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# ANNUAL REPORT

# 2016

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## CHAIR'S INTRODUCTION

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2016 saw SCONUL begin delivering the projects set out in our new, ambitious [strategy](#). The projects we embarked on in 2016 address some of the major challenges faced by the academic library community over the next decade, including leadership development and support; the development of new above-campus services and workforce development. In the meantime, a few personal highlights of the year were:

### Shared services toolkit

SCONUL's Collaboration Strategy Group held a symposium in 2015 to share consortia's experiences of collaborative working. One of the outcomes of this discussion has been the development of a Shared Services Toolkit, authored by

Dr Richard Parsons of the University of Dundee.

The toolkit provides a mechanism for understanding success criteria for library shared services projects and is an important contribution to an area of great interest across HE. SCONUL has recently begun a conversation with HEFCE about how to build on this work.

### New service for members

During 2016 SCONUL brokered the launch of a new virtual out-of-hours enquiry service, based on a Northern Collaboration pilot with OCLC. This innovative initiative has allowed us to deliver a national scheme at a rate which is affordable for members. Membership is being rolled out in several tranches, and we will carry

out a formal evaluation of the service during 2017.

### Design Awards

Another highlight of 2016 has been our triennial Design Awards, with a ceremony held at the Museum of London. The standard of applications was very high and the judges were faced with some difficult decisions. Ultimately the awards were given to the Hive, at the University of Worcester in the over 2,000 sq metres category, and to Heritage Quay, University of Huddersfield in the under 2,000 sq metres category.

This year we also mourned the untimely death of Lawrence Bebbington from the University of Aberdeen, and our condolences go to his family and colleagues from the whole community.

Mark Toole, Chair

## REFERENCE AND ADMINISTRATIVE INFORMATION

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### 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 (from 24 June); Liz Jolly (resigned 24 June)
- **Vice-Chair:** Kitty Inglis (elected 24 June); Mark Toole (to 24 June)

- **Honorary Treasurer:**  
Robert Hall
- Alison Baud
- Frances Boyle (elected 24 June)
- Caroline Brazier (co-opted 12 May)
- Roisin Gwyer (elected 24 June)
- Judith Keene
- Liz Kerr (elected 24 June)
- Jo Norry (resigned 24 June)
- Gobnait O’Riordan
- Oliver Pritchard (resigned 27 June)
- Kate Robinson (resigned 24 June)
- Pete Ryan
- Alison Stevenson
- Caroline Taylor (co-opted 2 August)
- John Tuck
- Steve Williams

### 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 (from 6 September)
- **Head of Policy and Member Engagement**  
Lori Bailey (until 24 August)
- **SCONUL Co-ordinator**  
SitMui Ng
- **Finance Assistant**  
Kim Hardingham

## SCONUL MEMBERSHIP

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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 of 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 Institute of British Architects  
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 College Birmingham  
University College Cork  
University College Dublin

## SCONUL MEMBERSHIP

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University College London  
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

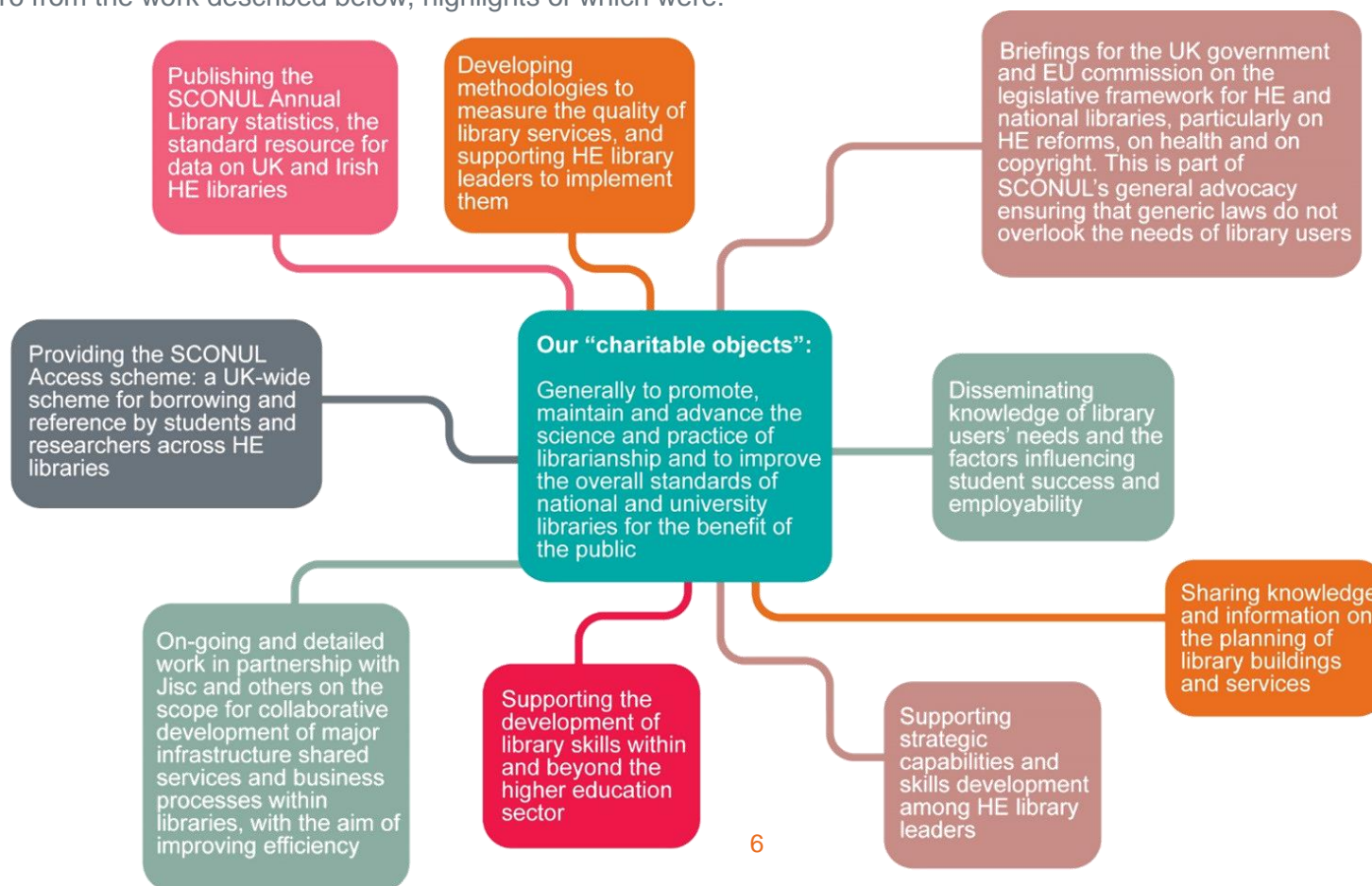
University of Nottingham  
University of Oxford  
University of Plymouth  
University of Portsmouth  
University of Reading  
University of Roehampton  
University of Salford  
University of South Wales  
University of Southampton  
University of St Andrews  
University of St Mark and St John  
University of Stirling  
University of Strathclyde  
University of Suffolk  
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 2016. 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 2016 from the work described below, highlights of which were:



## LEADERSHIP AND ADVOCACY

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### HE reforms

The pace of change in Higher Education policy continued unabated in 2016 with the announcement of the Bell review into UK HE sector agencies in March, the publication of the Higher Education and Research Bill in May and further details of the working of the Teaching Excellence Framework (TEF).

**In 2016** SCONUL supported its members through the production of briefings on the proposed changes, and by holding a conference on the proposed TEF. We also responded on members' behalf to the technical consultation on the TEF, 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 2017**, we will be providing members 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 on the changes and responding to 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 2016**.

The pressure on library budgets from above-inflation price increases for journals has been exacerbated by the impact of Brexit. The fall in the value of the pound following the vote has added significantly to the cost of content for many member libraries where agreements are priced in euros or dollars.

SCONUL works closely with partners in this area and is an active member of the Jisc Collections Content Strategy

Group - the representative voice for institutions in Jisc Collections' negotiations with publishers.

The Executive Director has briefed journalists on the high cost of content and spoke at the UKSG Conference in March arguing for a new approach to content provision. During 2016 she and other SCONUL representatives worked closely with partners including Jisc Collections and RLUK on negotiations with Elsevier on behalf of the sector.

**In 2017** 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.



## LEADERSHIP AND ADVOCACY

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### Scholarly communications

SCONUL has a long-standing commitment to fostering open access to scholarly content, and **in 2016**, we worked closely with Jisc on the development of a set of services to support institutions in handling the complexities of OA related processes and payments. We also contributed to the review of OA policy by Professor Adam Tickell for the Minister of State for Universities and Science. Jo Johnson MP.

SCONUL is represented on the UUK Open Access Coordination group and on its sub-groups. **in 2017** we will continue to work closely with partners 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 2016**.

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. Again, this work will continue **in 2017**.

### Copyright

Copyright and intellectual property law remain issues of central importance for all libraries, and **in 2016** 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 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 2017**, and the SCONUL Copyright Group will continue to provide support to the community through briefings and training opportunities.

## LEADERSHIP AND ADVOCACY

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### Health libraries

The Joint SCOUN/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 2016** this has involved making submissions to government, Health Education England and others, including on the Information Standard.

**In 2017** we will continue our close partnership with health librarians from all areas and respond to any developments as they arise.

### Leadership support

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

**In 2016** the Leadership Task and Finish Group began its work developing a range of practical interventions to support staff in our member institutions in their leadership development. This has included commissioning research into HE leaders' views of librarians, working on the development of a SCOUN mentoring scheme and developing practical partnerships with other professional associations. We have also continued to work with the Leadership Foundation for Higher

Education in the development of its Future Professional Directors Programme and with the HEA to support our members seeking fellowship. We continue to facilitate the creation of new informal networking and support groups for new library directors and for deputy directors of services.

**In 2017** we will be publishing the results of a suite of projects and introducing some new services for SCOUN members.

## PROMOTING GOOD PRACTICE AND COLLABORATION

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### 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 2016** SCONUL's summer conference explored the drivers for change over the coming decade, looking particularly at the impact of data driven services and new forms of collaboration. These themes are also explored by SCONUL's Collaboration and Transformation Strategy Groups.

**In 2017** we will be publishing new work in this area, including looking at the impact on libraries of the future balance between print and digital provision.

### 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 2016** we produced an analysis of developing trends in the use of library space and practice over the preceding decade.

**In 2017** we will produce a similar analysis document, looking this time at trends in staffing at libraries across the SCONUL membership.

### Space and design

We share good practice on space planning through members' contributions 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 2016** we held our a triennial Library Design Awards including hosting a design showcase, allowing members to learn from each other's excellent practice.

**In 2017** we will be considering the implications for library space planning of long term trends in the balance between physical and digital collections.

### 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 2016** SCONUL provided members with a set of case studies on this important area to inform the development of their services and provide an analysis of the relationships between employability and information literacy.

**In 2017**, this work will be taken forward by the Transformation Strategy Group.

## PROMOTING GOOD PRACTICE AND COLLABORATION

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### 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.

For example, **in 2016**, SCONUL worked 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.

We also followed up our shared services symposium with the development of a

shared services toolkit, authored by Richard Parsons from the University of Dundee. This provides a mechanism for libraries to consider criteria for success for shared services projects.

**In 2017** we will continue to work with HEFCE on the development of the toolkit, and 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. **In 2016** SCONUL joined forces with RLUK and others to fund a feasibility study into successor services.

**In 2017**, we will be working closely with RLUK, Jisc and other partners on this and other 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

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Our partner organisations during 2016 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), Ireland
- COUNTER
- EThOS, the e-theses on-line service
- European Bureau of Library, Information and Documentation Associations (EBLIDA)
- Higher Education Academy (HEA)
- Higher Education Statistics Agency (HESA)
- Higher Education Funding Council for England (HEFCE)
- International Federation of Library Associations (ILFA)
- Jisc
- 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)
- Scottish Confederation of University and Research Libraries (SCURL)
- Southern Universities Purchasing Consortium (SUPC)
- Universities and Colleges Information Systems Association (UCISA)
- UK Research Reserve (UKRR)
- Universities UK (UUK)
- Wales HE Libraries Forum (WHELF)

## MEMBER SERVICES

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### The SCONUL statistics

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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 2016 153 institutions included their statistics, with 126 submitting the strategic planning subset of data released early in time for the budget planning round.

During 2016, the statistics were also used by Jisc to inform its negotiations with journal and e-book publishers.

2016 was the second year SCONUL published a slimmed down set of statistics, following a fundamental review carried out in 2014. This removed those which were no longer widely used and tightened up definitions to ensure comparability. The number of institutions contributing has continued to rise, particularly those contributing to the Strategic Planning Set of data - the number of participating institutions has risen by 10% since 2014.

### The SCONUL Access Scheme

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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 a part of the scheme in 2016 (up three from the previous year), welcoming over 50,000 users. They loaned at least 94,000 unique items to staff, research students, post-graduates, part-time students and distance learning students.

### The Virtual Enquiry Service

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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. 44 member institutions had joined the scheme at the end of 2016.

## MEMBER SERVICES

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### Information sharing

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SCONUL facilitates information sharing between members in a variety of ways, including through our monthly newsletter and our triannual practitioner journal, SCONUL Focus. 2016 was the first year that Focus was exclusively online, ensuring that content could be distributed in a timely and cost effective way to members. We also use our mailing lists and the SCONUL website to distribute information about sector developments to members.

During 2016 SCONUL also produced briefings for members on key issues for academic libraries, including the role of libraries in fostering student employability; learning spaces; policy developments including the Higher Education and Research Bill; the Teaching Excellence Framework and the Nurse Review.

### Supporting member consortia

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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 2016, 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).

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

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### 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:  
<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

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.

Until June, twelve of the fifteen were elected and three were co-opted from partner organisations. A further member, Caroline Taylor, was co-opted in August following Oliver Pritchard's resignation. Elected members serve for a maximum of three years.

New trustees are provided with briefings on 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 September 2016.



## STRUCTURE, GOVERNANCE AND MANAGEMENT contd.

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### 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

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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 2016 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 6 June 2017 and signed on their behalf by

Mark Toole  
Chair of SCOUNL

## FINANCIAL REVIEW

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### Introduction

The results for the year to 31 December 2016 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 0.1% 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

2016 saw a small increase in our reserves which now stand at £288,493. 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 0.5%.

### 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. This support is provided at cost and detailed on page 14. 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

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We have audited the financial statements of The Society of College, National and University Libraries for the year ended 31 December 2016 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 2016 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	2016 Total £	2015 Total £
<b>Income from:</b>			
Donations – subscriptions		<b>368,105</b>	367,949
Other trading activities		<b>42,145</b>	35,375
Investments		<b>1,890</b>	1,890
Charitable activities:			
Access scheme		<b>3,680</b>	3,965
Library statistics		<b>2,770</b>	3,756
Events programme		<b>75,790</b>	80,470
Communications with members		<b>26</b>	713
Regional collaborations		<b>50,198</b>	21,573
<b>Total income</b>		<b>544,604</b>	515,691
<b>Expenditure on:</b>			
Charitable activities:			
Access scheme		<b>54,907</b>	73,032

Library statistics		<b>66,561</b>	75,036
Events programme		<b>188,020</b>	197,322
Partnership working, advocacy and lobbying		<b>92,237</b>	97,367
Communications with members		<b>61,659</b>	66,161
Regional collaborations		<b>48,505</b>	18,411
<b>Total expenditure</b>	2	<b>511,889</b>	527,329
<b>Net income / (expenditure)</b>		<b>32,715</b>	(11,638)
Transfers between funds		-	-
<b>Net movement in funds</b>	3	<b>32,715</b>	(11,638)
<b>Reconciliation of funds</b>			
Total funds brought forward		<b>255,778</b>	267,416
<b>Total funds carried forward</b>		<b>288,493</b>	255,778

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

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	Note	£	2016 £	2015 £
<b>Fixed assets</b>				
Tangible fixed assets	6		<b>3,803</b>	5,631
<b>Current assets</b>				
Debtors	7	12,661		11,409
Investments	8	356,249		302,999
Cash at bank and in hand		72,748		69,164
		<u>441,658</u>		<u>383,572</u>
<b>Creditors: amounts due within 1 year</b>	9	<u>(156,968)</u>		<u>(133,425)</u>
<b>Net current assets</b>			<b>284,690</b>	250,147
<b>Net assets</b>	10		<u><b>288,493</b></u>	<u>255,778</u>

	Note	£	2016 £	2015 £
<b>Funds</b>	11			
Unrestricted funds:				
Designated funds			-	4,858
General funds			<b>288,493</b>	250,920
<b>Total funds</b>			<b>288,493</b>	<b>255,778</b>

Approved by the trustees on 6 June 2017 and signed on their behalf by

M Toole - Chair

R Hall - Treasurer

## STATEMENT OF CASH FLOWS

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	Note	2016 £	2015 £
<b>Cash flows from operating activities:</b>			
Net movement in funds		32,715	(11,638)
Adjustments for:			
Depreciation charges		1,828	2,736
Dividends, interest and rents from investments		(1,890)	(1,890)
Decrease / (increase) in debtors		(1,252)	(1,238)
Increase / (decrease) in creditors		23,543	81,458
<b>Net cash provided by operating activities</b>		<b>54,944</b>	<b>69,428</b>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		1,890	1,890
<b>Net cash provided by investing activities</b>		<b>1,890</b>	<b>1,890</b>
<b>Increase in cash and cash equivalents in the year</b>		<b>56,834</b>	<b>71,318</b>

Cash and cash equivalents at the beginning of the year	<b>372,163</b>	300,845
<b>Cash and cash equivalents at the end of the year</b>	<b>428,997</b>	372,163
Analysed as:		
Cash at bank and in hand	<b>72,748</b>	69,164
Current asset investments	<b>356,249</b>	302,999
	<b>428,997</b>	372,163

# NOTES TO THE FINANCIAL STATEMENTS

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## 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:

Access scheme	15.8%
Library statistics	15.8%
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 £41,391 in 2016 (2015: £32,007).

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.



## 2. 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 £	2016 Total £	2015 Total £
Direct costs	3,469	24,110	70,723	11,945	8,406	-	-	118,653	148,062
IT and website hosting	2,096	2,551	225	230	628	1,237	11,281	18,248	16,029
Staff costs (note 4)	24,915	15,473	68,217	39,350	36,340	47,268	63,784	295,347	263,780
Recruitment, training and expenses	-	-	-	-	-	-	1,512	1,512	7,587
Premises costs	-	-	-	-	-	-	31,041	31,041	30,483
Insurance	-	-	-	-	-	-	1,155	1,155	1,040
Fees and subscriptions	-	-	-	-	-	-	6,201	6,201	6,071
Office costs	-	-	-	-	-	-	11,386	11,386	13,793
Legal and professional	-	-	-	-	-	-	11,452	11,452	13,297
Executive board costs	-	-	-	-	-	-	8,203	8,203	17,483
Audit and accountancy	-	-	-	-	-	-	6,840	6,840	6,516
Bank charges	-	-	-	-	-	-	23	23	452
Depreciation	-	-	-	-	-	-	1,828	1,828	2,736
<b>Sub-total</b>	<b>30,480</b>	<b>42,134</b>	<b>139,165</b>	<b>51,525</b>	<b>45,374</b>	<b>48,505</b>	<b>154,706</b>	<b>511,889</b>	<b>527,329</b>
Allocation of governance and support costs	24,427	24,427	48,855	40,712	16,285	-	(154,706)	-	-
<b>Total expenditure</b>	<b>54,907</b>	<b>66,561</b>	<b>188,020</b>	<b>92,237</b>	<b>61,659</b>	<b>48,505</b>	<b>-</b>	<b>511,889</b>	<b>527,329</b>

### 3. Net movement in funds

This is stated after charging:

	2016 £	2015 £
Depreciation	1,828	2,736
Trustees' remuneration	Nil	Nil
Trustees' reimbursed expenses	7,352	12,481
Auditors' remuneration:		
• Statutory audit (including VAT)	5,565	5,266
• Non audit services (including VAT)	1,275	1,250
	=====	=====

Trustees' reimbursed expenses relate to payments to 14 trustees (2015: 18) for travel and subsistence expenses for attending strategy group and board meetings.

#### 4. Staff costs and numbers

Staff costs were as follows:

	2016 £	2015 £
Salaries and wages	231,066	214,542
Social security costs	22,890	17,231
Pension costs	41,391	32,007
	<u>295,347</u>	<u>263,780</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 £106,937 (2015: £104,571).

One employee earned between £80,000 and £90,000 in the year (2015: one), excluding employer pension contributions.

The average head count during the reporting period was 8 (2015: 6.8). The average number of full time equivalent employees during the year was as follows:

	2016 No.	2015 No.
Average number of employees (full-time equivalent)	5.70	5.70
	=====	=====

## 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 £
<b>Cost</b>				
At 1 January 2016	102,302	40,345	5,105	147,752
Additions	-	-	-	-
At 31 December 2016	102,302	40,345	5,105	147,752
<b>Depreciation</b>				
At 1 January 2016	102,302	35,591	4,228	142,121
Charge for the year	-	951	877	1,828
At 31 December 2016	102,302	36,542	5,105	143,949
<b>Net book value</b>				
At 31 December 2016	-	3,803	-	3,803
At 31 December 2015	-	4,754	877	5,631

## 7. Debtors

	2016 £	2015 £
Trade debtors	7,671	4,703
Prepayments	4,990	4,635
Other debtors	-	2,071
	<hr/>	<hr/>
	<b>12,661</b>	<b>11,409</b>
	<hr/> <hr/>	<hr/> <hr/>

## 8. Current asset investments

	2016 £	2015 £
The Charities Official Investment Fund	356,249	302,999
	<hr/>	<hr/>

## 9. Creditors: amounts due within 1 year

	2016 £	2015 £
Trade creditors	64,264	57,299
Accruals	11,610	9,082
Funds held on behalf of Northern Collaboration	17,983	19,938
Funds held on behalf of Mercian Collaboration	6,508	11,194
Funds held on behalf of NOWAL	53,704	32,761
Funds held on behalf of Copyright for Knowledge	1,840	2,000
Other creditors	1,059	1,151
	<b>156,968</b>	133,425
	<b>156,968</b>	133,425

## 10. Analysis of net assets between funds

	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)
<b>Net assets at 31 December 2016</b>	<b>-</b>	<b>288,493</b>	<b>288,493</b>
	<b>-</b>	<b>288,493</b>	<b>288,493</b>

## 11. Movements in funds

	At 1 January 2016 £	Income £	Expenditure £	Transfers between funds £	At 31 December 2016 £
<b>Unrestricted funds</b>					
<i>Designated funds:</i>					
INSPIRE fund	4,858	-	-	(4,858)	-
Total designated funds	<u>4,858</u>	<u>-</u>	<u>-</u>	<u>(4,858)</u>	<u>-</u>
General funds	250,920	544,604	(511,889)	4,858	<b>288,493</b>
<b>Total funds</b>	<u><u>255,778</u></u>	<u><u>544,604</u></u>	<u><u>(511,889)</u></u>	<u><u>-</u></u>	<u><u><b>288,493</b></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. This is no longer used; therefore all remaining designated funds have been transferred to general funds.

## 12. Commitments under operating leases

At 31 December 2016 the charity had the following annual commitments under non-cancellable operating leases:

	2016		2015	
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Payments due:				
Within one year	17,436	5,306	23,248	4,368
Within two to five years	-	6,299	40,684	6,916
	<u>17,436</u>	<u>11,605</u>	<u>63,932</u>	<u>11,284</u>

## 13. Related Party Transactions

Liz Jolly, Chair of SCONUL until June 2016, is also in a position of significant influence on the governing body of the Northern Collaboration.

Caroline Taylor, trustee of SCONUL, is the Chair of the Steering Group for Mercian Collaboration.

Transactions between these related parties are detailed in note 14 below.



## 14. 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 9). Details of funds held as an agent for related parties are given in note 13. 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 held at 1 January 2016 £	Funds received £	Funds paid £	<b>Total funds held at 31 December 2016 £</b>
Northern Collaboration	19,938	24,085	(26,040)	<b>17,983</b>
Mercian Collaboration	11,194	9,916	(14,602)	<b>6,508</b>
NOWAL	32,761	58,792	(37,849)	<b>53,704</b>
Copyright for Knowledge	2,000	-	(160)	<b>1,840</b>
	<u>65,893</u>	<u>92,793</u>	<u>(78,651)</u>	<b><u>80,035</u></b>