



SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

SUFFOLK'S LIBRARIES IPS LIMITED
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CONTENTS

	Page
Reference and administrative details of the Society, its Directors and advisers	1
Chair's statement	2
Board members' report	3 - 13
Independent auditors' report on the financial statements	14 - 17
Statement of financial activities	18
Balance sheet	19
Statement of cash flows	20
Notes to the financial statements	21 - 44

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE SOCIETY, ITS DIRECTORS AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2023**

Board members	Debra Reay, Chair
Board members	Tony Brown
	Sylvia Knights, Vice Chair
	Maureen Garratt Simpson, Honorary Secretary
	Bruce Leeke, Chief Executive
	Derrick Haley
	Elizabeth Ditton
	Kathy Oliver (resigned 31 August 2022)
	Rebecca Leek
	Krupa Sodha (resigned 30 September 2022)
	Belle Bradley
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
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CHAIR'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023

The chair presents his statement for the year.

Chair's introduction

Over the course of the year, we witnessed a strong return to in-person library visits and traditional book borrowing, as well as a continued appetite for digital content which had rocketed during the lockdowns. And from our staff team, it has been as if the blocks have been taken off in the energy and imagination with which they have continued to take the service forward.

Identifying highlights from so eventful a year feels rather invidious as it requires that so much is left out. This year, to name but a few:

- A new library has been opened, others have moved to new premises or been refurbished.
- Our work with HM Prisons has advanced.
- Our prestigious National Portfolio Organisation status with Arts Council has been extended.
- More than 7,000 children participated in the Reading Challenge.
- Children also made an exciting response to, *My Suffolk Stories*, our new children's writing competition.
- The *Suffolk People's Champion Awards* returned, honouring the phenomenal contribution of over 1,000 individual volunteers and 275 Friends Group Trustees to the charity.
- In August, our 10th birthday celebrated the many things Suffolk Libraries does everyday to make Suffolk a better place to live. Our various partners and supporters posted some lovely and moving tributes on-line.
- Health and well-being continued to be at the centre of everything we do. This was demonstrated by our response to the sharp rise in the cost of living in September when Suffolk Libraries rolled out the *Be Kind In Kind* campaign, gently offering a warm space, hot drink and a welcome to anyone in difficulty.
- In March we launched *Menopause and Me*, supporting women in the workplace and quickly signed up over 40 local employers.
- We ran regular mental health events with Suffolk MIND, and the *Men Can Talk* initiative at Chantry Library drew well deserved national press attention.

Whilst success in attracting various funding programmes has enabled much of this, the commitment and effort of the staff teams, is what has made it real by delivering hope and possibility. Some of our most experienced and long serving staff members stepped down during this year and we extend our deepest thanks to them for the service and commitment they have given.

This year brought significant challenges. The combined factors of an unexpectedly sharp and sustained rise in inflation, the continued financial strains from the Covid years and the fixed and limited nature of the contract sum, created serious and unsustainable pressures on the charity. The Board alerted our commissioner, Suffolk County Council, to the dangers and asked that options be considered to ameliorate the position. We were much relieved to receive news that the Council had granted additional funds to mitigate a projected deficit for 2022/23 and were also committed to additional support until the end of May 2025 having awarded Suffolk Libraries a further 10-month contract extension. The Board, on behalf of the whole organisation, extends heartfelt thanks to Members and Officers in securing this decision and looks forwards to continuing to work closely with SCC throughout the remainder of the contract.

In ten short years, Suffolk Libraries has undoubtedly created one of the best and most innovative library services in the country and we look forward to the adventure of the next decade.

.....

Debra Reay
Chair
Date:

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

BOARD MEMBERS' REPORT
FOR THE YEAR ENDED 31 MARCH 2023

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:

- **Deliver for Communities:** Continue to deliver the core offer as specified by SCC and sustain the additional value adding services we provide
- **Grow Influence and Reach:** Inspire increased engagement with the charity by building partnerships, developing services, and influencing key stakeholders
- **Evidence Impact and Increase User Voice:** Enhance user voice and evidence (and communicate) our impact on Suffolk communities

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
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BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Business Plan

The business plan objectives for 2022/23 to achieve the charity's aims and objectives:

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.

This will be achieved by:

1. Meet the funding challenge through securing new (unrestricted) income streams to ensure all core service costs (and funding gaps) are covered.
2. Confidently, proudly, and proactively tell our story and demonstrate the positive impact we have on local communities. Showing how we make people's lives better, every day. Showcasing our impact and 'value added'. Making it easy for people to see and believe why we matter!
3. Effectively leverage our position to influence key stakeholders.

Achievements and performance

Post-Covid growth

2022/23 saw further recovery from the impact of the Covid pandemic, particularly in respect of services relating to physical library spaces, as the following highlights show:

- Physical book issues were up 21% compared to 2021/22, with the number of issues in quarter two (576,858) the highest quarterly figure since quarter three of 2019/20.
- There were 64,876 borrowers of physical items from libraries during the year (based on the number of library cards used). This is the highest since 2019/20 (73,897) and up 21.25% on 2021/22.
- Public computer usage has continued to increase, with the number of sessions (32,931) and the duration of usage (23,401 hours) in quarter four the highest quarterly figure since Suffolk Libraries started reporting the measure in quarter two of 2020/21.
- Visits were up 26% on the previous year.
- The number of attendees at events and activities (170,053) was 101% up on 2021/22 (84,508). The number of attendees in quarter four (51,233) was the highest quarterly figure since quarter three of 2019/20 (51,734).
- The number of customers for the Home Library Service had plateaued at around the 310-330 mark since January 2022, but in quarter four there was an increase of 14% (up to 371) which is reflective of the ongoing work to attract new customers.
- 16,000 free hot drinks given out during the winter months.
- The number of volunteering days (4,230) during the year was an increase of 42% on 2021/22 (2,970 days).

SUFFOLK'S LIBRARIES IPS LIMITED
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BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

The Covid pandemic saw increases in usage of digital lending services, and those higher levels have since been maintained. Highlights include:

- Pressreader (online magazine and newspapers) issues read in quarter three (332,411) and quarter four (331,062) were the second and third highest quarterly figures ever recorded. The only quarter where this was bettered was in quarter four of 2020/21 at the heart of the Covid pandemic (358,811). There were 5,552 users of the Pressreader service during the year. Again, the only years this was bettered was in 2020/21 when there were 5,906 users.
- Overdrive (E books and E-audio) issues (316,074) are down on 2021/22 (325,382), it is still way up on the pre-Covid annual figure (188,814 in 2019/20). The number of users (11,130) is actually up 6.2% on 2021/22 (10,480) despite fewer books being issued.
- Borrowbox (E-audio) issues increased for the eighth consecutive quarter in quarter four (28,465). This was the highest number of quarterly Borrowbox issues ever recorded. There were 4,533 users of the service during the year, the highest recorded and up by 25% from 3,628 in 2021/22.

Overall, the figures are encouraging and reflect the continuing recovery of the service from the significant impact of the Covid pandemic.

Meet the funding challenge through securing new (unrestricted) income streams to ensure all core service costs (and funding gaps) are covered.

Prison Libraries

Suffolk Libraries works with commercial partner PeoplePlus to run prison libraries across England. 2022/23 saw the organisation continue to run nine sites with PeoplePlus. Suffolk Libraries also took on three new sites in Norfolk during the year and is running these directly for the Ministry of Justice. Recruitment continues to be a major challenge but much work has been put into recruitment and retention and this is starting to reap dividends at a number of sites. This continues to be a strong source of unrestricted income with any surplus reinvested into achieving the organisations charitable objects.

UKVCAS

The return of the UK visa service to Ipswich County Library has provided a vital resource for those looking to gain UK citizenship. It is also a strong revenue generator for the charity and generated a significant surplus in 2022/23. The team at Ipswich County Library pride themselves on providing a welcoming, empathetic and efficient service.

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 charity successfully bid for funding from the Arts Council's Library Improvement Fund (LIF). The bid of £219K was supported by £41K of match funding from Suffolk County Council. This funding will be used to develop a working product that appears as an enhanced search function on the organisation's website. This next stage of development will enable the charity to seek investment to make it a standalone product with commercial potential.

Development work is due to start in July 2023.

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Barclays Bank and sub-letting of space

Suffolk Libraries continues to develop its relationship with Barclays Bank and is likely to add more customer drop in sites outside of the five existing ones in the coming year. The organisation has also been discussing a permanent presence for other locally based businesses. These relationships generate income that supports the development and growth of the library service.

Fundraising and PAWS-itivity sculpture trail

The recruitment of a new Fundraising Manager has breathed new life into organisational fundraising initiatives. The charity launched its first sculpture event fundraiser called PAWS-itivity. The campaign aims to gain corporate support for up to 45 dog sculptures that will appear at prominent locations across Suffolk during the Summer of 2023. The sculptures will then be auctioned in the Autumn with the surplus being reinvested into the charity.

A number of other fundraising initiatives were instigated during the year including Christmas cards, personal fundraising challenges and Suffolk Libraries Day to name but a few. The future of the charity and its financial sustainability will be strongly linked to its ability to fundraise on scale.

Confidently, proudly, and proactively tell our story and demonstrate the positive impact we have on local communities. Showing how we make people's lives better, every day. Showcasing our impact and 'value added'. Making it easy for people to see and believe why we matter!

Ten year anniversary

2022 was Suffolk Libraries tenth anniversary year and the charity celebrated in style with a 'take over' of Radio Suffolk and special AGM. The organisation also celebrated the amazing contribution of its people by reminding them about their ability to deliver the 'extraordinary everyday'. A number of high profile friends supported the landmark by recording special videos for social media. Mark Ashton, the CEO of Ipswich Town Football Club and Lord Parkinson, The Minister for Arts and Culture were just two who lent their support.

Patrons

Suffolk Libraries launched its first ever patrons scheme and was delighted to recruit three high profile Suffolk residents to advocate on behalf of the charity. Broadcaster Emma Freud, fundraiser-supreme Gina Long and managing director of Jimmy's Farm Michaela Doherty came together to share their love of libraries. Broadcaster Lesley Dolphin will soon join them.

National Portfolio Organisation status

The charity was successful in its application to remain a National Portfolio Organisation recognised by the Arts Council as an organisation that is delivering culturally significant work. This will see Suffolk's Libraries benefit from increased funding from the Arts Council for the next four years. The creative programme continues to go from strength to strength and plans for the coming year include recruiting a storyteller in residence and embedding creativity at the very heart of the organisation.

National, regional and local media coverage

During the year the organisation continued to generate significant media coverage. Coverage of its response to the cost of living crisis was covered by Good Morning Britain, BBC Evening News, BBC News 24 and ITV Anglia. The charity's work evaluating its impact on people's wellbeing was extensively covered with pieces on GB News, ITV Anglia and BBC Look East. Additionally the organisation featured in The Guardian, Sunday Express, Sunday People and Sunday Mirror as well as numerous radio stations.

This type of coverage is crucial to raise the profile of the organisations many services and particularly to influence local and national stakeholders.

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Effectively leverage our position to influence key stakeholders

£41 million of social value delivered every year

Suffolk Libraries commissioned national accountancy practice Moore Kingston Smith to undertake detailed research into the value and impact of the county's libraries. Using internationally recognised social value modelling they conducted an assessment of how every service provided by the charity impacts Suffolk's communities and put a financial value against the material change created for people.

The results were stunning with the research team calculating that the library service in Suffolk generates £41 million in social value every year, which is a return on investment of £8.04 to every £1 spent. Additionally the service saves the NHS locally over £300K per year. These figures not only highlight the enormous value for money provided but also shine a light on the unique way that libraries positively shape and change lives.

Understanding why people do and don't use libraries

Suffolk Libraries successfully bid for Arts Council funding to commission The Audience Agency to undertake detailed research into why people do and don't use libraries in Suffolk. The Audience Agency's report shows that engaged and active library users are appreciative of Suffolk Libraries and hugely positive about their experience. The research found that Suffolk Libraries has an incredibly high Net Promoter Score (NPS) of 86. The Net Promoter Score is a measure used to gauge customer loyalty, satisfaction, and enthusiasm for an organisation or company. Any score over 80 is very rare and shows that customers value the organisation incredibly highly.

However, the report reveals that amongst non-users there are still barriers to using libraries, with awareness of the full range of services and benefits associated with library use still a big factor. Many of those who do use libraries are still unaware of the full range of services available. The organisation plans to use the results of the research to significantly improve its marketing.

Impact and engagement toolkit

As part of the same project, The Audience Agency created a practical and comprehensive toolkit to enable library and arts organisations to understand who uses their services and how the user benefits from them. The toolkit is designed to move organisations away from simply capturing outputs to a place where they are better prepared to capture and evaluate outcomes.

The toolkit is designed to help library services develop a more consistent approach to data collection, monitoring impact and engagement with key audiences. It is hoped this toolkit will also provide a useful template for other cultural and voluntary organisations.

Sector leadership

The organisation successfully completed an LGA 'peer review' and received exceptional feedback for its leadership of the sector and innovative practices.

Meeting needs across Suffolk Communities

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 initiatives of 2022/23.

Suffolk Advice, Guidance and Emotional Support (SAGES)

Open Space groups, that help people to meet wellbeing challenges, continue to go from strength to strength. Suffolk Libraries is keen to refresh and rebrand the SAGES and New Chapter offer and is hoping to do this in 2024/25 with the support of its commissioners.

SUFFOLK'S LIBRARIES IPS LIMITED
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BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

Menopause & Me

Suffolk Libraries launched its new Menopause & Me programme. The programme is being run with funding from the Department of Health and Social Care. It aims to help people who are experiencing the menopause and perimenopause, with a focus on empowering local employers to provide as much support as possible for their staff. Suffolk Libraries will be working with Suffolk Mind and other partners on the project.

One in ten women who have been employed during the menopause have left work due to menopause symptoms, and eight out of ten women say their employer hasn't shared information, trained staff, or put in place a menopause absence policy. These startling facts make this initiative a crucial service for businesses across Suffolk.

Cost of living crisis and the 'Be Kind In Kind' campaign

The Be Kind in Kind campaign used Suffolk Libraries' county-wide network of 45 libraries to offer comprehensive help and support to those struggling due to the cost of living crisis. The campaign was designed to be a call to action for staff, volunteers and corporate partners to make a difference in their community. Be Kind in Kind encouraged people to be generous 'in kind', whether by donating money, their time or second-hand clothing to their communities.

The county's libraries already act as warm spaces. But many libraries started offering free hot drinks and kindness racks enabling people to pick up donated clothes. Most libraries also continued to offer free menstrual products, and several sites worked with the Hygiene Bank to provide free hygiene products. Corporate partners stepped up with Suffolk based coffee company Paddy and Scott's kindly donating coffee and tea to help Suffolk Libraries provide free hot drinks The East of England Co-op also generously donated vouchers to enable libraries to buy milk and other supplies. In total over 16,000 drinks were served across the Winter months.

Jumpstart

Suffolk Libraries was successful in a funding bid to restart its highly successful library based activity programme. A blend of online and site-based activities like Circuits and Pilates have been offered throughout the year and have proved hugely popular with the general public.

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. While sustainable funding for this vital service remains an ongoing priority, the learning has been embedded across libraries and has enriched the early years offer for families.

Pride and Periods and Partnership with The Hygiene Bank

Pride and Periods, the scheme designed to reduce period poverty continues and became a key part of the organisations response to the cost of living crisis, supported by the East of England Co-Op and Bloody Good Period. It was supplemented by a new partnership with national charity the Hygiene Bank who enabled Suffolk Libraries to provide free hygiene products across a number of sites.

Baby weighing in libraries

Libraries continue to offer parents and carers the option to self-weigh their babies across 15 libraries. Self-weigh is offered at regular Wordplay sessions to encourage more parents and carers to attend the groups.

Plans for future periods

Suffolk Libraries is committed to growing its services to meet the needs of communities across the county. It aims to work closely with the new Suffolk and North East Essex Integrated Care System to enhance existing services and provide new ones that support improved community wellbeing. This is an important strategic goal both in relation to public health and financial sustainability. Working collaboratively with both Suffolk County Council and the NHS can save money, increase capacity and enhance integration.

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

The organisation's 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:

1. Grow our audience, through compelling marketing and comms, that engages significant new audiences and reenergises existing ones by projecting the full breadth of the offer.
2. Meet the funding challenge through securing new (unrestricted) income streams to ensure all core service costs (and funding gaps) are covered (fundraising, ICS, commercial).
3. Build workforce skills by developing the leaders of the future and recruiting colleagues from diverse communities who bring new talents and perspectives.

Financial review

Suffolk Libraries set a unrestricted budget deficit for operational trading of £404K for 2022/23, this was eventually reduced to a deficit of £165K by year end.

This reduction in the deficit was mainly achieved because of additional support provided by Suffolk County Council to cover the costs of warm spaces and digital inclusion work. Without the monies received of £154K, Suffolk Libraries would have reported an unrestricted deficit of £319K.

As the deficit was smaller than budgeted, reserves have remained healthier than expected. The welcome confirmation of additional funding from Suffolk County Council has created financial stability until the end of the current contract in May 2025.

Over the past three years Covid-19 restrictions have had a negative effect on Suffolk Libraries ability to generate income. Suffolk Libraries continues to explore new income streams to mitigate the slow recovery of traditional income sources like printing, copying and room hire. This year has seen a number of promising revenue streams emerge. These include the UK Visa Service and increasing co-location with banks and building societies.

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. This extension has now been further extended to May 2025. The extensions were agreed due to the Covid-19 restrictions delaying any significant public consultation and procurement processes in Suffolk.

Due to its financial stability Suffolk Libraries was able to continue to support the delivery of restricted funded projects for the benefit of Suffolk's population.

Restricted income during the financial year 2022/23 has been significant with a total value of £2.1M. The main restricted fund is the Book Stock Fund (£1.0M). During the year Suffolk Libraries continued to support the activities of the Mental Health Project (£175K) and the Arts Programmes run by the organisation as a National Portfolio Organisation (£181K).

New grant funding was received for the Community Literacy Project (£225K) and Menopause and Me project (£143K). A breakdown of all restricted funds can be found in note 19 of the accounts.

The Friends Groups of Suffolk Libraries supported the activities in various libraries at a value of £100K during the year.

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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 the completed financial year, the strength of the balance sheet, and the projected financial health of the organisation in 2023/24.

After this assessment, the Directors are confident that the charity continues to operate as a going concern. Suffolk County Council provided additional financial support in 2022/23. Increasing fuel bills were a cause for concern, which with 45 static libraries, caused a large increase in expenditure without the option of reducing the requirement for energy use.

For the period 2023/24 the core funding from Suffolk County Council remains unchanged at £5.9M including the ring-fenced stock fund. The Suffolk County Council Cabinet decision to allow additional funding up to £720K during the next financial year ensures that Suffolk Libraries will end the 2023/24 financial year with a reserve which meets the requirements of the stated reserves policy of two months essential running costs.

There was already an agreed contract extension until July 2024 and as of 11th July 2023 the Suffolk County Council Cabinet has agreed to extend this until May 2025 to allow for meaningful consultations with various stakeholders within Suffolk, after which an open tender process will be launched.

Taking the above into consideration Suffolk Libraries will be a going concern for the 12 month period following the AGM in September 2023.

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 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 2023 are £1.42 Million (31st March 2022 £1.31 Million), of this restricted funds, available for specific projects only, of £428K are held (31st March 2022 £144K) and unrestricted reserves available for running costs of £984K (31st March 2022 £1.1 million), a decrease of £186K.

Trustees are satisfied with the level of reserves held as at 31 March 2023.

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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:

Board Members - March 2022-2023	Date Appointed or Resigned:
Anthony Brown	Appointed 09/2013
Bruce Leeke	Appointed 02/2018
Debra Reay	Appointed 08/2020
Derrick Haley	Appointed 08/2020
Elizabeth Ditton	Appointed 08/2020
Kathy Oliver	Appointed 02/2020 Resigned 08/22
Maureen Garratt Simpson	Appointed 09/2018
Rebecca Leek	Appointed 08/2020
Sylvia Knights	Appointed 02/2012
Krupa Sodha	Appointed 12/2021 Resigned 09/22
Belle Bradley	Appointed 12/2021
Samantha Hart	Appointed 12/2022
Chloe Appleford	Appointed 12/2022

Suffolk Libraries IPS Limited is a Registered Society governed by its Rules dated 7 August 2013. It is an exempt charity, registered with 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 2023 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

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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 13. 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 13.

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 judgments 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.

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

BOARD MEMBERS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

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.

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: 31 August 2023

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

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 2023 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 2023 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
(A company limited by guarantee)

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
(A company limited by guarantee)

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
(A company limited by guarantee)

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: 18 September 2023

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

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	77,768	104,104	181,872	592,229
Charitable activities	4	6,577,114	2,073,846	8,650,960	7,623,763
Investments	7	19,157	-	19,157	1,185
Total income		6,674,039	2,177,950	8,851,989	8,217,177
Expenditure on:					
Charitable activities		6,864,294	1,869,112	8,733,406	8,544,921
Total expenditure		6,864,294	1,869,112	8,733,406	8,544,921
Net (expenditure)/income		(190,255)	308,838	118,583	(327,744)
Transfers between funds	19	24,833	(24,833)	-	-
Net movement in funds		(165,422)	284,005	118,583	(327,744)
Reconciliation of funds:					
Total funds brought forward		1,160,732	144,276	1,305,008	1,632,752
Net movement in funds		(165,422)	284,005	118,583	(327,744)
Total funds carried forward		995,310	428,281	1,423,591	1,305,008

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


The financial statements were approved by the Board members on 31 August 2023 and signed on their behalf, by:



Maureen Garratt Simpson
Honorary Secretary



Sylvia Knights
Chair of Finance and Audit Committee



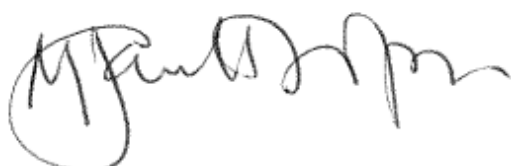
Bruce Leeke
Chief Executive

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)
REGISTERED NUMBER: IP031542

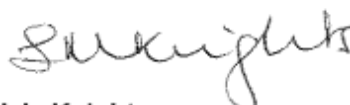
BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	16	18,265	29,358
Current assets			
Debtors	17	2,953,273	2,516,436
Cash at bank and in hand		1,321,907	1,597,727
		<u>4,275,180</u>	<u>4,114,163</u>
Creditors: amounts falling due within one year	18	<u>(2,869,854)</u>	<u>(2,838,513)</u>
Net current assets		1,405,326	1,275,650
Total net assets		<u>1,423,591</u>	<u>1,305,008</u>
Charity funds			
Restricted funds	19	428,281	144,276
Unrestricted funds	19	995,310	1,160,732
Total funds		<u>1,423,591</u>	<u>1,305,008</u>

The financial statements were approved by the Board members on 31 August 2023 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 21 to 44 form part of these financial statements.

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	21	(270,820)	(51,547)
		<hr/>	<hr/>
Cash flows from investing activities			
Purchase of tangible fixed assets		(5,000)	(29,694)
		<hr/>	<hr/>
Net cash used in investing activities		(5,000)	(29,694)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(275,820)	(81,241)
Cash and cash equivalents at the beginning of the year		1,597,727	1,678,968
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	22	1,321,907	1,597,727
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 21 to 44 form part of these financial statements

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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 Directors undertake an assessment each year into the financial position of the organisation as a going concern. This review considers the results for the completed financial year, the strength of the balance sheet, and the projected financial health of the organisation in 2023/24.

After this assessment, the Directors are confident that the charity continues to operate as a going concern. Suffolk County Council provided additional financial support in 2022/23. Increasing fuel bills were a cause for concern, which with 45 static libraries, caused a large increase in expenditure without the option of reducing the requirement for energy use.

For the period 2023/24 the core funding from Suffolk County Council remains unchanged at £5.9M including the ring-fenced stock fund. The Suffolk County Council Cabinet decision to allow additional funding up to £720K during the next financial year ensures that Suffolk Libraries will end the 2023/24 financial year with a reserve which meets the requirements of the stated reserves policy of two months essential running costs.

There was already an agreed contract extension until July 2024 and as of 11th July 2023 the Suffolk County Council Cabinet has agreed to extend this until May 2025 to allow for meaningful consultations with various stakeholders within Suffolk, after which an open tender process will be launched.

Taking the above into consideration Suffolk Libraries will be a going concern for the 12 month period following the AGM in September 2023.

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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 July 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
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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 results of the 31 March 2022 valuation indicate that scheme liabilities attributable to the Society were funded by assets at a level of 107%. Employer contributions for the three years to 31 March 2024 were proposed at a multiple of salary that is projected to amount to £356,380 in 2023/24.

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
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

3. Income from donations

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Group contributions cash donations	3,510	100,769	104,279
Fundraising by staff	10,416	173	10,589
Donations	63,312	3,162	66,474
Libraries Extra	530	-	530
Total 2023	<u><u>77,768</u></u>	<u><u>104,104</u></u>	<u><u>181,872</u></u>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
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
<i>Total 2022</i>	<u><u>557,409</u></u>	<u><u>34,820</u></u>	<u><u>592,229</u></u>

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

4. Income from charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Libraries service contract income	4,934,548	-	4,934,548
Contract stock budget income	-	988,242	988,242
NPO - arts project	-	181,458	181,458
Grants received	-	818,374	818,374
Other library income (note 5)	619,755	84,774	704,529
Professional services (note 6)	905,211	900	906,111
Collection fees	117,600	98	117,698
Total 2023	<u><u>6,577,114</u></u>	<u><u>2,073,846</u></u>	<u><u>8,650,960</u></u>
	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
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
<i>Total 2022</i>	<u><u>6,126,948</u></u>	<u><u>1,496,815</u></u>	<u><u>7,623,763</u></u>

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. Other library income

	2023	<i>2022</i>
	£	<i>£</i>
Stock unit	82,743	<i>348</i>
Hosted office space and other income	216,084	<i>147,384</i>
Prisons	54,000	<i>60,000</i>
In-house projects	54,270	<i>149,009</i>
Room and equipment hire	139,741	<i>63,640</i>
Central offices	157,691	<i>1,806</i>
	704,529	<i>422,187</i>

6. Professional services

	2023	<i>2022</i>
	£	<i>£</i>
Prisons library service	819,926	<i>677,320</i>
Mental health project	-	<i>94,706</i>
Professional services - central	85,285	<i>2,662</i>
Projects - restricted	900	<i>-</i>
	906,111	<i>774,688</i>

7. Investment income

	Unrestricted funds 2023	Total funds 2023	<i>Total funds 2022</i>
	£	£	<i>£</i>
Investment income	19,157	19,157	<i>1,185</i>

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. Analysis of resources expended by expenditure type

	Direct 2023	Support 2023	Governance 2023	Total funds
	£	£	£	£
Library	5,600,623	1,610,272	23,873	7,234,768
Prisons library service	730,093	-	500	730,593
Mental health project	156,535	-	-	156,535
NPO - Arts project	195,310	-	-	195,310
Projects - restricted	345,938	-	-	345,938
In-house projects	-	60,607	-	60,607
Rushmere Pop up	9,521	-	-	9,521
Total 2023	7,038,020	1,670,879	24,373	8,733,272

	<i>Direct 2022</i>	<i>Support 2022</i>	<i>Governance 2022</i>	<i>Total funds 2022</i>
	£	£	£	£
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
<i>Total 2022</i>	6,502,993	2,010,273	31,656	8,544,922

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

9. Support costs

	2023 £	2022 £
Wages and salaries	1,210,803	1,463,717
Property costs	19,199	14,195
Insurance	55,755	45,408
Agency staff costs	23,188	560
Staff development	20,399	45,459
Travel and subsistence	18,697	12,666
Bank, interest and charges	3,646	3,635
IT, HR and accountancy	208,748	191,309
Consultancy fees	19,864	84,157
Stock	8,023	16,590
Other	53,868	108,361
Supplies, printing and telephone	28,689	24,216
	1,670,879	2,010,273

10. Governance costs

	2023 £	2022 £
Legal fees	8,208	15,984
Auditor fees	12,350	12,800
Board expenses	3,815	2,872
	24,373	31,656

11. Auditors' remuneration

	2023 £	2022 £
Fees payable to the Society's auditor for the audit of the Society's annual accounts	10,750	10,250
Fees payable to the Society's auditor in respect of: All non-audit services not included above	1,600	1,250

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

12. Staff costs

	2023	<i>2022</i>
	£	£
Wages and salaries	4,726,200	4,586,221
Social security costs	274,056	249,474
Pension costs	349,075	365,877
	5,349,331	<i>5,201,572</i>

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

	2023	<i>2022</i>
	No.	No.
Frontline staff	350	360
Administration and support	25	20
Management	15	10
	390	<i>390</i>

During the year a total of £3,000 (*2022 - £11,524*) was paid in redundancy and termination payments.

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

	2023	<i>2022</i>
	No.	No.
In the band £80,001 - £90,000	1	<i>1</i>

Aggregate key management personnel remuneration (including employer pension contributions) was £481,809 (*2022 - £509,467*).

During the year retirement benefits were accruing to 1 Board member (*2022 - 1*) in respect of defined contribution pension schemes.

13. Board members' remuneration and expenses

Remuneration of £84,845 (*2022 - £90,551*) and pension contributions of £5,091 (*2022 - £5,433*) 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 2023, 4 (*2022 - 1*) Board members received reimbursement of expenses amounting to £3,815. (*2022 - £663*).

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. Acting as agent

During the period the society collected fees on behalf of, and paid over to, Suffolk County Council totaling £190,480 (2022 - £90,576). This is not included within the Statement of Financial Activities.

The society received £190,480 (2022 - £90,576) as collection fees for undertaking this process.

During the period the society received Section 106 money from Suffolk County Council totaling £52,826 (2022 - £103,492). 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 £1,019 (2022 - £1,000) is held within other creditors.

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

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 (2022: 44 members).

16. Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2022	114,397	12,640	51,576	178,613
Additions	-	5,000	-	5,000
At 31 March 2023	<u>114,397</u>	<u>17,640</u>	<u>51,576</u>	<u>183,613</u>
Depreciation				
At 1 April 2022	97,074	5,928	46,253	149,255
Charge for the year	9,898	3,345	2,850	16,093
At 31 March 2023	<u>106,972</u>	<u>9,273</u>	<u>49,103</u>	<u>165,348</u>
Net book value				
At 31 March 2023	<u>7,425</u>	<u>8,367</u>	<u>2,473</u>	<u>18,265</u>
At 31 March 2022	<u>17,323</u>	<u>6,712</u>	<u>5,323</u>	<u>29,358</u>

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

17. Debtors

	2023	2022
	£	£
Trade debtors	2,767,207	2,281,704
Other debtors	39,655	13,036
Prepayments and accrued income	146,411	221,696
	<u>2,953,273</u>	<u>2,516,436</u>

18. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	149,143	153,509
Other taxation and social security	441,281	372,042
Other creditors	-	160,931
Accruals and deferred income	2,279,430	2,152,031
	<u>2,869,854</u>	<u>2,838,513</u>

Included within accruals and deferred income is the advance payment for the main libraries contract totaling £1,480,697 (2022 - £1,480,697).

	2023	2022
	£	£
Deferred income at 1 April 2022	1,578,529	1,509,610
Resources deferred during the year	1,480,697	1,484,260
Amounts released from previous periods	(1,574,966)	(1,509,610)
	<u>1,484,260</u>	<u>1,484,260</u>

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Unrestricted funds					
Designated funds					
Ipswich Refurbishment Fund	60,000	-	-	-	60,000
General funds					
General fund	1,100,688	6,674,039	(6,864,294)	24,833	935,266
Share capital	44	-	-	-	44
	1,100,732	6,674,039	(6,864,294)	24,833	935,310
Total Unrestricted funds	1,160,732	6,674,039	(6,864,294)	24,833	995,310

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

19. Statement of funds (continued)

	Balance at 1 April 2022 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2023 £
Restricted funds					
Stock Fund	18,791	1,071,083	(1,058,374)	-	31,500
Friends Group	-	100,769	(100,769)	-	-
Mental Health Fund	-	175,000	(156,535)	(17,400)	1,065
NPO	26,392	181,458	(185,814)	(9,228)	12,808
NPO fixed assets	16,141	-	(9,496)	-	6,645
Local Libraries					
Rushmere	2,987	7,745	(7,700)	-	3,032
Suffolk Libraries					
Extra	250	-	-	-	250
Freddy's Fund	2,460	-	(1,821)	-	639
Perinatal	20,135	-	(19,966)	-	169
Arts, Museums & Libraries	8,154	31,000	(3,557)	-	35,597
Lets get creative	7,685	7,920	(17,707)	-	(2,102)
Mid Suffolk Ipad	5,531	6,750	(5,347)	-	6,934
Reading Sparks	7,989	1,450	(9,086)	-	353
Device to your Door	4,724	-	(4,724)	-	-
Community Literacy Levels	-	225,000	(14,845)	-	210,155
Menopause	-	143,580	(143,355)	(225)	-
Fifty Things to do before you are 5	-	50,000	(20,000)	-	30,000
User and Non user survey	-	47,473	(47,473)	-	-
Jump Start January	-	40,790	(8,930)	-	31,860
Other Restricted Funds	23,037	87,932	(53,613)	2,020	59,376
	<u>144,276</u>	<u>2,177,950</u>	<u>(1,869,112)</u>	<u>(24,833)</u>	<u>428,281</u>
Total of funds	<u><u>1,305,008</u></u>	<u><u>8,851,989</u></u>	<u><u>(8,733,406)</u></u>	<u><u>-</u></u>	<u><u>1,423,591</u></u>

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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 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.

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

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

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.

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.

Reading Sparks - This project is funded by the Reading Agency, the aim of the project is to encourage

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

19. Statement of funds (continued)

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.

Community Literacy Fund - A grant from SCC to run between 1st April 2022 - 31st March 2024, the purpose of the grant is to assist in the establishment of the Children and Literacy Development project which covers inclusive Growth, Health, Care and Wellbeing. The schools programme is intended to reach 50 schools.

Menopause and Me - A grant from Department of Health and Social Care, for a programme of events and workshops which run from 2022-2025 - Women's reproductive wellbeing in the workplace.

50 things before you are 5 - A grant from SCC to run between April 2023 to July 2024 to support delivery of a project for children, young people and families across the Ipswich opportunity area. To tackle the disadvantages of social deprivation and mitigating the impact of Covid-19. Suffolk Libraries is the lead organisation for compliance and financial monitoring.

User and Non-User Survey - A grant for primary research to develop an understanding of current and potential users of Suffolk Libraries Service, including motivations, needs and barriers of people who do not currently use Library services.

Jumpstart January - A grant from SCC to run between October 2022 - August 2023, the grant is allocated grant-in-aid and is a contribution towards the delivery of Suffolk Libraries Strategic Aim to enrich everyone's quality of life, provide safe, fun and inspiring space that stimulate creativity, expand knowledge and foster a sense of community. This is particularly concerned with physical activity, without finance as a barrier.

Other - Small grants expended during the year.

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

Statement of funds - prior year

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

19. Statement of funds (continued)

	<i>Balance at 1 April 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2022 £</i>
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
	<u>1,267,285</u>	<u>6,685,542</u>	<u>(6,864,200)</u>	<u>12,105</u>	<u>1,100,732</u>
Total Unrestricted funds	<u>1,327,285</u>	<u>6,685,542</u>	<u>(6,864,200)</u>	<u>12,105</u>	<u>1,160,732</u>

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

19. Statement of funds (continued)

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 fixed assets	42,744	178,580	(187,742)	(7,190)	26,392
Local Libraries Rushmere	5,699	19,938	(9,496)	-	16,141
Suffolk Libraries Extra	-	3,160	(3,160)	-	-
Freddy's Fund	6,410	5,099	(8,522)	-	2,987
Perinatal	-	250	-	-	250
Arts, Museums & Libraries	2,634	-	(174)	-	2,460
Lets get creative	7,455	21,272	(5,690)	-	23,037
Reading Sparks	24,718	60,130	(64,713)	-	20,135
Device to your Door	-	24,260	(15,366)	(740)	8,154
Community Literacy Levels	-	69,930	(62,245)	-	7,685
Fifty Things to do before you are 5	11,284	-	(5,753)	-	5,531
User and Non user survey	7,146	5,800	(4,957)	-	7,989
Jump Start January	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
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	11,620	6,645	18,265
Current assets	3,509,224	765,956	4,275,180
Creditors due within one year	(2,525,534)	(344,320)	(2,869,854)
Total	<u>995,310</u>	<u>428,281</u>	<u>1,423,591</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
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>

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

	2023 £	2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	118,583	(327,744)
Adjustments for:		
Depreciation charges	16,093	43,896
Increase in debtors	(436,837)	(352,913)
Increase in creditors	31,341	504,920
Net cash used in operating activities	<u>(270,820)</u>	<u>(131,841)</u>

SUFFOLK'S LIBRARIES IPS LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

22. Analysis of cash and cash equivalents

	2023	<i>2022</i>
	£	£
Cash in hand	1,321,907	1,597,727
Total cash and cash equivalents	1,321,907	<i>1,597,727</i>

23. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	1,597,727	(275,820)	1,321,907
	1,597,727	(275,820)	1,321,907

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 £349,075 (2022 - £389,278) 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
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

25. Operating lease commitments

At 31 March 2023 the Society had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	<i>2022</i>
	£	£
Not later than 1 year	68,102	<i>87,044</i>
Later than 1 year and not later than 5 years	73,196	<i>125,572</i>
Later than 5 years	126,343	<i>138,819</i>
	<hr/> 267,641 <hr/>	<hr/> <i>351,435</i> <hr/>

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 £75,315 (2022 - £155,881).

26. Related party transactions

Other than amounts disclosed in note 13, the Suffolk's Libraries IPS Limited has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Suffolk's Libraries IPS Limited at 31 March 2023.