#### M25 CONSORTIUM OF ACADEMIC LIBRARIES

Companies House No.: 06866895 Charity No.: 1130877

# UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST JULY 2016

### M25 Consortium of Academic Libraries Contents

	Page
Reference and Administrative Information	1
Trustees' Report	2 - 6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10-13

### M25 Consortium of Academic Libraries Reference and Administrative Information

Trustees: Catherine Phillpotts

Susan Parham (Resigned 05/05/16)

Michelle Wake Helen Workman

Secretary: Caroline Rock (Appointed 05/05/16)

Registered office: Devonshire House

60 Goswell Road

London EC1M 7AD

Independent examiner: James Cross

Kingston Smith LLP

Chartered Accountants and Registered Auditors

Devonshire House 60 Goswell Road

London EC1M 7AD

Bankers: HSBC Plc

1 Woburn Place Russell Square London

WC1H 0LQ

Companies House No.: 06866895

Charities Commission No.: 1130877

### Independent examiner's report to the Trustees of M25 Consortium of Academic Libraries

I report on the accounts of the company for the year ended 31st July 2016, which comprise the Statement of Financial Activities, Balance Sheet and related notes.

#### Respective Responsibilities of Trustees and Examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

#### Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanation from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

#### Independent Examiner's Statement

In accordance with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met: or

(2)	to which, in my opinion,	attention	should be	drawn in	order to	enable a	proper	understandir	ig of the
	accounts to be reached								

James Cr	oss
<b>Kingston</b>	Smith LLP
Chartered	Accountants

Devonshire House 60 Goswell Road London EC1M 7AD

Date:

# M25 Consortium of Academic Libraries Statement of Financial Activities (incorporating the income and expenditure account) For the year ended 31st July 2016

		Unrestrict	ed Funds
	Note	Total 2016 £	Total 2015 (restated) £
Income and endowments from:			
Charitable activities	3	208,293	223,535
Investments	4	128	58
Total		208,421	223,593
Expenditure on:			
Charitable activities	5	178,108	186,818
	•		
Total		178,108	186,818
Net income for the year		30,313	36,775
Telefor the cold forward		400.070	100.107
Total fund brought forward		169,972	133,197
Total funds carried forward		200,285	169,972

All income in the 2015 financial year was unrestricted.

All disclosures relate only to continuing operations.

There are no recognised gains or losses other than the net income for the year.

### M25 Consortium of Academic Libraries Balance Sheet as at 31st July 2016

	Note	2016	2016	2015	2015
		£	£	£	£
Current Assets Debtors Cash at bank and in hand	8	15,687 192,434		10,298 165,896	
		208,121		176,194	
Creditors: Amounts falling due within one year	9	(7,836)		(6,222)	
Net Current Assets			200,285		169,972
Net Assets			200,285		169,972
Funds Unrestricted funds	13		200,285		169,972
			200,285		169,972

#### The Trustees state:

- (a) For the year ended 31st July 2016 the charitable company was entitled to exemption under section 477 of the Companies Act 2006
- (b) No notice from Trustees requiring an audit has been deposited under Section 476 of the Companies Act 2006
- (c) The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.
- (d) The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Trustees on .5th James 2017 and signed on their behalf by:

H Workman, Trustee

## M25 Consortium of Academic Libraries Notes to the Financial Statements For the year ended 31st July 2016

#### 1. Accounting Policies

#### Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015); the Charities Act 2011; and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The Charity is a Public Benefit Entity as defined by FRS 102 and therefore also prepares its accounts in accordance with the Charities SORP (FRS 102).

#### Transition to FR\$ 102

FRS 102 has been adopted for the first time when preparing these financial statements. The transition to FRS 102 was 1 August 2014 and the last financial statements prepared under the previous financial reporting framework were prepared for the year ended 31 July 2015. An explanation and reconciliation of how the transition has affected the reported financial position and financial performance is provided in note 12 to the financial statements.

#### Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the M25 Consortium of Academic Libraries to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular, the trustees have considered the M25 Consortium of Academic Libraries' forecasts and projections. After making enquiries, the trustees have concluded that there is a reasonable expectation that the M25 Consortium of Academic Libraries has adequate resources to continue in operational existence for the foreseeable future. The M25 Consortium of Academic Libraries therefore continues to adopt the going concern basis in preparing its financial statements.

#### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for any other purpose.

#### Income

Income from charitable activities is included in the Statement of Financial Activities (SOFA) in the period in which there is a legal entitlement to the income, there is probability of receipt and the amount is measurable.

#### Expenditure

Expenditure is included in the SOFA on an accruals basis.

Charitable activities expenditure comprises the costs of activities in furtherance of the objects of the consortium. Governance costs which are included within Charitable Activities, are the costs associated with ensuring the association meets its fiduciary duties.

## M25 Consortium of Academic Libraries Notes to the Financial Statements For the year ended 31st July 2016 (Continued)

#### 1. Accounting Policies (continued)

#### Financial instruments

The Charity only has basic financial instruments as defined by FRS 102.

#### a. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of less than three months.

#### b. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried initially at their transaction price and subsequently at settlement value. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

#### 2. Critical accounting estimates and areas of judgements

The charity does not consider that there are any critical accounting estimates or areas of judgements.

#### 3. Charitable Activities

	Total 2016	Total 2015 (restated)
	£	£
Subscription income	138,940	150,422
cpd25 event income	50,497	56,592
M25 conference income	14,590	12,125
Other income	4,266	4,396
	208,293	223,535

The prior year debtors figure has been restated due to a £4,261 subscription which relates to the current financial year, but was incorrectly recognised in the SOFA in the previous year.

4.	Investment Income	Total 2016 £	Total 2015 £
	Bank interest received	128	58
5.	Charitable Activities	Total 2016 £	Total 2015 £
	Administration Search 25 M25 event costs Marketing and communication Rent, estates and IT support costs Salaries & associated staff costs (see Note 7) cpd25 event related costs Governance costs (see Note 6)	14,346 1,541 7,570 2,047 15,865 106,771 23,966 6,002	10,730 1,519 8,290 2,369 18,019 103,974 36,775 5,142
		178,108	186,818

The charity relies on the contribution of general volunteers drawn from M25 Consortium libraries who help to plan and arrange annual programmes of cpd25 events and visits.

## M25 Consortium of Academic Libraries Notes to the Financial Statements For the year ended 31st July 2016 (Continued)

6.	Governance Costs	2016 £	2015 £
	Independent examiners' fee - current year	3,957	3,780
	Independent examiners' fee - prior year underprovision	72	219
	Accounts preparation fee	927	900
	Accounts preparation fee - FRS 102 conversion	744	-
	Other accounting services	302	243
		6,002	5,142
7.	Staff costs	2016	2015
		£	£
	Wages, salaries and recharges	106,771	103,974
	Social security costs	(=)	
		106,771	103,974
	The average number of full time equivalent, permanent employees in the year we	ere as follows:	
		2016	2015
		Number	Number
		3	3

All staff are employed by the University of London and the costs and are recharged to the Consortium.

Key management personnel, comprising all of the trustees and the secretary, received total remuneration of £nil (2015: £nil). All trustees give their time voluntarily, therefore no remuneration was paid during the year. No expenses were reimbursed to the Trustees during the year (2015: £nil)

No employees had emoluments in excess of £60,000 during the year (2015 - nil).

8.	Debtors	2016	2015 (restated)	
		£	£	
	cpd25 event debtors	13,964	10,298	
	M25 conference debtors	740	35.	
	Prepayments	983_		
		15,687	10,298	

The prior year debtors figure has been restated due to a £4,261 subscription which relates to the current financial year, but was incorrectly recognised in the SOFA in the previous year.

9.	Creditors: Amounts falling due within one year	2016 £	2015 £
	Other creditors Accruals	2,208 5,628	1,542 4,680
		7,836	6,222

#### 10. Share capital

The M25 Consortium of Academic Libraries is a company limited by guarantee and does not have share capital. In the event that the charitable company is wound up, the liability of each member is limited to £1. There were 4 members at 31 July 2016 (2015: 4).

## M25 Consortium of Academic Libraries Notes to the Financial Statements For the year ended 31st July 2016 (Continued)

#### 11. Related Party Transactions

There were no related party transactions during the year (2015: £nil).

#### 12. Transition to FR\$ 102

This is the first year that the Charity has prepared its financial statements under FRS 102. In preparing these accounts, the trustees have considered whether any restatement of comparatives was required to comply with FRS 102 and the Charities SORP FRS 102. No restatements were required as a result of the transition to FRS 102 although there has been a change in the analysis of governance costs.

#### Governance costs

Previously, these have been separately analysed on the face of the statement of financial activities. Governance costs are now classified as part of charitable activities and have been fully allocated here. There is no effect on the total expenditure for financial year 2013/14 or financial year 2014/15.

#### 13. Unrestricted Funds

	At 1 August	Prior Year	Restated at 1	Incoming	Outgoing	At 31 July
	2015	Adjustment	April 2015	Re <b>so</b> urces	Resources	2016
	£	£	£	£	£	£
Unrestricted funds	174,233	(4,261)	169,972	208,421	(178,108)	200,285

The prior year reserves figure has been restated due to a £4,261 subscription which relates to the current financial year, but was incorrectly recognised in the SOFA in the previous year.

#### Trustees' Report on M25 Consortium of Academic Libraries' Unaudited Annual Accounts

#### Constitution

M25 Consortium of Academic Libraries is a company limited by guarantee and a registered charity governed by its Memorandum and Articles of Association and Rules for the Conduct of Business. The Consortium was incorporated on 1 April 2009.

#### Membership

M25 Consortium is a membership consortium consisting of 56 member institutions (please see appendix for details). Membership of the Consortium is open to Higher Education Institutions located in and around London and the east and south east of England, whose institutions are eligible for membership of the Society of College, National and University Libraries (SCONUL). East and south east England is defined as the counties of Berkshire, Bedfordshire, Buckinghamshire, Cambridgeshire, Essex, Hampshire, Hertfordshire, Kent, Norfolk, Oxfordshire, Suffolk, Surrey, East Sussex and West Sussex.

Other academic and academic-related institutions in the same areas may be invited to join subject to the full Consortium approval.

#### Governance

The Steering Group along with the Officers' subgroup provide the governance of the M25 Consortium. Each member institution has the right to nominate an M25 representative, who is normally the Director or equivalent of their Institution's Library Service. All representatives have full voting rights.

#### **Organisational Structure**

#### Steering Group

The Steering Group of the Consortium is the policy and strategy group and managing body for the whole organisation. The Steering Group is responsible for the financial affairs of the Consortium and the conduct of business on behalf of the full body of member representatives.

Steering Group members are expected to lead or otherwise participate in the activities of one or more of the Consortium's task and finish groups or projects, depending on their areas of interest or expertise.

The Steering Group is elected from among the representatives of M25 member institutions. The Steering Group meets to conduct business as often as is required and this normally equates to five meetings per year.

The period of office for Steering Group members is two years with a possible extension of two years subject to election. Appointment and a second term of office is by election at the Annual General Meeting.

The Officers of the Consortium comprise the Consortium Chair, Treasurer, Secretary and Chair of the cpd25 programme of the Consortium. The Officers are elected at the Annual General Meeting to hold office until the end of the equivalent Annual General Meeting at the end of the term of office. The term of office for the Chair and Secretary is two years, renewable by vote for a further term of two years. The Treasurer may hold office for up to four two-year terms renewed by vote. The Chair of cpd25 is by appointment by a panel approved by the Steering Group and confirmed at the next business meeting of the Consortium. The cpd25 Chair will hold office for two years, renewable for a further term of two years by mutual consent of the Officers and the Steering Group.

Trustees are appointed based on holding the office of Chair, Treasurer, Secretary or Chair of cpd25.

#### Trustees' Responsibilities

The Trustees (who are also directors of the M25 Consortium of Academic Libraries for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance

with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to;

- · Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgments and estimates that are reasonable and prudent
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website.

#### Induction of Trustees

The M25 Consortium gained charitable status on the 1 August 2009. Steering Group members all have prior knowledge of the M25 Consortium by virtue of their role in the profession. Trustees are appointed based on holding the office of Chair, Treasurer, Secretary or Chair of cpd25 and responsibilities are clarified through regular officer/trustee meetings. New members receive information about requirements and responsibilities as Trustees and the Consortium's expectations of them as Officers and Members of the Steering Group.

#### M25 Support Team

The M25 Support Team continues to be hosted within Senate House Library, with a lease on the office space of Room 653. The three members of staff are employed by the University of London, and a secondment agreement is in place for each employee to divert their working hours to the M25 Consortium.

In March 2016 Gianina Harvey, cpd25 Coordinator, resigned from the Consortium. A part-time temporary job was advertised to cover the gap until the permanent role could be filled. Melanie Gilbert worked in the temporary role until Rachel Telfer joined the Consortium as the new cpd25 Coordinator on 31<sup>st</sup> May 2016.

Jeni Smith continues as M25 Administrator for three days per week, and Thomas Baldwin continues as full-time Executive Manager, heading up the team of three.

#### **Objectives and Activities**

#### Mission

- To enhance the skills of library staff and information professionals to enable effective working and performance in a rapidly changing information environment
- Building on existing service strengths to deliver new services and tools, enabling library and information staff and users to gain maximum benefit from shared library and information resources
- To engage and work collaboratively with other organisations, consortia and bodies to improve the user experience
- To bring library and information professionals together, facilitating knowledge-sharing and exchange in order to maximise the potential of each and every individual
- To play a key role in advocacy, influencing and lobbying and a leadership role in the promotion, development and implementation of shared services
- To deliver the core strategic goals of the Consortium through efficient and cost-effective governance and a support structure that is proactive, agile and responsive to change.

#### **Background**

Founded in 1993, the Consortium has taken the lead in expanding access to libraries. From establishing the M25 Access and Borrowing Scheme, the Consortium has developed a suite of resource discovery services (Search25) that enable searching across the catalogues of member institutions and, through cpd25, has offered an extensive programme of training activities for staff in Consortium libraries.

#### Strategic objectives

The themes of the Strategic Plan 2013/14 to 2015/16 document, approved at the AGM in April 2013, were:

- Developing staff
- Shared services
- Influencing, partnerships and policy
- Advocacy

These are supported by two enablers:

- Efficient and effective infrastructure
- Events

The themes of the Strategic Plan 2016-2019, approved at the AGM on 5th May 2016, are:

- Working together
- Inspiring our staff

The enabling strands are:

- Effective communication
- Influencing through partnerships
- Sustainable infrastructure

#### **Achievements and Performance**

2015-16 was another busy year for the M25 Consortium as we finished enacting the third and final year of our current strategy.

The cpd25 programme continued as a major strength of the Consortium's work, with 624 delegates attending 26 training events and 12 library visits during the year.

The M25 annual networking event took place in January and was much appreciated by the 70 attendees. For the first time we received sponsorship for this event and our sponsors valued the opportunity to engage with Consortium Members.

On 5<sup>th</sup> May the annual conference of the Consortium took place immediately following the AGM at Lambeth Palace, with the theme 'Measuring our impact and demonstrating our value'. Once again the conference was oversubscribed (despite an increased capacity of 130) and was highly valued by all delegates and sponsors. At the AGM in the morning Helen Workman and Catherine Phillpotts were re-elected as Chair and Treasurer of the Consortium, respectively. Caroline Rock was elected as Secretary. Katharina Hubschmann, Jackie Marfleet, Susan Scorey and Tim Wales were elected to serve on the Steering Group for two years.

A first this year for the Consortium was the Directors' Briefing on Public Sector Information (PSI) regulations held on 4<sup>th</sup> March 2016. In response to feedback from our Members the Steering Group arranged this half-day event to respond directly to the need for clarity amongst Directors about the new regulations. The event was very successful, with 22 Directors and their representatives attending. The Consortium will seek to hold further briefings in years to come.

The Search25 discovery service and the M25 Access and Borrowing scheme continue to operate, and with a full Support Team in place, any issues or queries arising are dealt with quickly. Plans are being developed to ensure the future of both Search25 and the Access scheme.

#### **Projects and Services**

#### cpd25

The important role of cpd25 to the professional development of library staff continued. During the year 38 events and visits were held at a range of venues on various themes, which the cpd25 Task Groups ensured remained relevant to the library community. Demand for events remains buoyant, particularly on topics that resonate strongly with member institutions.

#### Advocacy

During the year the Executive Manager has maintained links with other regional, national and international consortia, by attending conferences (NOWAL, Northern Collaboration, LIBER and CERL) and being invited to write for their journal (SCONUL Focus). He has also represented the Consortium at a Psychology Research Day, organised by the British Psychological Society and Senate House Library, promoting Search25 and the M25 Access and Borrowing scheme.

#### **Annual Report**

The M25 Consortium's Annual Report was produced, and made available to members on the website, at this address: http://www.m25lib.ac.uk/news/annual-report-2015-16/

#### **Reserves Policy**

The Consortium's Reserves Policy (<a href="http://www.m25lib.ac.uk/governance/other-governance-documents">http://www.m25lib.ac.uk/governance/other-governance-documents</a>) was approved at the AGM in April 2014. This is based on ensuring sufficient funds to continue operating in the event of a reduction in income or unexpected expenditure. The Reserves Policy is linked to the Consortium's risk register. Whilst the Policy is reviewed every three years, to determine what areas of risk we should provide for, the actual amount is visited every year. It is estimated that the Consortium needs approximately £136,000 of unrestricted funds to cover risks for the 2016/17 year. At the end of the 2015/16 financial year the total held was £200,285.

#### **Review process**

The reserves are reviewed as part of the annual budget cycle and any areas requiring special funding are identified and the impact on the reserves discussed by the Steering Group. The Treasurer monitors the reserves throughout the year and provides regular reports at Steering Group meetings.

#### **Public Benefit**

The public benefits of the Consortium continue to be the improvement of library and information services, including access to those services, in academic libraries in London and the east and south east of England. This is achieved by facilitating cooperation amongst Consortium members and by collaborating with relevant regional and national organisations to share knowledge and develop services for the benefit of learners and researchers. Our Search25 service is freely available on the internet to researchers worldwide, to expose collections in the Consortium's libraries.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

These financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006.

This report was approved by the Board of Trustees on 5th January 2017

Hmm.

And signed on its behalf by Helen Workman, Trustee

#### Appendix 1: list of M25 member libraries 2015-2016

Anglia Ruskin University

Birkbeck, University of London

**British Library** 

British Museum

**Brunel University** 

**Buckinghamshire New University** 

**Canterbury Christ Church University** 

City, University of London

Courtauld institute of Art

**Cranfield University** 

Goldsmiths, University of London

Heythrop College, University of London

Horniman Museum

Imperial College London

Imperial War Museum

Institute of Development Studies

King's College London

**Kingston University** 

Lambeth Palace Library

London Metropolitan University

London School of Economics and Political Science

London School of Hygiene & Tropical Medicine

London South Bank University

Middlesex University

Open University in London

Oxford Brookes University

Queen Mary, University of London

Ravensbourne

Regent's University London

Royal Central School of Speech and Drama, University of London

Royal College of Art

Royal Holloway, University of London

**Royal Society of Chemistry** 

Royal Veterinary College

School of Oriental & African Studies

Science Museum

Senate House and SAS Libraries

St George's, University of London

St Mary's University, Twickenham

University College London

University for the Creative Arts

University of Bedfordshire

University of Brighton

University of East London

University of Essex (elected 5th May 2016)

University of Greenwich

University of Kent

University of Reading

University of Roehampton
University of Surrey
University of Sussex
University of the Arts, London
University of West London
University of Westminster
Victoria & Albert Museum
Wiener Library for the Study of the Holocaust & Genocide

