
ANNUAL REPORT

2015

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CHAIR'S INTRODUCTION



2015 was a significant year for SCONUL, bringing to an end a period of internal transformation for the organisation, and marking the development and publication of a new, ambitious [strategy](#), developed with our members. The projects we're embarking on in 2016 will address some of the major challenges faced by the academic library community over the next decade.

It has been a great privilege to lead the organisation over the last two years with the support of an engaged, committed and talented membership.

A few personal highlights of the year were:

Talking to Tribal

One of SCONUL's key strengths is that it represents

a very broad range of institutions, which allows us to speak with authority on behalf of the sector. This can be powerful in bringing about change as was the case when we raised concerns with the benchmarking company, Tribal, over their approach to measuring library costs. The result of these conversations was a change to their methodology which now recognises the realities of the modern academic library.

New service for members

During 2015 SCONUL consulted members on plans for a new virtual out-of-hours enquiry service, based on the Northern Collaboration pilot with OCLC. Following positive responses, in 2016 we will be working with the company to deliver a national scheme at a

rate which is affordable for members.

The power of partnership

Another highlight of 2015 has been the ways in which our long-standing partnerships with Jisc Collections, RLUK and other colleagues within and outside the library world have borne fruit. Together we have worked to argue for large scale changes in the market for content, winning the ear of government. We have also brought about change at the company level, with Pearson now negotiating with the sector on its costs and business model, delivering real cost savings to our members.

A handwritten signature in orange ink that reads "Liz Jolly".

Liz Jolly
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:** Liz Jolly
- **Vice-Chair:** Mark Toole
- **Honorary Treasurer:** Robert Hall
- Alison Baud (appointed 3 July 2015)

- Sue Hodges (resigned 3 July 2015)
- Kitty Inglis
- Judith Keene (appointed 3 July 2015)
- Alison Mackenzie (resigned 3 July 2015)
- Maja Maricevic (resigned 3 July 2015)
- Jo Norry
- Gobnait O’Riordan
- Oliver Pritchard
- Kate Robinson
- Ann Rossiter (resigned 17 June 2015)
- Pete Ryan
- Alison Stevenson
- John Tuck
- Sue White (resigned 3 July 2015)
- Steve Williams

Bankers and Investment Managers

The Royal Bank of Scotland plc

171 Tottenham Court Road
London W1T 7DL

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
Zone 10 Bath Road Studios
470 Bath Road
Bristol BS4 3HG

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
- **Head of Policy and Member Engagement**
Lori Bailey
- **SCONUL Co-ordinator**
SitMui Ng
- **Finance Assistant**
Kim Hardingham

SCONUL MEMBERSHIP

Abertay University
Aberystwyth University
Anglia Ruskin University
Arts University Bournemouth
Aston University
Bangor University
Bath Spa University
Birkbeck, University of London
Birmingham City University
Bishop Grosseteste University
Bournemouth University
Brunel University
Buckinghamshire New University
Canterbury Christ Church University
Cardiff Metropolitan University
Cardiff University
City University London
Courtauld Institute of Art
Coventry University
Cranfield University
De Montfort University
Dublin City University
Dublin Institute of Technology
Durham University
Edge Hill University
Edinburgh Napier University
Falmouth University
Glasgow Caledonian University
Glasgow School of Art
Glyndwr University
Goldsmiths, University of London

Guildhall School of Music and Drama
Harper Adams University
Heriot-Watt University
Heythrop College
Imperial College, London
Institute of Cancer Research
King's College, London
Kingston University
Lancaster University
Leeds Beckett University
Leeds College of Art
Leeds College of Music
Leeds Trinity University
Leo Baeck College
Liverpool Hope University
Liverpool John Moores University
Liverpool School of Tropical Medicine
London Business School
London Metropolitan University
London School of Economics and Political Science
London School of Hygiene & Tropical Medicine
London South Bank University
Loughborough University
Manchester Metropolitan University
Maynooth University
Middlesex University

National Library of Ireland
National Library of Scotland
National Library of Wales
National University of Ireland, Galway
Newcastle University
Newman University
Northumbria University
Norwich University of the Arts
Nottingham Trent University
Open University
Oxford Brookes University
Queen Margaret University
Queen Mary, University of London
Queen's University, Belfast
Ravensbourne
Regent's University London
Robert Gordon University
Rose Bruford College
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
Royal Conservatoire of Scotland
Royal Holloway, University of London

Royal Northern College of Music
Royal Society of Chemistry
Royal Veterinary College
Royal Welsh College of Music & Drama
Sheffield Hallam University
SOAS, University of London
Southampton Solent University
SRUC
St George's, University of London
St Mary's University
St Mary's University College, Belfast
Staffordshire University
Swansea University
Tate
Teesside University
The British Library
The Conservatoire for Dance and Drama
The Royal College of Surgeons of England
The University of Sheffield
The Wellcome Library
Trinity College Dublin
Trinity Laban (Jerwood Library)
University Campus Suffolk
University College Birmingham
University College Cork
University College Dublin
University College London

SCONUL MEMBERSHIP

University for the Creative Arts
University of Aberdeen
University of Bath
University of Bedfordshire
University of Birmingham
University of Bolton
University of Bradford
University of Brighton
University of Bristol
University of Buckingham
University of Cambridge
University of Central Lancashire
University of Chester
University of Chichester
University of Cumbria
University of Derby
University of Dundee
University of East Anglia
University of East London

University of Edinburgh
University of Essex
University of Exeter
University of Glasgow
University of Gloucestershire
University of Greenwich
University of Hertfordshire
University of Huddersfield
University of Hull
University of Keele
University of Kent
University of Leeds
University of Leicester
University of Limerick
University of Lincoln
University of Liverpool
University of London, Senate
House Libraries
University of Manchester

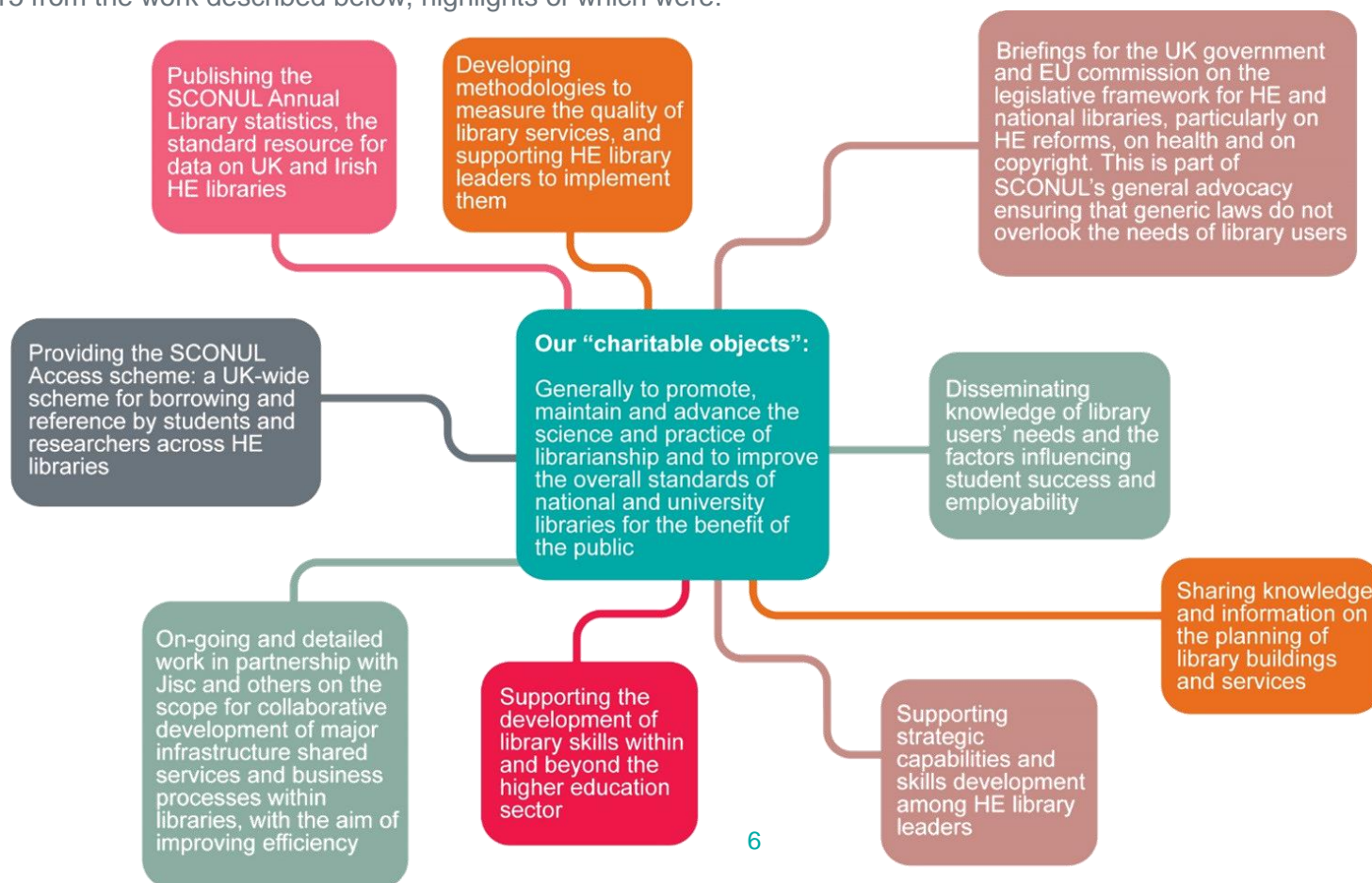
University of Northampton
University of Nottingham
University of Oxford
University of Plymouth
University of Portsmouth
University of Reading
University of Roehampton
University of Salford
University of South Wales
University of Southampton
University of St Andrews
University of St Mark and St John
University of Stirling
University of Strathclyde
University of Sunderland
University of Surrey
University of Sussex
University of the Arts London

University of the Highlands and Islands
University of the West of England, Bristol
University of the West of Scotland
University of Ulster
University of Wales Trinity Saint David
University of Warwick
University of West London
University of Westminster
University of Winchester
University of Wolverhampton
University of Worcester
University of York
Writtle College
York St John University

REPORT OF THE TRUSTEES

The trustees present their report and the audited financial statements for the year ended 31 December 2015. 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 2015 from the work described below, highlights of which were:



LEADERSHIP AND ADVOCACY

HE reforms

The publication of the Higher Education Green Paper and the Nurse Review of research councils in the autumn of 2015 heralded a further set of sweeping changes to the HE sector in England.

In 2015

SCONUL supported its members through the production of briefings on the proposed changes, and responded on members' behalf to the initial government consultation and to the BIS Select Committee inquiry, stressing the importance of high quality library provision to any assessment of teaching quality and as a necessary requirement for any new HE providers.

In 2016, we have already held a conference on the

proposed Teaching Excellence Framework which allowed members to explore the implications of the changes more deeply and will be responding to the forthcoming consultations, giving the sector a voice in the important debate about the quality of provision.

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 2015.

This includes as a member of the Electronic Information Resources Working Group (EIRWG) which is the representative voice for institutions in Jisc Collections' negotiations with publishers.

We have also worked closely with Jisc Collections and RLUK on a statement of the changes needed in the journals market. This was also the subject of our Winter Conference in November which allowed delegates to explore how open access is

challenging traditional publishing models.

The Executive Director has briefed journalists on the high costs of content, particularly around the cost and business models employed by Pearson for its e-textbooks. This has resulted in significant savings for members and an understanding that Jisc Collections will negotiate an agreement on behalf of the sector.

In 2016 our Content Group will continue this work, liaising closely with Jisc Collections on individual negotiations and intervening in the public debate on the high cost of content.

LEADERSHIP AND ADVOCACY Contd.

Open Access

SCONUL has a long standing commitment to fostering open access to scholarly content, and **in 2015**, we worked closely with Jisc in specifying and developing a set of services to support member institutions in dealing with APCs and changed workflows, as well as signing up to the League of European Research Universities' (LERU) statement on open access.

SCONUL is represented on the UUK Open Access oversight group and **in 2016** will work closely with UUK on the systemic changes required to ensure that the UK gains maximum benefit from open access.

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 2015**.

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 to maximise the benefits of research data to research and learning. Again, this work will continue **in 2016**.

Copyright

Copyright and intellectual property law remain issues of central importance for all libraries, and **in 2015**, SCONUL continued to engage with EU, 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 and training for staff on the new regulatory regime. SCONUL has

advocated for regulatory regimes for the UK and for the EU which will allow data and text mining in the interests of academic study both within the UK and at EU level. This has included writing to the relevant European Commissioners to make recommendations for change in this area.

We will continue to work closely and collaboratively with colleagues in the UK and beyond **in 2016**, and the SCONUL copyright group will continue to provide support to the community through briefings and training opportunities.

LEADERSHIP AND ADVOCACY Contd.

Health libraries

The Joint SCOUNL/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 of, and the importance of, libraries in supporting health outcomes.

In 2015 this has involved making submissions to government, Health Education England and others, and providing

feedback to our colleagues at Health Education England on the Knowledge for Healthcare programme.

In 2016 we will continue our close partnership with health librarians from all areas and respond to any developments as they arise.

Leadership support

SCOUNL actively supports the development of leadership within our own sector.

In 2015 we worked with the Leadership Foundation for Higher Education in the development of its Future Professional Directors Programme and worked with the HEA to support our members seeking fellowship. We also facilitated the creation of new informal networking and support groups for new library heads

of service and for deputy heads of services.

In 2016 the Leadership Task and Finish group, established as part of the new SCOUNL strategy, will be taking a systematic look at the support for leadership development provided by SCOUNL and by others to identify appropriate changes or new initiatives that may be required.

PROMOTING GOOD PRACTICE AND COLLABORATION

Future of library services

Our events programme provides opportunities for members to meet one another and to hear presentations and take part in discussions on issues common to academic libraries.

In 2015 SCONUL's summer conference explored the drivers for change over the coming decade, looking particularly at how the Internet of Things will impact on the way that libraries are able to support their users, and how blended learning and data driven services can transform the way in which libraries operate.

In 2016 we will be taking this work forward under the auspices of the new Transformation Strategy Group.

Benchmarking and trend analysis

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

In 2015 we undertook a set of improvements to the tool which allows for the downloading and analysis of data to make it more intuitive and user friendly. We also produced an analysis of changing trends in loans, visits and the use of ebooks which members used to inform their performance in relation to that of their peers.

In 2016 we will produce a similar analysis document, looking this time at changes at the way in which library space is being deployed across the sector.

Space and design

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

In 2015 a series of visits were organised for members to award-winning libraries to allow members to share knowledge about the latest innovations.

In 2016 we will be holding our triennial Library Design Awards including hosting a design showcase, allowing members to learn from each other's excellent practice.

Employability

Libraries contribution to teaching and learning, and to the research function within their institutions is well understood, but our contribution to student employability is a relatively new area for research.

In 2015 SCONUL provided members with a toolkit on this important area to inform the development of their services and developed an analysis of the relationships between employability and information literacy.

In 2016, this work will be taken forward by the Transformation Strategy Group.

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 services such as KB+, as well as making recommendations for future areas of work.

For example, **in 2015**, SCONUL worked closely with Jisc on the Research at Risk project, on the National Monograph Strategy and on the Jisc project looking at student records data.

We also held a shared services symposium which allowed us to share information about services

under development in the library arena, and to consider how such projects might be supported across the community, and learning disseminated.

In 2016 we will continue to work with Jisc on these projects and to develop our plans for a National Digital Library for the UK as a strategic intervention into the discussion about the future needs of the sector and the development of existing and new services. We will also be exploring the scope for a shared services toolkit for the sector.

National Monograph Strategy

As the HEFCE-funded UK Research Reserve (UKRR) project moves into its next phase, **in 2015** SCONUL has been heavily involved in the debate about its future and of successor services through our Board membership of UKRR and through our contribution to the roll out of the National Monograph Strategy (NMS).

In 2016, we will be working closely with Jisc and other partners on the development of the National Bibliographic Knowledgebase, an important component of the NMS, under the auspices of the SCONUL Collaboration Group.

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 higher education.

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 2015 included:

- Amosshe, the Student Services Organisation
- 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)
- EthOS, the e-theses on-line service
- European Bureau of Library, Information and Documentation Associations (EBLIDA)
- Higher Education Academy (HEA)
- Higher Education Funding Council for England (HEFCE)
- International Federation of Library Associations (ILFA)
- InformALL
- Inspire
- Jisc
- Jisc Collections
- Knowledge Quarter
- Leadership Foundation for Higher Education
- The M25 Consortium of Academic Libraries
- The Mercian Collaboration
- The Northern Collaboration
- North West Academic Libraries
- Research Councils UK (RCUK)
- Research Libraries UK (RLUK)
- Russell Universities Group of IT Directors (RUGIT)
- Scottish Confederation of University and Research Libraries (SCURL)
- Universities and Colleges Information Systems Association (UCISA)
- UK Research Reserve (UKRR)
- 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. In 2015 159 institutions included their statistics, with 121 submitting the strategic planning subset of data released early in time for the budget planning round.

During 2015, the statistics were also used by Jisc to inform its negotiations with journal and e-book publishers and by a number of academics conducting work on publishing and libraries.

2015 was the first year SCONUL published a slimmed down set of statistics, following a fundamental review carried out the previous year. This removed those which were no longer widely used and tightened up definitions to ensure comparability. The reporting tool was updated in 2015 to improve its usability and functionality.

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. 172 libraries were a part of the scheme in 2015 (up three from the previous year), welcoming over 35,000 users. They loaned at least 97,000 unique items to staff, research students, post-graduates, part-time students and distance learning students.

During 2015, SCONUL held a consultation with our members on the scheme, as a result of which rules were formalised both for membership and for temporary closures. This has ensured that the scheme continues to function in a fully reciprocal way and has increased engagement with the scheme.

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. During 2015, we moved Focus online, with the first online-only edition appearing in spring, ensuring that content could be distributed in a timely way at a reduced cost to members. We also use our mailing lists and the SCONUL website to distribute information about sector developments to members.

During 2015 SCONUL also produced briefings for members on key issues for academic libraries, including the role of libraries in fostering student employability; on developments in research data management and on their libraries' obligations under the new Public Sector Information Regulations.

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 2015, SCONUL continued to provide support to the Northern Collaboration consortium, and to introduce similar support for the Mercian Collaboration, a consortium of academic libraries operating in the Midlands, and for North West Academic Libraries (NoWAL).

The Northern Collaboration is a group of higher education libraries in the North of England. The group 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 is a professional network formed from SCONUL higher education libraries in the East and West Midlands of England. It 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 Memorandum and Articles of Association which are available on the SCONUL website:

<http://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 27 June 2014.

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

Fifteen Executive Board members (see page 3) constitute the Company's Board and are the Charity's trustees, each of whom, in formal terms, is a Director of the Company.

Twelve of the fifteen members are elected and two are co-opted from partner organisations. Elected members serve for a maximum of three years. We were delighted to welcome Alison Baud and Judith Keene to the Board in 2015.

Following their election, trustees are provided with a portfolio of information about the working of the charity and their obligations under Charity and Company law. Training in good practice and the responsibilities of trustees is provided, most recently in July 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT contd.

Executive Board

The Executive Board meets six 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, and
- 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 2015 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 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 24 June 2016 and signed on their behalf by



Liz Jolly
Chair of SCOUNL

FINANCIAL REVIEW

Introduction

The results for the year to 31 December 2015 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 1.6% 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 is 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

2015 saw a small decrease in our reserves which now stand at £255,778. This leaves reserves at a point sufficient

to provide a cushion against risks but not unnecessarily high. Interest income on reserves is still low at an average of around 0.45%.

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 twice a year 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. This support is provided at cost and detailed on page 14. Of these, NoWAL is currently constituted as an independent charity. SCONUL holds funds for the consortia which are separately recorded in the accounting system and are easily identifiable.

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, EBLIDA 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 2015 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 2015 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
Zone 10 Bath Road Studios
470 Bath Road
Bristol
BS4 3HG

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

	Note	2015 Total £	Restated 2014 Total £
Income from:			
Donations - subscriptions		367,949	361,086
Other trading activities		35,375	37,000
Investments		1,890	1,795
Charitable activities:			
Access scheme		3,965	4,965
Library statistics		3,756	6,375
Events programme		80,470	111,317
Communications with members		713	3,062
Regional collaborations		21,573	5,768
Total income	2	515,691	531,368
Expenditure on:			
Charitable activities:			
Access scheme		73,032	66,052
Library statistics		75,036	71,174

	Note	2015 Total £	Restated 2014 Total £
Events programme		197,322	213,925
Partnership working, advocacy and lobbying		97,367	92,145
Communications with members		66,161	62,850
Regional collaborations		18,411	7,244
Total expenditure	3	527,329	513,390
Net income / (expenditure)		(11,638)	17,978
Transfers between funds		-	-
Net movement in funds	12	(11,638)	17,978
Reconciliation of funds			
Total funds brought forward		267,416	249,438
Total funds carried forward		255,778	267,416

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 12 to the accounts. The 2014 comparatives have been restated in line with the Charities SORP (FRS 102). A reconciliation of the restatements is provided in note 14 to the accounts.

BALANCE SHEET

	Note	£	2015 £	Restated (note 14) 2014 £
Fixed assets				
Tangible fixed assets	7		5,631	8,367
Current assets				
Debtors	8	11,409		10,171
Investments	9	302,999		241,355
Cash at bank and in hand		69,164		59,490
		<u>383,572</u>		<u>311,016</u>
Creditors: amounts due within 1 year	10	<u>(133,425)</u>		<u>(51,967)</u>
Net current assets			<u>250,147</u>	<u>259,049</u>
Net assets	11		<u>255,778</u>	<u>267,416</u>

	Note	£	2015 £	Restated (note 14) 2014 £
Funds	12			
Unrestricted funds:				
Designated funds			4,858	6,365
General funds			250,920	261,051
Total funds			<u>255,778</u>	<u>267,416</u>

Approved by the trustees on 24 June 2016 and signed on their behalf by

E Jolly - Chair

R Hall - Treasurer

STATEMENT OF CASH FLOWS

	Note	2015 £	2014 £
Net cash provided by operating activities	17	69,428	38,443
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,890	1,795
Net cash provided by investing activities		1,890	1,795
Increase in cash and cash equivalents in the year		71,318	40,238
Cash and cash equivalents at the beginning of the year		300,845	260,607
Cash and cash equivalents at the end of the year		372,163	300,845
Analysed as:			
Cash at bank and in hand		69,164	59,490
Current asset investments		302,999	241,355
		372,163	300,845

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 note(s).

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) Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition in applying the requirements of FRS 102, a liability was recognised for a holiday pay accrual. No other restatements for FRS 102 were required. A further restatement was made in 2014 which is detailed in note 14 to the accounts, along with a reconciliation of funds and balances.

d) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) 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.

e) 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.

f) 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.

g) 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.

h) 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:

	General support	IT and website
Access scheme	15.8%	30.0%
Library statistics	15.8%	30.0%
Events programme	31.6%	10.0%
Partnership working, advocacy and lobbying	26.3%	0.0%
Communications with members	10.5%	10.0%
Support and governance	0.0%	20.0%

i) 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.

j) 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.

k) Current asset investments

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

l) 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.

m) 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.

n) 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.

o) 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 £32,007 in 2015 (2014: £28,715).

p) **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.

2. **Incoming resources**

Income attributable to funds received from outside the UK amounted to 6.6% (2014: 6.3%).

3. Expenditure

	Access scheme £	Library statistics £	Event programme £	Partnership working, advocacy and lobbying £	Communications and best practice sharing with members £	Regional collaborations £	Governance and support costs £	2015 Total £	Restated (note 14) 2014 Total £
Direct costs	11,254	30,044	79,085	17,046	10,633	-	-	148,062	168,416
IT and website hosting	4,809	4,809	1,603	-	1,602	-	3,206	16,029	14,174
Staff costs (note 5)	31,898	15,112	66,492	38,536	37,212	18,411	56,119	263,780	243,054
Recruitment, training and expenses	-	-	-	-	-	-	7,587	7,587	9,965
Premises costs	-	-	-	-	-	-	30,483	30,483	30,096
Insurance	-	-	-	-	-	-	1,040	1,040	886
Fees and subscriptions	-	-	-	-	-	-	6,071	6,071	5,926
Office costs	-	-	-	-	-	-	13,793	13,793	11,474
Legal and professional	-	-	-	-	-	-	13,297	13,297	5,227
Executive board costs	-	-	-	-	-	-	17,483	17,483	13,722
Audit	-	-	-	-	-	-	6,516	6,516	6,524
Bank charges	-	-	-	-	-	-	452	452	815
Bad debt expense	-	-	-	-	-	-	-	-	(77)
Depreciation	-	-	-	-	-	-	2,736	2,736	3,188
Sub-total	47,961	49,965	147,180	55,582	49,447	18,411	158,783	527,329	513,390
Allocation of governance and support costs	25,071	25,071	50,142	41,785	16,714	-	(158,783)	-	-
Total expenditure	73,032	75,036	197,322	97,367	66,161	18,411	-	527,329	513,390

4. Net movement in funds

This is stated after charging:

	2015 £	2014 £
Depreciation	2,736	3,188
Trustees' remuneration	nil	nil
Trustees' reimbursed expenses	12,481	10,612
Auditors' remuneration:		
• Statutory audit (including VAT)	5,266	5,130
• Non audit services (including VAT)	1,250	1,200
	=====	=====

One member of the trustee executive board, Ann Rossiter, is a paid employee of the charity. The trustee received remuneration, excluding employer pension contributions, of £ 82,617 during the year (2014: £ 78,816) in respect of her role as the charity's Executive Director. She resigned as a trustee on 17 June 2015.

Trustees' reimbursed expenses relate to payments to 18 trustees (2014: 14) for travel and subsistence expenses for attending strategy group and board meetings.

5. Staff costs and numbers

Staff costs were as follows:

	2015 £	Restated (note 14) 2014 £
Salaries and wages	214,542	198,759
Social security costs	17,231	15,580
Pension costs	32,007	28,715
	-----	-----
	263,780	243,054
	=====	=====

The key management personnel of the charity comprise the trustees and the Executive Director. The total employee benefits, excluding employer pension contributions, of the key management personnel of the charity were £82,617 (2014: £78,816).

One employee earned between £80,000 and £90,000 in the year (2014: £70,000 to £80,000: one).

The average head count during the reporting period was 6.8 (2014: 6.6). The average number of full time equivalent employees during the year was as follows:

	2015 No.	2014 No.
Average number of employees (full-time equivalent)	5.70	4.60
	=====	=====

6. Taxation

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

7. Tangible fixed assets

	Leasehold improvements £	Furniture, fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2015	102,302	40,345	5,105	147,752
Additions	-	-	-	-
At 31 December 2015	<u>102,302</u>	<u>40,345</u>	<u>5,105</u>	<u>147,752</u>
Depreciation				
At 1 January 2015	102,302	34,402	2,681	139,385
Charge for the year	-	1,189	1,547	2,736
At 31 December 2015	<u>102,302</u>	<u>35,591</u>	<u>4,228</u>	<u>142,121</u>
Net book value				
At 31 December 2015	<u>-</u>	<u>4,754</u>	<u>877</u>	<u>5,631</u>
At 31 December 2014	<u>-</u>	<u>5,943</u>	<u>2,424</u>	<u>8,367</u>

8. Debtors

	2015 £	2014 £
Trade debtors	4,703	4,354
Prepayments	4,635	4,652
Other debtors	2,071	1,165
	<u>11,409</u>	<u>10,171</u>

9. Current asset investments

	2015 £	2014 £
The Charities Official Investment Fund	<u>302,999</u>	<u>241,355</u>

10. Creditors: amounts due within 1 year

	2015 £	Restated (note 14) 2014 £
Trade creditors	57,299	27,786
Accruals	9,082	13,106
Deferred income	-	1,800
Funds held on behalf of Northern Collaboration	19,938	8,580
Funds held on behalf of Mercian Collaboration	11,194	-
Funds held on behalf of NOWAL	32,761	-
Funds held on behalf of Copyright for Knowledge	2,000	-
Other creditors	1,151	695
	<u>133,425</u>	<u>51,967</u>

11. Analysis of net assets between funds

	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	5,631	5,631
Current assets	4,858	378,714	383,572
Current liabilities	-	(133,425)	(133,425)
Net assets at 31 December 2015	<u>4,858</u>	<u>250,920</u>	<u>255,778</u>

12. Movements in funds

	Restated (note 14) At 1 January 2015 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2015 £
Unrestricted funds					
<i>Designated funds:</i>					
INSPIRE fund	6,365	-	(1,507)	-	4,858
Total designated funds	<u>6,365</u>	<u>-</u>	<u>(1,507)</u>	<u>-</u>	<u>4,858</u>
General funds	261,051	515,691	(525,822)	-	250,920
Total funds	<u><u>267,416</u></u>	<u><u>515,691</u></u>	<u><u>(527,329)</u></u>	<u><u>-</u></u>	<u><u>255,778</u></u>

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.

13. Commitments under operating leases

At 31 December 2015 the charity had the following annual commitments under non-cancellable operating leases:

	2015		Restated (note 14) 2014	
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Payments due:				
Within one year	23,248	4,368	23,248	4,368
Within two to five years	40,684	6,916	-	11,284
	<u>63,932</u>	<u>11,284</u>	<u>23,248</u>	<u>15,652</u>

14. Statement of Financial Activities - Restated

The income and expenditure headings on the Statement of Financial Activities have been updated to reflect the new SORP (FRS 102) requirements. The 2014 comparative figures have been reanalysed accordingly.

A prior period error relating to funds held on behalf of regional collaborations was identified. Previously the income and expenditure relating to regional collaborations was recognised by SCONUL. These transactions have now been restated as funds held on behalf of regional collaborations (agency relationship). The effect is a decrease in net income and an increase in creditors in the year ended 31 December 2014.

	£
Funds at 31 December 2014 (as originally stated)	281,840
<i>Reconciliations on adoption of FRS 102:</i>	
Holiday pay accrual	(5,844)
<i>Other restatements:</i>	
Recognition of funds held on behalf of regional collaborations	(8,580)
Funds at 31 December 2014 (restated)	267,416

Notes to the reconciliations

The charity did not previously recognise holiday pay as a staff cost or creditor in accruals. Under FRS 102, organisations must make accruals for holiday pay entitlements.

15. Related party transactions

Sue White and Liz Jolly, trustees of SCONUL, are also in a position of significant influence on the governing body of the Northern Collaboration. Funds held on behalf of Northern Collaboration at 31 December 2015 were £19,938. Income received from the Northern Collaboration during the year amounted to £10,693 (2014: £1,250).

Alison McKenzie, a trustee of SCONUL, is also a trustee of NOWAL. Funds held on behalf of NOWAL at 31 December 2015 were £32,761. Income received from NOWAL during the year amounted to £7,762 (2014: £nil).

16. Funds received as an agent

During the year, the charity acted as a custodian trustee for four partner organisations. Funds held on behalf of these organisations are detailed in the creditors note (note 10). Details of funds held as agent for related parties are given in note 15. An analysis of funds received and paid by the charity is given below. Such funds are separately recorded in the accounting system and are easily identifiable.

	Funds received £	Funds paid £	Total funds held £
Northern Collaboration	35,545	15,607	19,938
Mercian Collaboration	14,166	2,972	11,194
NOWAL	42,134	9,373	32,761
Copyright for Knowledge	2,000	-	2,000
	<hr/>	<hr/>	<hr/>
	93,845	27,952	65,893
	<hr/>	<hr/>	<hr/>

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

	2015 £	2014 £
Net movement in funds	(11,638)	17,978
Adjustments for:		
Depreciation charges	2,736	3,188
Dividends, interest and rents from investments	(1,890)	(1,795)
Decrease / (increase) in debtors	(1,238)	9,388
Increase / (decrease) in creditors	81,458	9,684
Net cash provided by operating activities	69,428	38,443