
ANNUAL REPORT

2017

CONTENTS

Section		Page no.
2	Chair's introduction	2
3	Reference and administrative details	3
4	SCONUL membership	4
6	Report of the trustees	6
7	Leadership and advocacy	7
10	Promoting good practice and collaboration	11
12	SCONUL's partner organisations	13
13	Member services	14
15	Structure, governance and management	16
17	Responsibilities of the trustees	18
18	Financial review	19
19	Independent auditors' report	21
22	Statement of financial activities	23
24	Balance sheet	25
26	Statement of cash flows	27
28	Notes to the financial statements	29

CHAIR'S INTRODUCTION



Supporting leadership is central to SCONUL's mission. Much of our work in 2017 was explicitly devoted to this end.

Leading libraries

We delivered a programme of events, research, analysis and new services under the heading of "Leading Libraries". The aim has been to give those heading libraries the tools and space to reflect on their own leadership challenges, and to give something back to the community through our new mentoring scheme and the Experience Exchange.

There is also plenty here for new and emerging leaders: practical support such as action learning sets and deputies and new directors groups, plus briefings and analysis to help develop their own leadership vision. For example, the research

programme provided a rich picture of the current attitudes to libraries and librarianship in the UK and internationally and is recommended reading for anyone leading a library.

A huge vote of thanks must go to the Leadership Task & Finish Group members who produced so much, so quickly on slim resources.

Mapping the future

Library leaders are always required to balance delivering effective services now with the need to shape those services to meet the future needs of their institutions and users. A highlight of 2017 was our conference on mapping the future of the academic library, following publication of the report by the same name, which produced a far-reaching conversation about our future challenges and responsibilities.

Effective partnerships

Our partnership with the wide range of other bodies working on similar issues makes us more effective, individually and collectively. During 2017 we built new relationships – for example with BUFDG on action learning sets, and deepened existing ones, for example working very effectively with RLUK to get our message heard on the cost of content.

A new strategy

This year we will be opening up new conversations about our future direction, including the shape of our strategy for 2019 – 2021. We are keen to hear from all our members via the surveys, meetings and talks which will be taking place in 2018.

Caroline Taylor, Chair

REFERENCE AND ADMINISTRATIVE INFORMATION

Status

The organisation is a charitable company limited by guarantee.

Company number:

01436951

Charity number: 278550

Registered Office

94 Euston Street, London
NW1 9HA

Trustees

Trustees, who are also directors under company law and who served during the year and up to the date of this report were as follows:

- **Chair:** Mark Toole (resigned 21 Sept 2017);
- Caroline Taylor (elected 6 June 2017, co-opted Chair until 2018 AGM)

- **Vice-Chair:** Kitty Inglis (resigned 31 August 2017)
- Pete Ryan (elected 6 June 2017, elected Vice-Chair at EGM 8 Dec 2017)
- **Honorary Treasurer:** Robert Hall
- Alison Baud
- Frances Boyle
- Caroline Brazier
- Roisin Gwyer
- Alison Harding (appointed 14 July 2017)
- Judith Keene
- Liz Kerr (resigned 14 July 2017)
- Gobnait O’Riordan
- Richard Parsons (co-opted 5 Sept 2017)
- Christopher Pressler (co-opted 13 Sept 2017)
- Steve Rose (elected 6 June 2017)
- Alison Stevenson
- John Tuck (resigned 6 June)

- Liz Waller (elected 6 June 2017)
- Steve Williams (resigned 14 July 2017)

Bankers and Investment Managers

The Co-operative Bank plc
PO Box 250, Delf House
Southway
Skelmersdale WN8 6WT

CCLA Investment Managers Limited
COIF Charity Funds
Senator House
85 Queen Victoria Street
London EC4V 4ET

Auditors

Godfrey Wilson Limited
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol, BS1 4QD

Solicitors

Walker Morris LLP
Kings Court
12 King Street
Leeds LS1 2HL

HR advisor

WB Ranken
16 Forest Edge
Buckhurst Hill
Essex IG9 5AA

Staff

- **Executive Director and Company Secretary**
Ann Rossiter
- **Deputy Director, Services**
Amy Lloyd (until June 2017)
- **SCONUL Co-ordinator**
SitMui Ng
- **Finance Assistant**
Kim Hardingham

SCONUL MEMBERSHIP

Abertay University
University of Aberdeen
Aberystwyth University
University of Abertay Dundee
The Arts University,
Bournemouth
Anglia Ruskin University
Aston University
Bangor University
University of Bath
Bath Spa University
University of Bedfordshire
Birkbeck, University of London
University of Birmingham
Birmingham City University
Bishop Grosseteste University
The British Library
Bournemouth University
The University of Bolton
University of Bradford
University of Bristol
Brunel University
University of Brighton
University of Buckingham
Buckinghamshire New University
University of Cambridge
Canterbury Christ Church
University
Cardiff University
Cardiff Metropolitan University
University of Chester

The Conservatoire for Dance
and Drama
The University of
Gloucestershire
City University
University College Cork
Courtauld Institute of Art
Coventry University
Cranfield University
University of Cumbria
University of Derby
De Montfort University
Dublin City University
Dublin Institute of Technology
University of Dundee
Durham University
University of East Anglia
University of East London
Edge Hill University
University of Edinburgh
Edinburgh Napier University
University of Essex
University of Exeter
Falmouth University
Glasgow Caledonian University
Glasgow University
The Glasgow School of Art
Glyndŵr University
Goldsmiths, University of London
University of Greenwich
Guildhall School of Music &
Drama

Harper Adams University
College
University of Hertfordshire
Heythrop College
University of Huddersfield
University of Hull
Heriot-Watt University
Imperial College London
Institute of Cancer Research
King's College London
Keele University
Kingston University
Lancaster University
Leo Baeck College
Loughborough University
London Business School
Leeds College of Art
Leeds College of Music
University of Leeds
University of Leicester
University of Limerick
University of Lincoln
University of the Arts London
University of Liverpool
Liverpool Hope University
Liverpool John Moores
University
Leeds Beckett University
Leeds Trinity University
London Metropolitan University
London School of Economics

London School of Hygiene &
Tropical Medicine
Liverpool School of Tropical
Medicine
The University of Manchester
Middlesex University
Manchester Metropolitan
University
Newcastle University
Newman University
National Library of Ireland
National Library of Scotland
National Library of Wales
University of Nottingham
Northumbria University
Norwich University of the Arts
Nottingham Trent University
National University of Ireland,
Galway
National University of Ireland,
Maynooth
The Open University
Oxford Brookes University
Oxford University
University of the West of
Scotland
University of Plymouth
University of Portsmouth
Queen Margaret University
Queen Mary, University of
London

SCONUL MEMBERSHIP

Queen's University of Belfast
Ravensbourne
Royal Agricultural University
Royal Central School of Speech
& Drama
Royal College of Art
Royal College of Music
Royal College of Physicians and
Surgeons of Glasgow
Royal College of Surgeons in
Ireland
University of Reading
Regent's University London
Robert Gordon University
Royal Holloway, University of
London
Royal Institute of British
Architects
Royal Northern College of Music
Roehampton University
Rose Bruford College

The Royal College of Surgeons
of England
Royal Conservatoire of Scotland
The Royal Veterinary College
Royal Welsh College of Music
and Drama
SRUC
Salford University
London South Bank University
St George's University of London
University of Sheffield
Sheffield Hallam University
University for the Creative Arts
School of Oriental and African
Studies
University of South Wales
Southampton Solent University
University of Southampton
Staffordshire University
University of St Andrews
University of Stirling

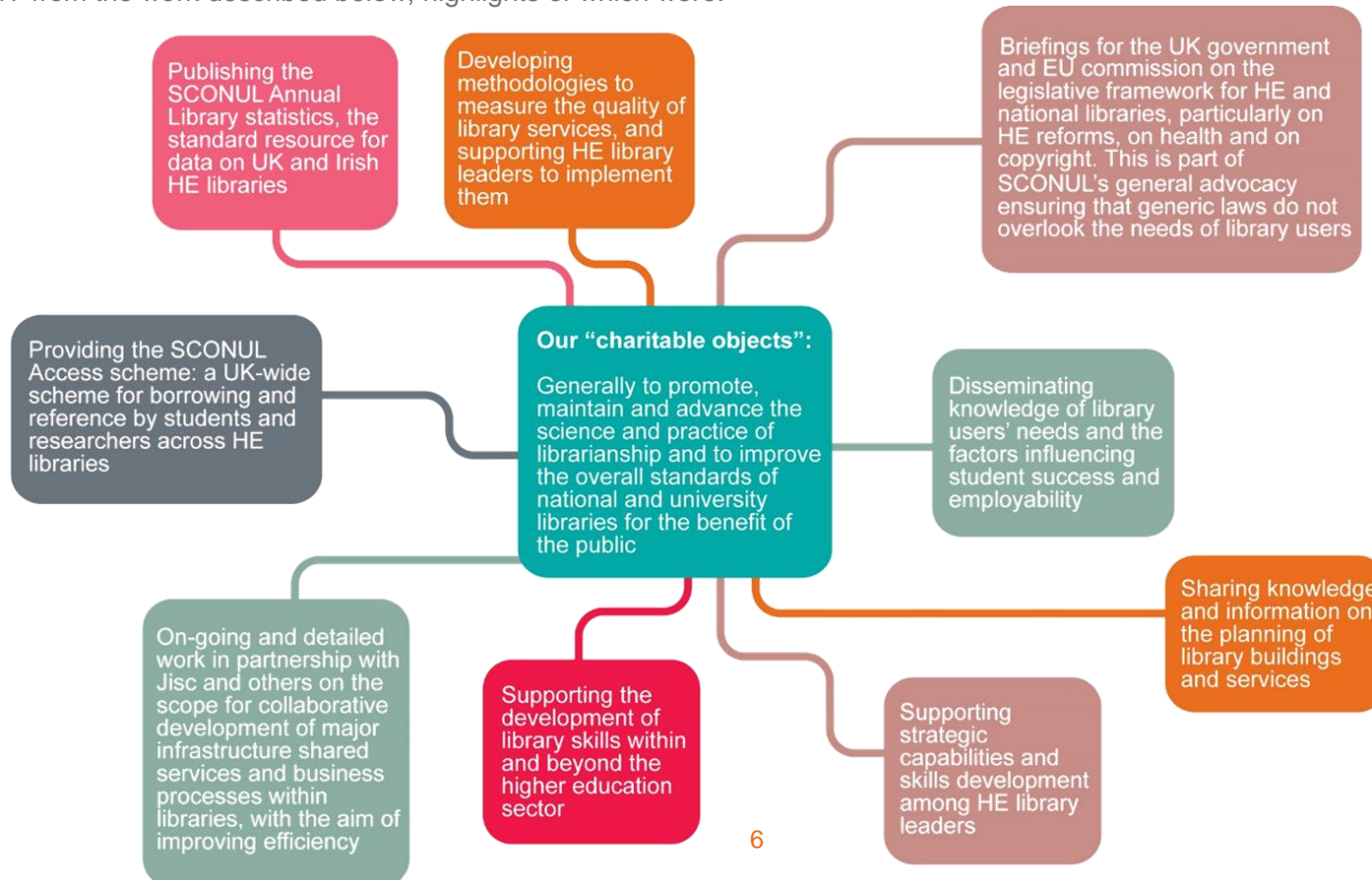
University of St Mark & St John
St Mary's University
St Mary's University College
Belfast
University of Strathclyde
University of Sunderland
University of Surrey
University of Sussex
Swansea University
Tate
University of Wales Trinity Saint
David
Trinity College Dublin
Trinity Laban
University of Teesside
University of West London
University of Chichester
University College Birmingham
University College Dublin
UCL
University of Central Lancashire

The University of Northampton
York St John University
University Campus Suffolk
University of Highlands and
Islands
University of Kent
University of London
University of Ulster
University of the West of
England, Bristol
University of Warwick
Wellcome Library
University of Westminster
University of Winchester
University of Wolverhampton
University of Worcester
Writtle College
University of York

REPORT OF THE TRUSTEES

The trustees present their report and the audited financial statements for the year ended 31 December 2017. Reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective January 2015).

As a charity, SCONUL has a set of core aims (our “charitable objects”). The Executive Board has referred to the Charity Commission’s guidance on public benefit when reviewing SCONUL’s aims and objectives and in planning future activities. Identifiable public benefits arose during 2017 from the work described below, highlights of which were:



LEADERSHIP AND ADVOCACY

Leadership development

SCONUL's support for the development of leadership skills within our sector is an important part of our remit, and discussions during the development of our current strategy indicated that there was an appetite from members for more support in this area. In response, SCONUL established a Task & Finish Group to commission work and develop new services.

In 2017 the group delivered our "Leading Libraries" programme which undertook research, delivered briefings and new services, including an interactive tool on the SCONUL website (<https://www.sconul.ac.uk/page/leading-libraries>) to help staff at member institutions navigate the range of support

on offer for their leadership development.

As a result of the group's work, emerging leaders are able to join an Action Learning Set alongside colleagues from other professional services, including estates, finance, HR and IT, providing a powerful development experience. They can also join one of SCONUL's deputies groups, which give an opportunity for sharing best practice and problem solving experience with peers.

Emerging and newly established leaders are the main target audience for SCONUL's new mentoring scheme which was developed by the Task & Finish Group during 2017.

Research commissioned by the group provides an opportunity to members to deepen their understanding of, and respond to, the leadership challenges the sector faces. This looked at leadership in uncertain times, at how libraries and librarians are viewed by those leading their institutions and at the international picture on library leadership.

Established and newly emerging leaders are also able to use a new service: "the Experience Exchange Register" and to use the directory of leadership courses produced by the group to expand their range of personal CPD options.

Aspiring leaders in the SCONUL community can

deepen their knowledge of the strategic issues for libraries though signing up to our discussion lists, attending SCONUL events and writing for FOCUS (see page 15).

In addition, SCONUL has continued to work with the Leadership Foundation for Higher Education (now Advance HE) during 2017 in the development of its Future Professional Directors Programme and with the HEA to support our members seeking fellowship.

In 2018 we launched the SCONUL Mentoring scheme and will continue to develop the extensive range of support on offer, including a 360° tool for developing their own services.

LEADERSHIP AND ADVOCACY

Journals, e-books and the cost of content

Challenging publishing models which drive up the cost of journals and other content remains a central objective for SCONUL, and has been an important element of our work **in 2017**.

The pressure on library budgets from above-inflation price increases remains a real issue for libraries across the world. SCONUL is a member of the International Coalition of Library Consortia (ICOLC), through which we share intelligence and strategic approaches on negotiations.

In the UK, SCONUL works closely with Jisc Collections, RLUK and others and is an active member of the Jisc

Collections Content Strategy Group - the representative voice for institutions in negotiations with publishers. In 2017, priorities included the Royal Society of Chemistry and Taylor and Francis. The Executive Director also regularly briefs journalists on these issues.

This year we also worked closely with colleagues at the purchasing consortia, led by SUPC, and Jisc Collections, on the development of the e-books tender framework, a fruitful partnership which we will be developing further.

In 2018 our Content Group will continue this work, liaising closely with Jisc Collections on individual negotiations and engaging in the public debate on the high cost of content.

The transition to open access

SCONUL has a long-standing commitment to fostering open access to scholarly content, and **in 2017**, we continued to work closely with Jisc on the development of the set of services to support institutions in handling the complexities of OA related processes and payments.

SCONUL has also been a strong supporter of the UK-Scholarly Communications Licence, an open access policy mechanism which ensures researchers can retain re-use rights in their own work. SCONUL members have contributed time and effort to launch this new and important initiative.

SCONUL is a member of the UUK Open Access Coordination group and its

sub-groups where we have been arguing strongly for steps which will speed up the slow transition to open access in the UK.

In 2018 we will continue to work closely with partners on the systemic changes required to encourage and support the transition to open access and have been in discussion with members as to the most appropriate way forward for open access policy in the UK.

LEADERSHIP AND ADVOCACY

Research data management

Supporting member libraries to contribute fully to research data management within their institutions has also been a significant element of our work **in 2017**.

SCONUL has been collaborating with Jisc, RLUK, RUGIT and UCISA on the “Research at Risk” programme to identify and develop the systems and infrastructure that institutions will need in order to maximise the benefits of research data to research and learning. This includes sitting on the governance body overseeing the development of Jisc’s Research Data Shared Service (RDSS) Management Service. Again, this work will continue **in 2018**.

Copyright and intellectual property

Copyright and intellectual property law remain issues of central importance for all libraries, and **in 2017** SCONUL continued to engage with government and with its members on reform, largely through the umbrella groupings Copyright for Knowledge and the Libraries and Archives Copyright Alliance (LACA).

Our aim is to present a clear set of arguments for the benefits of greater openness in scholarly communications.

The SCONUL Copyright Group, made up of experts from among the SCONUL community, also provided briefings to members on developments.

SCONUL has advocated for regulatory regimes for the UK and the EU which will allow data and text mining in the interests of academic study. This has included writing to the relevant EU Legal Affairs Committee arguing against policy changes which would limit the capacity for text and data mining.

We will continue to work closely and collaboratively with colleagues in the UK and beyond **in 2018**, and will continue to provide support to the community through briefings and training opportunities.

Partnership on health libraries

The Joint SCONUL/CILIP Health and Social Care Strategy Group has continued to monitor the development of structural changes in the English NHS and to lobby to ensure that they take proper account of the role and the importance of libraries in supporting health outcomes.

In 2017 the group has maintained a watching brief on these issues and continued to share intelligence on the impact on the wide range of stakeholders represented.

In 2018 we will continue our close partnership with health librarians from all areas and respond to any developments as they arise.

LEADERSHIP AND ADVOCACY

Changing policy landscape

The set of changes to the regulatory and policy landscape for English and Welsh HE which were set in train by the Bell review and the Higher Education and Research Bill continue to affect the environment in which many libraries are working, particularly with the establishment of new bodies such as UK Research and Innovation (UKRI), the Office for Students (OfS) and Advance HE.

In 2017 SCOUNL supported its members through sharing information and briefings on the changes and their potential impact. This included written briefings and policy alerts on issues such as the Teaching Excellence Framework (TEF), but also inviting speakers such as Alistair Jarvis, Deputy Chief Executive (now CEO) of Universities UK to talk about the purpose and nature of the changes.

In 2018, we will continue to keep members informed and provide them with an opportunity to hear HE leaders discuss how the regulatory and cultural changes will impact on institutions and their libraries at our annual summer conference. We will also be providing briefings and responding to forthcoming consultations, giving the sector a voice in the important debate about the quality of provision.

PROMOTING GOOD PRACTICE AND COLLABORATION

Future of library services

Those leading our member libraries need to develop and prepare their services to capitalise on technological, social and policy change. Facilitating this is an important part of SCONUL's role – the potential impact of change is embedded in all aspects of SCONUL's work, including advocacy, events and intelligence sharing.

Our events programme is important in this – it provides opportunities for members to meet one another and to take part in discussions on these issues.

In 2017 SCONUL's summer conference explored drivers for change, including the broad policy framework, but also key technological trends.

We explored the same issues in an in-depth, detailed way through a report, "Mapping the Future of the Academic Library", commissioned from the University of Sheffield's Information School, and an associated event which allowed members the time and space to explore the themes and questions it raised in more detail.

In 2018 we will be initiating new work in this area, including looking at the drivers for the shift to digital; the changing workforce needs of academic libraries and the future of e-books.

Benchmarking and trend analysis

Our annual statistics are an important benchmarking tool for libraries in their quest to understand and demonstrate their value and impact and improve their services.

In 2017 we produced an analysis of developing trends in the roles within the library over the preceding decade across the SCONUL membership and undertook an analysis of library National Student Survey (NSS) data to help members benchmark their performance.

In 2018 we will produce a similar analysis document, this time looking at the changing nature of usage of libraries – both of physical space and resources.

Space planning and design

We share good practice on space planning through members' contributions to the Designing Libraries website, which provides detailed information for anyone involved in planning new buildings or refurbishments. We are members of the Advisory Board of the Community Interest Company overseeing the site.

In 2017 we worked with partners from across a range of disciplines on further research, including case studies, taking forward the findings from the UK HE Learning Spaces Toolkit.

In 2018 we are undertaking preparatory work for the next SCONUL Library Design Awards which will be held in 2019.

PROMOTING GOOD PRACTICE AND COLLABORATION

Shared services

SCONUL continues to be heavily involved in the shared services arena and works closely with Jisc to identify and scope new services through our Collaboration Strategy Group and other working groups.

We provide governance and advice on the development of existing areas of work as well as making recommendations for future initiatives.

In 2017, SCONUL continued to work closely with Jisc on the development of proposals for the National Bibliographic Knowledgebase, on the Research at Risk project, and on their suite of OA support services.

In 2018 we will continue to take forward our plans for a National Digital Library for the UK HE as a strategic intervention into the discussion about the future needs of the sector and the development of existing and new services.

Monographs

SCONUL has continued to work with partners on the HEFCE-funded UK Research Reserve (UKRR) project as it moved into its next phase and is a contributor to the National Monograph Steering Group.

In 2017 a feasibility study funded jointly by SCONUL, RLUK and others was published. This looked at the international picture on collaborative storage and what lessons this has for the UK.

In 2018, we will be working closely with RLUK, Jisc and other partners to take this conversation forward and to collaborate on relevant projects including the National Bibliographic Knowledgebase.

EThOS

SCONUL continues to support the development of EThOS (Electronic Theses Online Service) which delivers a 'single point of access' where researchers the world over can access theses produced by UK doctoral students.

The Executive Director is a member of the EThOS Advisory Board and helps shape the development of the service to meet the needs of the UK higher education library community.

SCONUL's partner organisations

Our partner organisations during 2017 included:

- Amosshe, the Student Services Organisation
- Association for Heads of University Administration (AHUA)
- Association for Research Managers and Administrators (ARMA)
- The British Library
- British Universities Finance Directors Group (BUFDG)
- Chartered Institute of Library and Information Professionals (CILIP)
- Consortium of National and University Libraries (CONUL), Ireland
- Copyright for Knowledge
- COUNTER
- Designing Libraries
- EThOS, the e-theses on-line service
- Higher Education Academy (HEA)
- Higher Education Statistics Agency (HESA)
- International Federation of Library Associations (ILFA)
- Jisc and Jisc Collections
- Knowledge Quarter
- The Libraries and Archives Copyright Alliance (LACA)
- Leadership Foundation for Higher Education
- The M25 Consortium of Academic Libraries
- The Mercian Collaboration
- The Northern Collaboration
- North West Academic Libraries
- OCLC
- Research Councils UK (RCUK)
- Research Libraries UK (RLUK)
- Russell Universities Group of IT Directors (RUGIT)
- SCHOMS
- Scottish Confederation of University and Research Libraries (SCURL)
- Share the Vision
- Southern Universities Purchasing Consortium (SUPC)
- Universities and Colleges Information Systems Association (UCISA)
- UK Research Reserve (UKRR)
- UK-SCL Steering Group
- Universities UK (UUK)
- Wales HE Libraries Forum (WHELP)

MEMBER SERVICES

The SCONUL statistics

Production of statistics on library activities is a core SCONUL service, allowing members to benchmark their service against that of their peers, and providing a detailed picture of library activity across the UK and Ireland. The statistics are a unique resource and have an important role in ensuring efficiency in the sector. The reporting tool, available to members via the SCONUL website, allows members to run tailored reports and produce graphs comparing their own institution's performance to individual or groups of peer institutions.

In 2017 156 institutions included their statistics, with 122 submitting the strategic planning subset of data released early in time for the budget planning round.

During 2017, the statistics were used by Jisc to inform its negotiations with journal and e-book publishers. They were also used as the foundation data for a pilot project with HESA and Jisc which allowed the development and testing of a "library dashboard", allowing for detailed comparisons and data visualisations.

The SCONUL Access Scheme

The Access Scheme is an important enabler for students and researchers at UK universities to pursue their studies and research objectives. In essence it allows users of one member institution to use the libraries of another. 173 libraries were part of the scheme in 2017, welcoming over 58,000 users. They loaned at least 107,000 unique items to staff, research students, post-graduates, part-time students and distance learning students.

The Virtual Enquiry Service

Members can now join the SCONUL virtual out-of-hours enquiry service, based on the OCLC QuestionPoint service. This provides cover when the library is not staffed, allowing libraries to ensure that their users can have access to an enquiry service 24 hours a day, 365 days a year. 42 member institutions were members of the scheme in 2017.

MEMBER SERVICES

Information sharing

SCONUL facilitates information sharing between members in a variety of ways, including through our monthly newsletter and our triannual practitioner journal, SCONUL Focus. We also use our mailing lists and the SCONUL website to distribute information about sector developments to members.

During 2017 SCONUL also produced briefings for members on key issues for academic libraries, including a suite of publications on leadership covering the use of action learning sets, coaching and mentoring; a directory of the training opportunities available to library directors; how libraries are viewed by those leading institutions, an overview of the literature on leading in uncertain times and on international perspectives on leading libraries. We also looked at changing roles within the library workforce.

Supporting member consortia

Since 2013 SCONUL has been providing support for other library consortia whose members are also members of SCONUL. This support is provided at cost, and allows our partner consortia to concentrate on projects, research and services for their members while SCONUL takes on some of their administrative burden.

During 2017, SCONUL continued to provide support to the Northern Collaboration consortium, the Mercian Collaboration (a consortium of academic libraries operating in the Midlands), and for North West Academic Libraries (NoWAL). During the course of 2017 we formalised the arrangements between SCONUL and the consortia with them each becoming formal sub-groups of SCONUL, albeit with the autonomy to pursue their own objectives under SCONUL's charitable objects.

The Northern Collaboration aims to provide a framework within which libraries can work together to improve the quality of services, to be more efficient, and to explore new business models.

The Mercian Collaboration provides a space to work together to explore training and development and to seek efficiencies on behalf of member institutions and the wider community.

NoWAL's mission is to widen access to library resources and improve learning and information support services through innovation, influence and partnership.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governance

SCONUL is a company limited by guarantee which has been given a licence to omit the word 'limited' by the Secretary of State for Business, Innovation and Skills.

SCONUL is governed by its Articles of Association which are available on the SCONUL website:

<https://www.sconul.ac.uk/sites/default/files/documents/ArticlesofAssociation.pdf>

These governing documents were incorporated on 13 July 1979 and last amended by Special Resolution on 3 July 2015.

SCONUL's members

SCONUL's members are the universities and national libraries of the United Kingdom and Ireland, together with most other UK institutions of higher education and institutions with collections of national significance. Members are listed on page 4 of this report.

Each member of SCONUL appoints a representative, usually the director of its library service or equivalent.

The role of the representatives

Representatives have an important role to play in SCONUL as the voice of their institution, influencing SCONUL's priorities and objectives. Their contributions to the Board, to SCONUL's Strategy Groups and in representing the community on a wide range of working groups are critical to SCONUL's success.

Representatives have a formal role at the SCONUL Annual General Meeting in overseeing the governance of the organisation and helping to set SCONUL's strategy to meet its core charitable objective (see page 6).

Our trustees

Sixteen members (see pg. 3) constitute the Company's Board and are the Charity's trustees, each of whom, in formal terms, is a Director of the Company. Until July, twelve of the sixteen of the Board were elected and four were co-opted from partner organisations. Following the resignations of John Tuck in June, Liz Kerr in July, Kitty Inglis in August and Mark Toole in September, two further members, Richard Parsons and Chris Pressler were co-opted. Elected members serve for a maximum of three years.

New trustees are given briefings on the charity's work and their obligations under Charity and Company law. Training in good practice and the responsibilities of trustees is provided, most recently in February 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT contd.

Executive Board

The Executive Board meets four times a year and oversees all issues relating to the charity's finances and its work for members and the public, including taking decisions on behalf of members. Where major changes to the way that SCONUL works are proposed, these are

presented to members to vote on at the AGM.

The SCONUL Board also:

- guides and supervises the office staff who are led by the Executive Director
- oversees the work of the SCONUL Strategy

Groups and other working groups. This includes agreeing their terms of reference and considering significant proposals for activities and spending

- approves the annual budget at each AGM, and proposes the

subscriptions to be levied for the following year

- regularly reviews the organisation's risk register and takes measures to ameliorate those risks.

RESPONSIBILITIES OF TRUSTEES

Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the net income or expenditure, of the charitable company for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the applicable Charities SORP
- make judgements and estimates that are reasonable and prudent

- state whether applicable accounting standards and statements of recommended practice 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006.

The trustees are responsible for the maintenance and

integrity of the corporate financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees confirm that to the best of their knowledge there is no information relevant to the audit of which the auditors are unaware.

The trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2017 was 15.

The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Ltd were re-appointed as the charitable company's auditors during the year and have expressed their willingness to act in that capacity.

Approved by the trustees on 12 June 2017 and signed on their behalf by

Caroline Taylor

Chair of SCOUNL

FINANCIAL REVIEW

Introduction

The results for the year to 31 December 2017 are set out in the Statement of Financial Activities. The Charity's fund balances and the net assets that constitute them are set out in the Balance Sheet.

Overall total income was as anticipated. Subscription income was broadly level with increases limited to 0.6% to reflect inflation.

A satisfactory balance between day-to-day and longer-term holdings of funds has been adopted, as follows:

- short-term funds kept in a deposit account at the bank, which automatically tops up the current account when its balance falls below £10,000
- other funds, the working reserve, kept in the

Charities Official Investment Fund. These balances are high at the beginning of the year when subscriptions fall due and are received and are reduced towards the end of the year to provide day-to-day funds for expenses incurred.

Pay and remuneration policy

Staff pay scales are set by the Executive Board on the basis of advice from SCONUL's HR consultant and with reference to pay rates for equivalent posts in the charitable and public sectors.

Reserves policy

2017 saw a small increase in our reserves which now stand

at £314,006 in our general fund and £78,900 in designated funds. This leaves reserves at a point sufficient to provide a cushion against risks but not unnecessarily high. Interest income on reserves is still very low at an average of around 0.217%.

Risk management

The Executive Board considers the major risks faced by SCONUL on a regular basis and they are of the opinion that systems are in place to manage them. A "live" risk register is maintained by the SCONUL office, and is reviewed regularly by the Executive Board.

This covers both financial and non-financial risks; identifies both the likelihood and

severity of any risk and identifies activities required to mitigate the risks identified.

Relationships with other bodies

SCONUL provides support to three library consortia whose members are also members of SCONUL and which are formally constituted as sub-groups of SCONUL. The groups have autonomy over the way in which they meet SCONUL's core charitable objects (see page 6). Each consortia has a member of staff, employed by SCONUL, devoted to their work. The cost of other staff time on consortia work is covered by transfers from the consortia's reserved funds.

SCONUL has no formal relationship with other charities with the important exception that its member institutions are nearly all charities themselves.

SCONUL is a member of a number of key international sector bodies, including LIBER and IFLA, as part of its role ensuring that the voice of its members is heard at the European and international level.

INDEPENDENT AUDITORS' REPORT

We have audited the financial statements of The Society of College, National and University Libraries for the year ended 31 December 2017 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances, and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2017 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 Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us

- the financial statements are not in agreement with the accounting records and returns
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Date:

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED
Chartered accountants and statutory auditors

5th Floor, Mariner House
62 Prince Street
Bristol
BS1 4QD

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

	Note	2017 Total £	2016 Total £
Income from:			
Donations - subscriptions		370,395	368,105
Donations - transfer from regional collaborations		117,023	-
Other trading activities		37,595	42,145
Investments		1,175	1,890
Charitable activities:			
Membership services		2,850	6,450
Events programme		78,987	75,790
Communications with members		232	26
Regional collaborations		20,630	50,198
Total income		628,887	544,604

	Note	2017 Total £	2016 Total £
Expenditure on:			
Charitable activities:			
Membership services		112,541	121,468
Events programme		173,221	188,020
Partnership working, advocacy and lobbying		100,915	92,237
Communications with members		60,076	61,659
Regional collaborations		77,721	48,505
Total expenditure	2	524,474	511,889
Net income and net movement in funds	3	104,413	32,715
Reconciliation of funds			
Total funds brought forward		288,493	255,778
Total funds carried forward		392,906	288,493

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All income is unrestricted. Movements in funds are disclosed in note 11 to the accounts.

BALANCE SHEET

	Note	£	2017 £	2016 £
Fixed assets				
Tangible fixed assets	6		3,042	3,803
Current assets				
Debtors	7	15,772		12,661
Investments	8	347,424		356,249
Cash at bank and in hand		78,152		72,748
		<u>441,348</u>		<u>441,658</u>
Creditors: amounts due within 1 year	9	(51,484)		(156,968)
Net current assets			389,864	284,690
Net assets	10		392,906	288,493

	Note	£	2017 £	2016 £
Funds	11			
Unrestricted funds:				
Designated funds			78,900	-
General funds			314,006	288,493
Total funds			392,906	288,493

Approved by the trustees on 12 June 2018 and signed on their behalf by

C Taylor - Chair

R Hall - Treasurer

STATEMENT OF CASH FLOWS

	2017 £	2016 £
Cash flows from operating activities:		
Net movement in funds	104,413	32,715
Adjustments for:		
Depreciation charges	761	1,828
Dividends, interest and rents from investments	(1,175)	(1,890)
Decrease / (increase) in debtors	(3,111)	(1,252)
Increase / (decrease) in creditors	(105,484)	23,543
Net cash provided by / (used in) operating activities	(4,596)	54,944
Cash flows from investing activities:		
Dividends, interest and rents from investments	1,175	1,890
Net cash provided by investing activities	1,175	1,890
Increase / (decrease) in cash and cash equivalents in the year	(3,421)	56,834
Cash and cash equivalents at the beginning of the year	428,997	372,163
Cash and cash equivalents at the end of the year	425,576	428,997

	2017 £	2016 £
Analysed as:		
Cash at bank and in hand	78,152	72,748
Current asset investments	347,424	356,249
	<u>425,576</u>	<u>428,997</u>

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Society of College, National and University Libraries 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 notes.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from donations is received by way of membership subscriptions and is included in full in the statement of financial activities when receivable.

Credit is taken for subscriptions in the year for which they are payable. Where a member wishes to terminate their subscription then notice must be given before the summer conference in the year prior to the termination of membership.

Any income arising from conferences and meetings, sponsorship, sales of publications, working papers or newsletters, and recharges of staff time to regional collaborations is recognised once invoiced, unless it relates to a future event in which case it is deferred.

d) Interest receivable

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

e) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Allocation of governance and support costs

Governance and support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. These costs have been allocated between charitable activities on the following basis, which is an estimate of the resource usage of each activity:

Membership services	31.6%
Events programme	31.6%
Partnership working, advocacy and lobbying	26.3%
Communications with members	10.5%

h) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Leasehold improvements	5 years straight line
Furniture, fixtures and fittings	20% reducing balance
Computer equipment	3 years straight line

Items of equipment are capitalised where the purchase price exceeds £1,000.

i) Debtors

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

j) Current asset investments

Current asset investments consist of cash held on deposit in interest bearing accounts. Such investments are measured at their fair value.

k) Cash at bank and in hand

Cash at bank and cash 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.

l) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial instruments

The charity 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.

n) Pension costs

The charitable company contributes to two multi-employer defined benefit pension schemes (the Universities Superannuation Scheme and the Superannuation Arrangements of the University of London). The assets of the schemes are held separately from those of the charitable company in independently administered funds. The charitable company is not contractually liable for any share of the schemes' deficits, therefore the schemes are accounted for as defined contribution schemes. The pension cost charge represents contributions payable under the schemes by the charitable company to the funds. The charitable company has no liability under the schemes other than for the payment of those contributions. The contributions made for the accounting period are treated as an expense and were £36,442 in 2017 (2016: £41,391).

o) Operating lease commitments

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the minimum lease term.

p) Regional consortia

As of 6 June 2017, the regional consortia were incorporated as branches of SCOUNL. Funds held on behalf of regional consortia at 6 June 2017 were donated to SCOUNL. Regional consortia income and expenditure will be reported within the SCOUNL accounts and held in designated funds.

2. Expenditure

	Membership services	Event programme	Partnership working, advocacy and lobbying	Communications and best practice sharing with members	Regional collaborations	Governance and support costs	2017	2016
	£	£	£	£	£	£	£	£
Direct costs	24,396	67,055	25,800	9,643	26,298	-	153,192	118,653
IT and website hosting	3,474	229	233	233	1,174	10,586	15,929	18,248
Staff costs (note 4)	35,367	56,633	33,796	33,766	50,249	62,627	272,438	295,347
Recruitment and training	-	-	-	-	-	1,145	1,145	1,512
Premises costs	-	-	-	-	-	30,587	30,587	31,041
Insurance	-	-	-	-	-	1,120	1,120	1,155
Fees and subscriptions	-	-	-	-	-	6,934	6,934	6,201
Office costs	-	-	-	-	-	13,276	13,276	11,386
Legal and professional	-	-	-	-	-	13,694	13,694	11,452
Executive board costs	-	-	-	-	-	5,975	5,975	8,203
Audit and accountancy	-	-	-	-	-	7,194	7,194	6,840
Bank charges	-	-	-	-	-	49	49	23
Bad debt expense	-	-	-	-	-	2,180	2,180	-
Depreciation	-	-	-	-	-	761	761	1,828
Sub-total	63,237	123,917	59,829	43,642	77,721	156,128	524,474	511,889
Allocation of governance and support costs	49,304	49,304	41,086	16,434	-	(156,128)	-	-
Total expenditure	112,541	173,221	100,915	60,076	77,721	-	524,474	511,889

3. Net movement in funds

This is stated after charging:

	2017	2016
	£	£
Depreciation	761	1,828
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	6,002	7,352
Auditors' remuneration:		
• Statutory audit (including VAT)	5,740	5,565
• Non audit services (including VAT)	1,454	1,275

Trustees' reimbursed expenses relate to payments to 15 trustees (2016: 14) for travel and subsistence expenses for attending strategy group and board meetings.

4. Staff costs and numbers

Staff costs were as follows:

	2017 £	2016 £
Salaries and wages	215,512	231,066
Social security costs	20,484	22,890
Pension costs	36,442	41,391
	<u>272,438</u>	<u>295,347</u>

The key management personnel of the charity comprise the trustees and the Executive Director. The total employee benefits of the key management personnel of the charity were £107,808 (2016: £106,937).

One employee earned between £80,000 and £90,000 in the year (2016: one), excluding employer pension contributions.

The average head count during the reporting period was 7 (2016: 8). The average number of full time equivalent employees during the year was as follows:

	2017 No.	2016 No.
Average number of employees (full-time equivalent)	<u>5.20</u>	<u>5.70</u>

5. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

6. Tangible fixed assets

	Leasehold improvements £	Furniture, fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2017	102,302	40,345	5,105	147,752
Additions	-	-	-	-
At 31 December 2017	<u>102,302</u>	<u>40,345</u>	<u>5,105</u>	<u>147,752</u>
Depreciation				
At 1 January 2017	102,302	36,542	5,105	143,949
Charge for the year	-	761	-	761
At 31 December 2017	<u>102,302</u>	<u>37,303</u>	<u>5,105</u>	<u>144,710</u>
Net book value				
At 31 December 2017	<u>-</u>	<u>3,042</u>	<u>-</u>	<u>3,042</u>
At 31 December 2016	<u>-</u>	<u>3,803</u>	<u>-</u>	<u>3,803</u>

7. Debtors

	2017 £	2016 £
Trade debtors	4,410	7,671
Prepayments	11,362	4,990
	<u>15,772</u>	<u>12,661</u>

8. Current asset investments

	2017 £	2016 £
The Charities Official Investment Fund	<u>347,424</u>	<u>356,249</u>

9. Creditors: amounts due within 1 year

	2017 £	2016 £
Trade creditors	36,237	64,264
Accruals	13,695	11,610
Funds held on behalf of Northern Collaboration	-	17,983
Funds held on behalf of Mercian Collaboration	-	6,508
Funds held on behalf of NOWAL	-	53,704
Funds held on behalf of Copyright for Knowledge	1,288	1,840
Other creditors	264	1,059
	51,484	156,968

10. Analysis of net assets between funds

	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	3,042	3,042
Current assets	83,131	358,217	441,348
Current liabilities	(4,231)	(47,253)	(51,484)
Net assets at 31 December 2017	78,900	314,006	392,906

Prior year comparative

	Designated funds	General funds	Total funds
Tangible fixed assets	-	3,803	3,803
Current assets	-	441,658	441,658
Current liabilities	-	(156,968)	(156,968)
Net assets at 31 December 2016	-	288,493	288,493

11. Movements in funds

	At 1 January 2017 £	Income £	Expenditure £	Transfers £	At 31 December 2017 £
Unrestricted funds					
<i>Designated funds:</i>					
Northern Collaboration	-	36,495	(20,750)	-	15,745
Mercian Collaboration	-	15,792	(7,304)	-	8,488
NOWAL	-	85,994	(31,327)	-	54,667
Total designated funds	-	138,281	(59,381)	-	78,900
General funds	288,493	490,606	(465,093)	-	314,006
Total funds	288,493	628,887	(524,474)	-	392,906

Purposes of designated funds

The designated funds have been set up for the purpose of ring-fencing funds held by each of the regional consortia.

Prior year comparative

	At 1 January 2016 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2016 £
Unrestricted funds					
<i>Designated funds:</i>					
INSPIRE fund	4,858	-	-	(4,858)	-
Total designated funds	4,858	-	-	(4,858)	-
General funds	250,920	544,604	(511,889)	4,858	288,493
Total funds	255,778	544,604	(511,889)	-	288,493

Purposes of designated funds

INSPIRE is a UK-wide access and referral scheme to help library users to exploit collections beyond the library they belong to. This is no longer used; therefore all remaining designated funds have been transferred to general funds.

12. Commitments under operating leases

At 31 December 2017 the charity had the following annual commitments under non-cancellable operating leases

	2017		2016	
	Land and buildings £	Other £	Land and buildings £	Other £
Payments due:				
Within one year	5,812	5,258	17,436	5,306
Within two to five years	-	21,031	-	6,299
	<u>5,812</u>	<u>26,289</u>	<u>17,436</u>	<u>11,605</u>

13. Related party transactions

There were no related party transactions in the current year. Caroline Taylor, SCONUL Chair of trustees, was the Chair of the Steering Group for Mercian Collaboration in 2016.

14. Funds received as an agent

During the year, the charity acted as a custodian trustee for three partner organisations. As of 6 June 2017, the organisations were incorporated as branches of SCONUL (see accounting policies, note 1p). An analysis of the funds received and paid by the charity to that point is given below. Funds held at 6 June 2017 were donated to SCONUL, and are held in designated funds (note 11).

	Funds held at 1 January 2017 £	Funds received £	Funds paid £	Funds held at 6 June 2017 £
Northern Collaboration	17,983	13,525	(8,671)	22,837
Mercian Collaboration	6,508	13,221	(3,936)	15,793
NOWAL	53,704	40,358	(15,669)	78,393
	<u>78,195</u>	<u>67,104</u>	<u>(28,276)</u>	<u>117,023</u>

During the year, the charity acted as custodian trustee for this partner organisation. There has been no change to the nature of this relationship. An analysis of the funds received and paid by the charity is given below. Funds held at year end are detailed in the creditors note (note 9).

	Funds held at 1 January 2017 £	Funds received £	Funds paid £	Funds held at 31 December 2017 £
Copyright for Knowledge	<u>1,840</u>	<u>-</u>	<u>(552)</u>	<u>1,288</u>