

M25 Consortium Annual General Meeting
18 June 2009

Proposed budget and subscription levels 2009/10

This paper sets out the proposed Consortium budget and subscription levels for the financial year 2009/10, for approval by the membership.

1. Budget

Expenditure for all Consortium activities in 2009/10 comprises the following.

Expenditure	
General administrative expenses (auditing charges, room-hire/refreshments for meetings, annual reception costs etc..)	£9,700
Salaries	£166,450
Annual report	£4,000
InforM25 review	£10,000
Replacement M25 server	£4,000
Contingency fund	£2,000
Total	£196,150
<i>Income</i>	
Subscriptions	£145,445
Other anticipated income (e.g. bank interest)	£2,000
Total	£147,445

In addition to this the WAM25 project includes £10,000 contingency funds which would be provided by the Consortium if necessary.

The predicted expenditure exceeds the income by approximately £49,000. This is mainly due to the web-support costs for the Director's Room and other projects. During the year the Steering Group has considered various options for meeting this shortfall over the next 1 – 2 years.

It was agreed that any more than a 1% increase to subscriptions would not be appropriate at the present time when libraries and their parent bodies are experiencing enormous pressures on budgets. The possibility of increasing charges for cpd25 events as a means of generating income was also debated. Opinions differed within the Steering Group but it was agreed to keep the status quo and to continue to meet only the direct costs of events through the course fees. This is a topic on which we would welcome the views of the members and should there be support for such an approach, possible models could be presented to a future meeting.

In conclusion the Steering Group agreed that in 2009/10 the Consortium's reserves these should be used to support these initiatives. Clearly this is not sustainable over the long-term and we plan to return to a balanced budget when the Web Services post ceases in 2010/11.

Now that the Consortium has company status the reserves policy will be reviewed and this will be referred back to the membership.

2. Subscriptions

The overall increase in subscriptions is 1% and the proposed subscription levels are given on the attached spreadsheet. This increase gives a total income from subscriptions of £145,445.

The method of calculation is based on JISC bands, with non-HEFCE libraries mapped onto JISC bands, as agreed at the Consortium meeting of January 2006.

There is a potential risk of a shortfall e.g. if a member leaves the Consortium. However, experience shows that the risk is small and is offset by the Consortium's reserves and the possibility of sponsorship.

Caroline Lloyd, Treasurer

12th June 2009