

Scottish Council on Archives

Scottish Charity No. SC044553

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR TO 31st MARCH 2018**

SCOTTISH COUNCIL ON ARCHIVES
Report of the Trustees
For the year ended 31 March 2018

The Trustees present their report with the financial statements of the Council for the year ended 31st March 2018. The Council was incorporated as a Scottish Charitable Incorporated Organisation (SCIO) on 30th December 2013.

Reference and Administrative Details

Address: General Register House, 2 Princes Street, Edinburgh, EH1 3YY

Trustees: The trustees serving during the year and since the year-end were:

Irene O'Brien (Chair)	Phil Astley
Elizabeth Roads (vice Chair)	Linda Ramsay
Caroline Brown	Claire Johnson
Rachel Hart (Treasurer)	Victoria Stobo
William Kilbride	Bruce Jackson
Meic Pierce Owen	

Accountants Helen Lowe Ltd, 17-21 East Mayfield, Edinburgh, EH9 1SE

Bankers: Bank of Scotland

Solicitors: J & H Mitchell, 51 Atholl Road, Pitlochry, PH16 5BU

Objectives and Activities

The objectives of the Scottish Council on Archives are:

- To promote and support the effectiveness and efficiency of archive and records management across Scotland;
- To advance the creation, preservation and archiving of information, culture and heritage;
- To provide and advance education, training, understanding and responsible awareness of the creation, preservation and archiving of records in schools, communities and amongst professionals;
- To encourage greater access to and use of archives by the public;
- To research and assess the social and economic impact of archives and record management services; and
- To work in partnership and through networks in achieving these objectives.

The Council is funded by the Scottish Government to represent and advise its members, and to provide a voice of consensus on all matters affecting the Scottish archives community. It acts both as a strategic agency and as a facilitator of activity on the ground. It supports historic archives in local authority record offices and elsewhere, modern records management and electronic document management, community archives, and activities such as conservation and preservation, as well as digitisation and learning. It also aims to promote archive services to the wider public by delivering and supporting a variety of archive outreach initiatives, publications, conferences and events. In the year under review, the Council also received a substantial grant from the Heritage Lottery Fund, as detailed in the financial statements.

SCOTTISH COUNCIL ON ARCHIVES

Report of the Trustees

For the year ended 31 March 2018

Achievements and Performance

Throughout 2017-2018, the Scottish Council on Archives has continued to look to the strategic priorities identified by our stakeholders to ensure that every initiative carried out by SCA works to further our vision: Leading Scotland's archives and records management community to inspire and inform the nation.

In December 2017, a new Director was appointed to lead on providing strategic direction and delivering robust governance, organisational and resilience policies for the organisation. The Director is also responsible for the progression of the development of a new web portal for Scottish archive collections.

Key achievements in 2017-18 include:

- Delivery of the third and final year of our award winning £513,000 Heritage Lottery funded Skills for the Future traineeship programme. A key objective of the scheme was to diversify the workforce by offering alternative pathways into the archive sector. 18 trainees successfully completed the programme and 70% are now working in the archive sector. An external evaluation of the programme found that the programme successfully met all of its aims.
- Continuing support for the implementation of the Public Records Scotland (Act) 2011 (PRSA) with practical tools - Record Retention Schedules and the ARMS Quality Improvement Framework. A new platform and refreshed content was developed for the ARMS online tool.
- As a partner of the third and final year of the £477,000 Heritage Lottery Funded 'Funding for Archives' project, SCA supported the delivery of a comprehensive fundraising training programme for archivists in Scotland. The programme offered training and mentoring across a range of topics from bid-writing to crowd funding. A suite of freely available fundraising e-learning resources are now available to the archive sector.
- In partnership with Tasglann nan Eilean/Hebridean Archives and the Archives and Records Association UK & Ireland, SCA delivered a two-day Community Archives conference at Lews Castle Museum and Archive in Stornoway in June 2017. The conference featured speakers from a range of inspiring community archive projects and attracted over 80 delegates from the archive sector and local history groups.
- In collaboration with the Business Archives Council for Scotland, SCA published *Enterprising Scotland: A Celebration of Scotland's Business Archives*. The publication was endorsed by Fiona Hyslop, Cabinet Secretary for Culture, Tourism and External Affairs and distributed to MSPs and business leaders. A copy of *Enterprising Scotland* was requested for inclusion in the National Library of Scotland collections.

SCOTTISH COUNCIL ON ARCHIVES
Report of the Trustees
For the year ended 31 March 2018

Achievements and Performance

- SCA continued a partnership with CREATE at the University of Glasgow to provide guidance and training on copyright and related issues. In addition to providing training for the sector, SCA provided representation on the Libraries and Archives Copyright Alliance (LACA) and at the World Intellectual Property Organisation (WIPO) Standing Committee on Copyright and Related Rights (SCCR) in Geneva.
- SCA completed a full evaluation of its education programme from 2012 to 2017. The programme successfully delivered a range of profile raising activities, pilot projects, CPD for archivists and effective collaborations. SCA has now developed a new three-year Education Plan, Many More Stories, One Scotland: 2018-21. The new plan will build on the achievements of SCA's previous education and outreach work with an emphasis on engaging with communities.
- Delivery of a refreshed Economic Impact Toolkit and associated training for the archive sector. Economic impact analysis enables archives to demonstrate (to themselves and local, regional and national stakeholders) the value that they add to the local economy.
- Delivery of a Scotland-wide consultation event and workshop to support progress on the 'Towards a Shared Collecting Policy' initiative. SCA is co-ordinating a strategic approach to encouraging dialogue across the sector around collecting policies and related issues.
- Implementation of a three-year Preservation Action plan to support the preservation and conservation needs of archive collections in Scotland. The commissioning and development of Disaster Planning Guidance and Templates for archive services has been a key project in 2018.

For further details on all of the Scottish Council on Archives projects please consult the website (www.scottisharchives.org.uk)

The Scottish Council on Archives received funding from the Scottish Government to provide leadership for the archives and records management sector in Scotland. It builds national and international partnerships, delivers strategic advice and research and develops projects spanning stakeholder engagement, education, and quality improvement.

SCA acts in partnership with a wide range of archives and records management organisations including: National Records of Scotland, Archives and Records Association, Digital Preservation Coalition, Business Archives Council of Scotland, and The National Archives as well as university and local authority archives. SCA provides sectoral support, advice, guidance and training for its network of institutional and individual members and for many others working in or using Scotland's archives services including community archives.

SCA has a unique role to play in providing cohesion for the diverse archives and records management sector as well as acting as a powerful advocate for archives.

SCOTTISH COUNCIL ON ARCHIVES
Report of the Trustees
For the year ended 31 March 2018

Financial Review

The financial statements follow on pages 8 to 13. These statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities and Trustee Investment (Scotland) Act 2005.

Total income in the year amounted to £301,580 (2017 - £304,146) and total expenditure was £268,450 (2017 - £301,958), resulting in net income of £33,130 (2017: £2,188).

There were no significant events in the period which affected the charity's financial position. Total funds held by the Council at 31st March 2018 amounted to £40,715 (2017: £7,085), none of which was held for specific purposes.

Reserves Policy

The Trustees' policy is to aim to hold a level of reserves which is equivalent to four months' running costs, to provide some protection against future income shortfalls or unexpected cost increases. The Trustees are not in a position to accumulate significant reserves because the Scottish Government annual grant is intended to cover the current year's expenditure only. However the Trustees hope that they will be able to accumulate reserves in the future from other sources of income. Unrestricted reserves at 31st March 2018 amounted to £40,715 (2016 - £7,085).

Plans for Future Periods

The Council continues to develop its projects and activities around the six Strategic Objectives set out in its 2016-2019 Corporate Plan. In addition, SCA is developing a series of Outcomes, aligned with the Strategic Objectives, which are measurable and deliverable. The SCA board has agreed to adopt an Outcomes, Activities and Indicators approach to evaluating the impact of its programmes, following guidance and recommendations from Evaluation Support Scotland.

The appointment of a full-time Director in December 2017 was part of long-term strategy to make SCA more resilient both strategically and financially. SCA is committed to exploring partnership opportunities with a wide range of stakeholders and to diversify its outreach and education work, particularly with community groups managing or holding local archive collections.

SCOTTISH COUNCIL ON ARCHIVES
Report of the Trustees
For the year ended 31 March 2018

Risk Management

The trustees adopted a new Risk Register in January 2018 which uses a 'traffic light' approach (Red – 'Alarm'; Amber – 'Concern'; Green – 'Tolerable') to assess impact and risk and offer mitigating solutions. The Register lists a series of potential risks under the six subject headings: Governance and Management; Operational Risk; Financial Risks; Planning and Service Delivery; Partnerships and Promotion; and Compliance Risk (law/regulations).

The Risk Register is reviewed quarterly and updated on an ongoing basis as actions are put in place to mitigate the most serious risks.

'Amber' and 'Red' risks include:

- Failure to identify funding opportunities beyond Scottish Government
- Inadequate reserves
- Dependency on income sources

Structure Governance and Management

Governing Document

The Scottish Council on Archives is a Scottish charitable incorporated organisation, registered with the Office of the Scottish Charity Regulator (OSCR), and is governed by its Constitution dated 30th December 2013 (amended 30th March 2015).

Trustee induction and training

New trustees are briefed on their legal obligations under charity law, the content of the Constitution, the committee and decision-making processes and the recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees administers the organisation and meets on average four times throughout the year.

Statement of Trustees responsibilities

The Trustees of the Scottish Council on Archives 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).

The law applicable to charities in Scotland requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the organisation and of the incoming resources and application of resources of the organisation for that period.

SCOTTISH COUNCIL ON ARCHIVES
Report of the Trustees
For the year ended 31 March 2018

Statement of Trustees responsibilities (continued)

In preparing those 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 (2015);
- Make judgements 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the organisation will continue business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the organisation and to enable them to ensure that the financial statements comply with The Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), and the provisions of the organisation's constitution. They are also responsible for safeguarding the assets of the organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By Order of the Board

Dr Irene O'Brien

Date

SCOTTISH COUNCIL ON ARCHIVES
Independent Examiner's Report to the Trustees
For the year ended 31st March 2018

I report on the financial statements of the charity for the year to 31 March 2018 which are set out on pages 8 to 13.

Respective responsibilities of Trustees and Examiner

The charity's Trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The charity trustees consider that the audit requirement of Regulation 10 (1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44 (1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeks explanations from the Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of 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 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

John Cursiter – Chartered Accountant
Helen Lowe Ltd
Chartered Accountants
17-21 East Mayfield
Edinburgh
EH9 1SE

Date

SCOTTISH COUNCIL ON ARCHIVES
Statement of Financial Activities
For the year ended 31 March 2018

	Note	Unrestricted Operational Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Income from:					
Charitable activities	3	213,859	87,721	301,580	304,146
Expenditure on:					
Charitable activities	4	175,921	92,529	268,450	301,958
Net income/(expenditure) for the year before transfers		37,938	(4,808)	33,130	2,188
Transfers between funds	11	(4,808)	4,808	-	-
Net income/(expenditure) for the year		33,130	-	33,130	2,188
Reconciliation of Funds:					
Total funds brought forward	11	7,585	-	7,585	5,397
Total funds carried forward	11	40,715	-	40,715	7,585

The results set out above derive from the continuing operations of the Council.

SCOTTISH COUNCIL ON ARCHIVES
Balance Sheet
As at 31 March 2018

	Note	Unrestricted Operational Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Fixed Assets					
Office equipment	8	-	-	-	487
Current Assets					
Debtor	9	-	-	-	7,069
Bank		114,331	-	114,331	50,121
		114,331	-	114,331	57,190
Current Liabilities					
Creditors	10	73,616	-	73,616	50,092
Net Current Assets					
		40,715	-	40,715	7,098
Total Net Assets					
		40,715	-	40,715	7,585
Funds					
Unrestricted funds	11			40,715	7,585
Restricted fund	11			-	-
Total Funds					
				40,715	7,585

The financial statements were approved by the Board of Trustees on 2018 and are signed on its behalf by

Dr Irene O'Brien
Chair of Trustees

SCOTTISH COUNCIL ON ARCHIVES
Notes to the Financial Statements
For the year ended 31 March 2018

1. Legal Status

The Council is a Scottish charitable incorporated organisation. The members of the SCIO are not required to contribute to its assets in the event of its being wound up.

2. Accounting Policies

a) Basis of Preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice (effective 1st January 2015): Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Trustees consider that there is no material uncertainties about the charity's ability to continue as a going concern.

b) Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

c) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been directly attributed to one of the financial categories of resources expended in the Statement of Financial Activities. The expenditure also includes irrecoverable VAT.

d) Pension costs

The charity operated a money purchase (defined contribution) pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

e) Taxation

The charity is exempt from tax on its charitable activities.

f) Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for the particular restricted purpose within the object of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

SCOTTISH COUNCIL ON ARCHIVES
Notes to the Financial Statements
For the year ended 31 March 2018

3. Incoming Resources from Charitable Activities	2018	2017
	£	£
Unrestricted Fund:		
Scottish Government Grant	180,000	140,000
Reimbursement of partner project costs	29,640	4,174
Delegate fees	4,218	6,386
Award for Communication and Learning	-	500
	<u>213,859</u>	<u>151,060</u>
Restricted Fund:		
Heritage Lottery Funding	87,721	153,086
	<u>301,579</u>	<u>304,146</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2018	Total Funds 2017
	£	£	£	£
4. Expenditure on Charitable Activities				
Conferences and events	2,730	12,296	15,026	20,888
Bursaries	800	50,439	51,239	104,730
Skills for the Future Fund - staff costs	-	20,540	20,540	24,057
Staff costs (note 7)	76,344	-	76,344	69,169
Consultancy cost	-	5,363	5,363	4,213
Training	2,249	3,891	6,140	2,467
Subscriptions	3,125	-	3,125	1,345
Support costs (note 5)	13,607	-	13,607	16,011
Projects costs (note 6)	67,829	-	67,829	42,713
Centre for Archives and Information Studies	-	-	-	4,365
Recruitment	9,238	-	9,238	12,000
	<u>175,921</u>	<u>92,529</u>	<u>268,450</u>	<u>301,958</u>

	2018	2017
	£	£
5. Expenditure on Support Costs		
IT & office costs	10,485	12,545
Depreciation	487	487
Independent examiners fee	1,560	1,560
Accountancy	1,075	600
Legal Fees	-	336
HR Fees	-	483
	<u>13,607</u>	<u>16,011</u>

Expenditure on support costs related to unrestricted funds in both the current and prior year.

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For the year ended 31 March 2018

	2018	2017
	£	£
6. Project Costs		
Advocacy	3,474	3,588
ALMA-UK The Alliance of Libraries and Museums Archive	1,800	3,230
Archives Accreditation	4,804	8,480
ARMS-Archives Records Management Services	1,815	3,422
Copyright	4,060	3,638
Education	14,525	943
Leadership	1,933	5,730
PSQG-Public Services Quality Group	-	1,500
Transforming Archives	19,266	-
Preservation	822	2,633
Retention Schedules	2,500	2,300
Scottish Ancestral Tourism Group	539	4,065
Skills for the Future	2,291	3,184
Scotland Online Catalogue	10,000	-
	<u>67,829</u>	<u>42,713</u>

Expenditure on project costs related to unrestricted funds in both the current and prior year.

7. Staff costs

Management salaries	103,635	91,509
Trainee bursaries	47,359	88,416
Employer's national insurance	9,691	13,359
Employer's pension contributions	5,783	3,872
	<u>166,468</u>	<u>197,156</u>
Allocated to Project Costs	19,146	-
Allocated to Expenditure on Charitable Activities	147,322	197,156
	<u>166,468</u>	<u>197,156</u>

No trustees received any remuneration in the period. Expenses of £2,241 (2017 - £3,264) were reimbursed to trustees in the period and are recorded under the respective project headings.

The average weekly number of employees was as follows:

Management	3
Trainees	3
	<u>6</u>

8. Fixed Assets

	2018	2017
	£	£
Cost/valuation at 31st March 2018	<u>1,948</u>	<u>1,948</u>
Accumulated depreciation at 31st March 2018	<u>1,948</u>	<u>1,461</u>
Net book value at 31st March 2018	<u>-</u>	<u>487</u>

SCOTTISH COUNCIL ON ARCHIVES
Notes to the Financial Statements
For the year ended 31 March 2018

	2018	2017
	£	£
9. Debtors		
Grants receivable	-	7,069
	<u>2018</u>	<u>2017</u>
	£	£
10. Creditors		
Grant received in advance	60,921	47,933
Accruals	2,695	2,159
Project costs	10,000	-
	<u>73,616</u>	<u>50,092</u>

11. Statement of Funds

	As at 01.04.17	Incoming Resources	Resources Expended	Transfers	As at 31.3.18
	£	£	£	£	£
Unrestricted					
Operational Fund	7,585	213,859	175,921	(4,808)	40,715
	<u>7,585</u>	<u>213,859</u>	<u>175,921</u>	<u>(4,808)</u>	<u>40,715</u>
Restricted					
Skills for Funding Fund	-	87,721	92,529	4,808	-
Total Funds	<u>7,585</u>	<u>301,579</u>	<u>268,451</u>	<u>-</u>	<u>40,715</u>

The unrestricted Operational Funds are available to be spent for any purposes of the organisation, however an excess of funds cannot be generated from Scottish Government Grant income received and only from income generated by the organisation and reimbursement from Heritage Lottery funding for partnership costs.

The restricted fund was established to receive the Heritage Lottery funding for the traineeship programme. The fund is only available for trainees and archive service hosts to access skills, development opportunities and related education and development costs.