Mental health project	94,706	175,000
Professional services - central	2,662	22,050
	774,688	<i>817,669</i>
	774,688	<i>817,669</i>

7. Investment income

	Unrestricted funds 2022	Total funds 2022	<i>Total funds 2021</i>
	£	£	£
Investment income	1,185	1,185	3,055
	1,185	1,185	<i>3,055</i>
	1,185	1,185	<i>3,055</i>

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Analysis of resources expended by expenditure type

	Direct 2022	Support 2022	Governance 2022	Total funds
	£	£	£	£
Library	5,124,661	1,683,801	23,209	6,831,671
Prisons library service	677,330	179,999	8,447	865,776
Mental health project	157,893	14,800	-	172,693
NPO - Arts project	197,238	-	-	197,238
Grants funded	195,431	-	-	195,431
In-house projects	150,440	131,673	-	282,113
Total 2022	6,502,993	2,010,273	31,656	8,544,922
	<i>Direct</i>	<i>Support</i>	<i>Governance</i>	<i>Total</i>
	<i>2021</i>	<i>2021</i>	<i>2021</i>	<i>funds</i>
	£	£	£	£
Library	4,745,165	1,415,097	11,804	6,172,066
Prisons library service	620,619	171,698	7,207	799,524
Mental health project	162,590	-	-	162,590
NPO - Arts project	169,367	-	-	169,367
Grants funded	50,626	-	-	50,626
In-house projects	-	107,695	-	107,695
<i>Total 2021</i>	5,748,367	1,694,490	19,011	7,461,868

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Support costs

	2022	2021
	£	£
Wages and salaries	1,463,717	1,251,791
Property costs	14,195	(9,530)
Insurance	45,408	22,275
Agency staff costs	560	14,000
Staff development	45,459	19,907
Travel and subsistence	12,666	4,487
Bank, interest and charges	3,635	1,744
IT, HR and accountancy	191,309	203,171
Consultancy fees	84,157	41,269
Stock	16,590	20,854
Other	108,361	94,687
Supplies, printing and telephone	24,216	29,835
	<u>2,010,273</u>	<u>1,694,490</u>

10. Governance costs

	2022	2021
	£	£
Legal fees	15,984	7,608
Auditor fees	12,800	8,500
Board expenses	2,872	2,903
	<u>31,656</u>	<u>19,011</u>

11. Auditors' remuneration

	2022	2021
	£	£
Fees payable to the Society's auditor for the audit of the Society's annual accounts	10,250	7,300
Fees payable to the Society's auditor in respect of: All non-audit services not included above	<u>1,250</u>	<u>1,200</u>

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Staff costs

	2022	<i>2021</i>
	£	£
Wages and salaries	4,586,221	4,160,014
Social security costs	249,474	217,540
Pension costs	365,877	332,815
	5,201,572	4,710,369

The average number of persons employed by the Society during the year was as follows:

	2022	<i>2021</i>
	No.	No.
Frontline staff	360	334
Administration and support	20	20
Management	10	11
	390	365

During the year a total of £11,524 (*2021 - £15,684*) was paid in redundancy and termination payments.

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	<i>2021</i>
	No.	No.
In the band £80,001 - £90,000	1	1

Aggregate key management personnel remuneration (including employer pension contributions) was £509,467 (*2021 - £578,384*).

During the year retirement benefits were accruing to 1 Board member (*2021 - 1*) in respect of defined contribution pension schemes.

13. Board members' remuneration and expenses

Remuneration of £90,551 (*2021 - £80,111*) and pension contributions of £5,433 (*2021 - £4,817*) were paid in respect of Bruce Leeke's services as Chief Executive. The Chief Executive is an ex officio Board member as required by the society's rules. No other Board member was remunerated.

During the year ended 31 March 2022, 1 (*2021 - 3*) Board members received reimbursement of expenses amounting to £663 (*2021 - £333*).

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Acting as agent

During the period the society collected fees on behalf of, and paid over to, Suffolk County Council totaling £90,576 (2021 - £37,255). This is not included within the Statement of Financial Activities.

The society received £90,576 (2021 - £37,255) as collection fees for undertaking this process.

During the period the society received Section 106 money from Suffolk County Council totaling £103,492 (2021 - £52,826). The society uses this money on behalf of Suffolk County Council to enhance the libraries. This is not included within the Statement of Financial Activities, and the unspent year end balance of £1,000 (2021 - £1,216) is held within other creditors.

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. Share capital

Organisation name	Date of acceptance
Friends of Glemsford Library	19/12/2012
Friends of Thurston Library	24/01/2013
Wickham Market Partnership	26/02/2013
Needham Market Town Council	26/02/2013
The Friends of Long Melford Library	26/02/2013
Leiston Cum Sizewell Town Council	26/02/2013
Bungay Community Library	15/04/2013
Sudbury Town Council	26/03/2013
The Aldeburgh Library Foundation	26/03/2013
Friends of Mildenhall Library	26/03/2013
Friends of Southwold Library	15/04/2013
Friends of Ipswich County Library	15/04/2013
Friends of Lowestoft Library	15/04/2013
Friends of Brandon Library	02/05/2013
Stradbroke Courthouse & Library Trust CIO	29/05/2013
Friends of Ixworth Library (FOIL)	29/05/2013
Friends of Library in Kessingland (FOLK)	29/05/2013
Saxmundham Library Friends	29/05/2013
Friends of Woodbridge Library (FOWL)	29/05/2013
Debenham Library Foundation	29/05/2013
Framlingham Town Council	08/07/2013
Voices for Gainsborough Community Library	08/07/2013
Friends of Oulton Broad Library	08/07/2013
Friends of Stowmarket Library	08/07/2013
Friends of Haverhill Library	08/07/2013
The Friends of Lavenham Library	15/07/2013
The Kesgrave Community Library	21/08/2013
Elmswell Library Friends	21/08/2013
The Friends of Halesworth County Library	21/08/2013
Friends of Newmarket Library	21/08/2013
Friends of Lakenheath Library	21/08/2013
Friends of Felixstowe Library	21/08/2013
Beccles Library Community Trust	21/08/2013
Eye Library Friends	21/08/2013
Hadleigh Library Friends Group	21/08/2013
Broomhill Library Friends	21/08/2013
Kedington Library Friends	28/11/2013
The Friends of Capel St. Mary Library	30/01/2014
The Friends of Stoke Library	20/03/2014
The Friends of Clare	20/03/2014
Rosehill Library Friends	20/03/2014
Friends of Chantry Library	29/05/2014
The Friends of Great Cornard Community Library	31/07/2014
Friends of Bury Library	31/07/2014

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

Each group has a £1.00 share, with the share-holders fund being £44.

Individual members of the society must support its objects and complete an application for no more than one share.

The shares of the society are of the nominal value of £1 and are issued to members on admission. They are not transferable, except in the case of an unincorporated organisation or partnership members (and then only in the case of a change of nominee(s) and only to the new nominee(s)). They are not available for withdrawal, carry no rights to interest, dividend or bonus, and are forfeited on cancellation or cessation of membership for whatever reason.

At the year end the society had 44 members (2021: 44 members).

16. Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2021	84,703	12,640	51,576	148,919
Additions	29,694	-	-	29,694
At 31 March 2022	114,397	12,640	51,576	178,613
Depreciation				
At 1 April 2021	57,706	4,250	43,403	105,359
Charge for the year	39,368	1,678	2,850	43,896
At 31 March 2022	97,074	5,928	46,253	149,255
Net book value				
At 31 March 2022	17,323	6,712	5,323	29,358
At 31 March 2021	26,997	8,390	8,173	43,560

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. Debtors

	2022	<i>2021</i>
	£	£
Trade debtors	2,281,704	1,991,692
Other debtors	13,036	929
Prepayments and accrued income	221,696	170,902
	2,516,436	<i>2,163,523</i>
	2,516,436	<i>2,163,523</i>

18. Creditors: Amounts falling due within one year

	2022	<i>2021</i>
	£	£
Trade creditors	153,509	99,138
Other taxation and social security	372,042	314,835
Other creditors	160,931	86,652
Accruals and deferred income	2,152,031	1,752,674
	2,838,513	<i>2,253,299</i>
	2,838,513	<i>2,253,299</i>

Included within accruals and deferred income is the advance payment for the main libraries contract totaling £1,480,697 (*2021 - £1,480,697*).

	2022	<i>2021</i>
	£	£
Deferred income at 1 April 2021	1,509,610	1,484,260
Resources deferred during the year	1,484,260	1,509,610
Amounts released from previous periods	(1,509,610)	(1,484,260)
	1,484,260	<i>1,509,610</i>
	1,484,260	<i>1,509,610</i>

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Unrestricted funds					
Designated funds					
Ipswich Refurbishment Fund	60,000	-	-	-	60,000
General funds					
General fund	1,267,241	6,685,542	(6,864,200)	12,105	1,100,688
Share capital	44	-	-	-	44
	1,267,285	6,685,542	(6,864,200)	12,105	1,100,732
Total Unrestricted funds	1,327,285	6,685,542	(6,864,200)	12,105	1,160,732

SUFFOLK'S LIBRARIES IPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

19. Statement of funds (continued)

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Restricted funds					
Stock Fund	109,505	988,590	(1,079,304)	-	18,791
Friends Group	-	34,570	(34,570)	-	-
Mental Health Fund	82,162	94,706	(172,693)	(4,175)	-
NPO	42,744	178,580	(187,742)	(7,190)	26,392
NPO fixed assets	5,699	19,938	(9,496)	-	16,141
Phone a Friend	-	3,160	(3,160)	-	-
Local Libraries Rushmere	6,410	5,099	(8,522)	-	2,987
Suffolk Libraries Extra	-	250	-	-	250
Freddy's Fund	2,634	-	(174)	-	2,460
Other Restricted Funds	7,455	21,272	(5,690)	-	23,037
Perinatal	24,718	60,130	(64,713)	-	20,135
Arts, Museums & Libraries	-	24,260	(15,366)	(740)	8,154
Lets get creative	-	69,930	(62,245)	-	7,685
Mid Suffolk Ipad	11,284	-	(5,753)	-	5,531
Reading Sparks	7,146	5,800	(4,957)	-	7,989
Device to your Door	5,710	25,350	(26,336)	-	4,724
	<u>305,467</u>	<u>1,531,635</u>	<u>(1,680,721)</u>	<u>(12,105)</u>	<u>144,276</u>
Total of funds	<u><u>1,632,752</u></u>	<u><u>8,217,177</u></u>	<u><u>(8,544,921)</u></u>	<u><u>-</u></u>	<u><u>1,305,008</u></u>

SUFFOLK'S LIBRARIES IPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

19. Statement of funds (continued)

Purpose of unrestricted funds

Unrestricted funds include the society's share capital of £44 (note 16).

General fund - Funds available for the requirements of Suffolk Libraries IPS Ltd to fund continuing operations.

Purpose of restricted funds

Stock Fund - To purchase books, audio books, CDs, DVDs, periodicals, online subscriptions, and E-readers for use within the libraries of Suffolk.

Friends Groups - To support individual libraries to enhance their community.

Mental Health Fund (Wellbeing Grant) - To facilitate and promote access to mental health services within Suffolk.

NPO - In 2017 Suffolk Libraries were awarded NPO status and just over £700k by Arts Council England to provide an innovative arts and culture programme to engage young people between 2018 and 2022 - this has now been extended to 2024. National Portfolio Organisations receive regular funding from the Arts Council and represent some of the best arts practice in the World. We are one of only six library services to become an NPO. The money will fund a four year programme of activities across the library service. The main aim is to improve 11-24 year-olds' resilience and wellbeing. We also hope to get young people more engaged in the library service and help build their skills and confidence in using digital technology and equipment.

Phone a Friend - This service is carried out by employees of Suffolk Libraries during the year 20/21 so that when customers were unable to visit the library they could still keep in contact with them. The grant covered the costs of the phones and the cost of the sim card contracts were shared with the Mental Health Project, run by Suffolk Libraries on behalf of Suffolk County Council.

Local Libraries Rushmere - Funding by Ipswich Borough Council and Locality funding to enable a temporary library to be run at Rushmere for a period of 2 years.

Suffolk Libraries Extra - a supporter scheme offering individuals and local businesses the chance to make an annual donation to get more involved and enhance the service Suffolk Libraries provides.

Freddys Fund - A donation to Suffolk Libraries to enable individual projects within libraries to assist reader or literacy development.

Perinatal - This fund was awarded by Suffolk Community Foundation for a total sum of 56,163 from the Realising Ambitions project, to further their assistance to new mothers. The project is called Me Myself and Baby and is being delivered in co-partnership with Suffolk Mind.

Other - Small grants expended during the year.

Locality Funding - Locality funding are various small grants given by individual councillors, this enables them to use their local knowledge to support local projects.

Mid-Suffolk Ipad - This is a project to enable iPads to be lent out to Suffolk Library Customers, complete with SIM card to enable them to gain access to the internet at home. The main purpose of this project is to assist education, job seeking and other internet required day to day tasks for those families without an internet connection.

SUFFOLK'S LIBRARIES IPS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

19. Statement of funds (continued)

Reading Sparks - This project is funded by the Reading Agency, the aim of the project is to encourage reading and literacy in young people in addition to creating aspirations in the field of STEM through the delivery of creative projects.

Device to your Door - This project is funded by Suffolk County Council and it is to enable the purchase of PCs and dongle for internet access and for those devices to be delivered to the door and then to be picked up again 48 hours later. The aim of the project is to reduce the digital divide in homes without internet access at home or the equipment needed to carry out online essential tasks, such as benefit applications and job searches.

Lets get Creative - This is a grant provided by the Arts Council National Lottery Project, the fund is to be used to encourage creative people and to create creative communities. Getting involved in creative activities in communities reduces loneliness, supports physical and mental health and wellbeing, sustains older people and helps to build and strengthen social ties.

Arts, Museums & Libraries - This grant is provided by Suffolk County Council To assist in the establishment program of geographically targeted projects within libraries and museums across Suffolk that supports the wellbeing of residents in both prevention and recovery

Designated Funds

Ipswich Refurbishment - allocation of funds for future refurbishment works required at Ipswich Library.

Purpose of transfers

The transfers between unrestricted funds and the Mental Health Project, NPO and Arts, Museums & Libraries restricted fund represents the hire charge for the use of library rooms for these projects.

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 April 2020</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Balance at 31 March 2021</i>
	£	£	£	£	£
Unrestricted funds					
Designated funds					
Ipswich Refurbishment Fund	60,000	-	-	-	60,000
General funds					
General fund	613,329	6,698,783	(6,051,350)	6,479	1,267,241
Share capital	44	-	-	-	44
	<u>613,373</u>	<u>6,698,783</u>	<u>(6,051,350)</u>	<u>6,479</u>	<u>1,267,285</u>
Total Unrestricted funds	<u>673,373</u>	<u>6,698,783</u>	<u>(6,051,350)</u>	<u>6,479</u>	<u>1,327,285</u>

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

19. Statement of funds (continued)

Restricted funds

Stock Fund	33,684	991,300	(915,479)	-	109,505
Friends Group	-	59,067	(59,067)	-	-
Mental Health Fund	69,752	175,000	(162,590)	-	82,162
NPO	29,145	167,484	(153,885)	-	42,744
NPO fixed assets	12,632	8,549	(15,482)	-	5,699
Phone a Friend	-	3,251	(3,251)	-	-
Local Libraries Rushmere	-	6,410	-	-	6,410
Suffolk Libraries Extra	6,479	-	-	(6,479)	-
Freddy's Fund	2,634	-	-	-	2,634
Other Restricted Funds	8,837	4,094	(5,476)	-	7,455
Perinatal	44,446	5,000	(24,728)	-	24,718
Mid Suffolk Ipad	-	20,800	(9,516)	-	11,284
Reading Sparks	-	7,250	(104)	-	7,146
Device to your Door	-	66,650	(60,940)	-	5,710
	207,609	1,514,855	(1,410,518)	(6,479)	305,467
Total of funds	880,982	8,213,638	(7,461,868)	-	1,632,752

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	13,217	16,141	29,358
Current assets	3,872,086	242,077	4,114,163
Creditors due within one year	(2,724,571)	(113,942)	(2,838,513)
Total	<u>1,160,732</u>	<u>144,276</u>	<u>1,305,008</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	37,861	5,699	43,560
Current assets	3,517,375	325,116	3,842,491
Creditors due within one year	(2,227,951)	(25,348)	(2,253,299)
Total	<u>1,327,285</u>	<u>305,467</u>	<u>1,632,752</u>

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	<u>(327,744)</u>	<u>751,770</u>
Adjustments for:		
Depreciation charges	43,896	46,844
Decrease/(increase) in debtors	(352,913)	90,018
Increase/(decrease) in creditors	504,920	(144,197)
Net cash provided by/(used in) operating activities	<u>(131,841)</u>	<u>744,435</u>

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

22. Analysis of cash and cash equivalents

	2022	<i>2021</i>
	£	£
Cash in hand	1,597,727	1,678,968
Total cash and cash equivalents	1,597,727	1,678,968

23. Analysis of changes in net debt

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	1,678,968	(81,241)	1,597,727
	1,678,968	(81,241)	1,597,727

24. Contingent liabilities

Certain of the society's employees are members of the Local Government Pension Scheme (LGPS). This is a funded, multi-employer defined-benefit scheme, with assets held in separate trustee-administered funds. The society made contributions of £389,278 (2021 - £332,815) during the year in respect of these employees. The society considers itself liable only for the contributions accrued for such employees during the term of the contract with Suffolk County Council, and as such they have been accounted for as an expense in the statement of financial activities in line with the accounting policy of the society. This is consistent with the treatment of a defined contribution scheme.

The terms of the contract with Suffolk County Council for the provision of library services state that, should the provider of the library service change, then either the new provider or Suffolk County Council will inherit the historic liabilities relating to LGPS at that time, at an amount to be determined by the terms of the contract and an independent actuary. As a result, the society is unable to reliably estimate the liability (if any) at the period end that relates solely to itself, as both its timing and amount are contingent on future events.

SUFFOLK'S LIBRARIES IPS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

25. Operating lease commitments

At 31 March 2022 the Society had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	<i>2021</i>
	£	£
Not later than 1 year	87,044	96,211
Later than 1 year and not later than 5 years	125,572	199,027
Later than 5 years	138,819	151,295
	351,435	446,533

The operating lease commitments disclosed include commitments both before and after July 2024. However, in the event of cessation of the contract with Suffolk County Council, as disclosed in note 2.2 (going concern), the lease obligations would transfer to Suffolk County Council or the entity taking on the library contract. The total lease commitments to July 2024 are £38,466 (*2021 - £231,576, based on contract end date of July 2022*).