

M25 CONSORTIUM OF ACADEMIC LIBRARIES

Companies House No. : 06866895

Charity No. : 1130877

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST JULY 2018

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M25 Consortium of Academic Libraries
Reference and Administrative Information

Trustees: Catherine Phillpotts
David Archer (Appointed 1 August 2017)
Matthew Lawson (Appointed 24 April 2018)
Helen Workman (Resigned 24 April 2018)
Caroline Thomas

Secretary: Caroline Thomas

Registered office: Devonshire House
60 Goswell Road
London
EC1M 7AD

Independent examiner: James Cross
Kingston Smith LLP
Chartered Accountants
Devonshire House
60 Goswell Road
London
EC1M 7AD

Bankers: Barclays Plc
Leicester
LE87 2BB

Companies House No.: 06866895

Charities Commission No.: 1130877

M25 Consortium of Academic Libraries

Trustees Annual Report

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 53 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 Trustees, advised by the Steering Group, 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

Trustees

The Trustees of the Consortium comprise the Consortium Chair, Treasurer, Secretary and Chair of the cpd25 programme of the Consortium. The Trustees 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 Trustees and the Steering Group.

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

The Trustees are the managing body for the Consortium, responsible for policy, strategy and the financial affairs of the Consortium.

Steering Group

The Steering Group of the Consortium is the key advisory group to the Trustees, supporting them on matters of policy, strategy and finance, as well as 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.

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).

M25 Consortium of Academic Libraries

Trustees Annual Report

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 trustee meetings. New members receive information about requirements and responsibilities as Trustees and the Consortium's expectations of them as Trustees 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 lease expired on 31st July 2018 when the team moved to another office within the University estate. 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 December 2017 Beverley Roberts, cpd25 Coordinator, resigned from the Consortium. A part-time temporary job was advertised to cover the gap while the Trustees reviewed the staffing arrangements. Valerie Antwi once again worked in the temporary role until the Trustees were ready to recruit.

Jeni Kutaika Billiard (formerly Smith) continued throughout the year as M25 Administrator for three days per week, as did Thomas Baldwin as full-time Executive Manager.

Objectives and Activities

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.

M25 Consortium of Academic Libraries

Trustees Annual Report

Mission

The Consortium will play a significant role in ensuring that academic library services within our region are well placed to maximise the opportunities of the present and respond to the challenges of the future.

Strategic objectives

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

The Consortium entered the second year of its current strategy in 2017-18.

The cpd25 programme continued as a major strength of the Consortium's work, with 597 delegates attending 32 training events and library visits during the year.

The M25 annual networking event took place in January 2018 at the Foundling Museum. Nearly 90 colleagues from over 30 Member institutions registered their attendance, which is a sign of how much this annual event is appreciated. We received sponsorship for this event from Talis.

On 24th April the annual conference of the Consortium took place immediately following the AGM at the Theatre Royal Drury Lane, with the theme 'Engaging Users'. 106 delegates and speakers attended, including representatives from 7 sponsors. For the first time the speakers were drawn from a call for papers made by the Steering Group.

At the AGM Matthew Lawson was elected Chair, Caroline Thomas was elected Secretary and Catherine Phillpotts was elected Treasurer, all to serve as Trustee for two years. In addition the following Representatives were elected to Steering Group, to serve for two years: Leo Appleton, Adjoa Boateng, Pat Christie, Alison Chojna and Michelle Wake. The AGM also confirmed the appointment (in August 2017) of David Archer as cpd25 Chair.

The AGM also approved the adoption of new Articles of Association, which had been developed after receiving legal advice on our previous constitutional documents and the latest developments in charity law. A significant achievement in this year was the launch of the M25 Staff Development Awards, which allowed members of staff in M25 Member institutions to apply for awards to help their continuing professional development. Two cash bursaries of £500 each, to attend an appropriate conference were made available, along with one free place at the M25 annual conference and two allocations of free cpd25 training (of one day and two days each).

The Consortium held two half-day Directors' Briefing this year, one on the theme of the GDPR and the other on the UK Scholarly Communications Licence and Model Policy. Both were well received and the Steering Group intends to continue this format next year.

The Search25 discovery service continued to operate as a single portal to search the collections of the M25 Consortium's Members. The Online Services Group continued to plan for the future of resource discovery in the Consortium by consulting with Jisc on their preparations for the National Bibliographic Knowledgebase. Meanwhile the M25 Consortium website continues to function well as a place for the M25's stakeholders to engage with the Consortium.

M25 Consortium of Academic Libraries Trustees Annual Report

The M25 Access and Borrowing scheme was rebranded as 'Access25' and continued to operate as a key benefit of membership.

Advocacy

During the year the Executive Manager has maintained links with other regional, national and international consortia such as NOWAL, Northern Collaboration, SCONUL, LIBER and CERL.

Annual Report

The M25 Consortium's Annual Report was produced, and made available to members on the website. The Consortium also published its e-archive of annual reports from 2008 onwards at this address: <https://www.m25lib.ac.uk/about-the-consortium/m25-annual-reports/>.

Reserves Policy

The Consortium has a Reserves Policy (<https://www.m25lib.ac.uk/about-the-consortium/governance/finance/>). 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. The Policy determines what areas of risk we should provide for and the actual amount is reviewed every year. For 2017-18 it was estimated that the Consortium needed £135,000 of unrestricted funds to cover potential risks. At the end of the 2017/18 financial year the total held was £168,286.

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

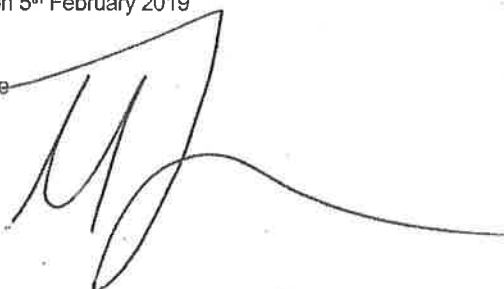
The public benefits of the Consortium continue to be the improvement of library and information services, including access to those services, in academic libraries in London and the east and south east of England. This is achieved by facilitating cooperation amongst Consortium members and by collaborating 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 February 2019

And signed on its behalf by Matthew Lawson, Trustee



M25 Consortium of Academic Libraries Trustees Annual Report

Appendix 1: list of M25 member libraries 2017-2018

1. Anglia Ruskin University
2. Birkbeck, University of London
3. British Library
4. British Museum
5. Brunel University
6. Canterbury Christ Church University
7. City, University of London
8. Courtauld Institute of Art
9. German Historical Institute London
10. Goldsmiths, University of London
11. Heythrop College, University of London
12. Horniman Museum
13. Imperial War Museum
14. King's College London
15. Kingston University
16. Lambeth Palace Library
17. London Metropolitan University
18. London School of Economics and Political Science
19. London School of Hygiene & Tropical Medicine
20. London South Bank University
21. Middlesex University
22. Oxford Brookes University
23. Queen Mary, University of London
24. Ravensbourne
25. Regent's University London
26. Royal Central School of Speech and Drama, University of London
27. Royal College of Art
28. Royal Holloway, University of London
29. Royal Society of Chemistry
30. Royal Veterinary College
31. School of Oriental & African Studies
32. Science Museum
33. Senate House and SAS Libraries
34. St George's, University of London
35. St Mary's University, Twickenham
36. The National Archives (elected 24th April 2018)
37. University College London
38. University for the Creative Arts
39. University of Bedfordshire
40. University of Brighton
41. University of East London
42. University of Essex
43. University of Greenwich
44. University of Kent
45. University of Reading
46. University of Roehampton
47. University of Surrey
48. University of Sussex
49. University of the Arts, London
50. University of West London
51. University of Westminster
52. Victoria & Albert Museum
53. Wiener Library for the Study of the Holocaust & Genocide

Independent examiners' report to the Trustees of M25 Consortium of Academic Libraries

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2018.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Devonshire House
60 Goswell Road
London EC1M 7AD

Kingston Smith LLP

James Cross
Kingston Smith LLP
Chartered Accountants

Date: *14 March 2018*

M25 Consortium of Academic Libraries
Statement of Financial Activities (incorporating the income and
expenditure account)
For the year ended 31st July 2018

		Unrestricted Funds	
	Note	Total 2018 £	Total 2017 £
Income from:			
Charitable activities	3	202,983	185,566
Investments	4	<u>161</u>	<u>161</u>
Total		<u>203,144</u>	<u>185,727</u>
Expenditure on:			
Charitable activities	5	<u>221,984</u>	<u>198,886</u>
Total		<u>221,984</u>	<u>198,886</u>
Net expenditure		(18,840)	(13,159)
Total funds brought forward		<u>187,126</u>	<u>200,285</u>
Total funds carried forward		<u><u>188,286</u></u>	<u><u>187,126</u></u>

All income in the 2018 and 2017 financial year was unrestricted.

All disclosures relate only to continuing operations.

M25 Consortium of Academic Libraries
Balance Sheet as at 31st July 2018

	Note	2018 £	2018 £	2017 £	2017 £
Current Assets					
Debtors	8	6,612		10,113	
Cash at bank and in hand		<u>188,751</u>		<u>182,935</u>	
		195,363		193,048	
Creditors: Amounts falling due within one year					
	9	<u>(27,077)</u>		<u>(5,922)</u>	
Net Current Assets			168,286		187,126
			<u>168,286</u>		<u>187,126</u>
Net Assets			<u>168,286</u>		<u>187,126</u>
Funds					
Unrestricted funds			<u>168,286</u>		<u>187,126</u>
Total funds			<u>168,286</u>		<u>187,126</u>

The Trustees state:

- (a) For the year ended 31st July 2018 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.


 M Lawson, Trustee

12th March 2019

COMPANIES HOUSE NO. : 06866895

M25 Consortium of Academic Libraries

Notes to the Financial Statements

For the year ended 31st July 2018

1. Accounting Policies

Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis under the historical cost convention.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepares its financial statements in accordance with the 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 (The FRS 102 Charities SORP) and the Charities Act 2011.

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.

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 unconditional entitlement to the income, the receipt is probable and the amount can be measured reliably.

Event income is recognised in the period where the event occurs. Event income received relating to events in the 2018/19 financial year is held as deferred income at the Balance Sheet date. Subscription income is accounted for in the period to which the subscription relates.

Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of VAT which cannot be recovered. Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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 consortium meets its fiduciary duties.

M25 Consortium of Academic Libraries
Notes to the Financial Statements
For the year ended 31st July 2018 (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

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

3. Charitable Activities

	Total 2018 £	Total 2017 £
Subscription income	127,798	137,959
cpd25 event income	57,457	32,815
M25 conference income	15,395	12,774
Other Income	2,333	2,018
	<u>202,983</u>	<u>185,566</u>

4. Investment Income

	Total 2018 £	Total 2017 £
Bank interest received	161	161

5. Charitable Activities

	Total 2018 £	Total 2017 £
Administration	18,194	20,782
M25 event costs	12,991	11,668
Staff development award scheme	1,000	-
Marketing and communication	1,476	2,312
Rent expense	17,544	16,956
Salaries & associated staff costs	132,019	111,285
cpd25 event related costs	33,834	29,820
Governance costs (see note 6)	4,926	6,063
	<u>221,984</u>	<u>198,886</u>

M25 Consortium of Academic Libraries
Notes to the Financial Statements
For the year ended 31st July 2018 (Continued)

6. Governance Costs	2018	2017
	£	£
Independent examiners' fee - current year	4,668	4,392
Independent examiners' fee - prior year over-provision	(240)	(594)
Accounts preparation fee	-	744
Other accounting services	498	1,521
	<u>4,926</u>	<u>6,063</u>

7. Staff costs	2018	2017
	£	£
Salaries, national insurance and pension costs	132,019	111,285
	<u>132,019</u>	<u>111,285</u>

All staff are employed by the University of London and the total payroll costs for the three employees (2017: three employees) are recharged to the Consortium.

Key management personnel, comprising all of the trustees and the secretary, received total remuneration of £Nil (2017: £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 (2017: £Nil).

No employees had emoluments in excess of £60,000 during the year (2017: £Nil).

8. Debtors	2018	2017
	£	£
cpd25 event debtors	6,357	9,793
M25 conference debtors	255	260
Prepayments	-	60
	<u>6,612</u>	<u>10,113</u>

9. Creditors: Amounts falling due within one year	2018	2017
	£	£
Other creditors	944	888
Accruals	14,943	5,034
Deferred income	11,190	-
	<u>27,077</u>	<u>5,922</u>

Deferred income relates to pre-paid vouchers for events falling in the 2018/19 financial year.

10. Share capital

The M25 Consortium of Academic Libraries is a company limited by guarantee. In the event that the charitable company is wound up, the liability of each member is limited to £1.

M25 Consortium of Academic Libraries
Notes to the Financial Statements
For the year ended 31st July 2018 (Continued)

11. Operating leases

At 31 July total commitments under operating leases were:

	2018 Land and buildings £	2017 Land and buildings £
Under one year	12,600	10,922
Two to five years	25,200	-
	<u>37,800</u>	<u>10,922</u>

12. Contingent liability

Historically the members of staff at M25 have been employed by the University of London (UoL) and seconded under the terms of an agreement to M25 as explained in the trustees report under the heading "M25 Support Team." HMRC have challenged the UoL that costs recharged between M25 and UoL should have been subject to VAT. The charity is in discussions with HMRC and has undertaken specialist advice to consider the options and to see whether the current approach can be retained. Should this not be the case M25 may be subject to a retrospective VAT charge which the trustees estimate to be in the region of £74,000. Due to the uncertainty of whether a VAT charge will become payable a provision of this amount has not been recognised in these accounts.

