

Scottish Council on Archives

Scottish Charity No. SC044553

**REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM 30TH DECEMBER 2013
TO 31ST MARCH 2015**

SCOTTISH COUNCIL ON ARCHIVES
Report of the Trustees for the Period ended 31 March 2015

The Trustees present their report with the financial statements of the Council for the period ended 31 March 2015. The Council was incorporated as a Scottish Charitable Incorporated Organisation (SCIO) on 30th December 2013. No financial transactions took place until the assets and liabilities of the previously unincorporated Council were transferred to the SCIO on 1st April 2014 (total funds transferred - £1,041). The financial statements now presented record the financial transactions of the year to 31st March 2015.

Reference and Administrative Details

<i>Address:</i>	General Register House, 2 Princes Street, Edinburgh, EH1 3YY
<i>Trustees:</i>	The trustees serving during the year and since the year-end were: Irene O'Brien (Chair) Phil Astley (appointed 30.03.15) Linda Ramsay Caroline Brown (appointed 30.03.15) Rachel Hart (Treasurer) Claire Johnson (appointed 30.03.15) Kevin Wilbraham Elizabeth Roads (appointed 30.03.15)
<i>Accountants</i>	Helen Lowe Ltd, 17-21 East Mayfield, Edinburgh, EH9 1SE
<i>Bankers:</i>	Bank of Scotland
<i>Solicitors:</i>	J & H Mitchell, 51 Atholl Road, Pitlochry, PH16 5BU

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 regulations.

Charity law 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, including the income and expenditure, of the organisation for that period. 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;
- 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 and the Charities Accounts (Scotland) Regulations 2006. 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.

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Structure Governance and Management

Governing Document

The Scottish Council on Archives is a charitable 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 three times throughout the year.

Risk Management

The trustees are satisfied that the major risks to which the organisation is exposed have been reviewed and procedures have been established to manage these risks.

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

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Objectives and Activities (continued)

digitisation and learning. It also aims to promote archive services to the wider public by publicising initiatives such as the annual Archives Awareness Campaign.

Achievements and Performance

Since registering as a Scottish Charitable Incorporated Organisation in December 2013, the Scottish Council on Archives has spent the last 15 months focussing on its governance structure and strategic direction.

The organisation undertook a major strategic review and consultation with members and stakeholders to ensure it continues to deliver on behalf of the archives and records management sector. Transitioning to SCIO status involved a full review of the Council's Strategic Goals to ensure they reflect the Charitable Purposes and remain aligned with the needs of the sector and Scottish Government National Outcomes.

The results of this transition period have transformed the Scottish Council on Archives and formalised a structure that ensures impact across a range of areas:

- Ability to bid for and secure significant external funding - notably from the Heritage Lottery Fund and the Scottish Archive Network (SCAN) Ltd. - focussed on specific needs within the sector and on opening the 'documented national memory' (i.e., archives) to greater numbers and a wider range of users.
- Creation of, and support for, standards within the sector that promote a cost-effective 'do once, share with all' approach that is a practical expression of partnership working.
- Ability to support several current projects identified as addressing priority issues within the sector and even beyond it.
- Resources enabling SCA to be an advocate for diverse services and organisations operating within the sector.
- Liaison with a range of archives-related and library and museum-related organisations in order to benefit from mutual co-operation and shared learning.

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

Financial Review

The financial statements follow on pages 6 to 11. These statements are prepared in terms of the Statement of Recommended Practice 2005 – Accounting and Reporting by Charities and the Companies Act 2006.

Total income in the year amounted to £226,913 and total expenditure was £221,075, resulting in a small surplus of £5,838.

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Reserves Policy


The Trustees are not yet in a position to accumulate 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, to provide some protection against unanticipated cost increases or income shortfalls.

Plans for Future Periods

Becoming a Scottish Charitable Incorporated Organisation meant a root and branch consideration of internal administration and ways of working. The information gathered from the strategic consultation moulded the conclusions of an independent report, a report which has formed the basis of new Strategic Goals, Objectives and Associated Actions, detailed in a 2015-2018 Corporate Plan and supporting 2015-2016 Business Plan.

The Goals together set the strategic direction while individual Objectives identify the different key areas requiring commitment and focus. The Actions constitute the 'to do list' that delivers against each individual Objective and thereby drive the strategic direction on behalf of Council and the sector as a whole. There is a focus on partnership working, building capacity within the sector (including workforce development), digital information and securing ongoing access, online services and the SCA advocacy role. The Plans have been published on the website and contain detailed information on individual projects. They are available from: www.scottisharchives.org.uk/goals.

By Order of the Board



Dr Irene O'Brien
Chairperson

Date: 24th June 2015

**The Scottish Council on Archives
Independent Examiner's Report to the Trustees
for the period ended 31 March 2015**

I report on the accounts of the organisation for the period ended 31st March 2015 which are set out on pages 6 to 11.

Respective responsibilities of trustees and examiner

The organisation's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. 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 accounts 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 organisation and a comparison of the accounts 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 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 accounts to be reached.



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

Date: 25th June 2015

SCOTTISH COUNCIL ON ARCHIVES
Statement of Financial Activities
(Incorporating Income & Expenditure Account)
For the period ended 31 March 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds £
Incoming Resources				
Incoming resources from Charitable activities	3	142,974	83,939	226,913
Resources Expended				
Charitable expenditure	4,7	132,378	83,939	216,317
Support costs	5	4,758	-	4,758
Total Resources Expended		137,136	83,939	221,075
Net incoming Resources for year before transfers				
		5,838	0	5,838
Transfer between funds	11	(5,007)	5,007	-
Net incoming Resources for year				
		831	5,007	5,838
Fund balance transferred at 1st April 2014	11	1,041	-	1,041
Fund balances at 31 March 2015	11	1,872	5,007	6,879

The results set out in the income and expenditure account above derive from the continuing operations of the Council.

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Balance Sheet
As at 31 March 2015

	Notes	2015 £
Fixed Assets		
Office equipment	8	<u>1,461</u>
Current Assets		
Debtor	9	5,007
Bank		<u>3,373</u>
		8,380
Current Liabilities		
Creditors	10	<u>2,962</u>
Net Current Assets		<u>5,418</u>
Net Assets		<u>6,879</u>
Reserves		
Unrestricted Fund	11	1,872
Restricted Fund	11	<u>5,007</u>
		<u>6,879</u>

The financial statements on pages 6 to 11 were approved by the Board of Trustees on 24th June 2015 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 period ended 31 March 2015

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

The financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

Incoming Resources

Income is stated at amounts receivable for the year.

Resources Expended

All expenditure is included on the accruals basis and has been directly attributed to one of the financial categories of resources expended in the Income & Expenditure Account and Statement of Financial Activities. The expenditure also includes irrecoverable VAT.

Fixed Assets and Depreciation

Depreciation is provided on fixed asset expenditure for the purpose of writing off each asset over its estimated useful life at the following rate:

Office equipment - 25% per annum (straight line basis)

Pension Costs

The charity operates a money purchase (defined contribution) scheme. The contributions payable for the year are charged to the Income and Expenditure Account.

Taxation

No provision for tax is necessary because the Council has charitable status.

The charity suffers input VAT on some of its expenditure which it does not recover.

3. Incoming Resources from Charitable Activities

	£
Unrestricted Fund:	
Scottish Government Grant	140,000
Reimbursement of partner project costs	2,974
	<u>142,974</u>
Restricted Fund:	
Heritage Lottery Funding	<u>83,939</u>

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Notes to the Financial Statements
For the period ended 31 March 2015

4. Direct Charitable Expenditure

Unrestricted Fund:	£
Events and Meetings	3,243
Salaries (note 6)	65,740
Training	474
IT & Office Costs	8,098
Strategic Development	10,000
Bursaries	750
Subscriptions	555
Projects Costs (note 7)	43,032
Depreciation	487
	<u>132,378</u>
Restricted Fund:	
New Staff Costs (note 6)	11,752
Travel and Expenses for Staff	793
Paid Training Placements	52,465
Travel and Expenses for Volunteers	20
Equipment and Materials	273
Recruitment	18,636
	<u>83,939</u>

5. Support costs

Accountancy Fees	2328.00
Legal Fees	990.00
HR Fees	1440.00
	<u>4758.00</u>

6. Staff costs

	2015
	£
Salaries	69,990
Employer's National Insurance	4,943
Employer's Pension Contributions	2,559
	<u>77,492</u>

No trustees received any remuneration in the period. Expenses of £1,248 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	<u>3</u>
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7. Project Costs	2015
	£
ALMA-UK The Alliance of Libraries and Museums Archive	100
Archives Accreditation	4,517
ARMS-Archives Records Management Services	3,780
Archive Awareness	367
Copyright	4,047
Education	3,393
Parliament	2,831
PSQG-Public Services Quality Group	1,458
Preservation	218
Retention Schedules	7,303
SCA Membership Consultation	10,382
Scotsman	1,257
Skills for the Future	996
UNESCO	778
Who Do You Think You Are	1,604
	<u>43,032</u>
	<u>43,032</u>
8. Fixed Assets	Office Equipment
	£
Cost/valuation at 1st April 2014 and 31st March 2015	<u>1,948</u>
Depreciation charge for the year	<u>487</u>
Net book value at 31st March 2015	<u>1,461</u>
	<u>1,461</u>
9. Debtors	£
Grants receivable	<u>5,007</u>
	<u>5,007</u>
10. Creditors	£
Accruals	<u>2,962</u>
	<u>2,962</u>

SCOTTISH COUNCIL ON ARCHIVES
Notes to the Financial Statements
For the period ended 31 March 2015

11. Statement of Funds

	As at 01.04.14	Incoming Resources	Resources Expended	Transfers	As at 31.03.15
	£	£	£		
Unrestricted	1,041	142,974	137,136	(5,007)	1,873
Restricted	-	83,939	83,939	5007	5,007
Total	1,041	226,913	221,075	0	6,879

The Unrestricted Fund is the operating fund of the Council. Unrestricted funds are available for use at the discretion of the trustees in pursuit of the general objectives of the Council.

The Restricted Fund represents a grant from the Heritage Lottery Fund which is to be used specifically to fund the Skills for the Future project, Opening Up Scotland's Archives. Restricted funds are only available to meet the specific expenses for which they were granted.

A small proportion of the Heritage Lottery Fund grant is withheld, to be released as the Skills for the Future project nears completion. A transfer from Unrestricted Funds was made to cover the temporary shortfall. These funds will be returned to the Unrestricted Fund in due course.