Scottish Council on Archives

(Charity No: SC044553)

Report of the Trustees and Unaudited Financial Statements For the year ended 31 March 2021

CONTENTS

For the year ended 31 March 2021

	Page
Reference and Administrative Details	1
Report of the Trustees	2-5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Financial Statements	9-14

REFERENCE AND ADMINISTRATIVE DETAILS For the year ended 31 March 2021

Registered Charity number SC044553

Principal address

General Register House 2 Princes Street Edinburgh, EH1 3YY

Trustees

Bruce Jackson (Chair)
Phil Astley
Rachel Hart (Treasurer)
Claire Johnson (resigned September 2020)
Victoria Stobo (resigned September 2020)
Ruaraidh Wishart

Elizabeth Roads (vice Chair) Caroline Brown Heather Jack Sharon McMeekin Linda Ramsay

Accountants

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

Bankers

Bank of Scotland 300 Lawnmarket Edinburgh

Solicitors

J & H Mitchell 51 Atholl Road Pitlochry PH16 5BU

The Trust also receives support from the executive team who provide secretariat and strategic advice.

REPORT OF THE TRUSTEES For the year ended 31 March 2021

The Trustees present their report with the financial statements of the Council for the year ended 31 March 2021. The Council was incorporated as a Scottish Charitable incorporated Organisation (SCIO) on 30th December 2013.

OBJECTIVES AND ACTIVITIES

The charitable purposes of the Scottish Council on Archives, as set out in its constitution are:

- To promote and support the effectiveness and efficiency of archives 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 and records management 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.

ACHIEVEMENTS AND PERFORMANCE

During the period 2020-2021, the Scottish Council on Archives (SCA) has continued to support the archives and records management sector and act as a strong advocate on its behalf. The SCA has widened its network of stakeholders and collaborators and strengthened its position as an authoritative and independent voice.

In spite of the challenges of Covid-19 and the series of lockdowns, the Council has successfully adapted its programme of activity to provide online training, advice and advocacy for its stakeholders. It has also started the process of a full governance review to improve its effectiveness and impact as well as set out a framework for development a new five-year strategic plan.

REPORT OF THE TRUSTEES continued For the year ended 31 March 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

Key achievements in 2020-21 include:

- A total of nineteen capacity-building events with over 1,100 delegates covering a range of subjects, including: collections development, emergency planning, ancestral tourism, collecting in a crisis, building resilience, and managing photographic collections.
- Significant development of the new *Your Scottish Archives* portal for improving access to online archive collections.
- Establishment of the new Community Archives and Heritage Group (Scotland) to support the development of a programme of events and activity.
 Launching of the Planning Matters: Emergency Planning Guidance for Archives.
- Completion of the three-year Education Plan, Many More Stories: A National Plan for Learning 2018-21 which has included ongoing online delivery of a coaching and support programme for archivists; training events; case studies; and new downloadable web resources.
- A series of lunchtime talks on the theme of Why Records Management Matter.
- Successful delivery of the funding partnership with the National Manuscripts Conservation Trust, and National Records of Scotland, offering support for four conservation projects.
- A busy programme of webinars and talks on community archives for groups and individuals across Scotland.
- Development of a short film to support the ancestral tourism market in Scotland.
- Ongoing communication of a wide range of issues and updates through social media platforms, monthly e-bulletins and an enhanced website.

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

The Scottish Council on Archives receives 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, advocacy, 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.

Plans for Future Periods

The Scottish Council on Archives is reviewing its current strategic plan with the aim of launching a new five-year strategy in April 2022. The Council has actioned a full governance review which will improve decision-making and strengthen its capacity to advocate on behalf of the archives and records management sector and build capacity.

REPORT OF THE TRUSTEES continued For the year ended 31 March 2021

FINANCIAL REVIEW

The Statement of Financial Activities shows a net decrease in funds over the year of £42,393 (2020: surplus of £57,853).

Income for the year of £180,659 was lower than for the previous year with the receipt for the first quarter's grant for 2020/2021 being received prior to the previous year end.

Net assets have decreased from £103,412 at 31 March 2020 to £61,019 at 31 March 2021 in line with the net decrease in funds. Of these net assets, all were unrestricted.

RESERVES POLICY

Acting on advice from SCA's accountants, the Board of Trustees have agreed a reserve target of four months' running costs. As of September 2019, this equates to £69,700. The reserves are to be used only for the purposes of covering SCA's running costs in the event that the organisation experiences an income shortfall, unexpected cost increases or decides to wind up.

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 free reserves at 31st March 2021 amounted to £51,482 (2020 - £100,984) due to the early receipt of quarter 1 grant for 2020/2021 in previous year.

This reserves policy and target will be reviewed on an ongoing basis.

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.

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.

REPORT OF THE TRUSTEES
For the year ended 31 March 2021

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees are responsible for preparing the Report of the Trustees 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 charity and of the incoming resources and application of resources of the charity 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 Charity SORP (FRS 102);
- 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 charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and 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 charity's constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board of Trustees

Chair of Trustees

7 September 2021

Date

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SCOTTISH COUNCIL ON ARCHIVES For the year ended 31 March 2021

I report on the financial statements of the charity for the year ended 31 March 2021 which are set out on pages 7 to 14.

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 2006 Regulations. 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 financial statements, 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 financial statements.

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 financial statements 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.

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Lauren Jankowski, CA Helen Lowe Ltd Chartered Accountants 17-21 East Mayfield

Edinburgh EH9 1SE 6 August 2021

STATEMENT OF FINANCIAL ACTIVITIES For the Year Ended 31 March 2021

		Unrestricted Operational Fund	Unrestricted Designated Funds	Restricted Funds	2021 Total Funds	2020 Total Funds
	Note	£	£	£	£	£
INCOME FROM:						
Charitable activities	3	134,894	35,7665	10,000	180,659	279,628
Investments	4	11	_	-	23	23
Total income		134,905	35,7665	10,000	180,670	279,651
EXPENDITURE ON:						
Charitable activities	5	176,621	36,442	10,000	223,063	221,798
Total expenditure		176,621	36,442	10,000	223,063	221,798
Net income/(expenditure) before transfers		(41,716)	(677)	-	(42,393)	57,853
Transfers between funds	11	(7,786)	7,786			
Net income/(expenditure) and movement in funds		(49,502)	7,109	-	(42,393)	57,853
RECONCILIATION OF FUND	S					
Total funds brought forwar	'd	100,984	2,428		103,412	45,559
TOTAL FUNDS CARRIED FORWARD	11	51,482	9,537		61,019	103,412

BALANCE SHEET At 31 March 2021

		Unrestricted Operational Fund	Unrestricted Designated Fund	2021 Total Funds	2020 Total Funds
	Note	£	£	£	£
FIXED ASSETS					
Office equipment	9	-	-	-	-
				-	
CURRENT ASSETS					-
Debtor		4,761	_	4,761	3,090
Cash at bank and in hand		49,291	9,537	58,828	102,823
		54,052	9,537	63,589	105,913
LIABILITIES Creditors: amounts falling			ŕ	,	
due within one year	10	(2,570)	<u> </u>	(2,570)	(2,501)
NET CURRENT ASSETS		51,482	9,537	61,019	103,412
NET ASSETS		51,482	9,537	61,019	103,412
FUNDS					
Unrestricted fund	11			51,482	100,984
Unrestricted Designated	11			9,537	2,428
fund				61,019	103,412

The financial statements were approved by the Trustees on 7 | 99 | 202 and were signed on their behalf by:

Chair of Trustees

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

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

Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention, modified by the revaluation of its investment assets, 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: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Report 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) as read with the update bulletin entitled 'Charities SORP FRS102 Update Bulletin' published on 2 February 2016 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Investment income is earned through holding assets for investment purposes and is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

2. ACCOUNTING POLICIES (CONTINUED)

Expenditure recognition (continued)

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the charity.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Cash at Bank

Cash at bank and in hand on the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

Pension costs

The charity operates 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.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Taxation

The charity is exempt from tax on its charitable activities.

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 restricted purpose within the object of the charity. Restrictions arise when specified by the donor or when funds are raised for restricted purposes.

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

3.	INCOME FROM CHARITABLE ACTIVITIES	2021	2020
		£	£
	Unrestricted Fund:	_	-
	Scottish Government Grant	134,894	225,106
	Delegate fees		6,624
	Grant award	_	4,168
		134,894	235,898
	Designated Fund		255,050
	Scottish Archive Network	35,765	29,670
	Copyright Training and Development	55,. 55	4,060
	Donation	_	4,000
		35,765	33,730
	Restricted Fund	-	
	Heritage Lottery funding	_	_
	NMCT- Scottish Government Grant	10,000	10,000
	Donation	-	10,000
		10,000	10,000
		180,659	279,628

The increase in funding received from Scottish Government Grant in 2020 is due to the receipt of first quarter grant for 2020/2021 prior to 31st March 2020 and being recognised in accordance with the SORP. This has led to an increase in 2020 and decrease in 2021.

4 INCOME FROM INVESTMENTS

This is interest received on funds in the Scottish Council on Archives bank accounts.

5.	EXPENDITURE ON CHARITABLE ACTIVITIES	2021	2020
	Unrestricted Fund	£	£
	Conferences and events	2 5 1 7	2 462
	Bursaries	3,517	2,163
	Staff costs (note 8)	306	661
	Training	121,121	119,225
	Subscriptions	1,590	595
	Support costs (note 6)	4,756	3,927
		15,607	13,489
	Project costs (note 7)	29,724	37,815
	Recruitment		-
		176,621	177,875
	Designated Fund		•
	Staff costs (note 8)	35,765	29,670
	Project costs (note 7)	677	1,753
		36,442	31,423
	Restricted Funds	30,442	31,423
	Consultancy cost		
	Project costs (note 7)	-	12 500
	Support costs (note 6)	-	12,500
	capport doubte (Notice of	·	
		-	12,500
		213,063	221,798

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

6. EXPENDITURE ON SUPPORT COSTS	2021	2020
Unrestricted Fund	£	£
IT and office costs	44.540	
Website costs	11,513	9,961
Depreciation	-	-
Independent examiners fee	1 690	1.630
Accountancy	1,680 854	1,620
Legal fees		794
	1,560	1,114
	15,607	13,489
Restricted Fund		
IT and office costs		
Trand office costs	-	
	-	-
	15,607	13,489
	2021	2020
7. PROJECT COSTS	£	£
<u>Unrestricted Fund</u>		
Advocacy	6,883	851
Archives Accreditation	124	2,574
Archive Awareness	-	-
ARMS – Archives Records Management Services	-	1,542
CIPFA	-	
Collecting Policy	-	780
Community Archives	(422)	3,479
Copyright	-	-
Education	15,500	16,347
EITK	-	1,800
PRSA	-	4,152
PSQG – Public Services Quality Group	-	-
Opportunities fund	-	2,501
Preservation	947	60
Publications	992	912
Retention Schedules	2,700	2,700
Scottish Ancestral Tourism Group	-	-
Sector development Skills for the future	3,000	117
Skills for the future	-	-
	29,724	37,815
Designated Fund		
Scotland Online project	108	570
Historic Environment Scotland	569	
Copyright training and development	-	1,183
Destricted F	677	1,753
Restricted Fund NMCT – Preservation Funds		
Restricted Fund NMCT – Preservation Funds	10,000	1,753

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

8. STAFF COSTS	2021 £	2020 £
Managanantaska		
Management salaries	139,535	131,816
Employers national insurance	10,383	9,233
Employers pension contribution	6,968	7,846
	156,886	148,895
Allocated to Project Costs	_	
Allocated to Expenditure on Charitable Activities – Unrestricted Fund	121,121	119,225
Allocated to Expenditure on Charitable Activities – Designated Fund	35,765	29,670
Allocated to Expenditure on Charitable Activities – Restricted Funds	-	25,070
	156,886	148,895

No trustees received any remuneration in the period. No expenses (2020: £2,634) were reimbursed to trustees in the period and are recorded under the respective project headings.

The average number of employees for this year is 4 (2020: 4).

9.	FIXED ASSETS	2021 £	2020 £
	Cost/valuation at 1 st April 2020 and 31 st March 2021	1,948	1,948
	Accumulated depreciation at 1 st April 2020 and 31 st March 2021	1,948	1,948
	Net book value at 31 st March 2020 and 2021		_
10.	LIABILITIES: Creditors falling due within one year	2021 £	2020 £
	Accruals	2,570	2,501
		2,570	2,501

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

11. MOVEMENT IN FUNDS

	At 1 April				At 31 March
	2020	Income	Expenditure	Transfers	2021
	£	£	£	£	£
Unrestricted Funds					
Operational fund	100,984	134,905	(176,621)	(7,786)	51,482
Designated funds	2,428	35,765	(36,442)	7,786	9,537
	103,412	170,670	(213,063)	-	61,019
Restricted Funds					
NMCT – Preservation funding	-	10,000	(10,000)	-	-
	103,412	180,670	(223,063)		61,019
			(220,000)		
	At				At
	1 April				31 March
	2019	Income	Expenditure	Transfers	2020
	=	Income £	Expenditure £	Transfers £	
Unrestricted Funds	2019				2020
Unrestricted Funds Operational fund	2019	£	£	£	2020 £
	2019 £				2020 £ 100,984
Operational fund	2019 £ 45,438	£ 235,921	£ (177,875)	£	2020 £
Operational fund	2019 £ 45,438 121	£ 235,921 33,730	£ (177,875) (31,423)	£ (2,500)	2020 £ 100,984 2,428
Operational fund Designated fund	2019 £ 45,438 121	£ 235,921 33,730	£ (177,875) (31,423) (209,298)	(2,500) - (2,500)	2020 £ 100,984 2,428
Operational fund Designated fund Restricted Funds	2019 £ 45,438 121	£ 235,921 33,730 269,651	£ (177,875) (31,423)	£ (2,500)	2020 £ 100,984 2,428
Operational fund Designated fund Restricted Funds NMCT- Preservation funding	2019 £ 45,438 121	£ 235,921 33,730 269,651	£ (177,875) (31,423) (209,298)	(2,500) - (2,500)	2020 £ 100,984 2,428

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. The increase in the fund for 2020 was due to the early receipt of funding for 2020/2021.

The unrestricted designated funds are set up to allocate funding for the specific projects of Scotland Online Project and for the Copyright Training and Development programme.

The NMCT – Preservation Fund received funding from Scottish Government and Scottish Council on Archives to provide funds to NMCT.