

Scottish Council on Archives

Scottish Charity No. SC044553

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR TO 31st MARCH 2016

SCOTTISH COUNCIL ON ARCHIVES
Report of the Trustees for the year to 31 March 2016

The Trustees present their report with the financial statements of the Council for the year ended 31st March 2016. 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
Linda Ramsay Caroline Brown
Rachel Hart (Treasurer) Claire Johnson
Kevin Wilbraham Elizabeth Roads (vice chair)
Victoria Stobo

Accountants Helen Lowe Ltd, 17-21 East Mayfield, Edinburgh, EH9 5SE

Bankers: Bank of Scotland

Solicitors: 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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Report of the Trustees for the year to 31 March 2016

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 four times throughout the year.

Risk Management

The trustees have identified that the major risks to which the charity is exposed are as follows:

Inadequate Funding, particularly the inability to build reserves;

Inadequate or Unrealistic Planning; and

Failure to Build and Harness Partnerships Successfully

The trustees have put in place plans and procedures to mitigate the effect of these risks and they regularly review the risks to which the charity is exposed. Further information on risk can be found in our corporate SCA Corporate and Business Plans 2016-19 www.scottisharchives.org.uk/goals

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

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Report of the Trustees

for the year to 31 March 2016

Objectives and Activities (continued)

- 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.

Achievements and Performance

In 2014, the organisation undertook a major strategic review and consultation with members and stake holders to ensure it continued 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.

Throughout 2015-2016, the SCA has continued to look to the strategic priorities identified by our stakeholders to ensure that each and every initiative carried out by the SCA works to support and further our vision: *Leading Scotland's archives and records management community to inspire and inform the nation*. Key achievements in 2015-16 include:

- Delivery of the second year of our £513,000 Heritage Lottery funded Skills for the Future traineeship programme which seeks to diversify the archive workforce and offer skills development opportunities for both trainees and archive service hosts
- 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- and through the delivery of a major PRSA conference
- As a partner of the Heritage Lottery Funded 'Funding for Archives' project, we supported the delivery of a comprehensive fundraising training programme for archivists in Scotland
- We concluded the delivery of *Many Stories, One Scotland*, our three year National Plan for Learning - an innovative and strategic approach to providing a programme of outreach and audience development training for archivists, building collaborative relationships with schools and community groups and providing online resources
- Continuing support of the rollout of the UK-wide Archive Services Accreditation Standard
- Devising and implementing a three -year Preservation Action plan to support the preservation and conservation needs of archive collections in Scotland

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).

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Report of the Trustees for the year to 31 March 2016

Financial Review

The financial statements follow on pages 6 to 11. These statements are prepared in terms of the Statement of Recommended Practice 2015 - Accounting and Reporting by Charities (FRSSE). Total income in the year amounted to £274,081 (2015 - £226,913) and total expenditure was £275,565 (2015 - £221,075), resulting in a deficit of £1,484 (2015: surplus - £5,838).

There were no significant events in the period which affected the charity's financial position. Total funds held by the Council at 31st March 2016 amounted to £5,397 (2015: £6,881), none of which (2015: £5,007) was held for specific purposes.

Reserves Policy

The Trustees are not yet 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, to provide some protection against unanticipated cost increases or income shortfalls. Free reserves at 31st March 2016 amounted to £5,397 (2015 - £1,874).

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 2014-15 strategic consultation moulded the conclusions of an independent report, a report which has formed the basis of our current Strategic Goals, Objectives and Associated Actions, detailed in a 2016-2019 Corporate Plan and supporting 2016-2017 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: 20th September 2016

**The Scottish Council on Archives
Independent Examiner's Report to the Trustees
for the year to 31 March 2016**

I report on the accounts of the organisation for the year to 31st March 2016 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.

TL

**John Cursiter- Chartered Accountant
Helen Lowe Ltd
Chartered Accountants
17-21 East Mayfield
Edinburgh
EH91SE**

Date: 20th September 2016

SCOTTISH COUNCIL ON ARCHIVES
Statement of Financial Activities
(Incorporating Income & Expenditure Account)
For the year ended 31 March 2016

	Notes	Unrestricted Funds £	Restricted Funds £	2016 Total Funds £	2015 Total Funds £
Income from					
Charitable activities	3	141,443	132,638	274,081	226,913
Expenditure on					
Charitable activities	4,7	120,842	147,693	268,535	216,317
Other costs	5	7,030	-	7,030	4,758
Total Resources Expended		127,872	147,693	275,565	221,075
Net incoming Resources for year before transfers		13,571 -	15,055 -	1,484	5,838
Transfer between funds	11	10,048	10,048		
Net incoming Resources for year		3,523 -	5,007 -	1,484	5,838
Fund balance at 1st April 2015	11	1,874	5,007	6,881	1,043
Fund balance at 31 March 2016	11	5,397 -	0	5,397	6,881

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 2016

	Notes	2016	2015
		£	£
Fixed Assets			
Office equipment	8	974	1,461
Current Assets			
Debtor	9	729	5,007
Bank		53,771	3,375
		54,500	8,382
Current Liabilities			
Creditors	10	50,077	2,962
Net Current Assets		4,423	5,420
Net Assets		5,397	6,881
Reserves			
Unrestricted Fund	11	5,397	1,874
Restricted Fund			5,007
		5,397	6,881

The financial statements on pages 6 to 11 were approved by the Board of Trustees on 20th September 2016 and are signed on its behalf by



Dr Irene O'Brien
Chair of Trustees

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ES Notes to the Financial Stateme
nts For the year ended 31 March
2016

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 (FRSSE), effective from January 2015, 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.

Fund Accounting

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. The project aims to improve skills and service delivery within the Scottish archives sector and funding will support 18 paid traineeships across three years (2014-2017). Restricted funds are only available to meet the specific expenses for which they were granted.

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**ES Notes to the Financial Stateme
nts For the year ended 31 March
2016**

3. Incoming Resources from Charitable Activities

	2016	2015
	£	£
Unrestricted Fund:		
Scottish Government Grant	140,000	140,000
Reimbursement of partner project costs	1,443	2,974
Delegate fees	--	142,974
	141,443	142,974
Restricted Fund:		
Heritage Lottery Funding	132,638	83,939
	<u>274,081</u>	<u>226,913</u>

4. Direct Charitable Expenditure

	£	£
Unrestricted Fund:		
Events and Meetings	4,683	3,243
Salaries (note 7)	68,729	65,740
Trainin g	3,000	474
IT & Office Costs	12,328	8,098
Strategic Development	0	10,000
Bursaries	781	750
Subscriptions	720	555
Promotion	0	
Projects Costs	30,115	43,032
Sundry	0	
Depreciation	487	487
	<u>120,842</u>	<u>132,378</u>
Restricted Fund:		
New Staff Costs	21,654	11,752
Travel and Expenses for Staff	1,317	793
Paid Training Placements	93,040	52,465
Trainin g, Travel and Expenses for Trainees	11,547	20
CAIS Registration	4,890	
Publicity	3,831	
Sundries	1,263	273
Recruitment	10,150	18,636
	<u>147,693</u>	<u>83,939</u>

5. Other costs

Accountancy Fees	2,112	2328
Legal Fees	3,388	990
HR Fees	1,530	1440
	<u>7,030</u>	<u>4758</u>

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Notes to the Financial Statements
For the year ended 31 March 2016

	2016	2015
	£	£
6. Staff costs		
Management Salaries	81,733	69,990
Trainee Bursaries	86,573	40,048
Employer's National Insurance	13,000	7,219
Employer's Pension Contributions	2,118	2,834
	<u>183,423</u>	<u>120,092</u>

No trustees received any remuneration in the period. Expenses of £2199 (2015 - £1248) 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	6
	<u>9</u>

7. Project Costs

Advocacy	1,442	
ALMA-UK The Alliance of Libraries and Museums Archive	230	100
Archives Accreditation	1,066	4,517
ARMS-Archives Records Management Services	2,622	3,780
Archive Awareness		367
Copyright	553	4,047
Education	14,924	3,393
Leadership	4,253	
Parliament		2,831
PSQG-Public Services Quality Group		1,458
Preservation	1,312	218
Retention Schedules	1,300	7,303
SCA Membership Consultation		10,382
Scotsman		1,257
Scottish Ancestral Tourism Group	1,500	
Skills for the Future	913	996
UNESCO		778
Who Do You Think You Are		1,604
	30,115	<u>43,032</u>

8. Fixed Assets

	Office Equipment	
	2016	2015
Cost/valuation at 31st March 2016	1,948	<u>1,948</u>
Accumulated depreciation at 31st March 2016	974	<u>487</u>
Net book value at 31st March 2016	974	<u>1,461</u>

SCOTTISH COUNCIL ON ARCHIVES
Notes to the Financial Statements
For the year ended 31 March 2016

	2016	2015
	£	£
9. Debtors		
Grants receivable	729	5,007
	<hr/>	<hr/>
10. Creditors		
Grant received in advance	45,988	
Accruals	4,089	2,962
	<hr/>	<hr/>
	50,077	2,962
	<hr/>	<hr/>

11. Statement of Funds

	As at	Incoming	Resources		As at
	01.04.15	Resources	Expended	Transfers	31.3.16
	£	£	£	£	£
Unrestricted	1,874	141,443	127,872	-10,048	5,397
Restricted	5,007	132,638	147,693	10,048	0
Total	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	6,881	274,081	275,565	0	5,397
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>