



The Society of College National and University Libraries Annual Report and Audited Financial Statements

Year Ended 31 December 2014

Company number 01436951
Charity number 278550

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The trustees present their report and the audited financial statements for the year ended 31 December 2014.

Reference and administrative information set out on page 5 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 (issued in March 2005).

Key information about the Society of College National and University Libraries

Trustees

Trustees, who are also directors under company law, 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
Sue Hodges
Kitty Inglis
Rosemary Lynch (resigned 27/06/14)
Alison Mackenzie
Maja Maricevic
Sara Marsh (resigned 27/06/14)
Jo Norry
Gobnait O'Riordian
Oliver Pritchard
Kate Robinson
Ann Rossiter
Pete Ryan (appointed 27/06/14)
Alison Stevenson (appointed 14/10/14)
John Tuck (appointed 27/06/14)
Sue White
Steve Williams

Office 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
Administrator Georgia Stroud

Auditor Godfrey Wilson Ltd
Chartered accountants and statutory auditors
Unit 5.11 Paintworks, Bath Road
Bristol BS4 3EH

Registered Office

94 Euston Street
London NW1 2HA

Company number 01436951
Charity number 278550

Bankers/ Investment Managers

The Royal Bank of Scotland plc
171 Tottenham Court Road
London W1T 7DL

CCLA Investment Managers Limited
COIF Charity Funds
80 Cheapside
London W1P 0DL

Introduction

Liz Jolly,
SCONUL Chair and
Director of Library and Information
Services at Teesside University



2014 in Review

SCONUL's core strength is its collaborative approach to the challenges we face. This is true for the development and delivery of shared services, such as SCONUL Access; for sharing intelligence and best practice; and for putting forward our collective view on the policy changes, projects and programmes that members require.

On the development of shared and collaborative services, our focus during 2014 has been partnership working with Jisc, UCISA, RLUK, ARMA and others to together steer the work that Jisc carries out on behalf of the sector. Our aim has been to ensure that proposed new services are fit for purpose and that the full range of institutional voices has influence in their development.

It is the fact that the SCONUL membership includes such a wide spectrum of institutions that allows us to speak with authority on the needs and views of our community as a whole. This has been important not just in our work with Jisc on service development, but also with Jisc Collections on negotiations with publishers and in our lobbying work, for example with the EU on copyright and text and data mining.

Acting together allows us to learn from each other and to develop a common understanding of the needs of the sector. It is SCONUL members who have produced briefings on libraries and employability, on open access and

on research data management, and members who gave their time to develop training events and other opportunities to share best practice.

In essence, we are a voluntary body where people give of their expertise and effort generously. One quarter of our member institutions are directly involved as part of a SCONUL Strategy Group, or on the Board, or in putting forward the views of colleagues as a representative with another body. I would like to thank all of the heads of library services and their teams who give of their time to support our community, as well the office staff, who deliver a great deal on slim resources.

Plans for the Future

We are now drawing up SCONUL's strategy for 2016-19. We have asked members about the major challenges and service development priorities for their institutions and for the community as a whole and have worked with our strategy groups on a programme for the next three years. This work has identified a set of six core projects and programmes.

As research, teaching and learning practices evolve over the next decade, and the boundaries between the library and other institutional functions erode further, the unique set of skills and knowledge that heads of service possess will be called upon in

new ways, as they have with research data management and open access.

Our members want to ensure that they are equipped fully to lead through that process of change and we will be developing **a leadership capacity building programme**, and a second programme on **workforce planning** to ensure that member institutions have the staff skills that will be required.

The process of transformation of our libraries is an on-going one, and members see an important role for SCONUL in drawing together intelligence and sharing best practice **on service redesign**. This will be another major strand of work under the 2016-19 strategy.

Rethinking the way that we deliver for our users will be vital given that budgetary constraints are likely to remain a very important factor influencing service planning and design. SCONUL will continue to look at how and where shared and collaborative services might enable member institutions to deploy their resources most effectively. Describing how those above-campus services can be brought together under the rubric of a **national digital library for UK higher education** will be an important element of our **advocacy work**, which will be the sixth strand of our strategy for the next three years.

Of course, we will continue to provide its core services which I know are very highly valued by SCONUL members, including **the Access Scheme, the SCONUL statistics, the Library Design Awards and our programme of events** which bring members together to share knowledge and experience.

I look forward to working with the whole SCONUL community to deliver our strategy for the next three years. I urge all member representatives to consider how and where you are best placed to contribute.

Liz Jolly



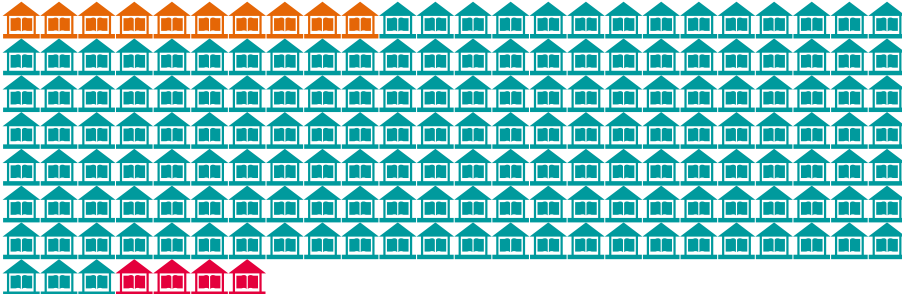
Courtesy of Photo Unit Queen's University Belfast



SCONUL at a glance

In 2014 SCONUL had 175 members.

4 are national libraries and 10 are small and specialist institutions



26%

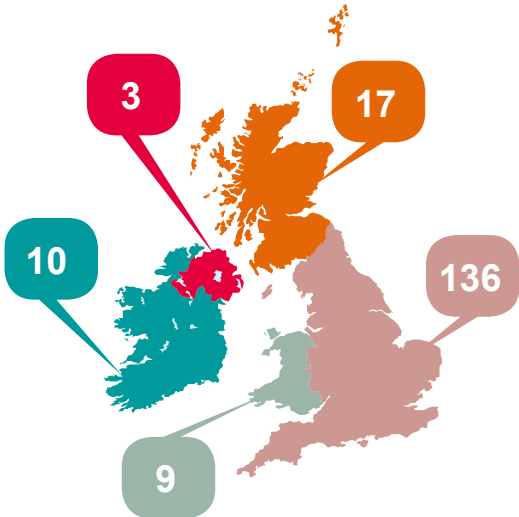
of members are directly involved with SCONUL – as a member of the Board, on a strategy group, or representing the community on external working groups or committees.

89%

of members contribute their data to the SCONUL statistics, making it a model for benchmarking in the HE sector.

97%

of members contribute to the SCONUL access scheme, allowing staff, research students, post-graduates, part-time and distance learning students to use other libraries.



SCONUL represents all university libraries in the UK and Ireland, irrespective of mission group, as well as national libraries and many of the UK's colleges of higher education.



Members are represented through SCONUL on 36 external working groups, committees or boards. These are listed at page 14.

SCONUL collects a set of statistical measures on library activity, which members use to benchmark their services. The data series has been running for 33 years.



169 libraries were a part of the SCONUL Access scheme in 2014. They welcomed 45,732 new SCONUL visitors into their institutions, and loaned 340,036 books.



Levels of satisfaction with SCONUL events are increasing (SC – summer conference and WC – winter conference).

Our objectives and activities

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 benefit arose during 2014 from the work described below, highlights of which were:



Achievements and performance: highlights

Leadership and Advocacy

Libraries have long been at the forefront of advocating for **open access** and have welcomed the transformation in scholarly communications which is now underway. While our members have continued to advocate for these changes inside and beyond their own institutions, libraries have needed to make significant changes to their own processes and systems, and to support other parts of the institution in doing the same.

SCONUL has continued to support members through these changes, working closely with partners through the Open Access Implementation Group; on the UUK Open Access oversight group; on its own Academic Content and Communications Advisory Panel and with Jisc. A particular focus has been to ensure that the suite of new services being developed to support institutions are workable and effective.

Supporting member libraries to contribute fully to research data management within their institutions has also been a significant element of our work during 2014. SCONUL has collaborated with Jisc, RLUK, RUGIT and others on the "Research at Risk" programme to identify the systems and infrastructure that institutions will need to maximise the benefits of research data to research and learning.

Reducing the **high cost of journals** remains an important element of our work with Jisc, including as a member of the Electronic Information Resources Working Group (EIRWG) which is the representative voice for institutions in Jisc Collections' negotiations with publishers. In order to support better communications between Jisc and the library community, SCONUL established a Content Forum in 2014, bringing the two parties

together to discuss specific deals and the general principles which should underpin negotiations. The Executive Director has also briefed journalists on the high costs of content and SCONUL has joined ICOLC, the International Coalition of Library Consortia, to build relationships with libraries in other countries which face similar challenges.

During 2014, SCONUL has continued to engage with EU, with government and with its members on **reform of copyright and intellectual property law**, 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, has provided briefing 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 European Union 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. SCONUL was a signatory to the Lyon Declaration on access to information and development which makes the case for access to information for developing countries.

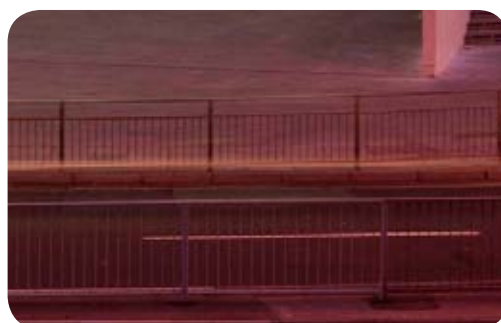
The Joint SCONUL/CILIP Health and Social Care Strategy Group has continued to monitor the development of **structural changes in the NHS** and to lobby to ensure that they take proper account of the role of, and the importance of, libraries in supporting health outcomes. This has involved making submissions in government, Health Education England and others.

SCONUL continues its long-standing commitment to promoting **information and digital literacies** through our work with the coalition, InformalAll, and with the Jisc project on digital capabilities which has resulted in a programme of work focusing on the digital capabilities of all university staff.

During 2014, the community was hit by the collapse of one of its suppliers, the subscription agent **Swets**. SCONUL supported members by sharing information on exposure to the collapse and by working with Jisc and others on support for members to find alternative suppliers.

SCONUL has continued to engage with our partners on the drive for **efficiency and quality** across HE, through our representation on the UUK Efficiencies through Benchmarking group and through contributing to the QAA review. We have also contributed to the on-going work developing **library and learning analytics** underway at HEFCE and Jisc, which have the potential to be important tools for service development.

We also support the development of **leadership within our own sector** through our financial support for, and engagement in the Leadership Foundation for Higher Education's Future Leaders Programme and supporting members seeking HEA fellowship.



SCONUL's Strategy Groups

SCONUL's groups are the main vehicle for delivering on our strategy. They play a vital role by:

- **representing** member views across a range of policy and practice working groups and committees, ensuring that the voice of academic libraries are heard (see opposite).
- **briefing** members on significant developments. During 2014, this included changes in copyright law and on the contribution of libraries to student employability.
- **engaging** with SCONUL's partners such as Jisc, UCISA and RLUK on issues of mutual interest, as well as working with them on specific projects.
- **commissioning** projects and research on behalf of members. In 2014 the Performance and Quality Strategy Group commissioned research on measuring the value and impact of academic libraries, for example.
- **responding** to government and EU consultations on behalf of members, such as on the QAA review.

SCONUL members represent their colleagues on the following groups:

- AIM Consultation Group, Jisc
- Change Agent Network Advisory Group, Jisc
- CLA negotiating committee, UUK
- Collections Managers group, Jisc
- Copyright for Knowledge
- Designing Libraries Advisory Board
- Digital Student Project, Jisc
- Efficiencies through Benchmarking Group, UUK
- Electronic Information Resources Working Group, Jisc
- EThOS Advisory Board
- Futures Forum, Jisc
- Future Leaders Programme Steering Group, Leadership Foundation
- Identity Management Taskforce, Jisc
- Inspire Management Board
- Knowledge Base+ Advisory Board
- LAMP Integration Group, Jisc
- Libraries and Archives Copyright Alliance
- Libraries, Archives, Records and Information Management Group
- InformAll (formerly RIDLs), RIN
- Library and publishing statistics Committee IDT2/15, British Standards Institute
- Library Services Advisory Group, Jisc
- LIS Research Coalition
- Monographs and Open Access Project, HEFCE
- OAPEN pilot project advisory group, Jisc
- Open Access Advisory Group, Jisc
- Open Access Group, UUK
- Open Access Implementation Group
- Open Access Infrastructure Group, Jisc
- SafeNet advisory group, Jisc
- Scholarly Communications Advisory Group, Jisc
- Share the Vision
- Sherpa FACT advisory group
- Spotlight on the Digital project, Jisc
- Stakeholder Forum, Jisc
- Technology Consultative Forum, Jisc
- UKRR Board
- UKRR Selection Panel
- Workforce Mapping project, CILIP

Academic Content and Communications Strategy Group

Focus on: open access; copyright, monographs and research data management.

Kitty Inglis, University of Sussex (Chair)
Simon Bains, University of Manchester
Clare Powne, University of Exeter
Kate Price, King's College London
Kate Robinson, University of Bath
Ann Rossiter, SCONUL
Caroline Taylor, University of Leicester
Richard Wake, University of Southampton
Nicky Whitsed, Open University

Performance and Quality Strategy Group

Focus on: review of the SCONUL stats; impact and value; KPIs and analytics and benchmarking.

Alison Mackenzie, Edge Hill University (Chair)
Leo Appleton, University of the Arts, London
Lori Bailey, SCONUL
Julie Berry, University of Salford
Keith Dean, University of Sheffield
Grace Hudson, University of Bradford
Oliver Pritchard, University of Sunderland
Pat Simons, Queen Mary University
Paul Reynolds, Keele University

Shared and Collaborative Services Strategy Group

Focus on: partnership with Jisc; shared service development and resources; KB+ and LMSs.

Sue White, University of Huddersfield (Chair)
Debbi Boden-Angell, York St John University
Diane Bruxvoort, University of Aberdeen
Robin Green, University of Warwick
Mark Hughes, Swansea University
Fiona Parsons, University of Wolverhampton
Ann Rossiter, SCONUL
John Tuck, Royal Holloway, University of London
Margaret Weaver, University of Cumbria

User Experience and Success Strategy Group

Focus on: employability; library design & space planning; staff learning & development and developing partnerships.

Jo Norry (Chair), Leeds Beckett University
Lori Bailey, SCONUL
Jacqueline Chelin, University of the West of England, Bristol
Roisin Gwyer, University of Portsmouth
Elizabeth Selby, Southampton Solent University
Liz Waller, University of York
Catherine Walsh, University of East London
Steve Williams, Swansea University

Promoting good practice and collaboration

SCONUL's 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 February 2015, SCONUL held a **library design showcase** and awards ceremony, highlighting excellence in library design. Member representatives were also able to visit the best new library buildings through a series of **visits to the award-winning libraries**.

We also share good practice through members' contribution of data to the **Designing Libraries** website, which provides detailed factual information to help anyone involved in planning new library buildings or refurbishments of existing libraries. SCONUL is represented on the Advisory Board of the Community Interest Company which oversees the running of the site.

Our **Summer Conference** covered a broad range of 'hot topics' in research and teaching and learning-related issues, including collaborative collection development, the future of open access in the UK, new models for e-book purchase and the use of analytics to inform service development and practice. We also held events looking in-depth at **benchmarking** and on demonstrating **value and impact**.

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. SCONUL provided members with a briefing and literature review and case studies on this important area in order to inform the development of their services.

Our statistics are an important benchmarking tool for libraries in their quest to understand

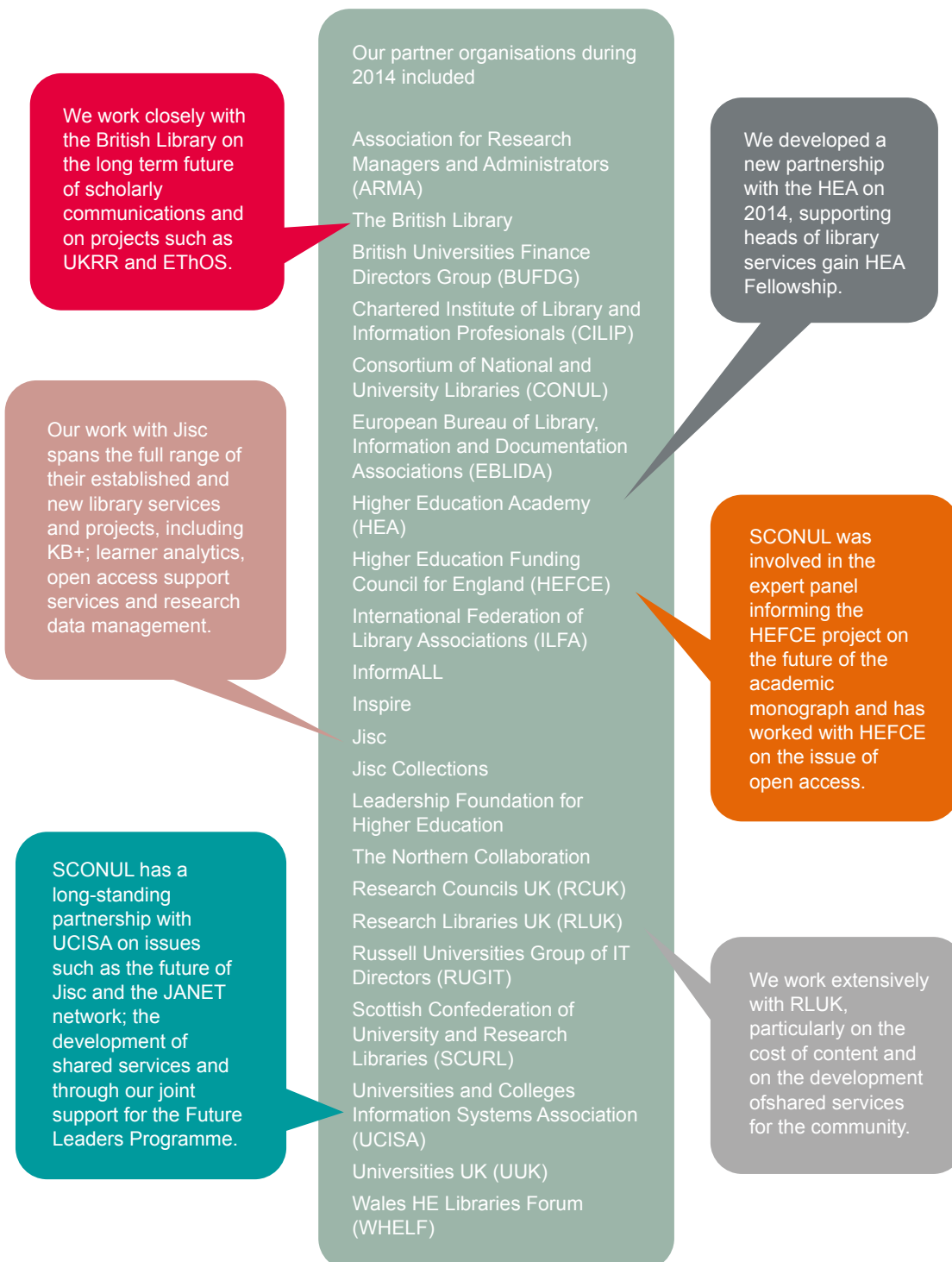
and demonstrate their value and impact. We supported members in this task through the provision of **case studies on effective use of benchmarking** for members and through research on value and impact.

As the HEFCE-funded UK Research Reserve (UKRR) project reached its conclusion, SCONUL was heavily involved in the debate about its future and of successor services through our Board membership of **UKRR** and through our contribution to the **National Monograph Strategy**.

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. It does this by implementing a central 'hub' comprising an e-store and a digitisation suite at The British Library which automatically harvests e-theses from Institutional Repositories and digitises paper theses from participating institutions to offer a single point of access. 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 continues to be heavily involved in the **shared services** arena and works closely with Jisc to identify and scope potential shared services through the Shared and Collaborative Services Strategy Group and other Strategy 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, SCONUL and Jisc worked closely on the National Monograph Strategy and on the Spotlight on the Digital Project during 2014.

Working with partners



SCONUL's core 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. During 2014, the statistics were used by Jisc to inform its negotiations with publishers and by HEFCE for its report on the future of the monograph.

Following feedback, in 2014 we undertook a fundamental review of the statistics collected, dropping those which were no longer widely used and tightening up definitions to ensure comparability.



The statistics are widely used, with 156 institutions submitting a full return, and 114 doing so in time to contribute to the Strategic Planning Set which is released early to allow the previous year's findings to be used for planning for the following year.

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.



169 libraries were a part of the scheme in 2014, welcoming 45,732 visitors. They loaned 340,036 books to staff, research students, post-graduates, part-time students and distance learning students.

An essential service for our students and researchers' and generally highly regarded as a scheme providing access to research resources across the UK.

Head of library service, UK

Improvements made to the administration of the scheme which allow users to register online are now fully embedded in member workflows. This has delivered an improved user experience and has freed up staff time at institutions.

Information sharing

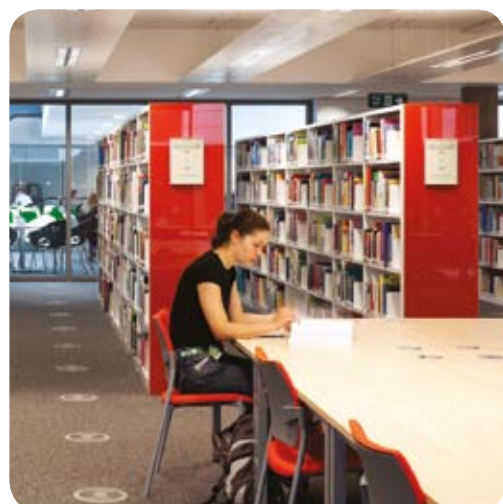
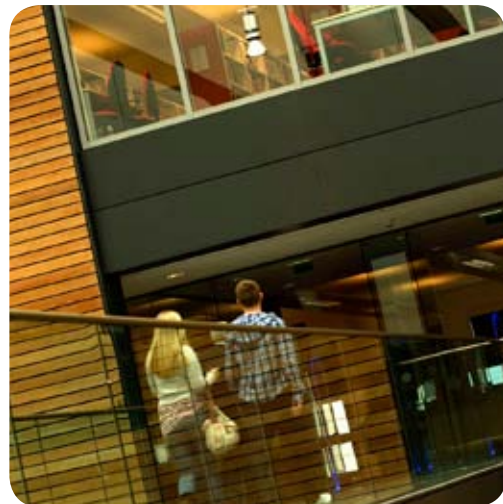
SCONUL facilitates information sharing between members in a variety of ways, including through our monthly newsletter and our triannual practitioner journal, SCONUL Focus. During 2014, we moved Focus online, with the first online-only edition appearing in spring 2015, ensuring that content could be distributed in a timely way at a reduced cost to members.

During 2014, SCONUL also produced regular newsletters on the work of Jisc to ensure members were fully informed about developments and opportunities – a task that has now been taken on by Jisc itself. We also use our mailing lists and the SCONUL website to distribute information about sector developments to members. During 2014 we produced an updated register of independent consultants working in the UK library area which serves as a resource for members seeking external assistance.

Supporting member consortia

In 2013, SCONUL bought together the many library consortia working in the UK and Ireland to explore opportunities for collaboration. One finding was that smaller consortia sometimes found sourcing 'back office' functions challenging.

During 2014, SCONUL ran a pilot with the Northern Collaboration to test whether it would be feasible for SCONUL to provide administrative and financial functions for the consortium, allowing the Northern Collaboration to focus on projects and research. The time and services provided were paid for by the Northern Collaboration at cost. The pilot was highly successful and is being rolled out to other consortia in 2015.



Structure, governance and management

Who are 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. At the 2014 AGM, members agreed to change our membership rules, allowing new organisations with collections of national significance to join.

SCONUL representatives

Each member of SCONUL appoints a representative, usually the director of its library service or equivalent. Representatives have an important role to play in SCONUL as the voice of their institution, influencing SCONUL's priorities and objectives and, through SCONUL, policies and priorities for a wide range of external partners. Their contributions to the Board, to SCONUL's Strategy Groups and in representing the community of 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 establish SCONUL's strategy to meet its core charitable objective (see page 11).

SCONUL and its Trustees

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. These governing documents were incorporated on 13 July 1979 and last amended by Special Resolution on 27 June 2014.

The Executive Board members constitute the Company's Board and are the Charity's Trustees, currently 17 members (see page 5), each of whom, in formal terms, is a Director of the Company.

Of the 17 members of the Executive Board, twelve are elected by the membership and four are co-opted from partner organisations. Elected members serve for a maximum of three years, with the elapse of one year being necessary before any member is eligible for re-election. We were delighted to welcome Mark Toole to the role of Vice-Chair of SCONUL and Pete Ryan, Head of Library Services, Canterbury Christ Church University, and John Tuck, Director of Library Services, Royal Holloway University of London, to the Board.

Following their election, Trustees are provided with a portfolio of information about the working of the Society and their obligations under Charity and Company law. Training in good practice and the responsibilities of Trustees is provided, most recently in July 2013.

The 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, proposes the subscriptions to be levied for the following year
- regularly reviews the organisation's risk register and measures to ameliorate those risks.

Responsibilities of the 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
- 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 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 2014 was 17. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Financial Review

The results for the year to 31 December 2014 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.

2014 saw a small increase in our reserves which now stands at £281,840. 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%. Subscription income was broadly level due to limiting an overall rise in subscriptions of 1.6% in recognition of the financial uncertainty faced by higher education. Overall total income was as anticipated.

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.

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.

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

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 3 July 2015 and signed on their behalf by

Liz Jolly
Chair of SCONUL

Independent auditors' report

Independent auditors' report

To the members of

The Society of College, National and University Libraries

We have audited the financial statements of The Society of College, National and University Libraries for the year ended 31 December 2014 which comprise the statement of financial activities, balance sheet 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 2014 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.

Independent auditors' report

To the members of

The Society of College, National and University Libraries

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

Unit 5.11 Paintworks

Bath Road

Bristol

BS4 3EH

The Society of College, National and University Libraries

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2014

	Note	Restricted £	Unrestricted £	2014 Total £	2013 Total £ Restated (Note 16)
Incoming resources					
<i>Incoming resources from generated funds:</i>					
Voluntary income - subscriptions		-	361,086	361,086	333,704
Voluntary income - Northern Collaboration subscriptions		-	18,330	18,330	1,925
Activities for generating funds		-	37,000	37,000	24,756
Investment income		-	1,795	1,795	2,032
<i>Incoming resources from charitable activities:</i>					
Access scheme		-	4,965	4,965	5,565
Library statistics		-	6,375	6,375	3,210
Events programme		-	111,317	111,317	78,296
Partnership working, advocacy and lobbying		-	-	-	6,000
Communications with members		-	3,062	3,062	654
Total incoming resources	2	-	543,930	543,930	456,142
Resources expended					
<i>Charitable activities:</i>					
Access scheme		-	59,161	59,161	69,351
Library statistics		-	64,283	64,283	62,434
Events programme		-	200,143	200,143	190,717
Partnership working, advocacy and lobbying		-	80,662	80,662	95,144
Communications with members		-	58,256	58,256	64,025
Northern Collaboration		-	11,226	11,226	1,571
<i>Governance costs</i>		-	37,797	37,797	46,439
Total resources expended	3	-	511,528	511,528	529,681
Net incoming / (outgoing) resources before gains and transfers		-	32,402	32,402	(73,539)
Transfers between funds		(7,574)	7,574	-	-
Net movement in funds	12	(7,574)	39,976	32,402	(73,539)
Reconciliation of funds					
Total funds brought forward		7,574	241,864	249,438	322,977
Total funds carried forward		-	281,840	281,840	249,438

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 12 to the accounts. The SoFA headings have been changed to better reflect the activities of the charity. The comparative figures have been restated to reflect these changes.

The Society of College, National and University Libraries

Balance sheet

At 31 December 2014

	Note	£	2014 £	2013 £
Fixed assets				
Tangible fixed assets	7		8,367	11,555
Investments	8		<u>241,355</u>	<u>220,014</u>
			249,722	231,569
Current assets				
Debtors	9	10,171		19,559
Cash at bank and in hand		<u>59,490</u>		<u>40,593</u>
		69,661		60,152
Creditors: amounts due within 1 year	10	<u>37,543</u>		<u>42,283</u>
Net current assets			<u>32,118</u>	<u>17,869</u>
Net assets	11		<u>281,840</u>	<u>249,438</u>
Funds				
Restricted funds	12		-	7,574
Unrestricted funds:				
Designated funds			6,365	14,596
General funds			<u>275,475</u>	<u>227,268</u>
Total funds			<u>281,840</u>	<u>249,438</u>

Approved by the trustees on 3 July 2015 and signed on their behalf by

E Jolly - Chair

R Hall - Treasurer

The Society of College, National and University Libraries

Notes to the financial statements

For the year ended 31 December 2014

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).
- b) Voluntary income is received by way of membership subscriptions and is included in full in the statement of financial activities when receivable.
- c) Revenue grants are credited to the statement of financial activities when received or receivable which ever is earlier, unless they relate to a specific future period, in which case they are deferred.
- d) 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.
- e) Any income arising from conferences and meetings, sponsorship, publications and products or working papers and newsletters is recognised once invoiced, unless it relates to a future event in which case it is deferred.
- f) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis:

Access scheme	15%
Library statistics	15%
Events programme	30%
Partnership working, advocacy and lobbying	25%
Communications with members	10%
Governance	5%

Governance costs include the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements.

- g) 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.

- h) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

The Society of College, National and University Libraries

Notes to the financial statements

For the year ended 31 December 2014

1. Accounting policies (cont.)

- i) Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.
- j) Designated funds are unrestricted funds for which the executive board have currently designated specific purposes.
- k) 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.
- l) Fixed asset investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.
- m) The charity contributes to the Universities Superannuation Scheme and the Superannuation Arrangements of the University of London defined benefit pension schemes. These schemes are considered to be multi-employer defined benefit schemes as the company is unable to identify its share of the underlying assets and liabilities. Therefore, the contributions, which are fixed annually and payable monthly, are charged to the SOFA when payable and the company has no further potential liability.

2. Incoming resources

Exceptional income of £4,800 was received in the year from the Publishers Licensing Society for royalties accruing since 2008.

Income attributable to funds received from outside the UK amounted to 6.3% (2013: 11%).

The Society of College, National and University Libraries

Notes to the financial statements

For the year ended 31 December 2014

3. Total resources expended

	Access scheme £	Library statistics £	Event programme and lobbying £	Partnership working, advocacy and lobbying £	Communications and best practice sharing with members £	Northern Collaboration £	Governance £	Support costs £	2014 Total £	2013 Total £
Direct costs	20,127	31,978	87,416	15,667	13,228	3,982	-	-	172,398	211,153
Executive board costs	-	-	-	-	-	-	1,372	12,350	13,722	13,142
Staff costs (note 5)	20,752	14,023	76,162	34,524	32,840	7,244	23,806	27,858	237,209	183,976
Recruitment, training and expenses	-	-	-	-	-	-	-	9,965	9,965	15,202
Premises costs	-	-	-	-	-	-	-	30,096	30,096	30,786
Insurance	-	-	-	-	-	-	-	886	886	718
Fees and subscriptions	-	-	-	-	-	-	-	5,926	5,926	6,072
Office costs	-	-	-	-	-	-	-	11,474	11,474	10,021
IT and website hosting	-	-	-	-	-	-	-	14,174	14,174	13,297
Legal and professional	-	-	-	-	-	-	-	5,227	5,227	3,013
Audit	-	-	-	-	-	-	6,525	-	6,525	16,776
Bank charges	-	-	-	-	-	-	-	815	815	875
Bad debt expense	-	-	-	-	-	-	-	(77)	(77)	-
Depreciation	-	-	-	-	-	-	-	3,188	3,188	24,649
Sub-total	40,879	46,001	163,578	50,191	46,068	11,226	31,703	121,882	511,528	529,680
Allocation of support costs	18,282	18,282	36,565	30,471	12,188	-	6,094	(121,882)	-	-
Total resources expended	59,161	64,283	200,143	80,662	58,256	11,226	37,797	-	511,528	529,680

The Society of College, National and University Libraries

Notes to the financial statements

For the year ended 31 December 2014

4. Net movement in funds

This is stated after charging:

	2014 £	2013 £
Depreciation	3,188	51,245
Trustees' remuneration (see below)	nil	nil
Trustees' reimbursed expenses	10,612	5,918
Auditors' remuneration:		
▪ Statutory audit (including VAT)	5,130	14,244
▪ Non audit services (including VAT)	1,200	4,980
	<u>1,200</u>	<u>4,980</u>

One member of the trustee executive board, Ann Rossiter, is a paid employee of the charity. The trustee received remuneration of £100,049 during the year (2013: £98,320) in respect of her role as the charity's executive director.

5. Staff costs and numbers

Staff costs were as follows:

	2014 £	2013 £
Salaries and wages	192,915	139,396
Social security costs	15,580	12,360
Pension costs	28,714	19,326
Temporary staff costs	-	12,894
	<u>237,209</u>	<u>183,976</u>

One employee earned more than £60,000 in the year (2013: one).

	2014 No.	2013 No.
Average number of employees (full-time equivalent)	<u>4.60</u>	<u>3.00</u>

6. Taxation

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

The Society of College, National and University Libraries

Notes to the financial statements

For the year ended 31 December 2014

7. Tangible fixed assets

	Leasehold improvements £	Furniture, fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 January 2014	102,302	40,345	34,415	177,062
Disposals	-	-	(29,310)	(29,310)
At 31 December 2014	<u>102,302</u>	<u>40,345</u>	<u>5,105</u>	<u>147,752</u>
Depreciation				
At 1 January 2014	102,302	32,916	30,289	165,507
Charge for the year	-	1,486	1,702	3,188
On disposal	-	-	(29,310)	(29,310)
At 31 December 2014	<u>102,302</u>	<u>34,402</u>	<u>2,681</u>	<u>139,385</u>
Net book value				
At 31 December 2014	<u>-</u>	<u>5,943</u>	<u>2,424</u>	<u>8,367</u>
At 31 December 2013	<u>-</u>	<u>7,429</u>	<u>4,126</u>	<u>11,555</u>

8. Investments

	2014 £	2013 £
Investments	<u>241,355</u>	<u>220,014</u>

This item represents monies invested in The Charities Official Investment Fund. 100% (2013: 100%) of fixed asset investments are held within the UK.

9. Debtors

	2014 £	2013 £
Trade debtors	4,354	15,167
Prepayments	4,652	4,392
Other debtors	<u>1,165</u>	<u>-</u>
	<u>10,171</u>	<u>19,559</u>

The Society of College, National and University Libraries

Notes to the financial statements

For the year ended 31 December 2014

10. Creditors : amounts due within 1 year

	2014	2013
	£	£
Trade creditors	27,786	20,977
Accruals	7,262	19,937
Deferred income	1,800	-
Other creditors	695	1,369
	<u>37,543</u>	<u>42,283</u>

11. Analysis of net assets between funds

	Restricted	Unrestricted	Total
	£	£	£
Tangible fixed assets	-	8,367	8,367
Investments	-	241,355	241,355
Current assets	-	69,661	69,661
Current liabilities	-	(37,543)	(37,543)
	<u>-</u>	<u>281,840</u>	<u>281,840</u>
Net assets at 31 December 2014	-	281,840	281,840

The Society of College, National and University Libraries

Notes to the financial statements

For the year ended 31 December 2014

12. Movements in funds

	At 1 January 2014 £	Incoming resources £	Outgoing resources £	Transfers between funds £	At 31 December 2014 £
Restricted funds					
INSPIRE fund	7,574	-	-	(7,574)	-
Total restricted funds	7,574	-	-	(7,574)	-
Unrestricted funds					
<i>Designated funds:</i>					
INSPIRE fund	-	-	(1,209)	7,574	6,365
Dilapidation reserve	500	-	-	(500)	-
Strategy groups fund	14,096	-	-	(14,096)	-
Total designated funds	14,596	-	(1,209)	(7,022)	6,365
General funds	227,268	543,930	(510,319)	14,596	275,475
Total unrestricted funds	241,864	543,930	(511,528)	7,574	281,840
Total funds	249,438	543,930	(511,528)	-	281,840

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. These funds are internally budgeted, rather than funds provided by a third party. The funds have been transferred to a designated fund to reflect this.

13. Commitments under operating leases

At 31 December 2014 the charity had the following annual commitments under non-cancellable operating leases:

	2014		2013	
	Land and buildings £	Other £	Land and buildings £	Other £
Leases which expire:				
Within two to five years	23,248	4,368	23,248	4,368
	23,248	4,368	23,248	4,368

The Society of College, National and University Libraries

Notes to the financial statements

For the year ended 31 December 2014

14. Pension scheme

The charity participates in the Universities Superannuation Scheme (USS) and the Superannuation Arrangements of the University of London (SAUL) defined benefit pension schemes, where contributions are held in trust separately from SCONUL. The main results and assumptions of the most recent valuations of the USS and SAUL are as follows:

	USS	SAUL
Valuation date	31 March 2013	31 March 2013
Valuation method	Projected unit	Projected unit
Value of notional assets	£38.6 billion	£1,902 million
Funding level for accrued benefits	77%	85%
Investment return per annum	4.8%	5.7%
Salary scale increases per annum	4.3%	3.7%
Pension increases per annum	2.5%	2.7%

The contributions payable by the charity during the accounting period were equal to 14.9% of total pensionable salaries. The pensions charge recorded by SCONUL during the accounting period was equal to the contributions payable, taking in to account benefit improvements subsequent to the valuation and the spreading of surplus over future service lives of employees. Both schemes are multi-employer schemes where the share of assets and liabilities applicable to each employer is not separately identified. SCONUL therefore accounts for its pension costs on a defined contribution basis as permitted by Financial Reporting Standard 17: Retirement benefits.

15. Contingent liability

SCONUL acknowledge that it has incurred no expenses in the year ended 31 December 2014 in respect of its support of the Future Leaders Programme. The potential liability would amount to £7,000, although the trustees consider it unlikely to materialise. No provision has been made in these accounts in this respect.

16. Statement of Financial Activities - Restated

The income and expenditure headings on the Statement of Financial Activities have been updated to better reflect the charity's current activities and to improve compliance with the SORP. The 2013 comparative figures have been reanalysed across the new headings. The total values for income and expenditure are unaffected.