

**Annual General Meeting of the
M25 Consortium of Academic Libraries
1 June 2007**

Update on Consortium Finances

Financial review

At the last general meeting in January:

The Treasurer also stated that he was seeking VAT advice on the implications of joining the accounts of M25, InforM25 and CPD25, which are currently managed separately. He noted that an implication may be CPD25 having to charge VAT on courses, thus increasing attendance fees.

Action: Treasurer to bring an update at the June 2007 AGM

Since then the Treasurer has approached a number of accountancy firms for quotations, both for short-term consultancy and for auditing Consortium accounts on a regular basis.

At the Steering Group meeting on 10 May it was agreed that:

- The firm of Kingston Smith (auditors for CILIP) would be used for consultancy on joining the separate accounts and the VAT implications of this. The cost is likely to be in the region of £1500 - £2000 plus VAT.
- A Task and Finish Group, comprising the Treasurer, Chair (or Secretary) and the new Chair of CPD25 would be set up to liaise with the consultants.
- The intention would be to complete the consultancy by the end of 2007, making specific recommendations to the January 2008 general Consortium meeting.
- The appointment of professional auditors could be deferred until later in the calendar year as any new financial arrangements would not take effect until FY 2008/09 and the Consortium may be willing to continue with the current more informal auditing for one more year.

The Consortium is asked to note these arrangements.

Finances 2006/07

As we approach the end of the FY 2006/7, Consortium finances remain in a healthy state. There are a number of agreed commitments from this financial year which, taken together, could result in a deficit for the year of c £7 - £8,000. In particular:

- £10,000 grant to the "Building on Success: Adding Value to AIM25" project for funding the technical development work required to create interoperability between AIM25 and the InforM25 service.

- £3,500 approved for a service level definitions/standards benchmarking scoping project managed by the Quality Group.

It is likely that one or both of these commitments may be carried forward to the next financial year. Moreover, the Consortium has healthy reserves (currently in the region of £100k) so a small deficit following a number of years of surpluses would not be a cause of concern. The issue of what constitutes an appropriate level of reserves might be appropriately revisited once the separate accounts have been merged.

This is my last report to the Consortium in my capacity as Treasurer and I would like, in particular, to thank Madura and Genein, the M25 Administrative Assistants, for their help and support and Roy Williams who has kindly and efficiently audited the accounts I have prepared from 2001/2 on.

Nick Bevan, Treasurer
18 May 2007