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Registered Charity Number: 1161218
Company Number: 09349804

Universities and Colleges Information Systems Association

**Consolidated Accounts
for the year ended
31 December 2016**

**Wenn Townsend
Chartered Accountants
Oxford**



Universities and Colleges Information Systems Association**Association information**

Chair:	David Telford
Treasurer:	Dean Phillips
Vice Chair:	Drew Cook
Secretary:	Adrian Ellison
Executive Director:	Peter Tinson
Registered Charity Number:	1161218
Registered Office:	13 Banbury Road Oxford OX2 6NN
Auditor:	Wenn Townsend Chartered Accountants Oxford
Business Address:	University of Oxford 13 Banbury Road Oxford OX2 6NN
Bankers:	Barclays Bank plc

Universities and Colleges Information Systems Association

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Universities and Colleges Information Systems Association

Trustees' Annual Report for the financial year ending on 31 December 2016

Introduction

This document is the annual report of the trustees of the Universities and Colleges Information Systems Association, otherwise known as UCISA. The Trustees for 2016 were elected at the Annual General Meeting according to the procedures laid out in the Articles of Association. The 2016 Annual General Meeting took place on Thursday 17 March during the Annual Conference held at the Manchester Central Conference Centre.

Trustees

The following were elected trustees at the Annual General Meeting:

Mr David Telford, Chair
Mr Drew Cook, Vice-Chair
Mr Adrian Ellison, Secretary
Mr Dean Phillips, Treasurer

Dean Phillips and Adrian Ellison were already trustees having been elected at previous AGMs.

The Association is committed to offering training to its trustees as part of their induction. Two Trustees attended the *What every trustee should know* course; two others have previously attended the course. In addition, one Trustee has previously completed the IoD Directors diploma.

UCISA is supported by a core team of staff. The key management personnel are:

- The Executive Director - leads the team and is responsible for approving expenditure and ensuring that the team is adequately resourced;
- The Business and Operations Manager - leads negotiations for contracts for venues and other aspects of events management;
- Head of Policy and Project - responsible for framing and managing projects where the Association has contracted expenditure.

Authorisation for commitment to major items of expenditure (for example, contracting with a venue for an event) is given through UCISA Services Ltd, a wholly owned subsidiary of UCISA.

Structure, governance and management

UCISA is a membership organisation which exists to promote high standards of education particularly in the provision and development of computing and information systems in the United Kingdom universities. UCISA is a Registered Charity and a company limited by guarantee (Company number 09349804) having previously been operated as a charitable trust (charity number 277747). The Association's application to register as a Charitable Company Limited by Guarantee (CCLG) was granted with effect from 9 April 2015. The CCLG beginning full operation with effect from 1 January 2016 when all assets and liabilities were transferred from the charitable trust to the CCLG. The Association operates under the terms laid out in the Articles of Association which are available from the UCISA website (<http://www.ucisa.ac.uk/about/policy.aspx>). UCISA has four categories of membership:

- Full members – universities, colleges and other educational institutions;
- Affiliate members – any organisation that is a separate legal entity (or part of one) to its host institution, other educational, not for profit organisations;
- Corporate members – commercial organisations;
- Individual members – available to those who have worked in the sector and who wish to retain a connection with UCISA and its membership and is at the sole discretion of the Executive Committee. Individual membership is not available to employees of organisations that might otherwise be UCISA Corporate members.

Under the terms of the Articles of Association of the CCLG, each Full member institution is entitled to a single vote at General Meetings. Affiliate, Corporate and Individual members may attend and speak at General Meetings but shall not have the right to vote. Trustees are elected at the Annual General Meeting of the Association; under the terms of the Articles of Association.

Universities and Colleges Information Systems Association

Trustees' Annual Report (continued) for the financial year ending on 31 December 2016

Structure, governance and management (continued)

The Articles state (section 5.6) that no person shall be a trustee for more than eight consecutive years. This allows the Association to plan succession for the officer positions, although the Articles allow for any representative of a full member institution to stand for a position of office at an Annual General Meeting.

The work of the Association is largely carried out by volunteers from the universities and colleges sector. This work is supported by the UCISA Office which comprises seven full time staff supplemented by temporary and contract workers as required. The functions of this Office are to:

- Provide support for events organised by the Association;
- Provide support for the membership including the maintenance of accurate records;
- Provide and support appropriate business systems;
- Produce publications as required by the Association;
- Provide project management for activities required by the Association;
- Draft and submit responses to consultations from Government and other related bodies;
- Represent the membership on working parties and committees;
- Organise occasional events aimed at senior managers within information/IT service departments.

UCISA contracts the provision of services from the University of Oxford. A comprehensive list of the functions of the Office is defined in the contract agreed between the University of Oxford IT Services and the Trustees of the Association.

The Executive Director, Peter Tinson, is responsible for the day to day management of the Association's activities. This largely entails ensuring that the Office is adequately resourced to support delivery of the plan of activities, to ensure that the Trustees are aware of any financial risks that may arise from the Association's activities and to lead on the representation and lobbying activity. The Executive Director is permitted, through the terms of the Memorandum of Agreement with the University of Oxford, to authorise modest expenditure for services (up to £10,000). Items with a greater cost or the introduction of externally based services run on behalf of the Association will be presented to the Executive for approval.

The Trustees instigated a comprehensive review of the major risks relating to the operations of the charity in 2013, and have implemented procedures and systems to manage those risks. The Trustees were advised that the Association would be able to deliver a wider range of services more effectively by establishing a trading arm and transitioning to a Charitable Company Limited by Guarantee. The Trustees acted on that advice and, following a Special General Meeting to grant the necessary powers to the Trustees, established a trading company through which all sales transactions are channelled. The company, UCISA Services Limited, is wholly owned by UCISA and was incorporated on 18 December 2013. As part of the same strand of activity, UCISA was incorporated as a company limited by guarantee on 10 December 2014 and was granted charitable status on 9 April 2016. The Trustees review the risk register annually; the next review is scheduled for the second quarter of 2017.

The principal risks are:

- Failure of a major event (mitigated by reserves policy, investing in quality speakers and maintaining pricing at the 2013 level);
- Loss of membership (mitigated by reserves policy, demonstrable benefits of membership and maintaining membership fees at the 2013 level).

Brexit presents an uncertainty in that it is likely to impact the financial standing of UCISA members which puts continued membership at risk. This risk is mitigated by the strategy outlined above.

Universities and Colleges Information Systems Association

Trustees' Annual Report (continued) for the financial year ending on 31 December 2016

Objectives and activities for the Public Benefit

The objective of UCISA is to promote high standards of education particularly in the provision and development of computing and information systems in higher education institutions in the United Kingdom. UCISA seeks to achieve this objective through two strategic aims:

- To identify and disseminate best practice in the promotion and use of information systems, services and technologies in higher and further education in the UK;
- To inform and support policy making processes, at an international, national and institutional level, relating to the cost effective application of information systems, services and technologies.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Commission in exercising their powers or duties.

Identification and dissemination of best practice

UCISA's conferences and seminars continue to be the primary focus of the Association's work to identify and promote best practice. The Association ran seven face to face events in 2016. Although this was fewer than in previous years, all events were well attended with the five multiday conferences being fully booked. Every face to face event had a level of participation from the Association's corporate members including exhibitions at the five conferences. The exhibitors were given briefings at the two main events to inform them and help improve the engagement between delegates and suppliers to the sector.

Whilst the conferences tend to discuss a broad range of topics, the Association continues to offer opportunities for members to share experiences in specific areas. The Enterprise Architecture Community of Practice continues to flourish with a number of face to face and virtual meetings taking place. An initial meeting of UCISA members was held at the University of East London to discuss the benefits of developing digital strategies and it is likely that a community of practice will be formed in this area in 2017.

The face to face events were supplemented by seven webinars this year covering topics as diverse as data security and cloud based applications. The Association recognises that it is not always possible for our members to take the time out of the office to attend face to face events and believe that the webinars, which are free to participants, offer a practical alternative to traditional events for single topics. The webinars proved popular with a number fully booked.

UCISA continues to focus on key issues and provide information to support and assist our member institutions. The key political issue in 2016 was the decision to leave the European Union and, whilst much remains uncertain, the Association has provided a focal point on its website to collect information from a wide range of sources as and when it becomes available and the situation becomes clearer. Although the General Data Protection Regulation is European Union legislation, it will come into force before the UK has completed the process of leaving the Union. Universities and colleges need to prepare for the legislation before the start of the next academic year.

UCISA has provided initial advice and will be publishing briefing papers and further guidance in 2017.

Cyber/information security continues to be a major challenge for the sector. In spite of the importance of securing personal and commercially sensitive data, individuals' ignorance continues to be the most likely source of a data breach. The Association recognised this and procured an Information Security Awareness Training course and made it freely available to full (institutional) members. The course was originally developed by a consortium of five institutions led by the University of Leicester and won the Association's Award for Excellence in 2011. The purchase was the first that was made by the CCLG; such an investment was not permitted under the constitution of the charitable trust.

Universities and Colleges Information Systems Association

Trustees' Annual Report (continued) for the financial year ending on 31 December 2016

Objectives and activities for the Public Benefit (continued)

UCISA carries out a number of surveys during the year to allow our members to benchmark themselves against their peers and against national trends. The Association has made such comparisons easier for its Higher Education IT Statistics (HEITS) exercise by providing a mechanism for members to select comparator institutions and view the results for the entire HEITS data set. The annual survey of corporate information systems is recognised as a valuable resource by our members and is referenced by a number of our sister organisations. The biennial survey of Technology Enhanced Learning (TEL) was carried out this year and the results presented at the annual conference of the Association of Learning Technology. The survey report was supplemented by a set of case studies from participating institutions. The Association also published case studies supporting the Digital Capabilities survey carried out in 2015. UCISA partnered with the Service Desk Institute and TopDesk in 2016 to carry out a second benchmarking survey on service desk operations. The partnership with the SDI allows comparison with the commercial sector and demonstrates that, in many cases, the higher education sector is more advanced than our commercial counterparts.

Many of our members are investing in their estates to improve the facilities for teaching and learning and the overall student experience. UCISA partnered with the Association of Directors of Estates (AUDE) and the Standing Conference of Heads of Media Services (SCHOMS), our sister organisation for media services managers, to produce the UK Higher Education Learning Space Toolkit. The Toolkit provides guidance for Audiovisual, IT and Estates teams, and demonstrates why the provision of excellent learning spaces should be a strategic, institution-wide concern. The Toolkit has been well received, particularly by our Estates colleagues. Building new facilities is one way of improving the student experience; streamlining processes and implementing new systems are others. UCISA produced two further guides in this area, on establishing process improvement capacity and to assist in demonstrating the benefits realised by projects.

The UCISA bursary scheme was run again in 2016, providing the opportunity for members to attend overseas or commercial conferences and share the knowledge they acquire through the UCISA blog. A total of thirty five posts were made by Bursary winners this year. The Association recognises that there is much to be learned from outside the UK higher and further education sector and seeks to engage speakers from outside the UCISA community to bring expertise from other countries and sectors to our membership. UCISA is a member of the Coalition of Higher Education IT Associations, a global association with the aim of addressing issues common to all higher education IT departments throughout the world. As part of this work UCISA has promoted a learning spaces evaluation tool developed by EDUCAUSE, our north American equivalent organisation and a reference architecture for higher education institutions produced by CAUDIT, our sister association in Australasia.

Informing and supporting policy making

UCISA continues to work with a number of bodies to address issues and improve the effectiveness of IT services and systems in the sector, including the (then) Department for Business, Innovation and Skills, HESA and UCAS.

The Association's work continues to be cited and our expertise sought by others. The report in January from the Science and Technology Committee of the House of Commons into the technology issues of the Investigatory Powers Bill reflected the concerns expressed in UCISA's response about the scope and cost of implementation of the Bill. Now that the Bill has been passed by both Houses of Parliament, UCISA will be looking at the implications for UK universities and colleges. The Model Regulations for use of IT facilities produced by the Association and subsequent suggested amendment to accommodate the Counter Terrorism legislation were referenced in the Advice Note accompanying HEFCE's revised framework for monitoring the Prevent duty in higher education institutions in England. UCISA will continue to review guidance and recommendations to ensure that it meets the needs of both the legislation and the sector, and is effective and proportionate.

Following on from a successful collaboration with the Department for Business, Innovation and Skills to improve the mechanism for providing equipment and software as part of the disability support scheme, the Association met further with representatives from the Department to further hone the mechanism. As a consequence of this work the equipment and software provided students eligible for the scheme should be closer to that used by the majority of students, thus reducing support costs.

Universities and Colleges Information Systems Association

Trustees' Annual Report (continued) for the financial year ending on 31 December 2016

Objectives and activities for the Public Benefit (continued)

UCISA continues to represent the interests of its members by responding to consultations issued by Government departments and other organisations. The Association submitted a response to the Teaching Excellence Framework (TEF) Technical Consultation. The consultation presented proposals for the operation of the TEF in Year Two (2016/17) where assessed institutions may receive ratings of *Excellent* or *Outstanding*. The Association will continue to monitor developments and will lobby to ensure that the data used to inform the TEF is used in a consistent way across the four nations of the UK.

The HEDIIP (Higher Education Data and Information Improvement Programme) concluded in 2016, having identified a programme of work to improve the timeliness and quality of the information provided on the higher education sector to a wide range of organisations. The Association was represented on the Advisory Board for HEDIIP and is represented on both the Programme and Advisory Boards for the HESA Data Futures Programme, which is taking the work of HEDIIP forward. UCISA also continues to have representation on the UCAS Council.

The Association enjoys a strong working relationship with Jisc. The Chair, Vice Chair and Executive Director meet with senior Jisc management quarterly to discuss strategic direction, communications and wider sector issues. UCISA is represented on a number of consultative forums and advisory boards for aspects of Jisc's work.

Many of the issues faced by our members are not the sole responsibility of IT Departments and instead require a collaborative approach to be adopted. UCISA recognises this and looks for opportunities to work with its sister organisations for other professions in the sector. In particular, UCISA worked with the equivalent organisations for media service professionals (SCHOMS) and Directors of Estates (AUDE) on the development of a Toolkit for the design and development of Learning Spaces. This resource was published in February and was well received. UCISA is collaborating further with SCHOMS, AUDE and a number of other organisations to develop case studies based on the Toolkit content. The Association continues to liaise with similar organisations to address issues of wider interest to the sector. During the year discussions were held with representatives of the Association of Heads of University Administration (AHUA) on the implementation of the General Data Protection Regulation and the Prevent legislation with a view to jointly publishing guidance on these issues in 2017.

UCISA, as a UK wide organisation, continues to monitor developments, initiatives and consultations founded in the devolved administrations. It is necessary to understand the different requirements of the Welsh and Scottish Governments and the impacts those requirements may have on the institutions in those countries. UCISA staff continue to liaise with Scottish and Welsh colloquiums of higher education IT directors and staff.

UCISA had a high level of engagement with the international community during 2016. The Association contributed to international work on benchmarking IT services in universities and colleges and a number of UCISA resources have been promoted at meetings of CHEITA, the Coalition of Higher Education IT Associations. The main conference attracted delegates from Japan, the United States and South Africa and UCISA resources were promoted at European, Australasian and North American conferences. The Association continues to seek opportunities to promote good practice from overseas institutions.

Achievements and performance

UCISA continues to be a thriving Association and the activities detailed above are evidence of the way it is meeting the needs of its membership and stated objectives. The Association ran a varied portfolio of events in 2016 including free to access webinars. There were high levels of attendance at all of the face to face events with five selling out ahead of the booking deadline. The Trustees recognise the financial pressures on the member institutions and agreed to continue to maintain delegate fee levels at the 2013 rates in order to encourage participation. This is reflected in the events delivering a modest surplus. The Trustees are also of the view that events where the audience is likely to be new to UCISA should be subsidised in order to ensure that they are well supported and effectively grow the UCISA community.

Universities and Colleges Information Systems Association

Trustees' Annual Report (continued) for the financial year ending on 31 December 2016

Achievements and performance (continued)

The move to a Charitable Company Limited by Guarantee has given the Association the ability to identify and purchase resources on behalf of its membership. Information security is a major issue for all our members and the Information Security Management Toolkit was supplemented by the purchase of Information Security Awareness training material. This was made available to full UCISA members free of charge. The Trustees have sought to invest more in projects to deliver resources to its membership. There were five major projects run during the course of the year of which three resulted in outputs that benefited the membership (the others are ongoing). It was agreed to budget to draw on the reserves in order to provide funding for the projects and the Information Security Awareness training material. Although an operational deficit was achieved, this was offset by an improved performance of the Association's investments, leading to an overall surplus being achieved.

The membership last reviewed the options for investment at the 2011 Annual General Meeting and felt that the Association should continue to adopt an ethical approach to investment and that there was no strong imperative to take a higher risk approach for a modest increase in return. The Trustees are looking to make more effective use of the reserves held and are planning on a) utilising the reserves for further project spend and b) investigating ways in which the reserves can be used to provide an income stream. Potential investment options have been discussed with the CCLA and a decision will be made on the amounts to invest and retain for projects and further development early in 2017.

A provisional budget for the year's activities was presented at the Annual General Meeting held in 2015 and formally accepted at the 2016 Annual General Meeting. The annual accounts prepared by our auditors are presented to the Annual General Meeting and the meeting invited to vote to accept them.

Financial performance

The free reserves available to the Association are £2,400,997 as at 31 December 2016.

The Reserves Policy is stated at the Annual General Meeting as part of the discussion of the annual accounts. The policy at the 2016 Annual General Meeting was to maintain sufficient reserves to meet the Association's liabilities. However, it was noted that the sum required to meet UCISA's liabilities was significantly less than the reserves available and so a draw on reserves was proposed to fund projects and additional staff. The year saw a modest increase in both project and staff spend. However, this was offset by an improved performance of the Association's investments which resulted in an overall increase in reserves. The Trustees instigated a comprehensive review of the major risks relating to the operations of the charity in 2013, and have implemented procedures and systems to manage those risks. The Trustees, following professional advice and agreement from the membership at the 2014 Annual General Meeting, took steps to transition the Association from a charitable trust to a charitable company limited by guarantee. This work was completed at the end of 2015.

The Trustees are seeking to make greater use of reserves to fund projects to further the Association's charitable objectives with a view to utilising unallocated reserves. As such, the Trustees are proposing a deficit budget for the Association to draw on the available reserves, whilst ensuring that the operating costs are covered by membership income and that there remain sufficient reserves to mitigate risks. Further, the Trustees have instigated a review of UCISA's activities to ensure that they continue to be relevant to the membership. It is anticipated that this will result in further activities being funded in 2017. The Trustees have assessed the risks and current liabilities regard it as prudent to hold reserves as detailed below.

Firstly, to continue to hold a sum in the reserves against the cost of operating the Association for a period of approximately 12 months without income and to be able to withstand uninsured or uninsurable financial losses associated with the failure of a major conference event. Although the events liability has transferred to UCISA Services Limited the Trustees believe it is appropriate to maintain a sum in reserves against failure of events.

The Association has investments which made gains in 2016 but these gains are currently unrealised and are subject to potential decrease in the future financial markets (in 2013 the Association's investments fell in value). The Trustees consider it prudent to continue to state these as unrealised gains in the reserves given the continued uncertain economic climate.

Universities and Colleges Information Systems Association

Trustees' Annual Report (continued) for the financial year ending on 31 December 2016

Financial performance (continued)

The Trustees also believe that there are additional risks that require contingency to be in place. The Association has a contract with the University of Oxford IT Services to provide the services for the Association to carry out its activities. These services are, for the most part, the UCISA Office staff, the UCISA Office accommodation and the business support services, including IT infrastructure, and finance and HR support. The Executive Board has concluded discussions with the University to secure the medium future of the UCISA Office and services. Although the Trustees do not believe there is an immediate risk of the contract being terminated (six months' notice is required), they deem it to be prudent to continue to hold an amount in reserves against relocation, redundancy, re-staffing and re-organisation.

Annual cost of running the Association	£600,000
Redundancy and relocation costs	£275,000
Cancellation of contracts in place	£300,000
Unrealised gains on investments	£200,000
Information Security Awareness Training	£270,000
Unassigned reserves	<u>£755,000</u>
Total	£2,400,000

During 2016, the Executive has discussed the level of the Reserves and have identified a range of activities that could be instigated to make better use of these funds. It is anticipated that, in time, the range of services provided by the Association to its members will diversify as a result of the trading company being established.

The 2017 Annual General Meeting will be invited to endorse the Reserves Policy as set out above.

Funding UCISA

The Trustees continue to propose a budget where the income from membership subscriptions is sufficient to meet the costs of running the Association and meeting its objectives. Each conference or event is budgeted to break even; in practice most make a modest surplus. However, the Trustees recognise that there is a balance that has to be struck between generating a surplus from an event, which is used to fund another value adding activity, and keeping prices at events as low as possible. However, price is not the only factor determining attendance at our events – the quality of the programme is also pertinent. The Trustees have agreed to invest in quality speakers for our main conferences, which will mean that the budget for these events will be higher, and in some cases, if prices are not to rise, may have a deficit budget requiring support from our reserves. The Association holds the bulk of its investments in CCLA managed Charities Investment funds.

Future plans

The 2015 Annual General Meeting passed a resolution to amend the charitable objective of the Association, subject to approval of the Charity Commission. Approval was granted in March 2016. The objective of the Association is to promote and advance education for the public benefit in information systems and digital technologies and their use in education and research and no other purposes by:

- Identifying and disseminating best practice in the promotion and use of information systems, services and technologies in higher and further education in the UK;
- Informing and supporting policy making processes, at an international, national and institutional level, relating to the cost effective application of information systems, services and technologies.

A business plan for 2017 has been prepared and will be presented to the Annual General Meeting on 9 March 2017. The budget for 2017 assumes that both membership and events income will continue to remain steady. The reduction in time that individuals will have to dedicate to UCISA activities is noted with funds allocated to commission work where the need has been identified and that it may be necessary to further support the operation of the Association with additional staff resources. It is our belief that the Association will continue to meet its objectives and deliver benefit to the higher and further education sectors, in accordance with its stated aims.

Universities and Colleges Information Systems Association

Trustees' Annual Report (continued) for the financial year ending on 31 December 2016

Statement of Trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual 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 England & Wales 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 Charities SORP 2016 (FRSSE);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 in operation.

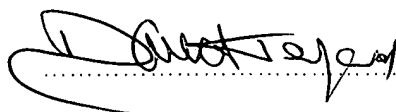
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signature and Declaration

I declare, in my capacity of charity trustee, that:

- the trustees have approved the above report; and
- have authorised me to sign it on their behalf.

 David Telford – Chair

8th March 2017

Universities and Colleges Information Systems Association

Independent Auditor's Report to the trustees of Universities and Colleges Information Systems Association

We have audited the financial statements of Universities and Colleges Information Systems Association Charity for the year ended 31 December 2016 which comprise the Group Statement of Financial Activities, the Group and the Parent Charity Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2016, and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Universities and Colleges Information Systems Association

**Independent Auditor's Report to the trustees of
Universities and Colleges Information Systems Association (continued)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity's financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



**Anthony Haines BSc FCA (Senior Statutory Auditors)
For and on behalf of Wenn Townsend Chartered Accountants
Statutory Auditor
Oxford**

8th March 2017

Wenn Townsend is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Universities and Colleges Information Systems Association

Consolidated Statement of Financial Activities (including income and expenditure account) for the year ended 31 December 2016

	Notes	Unrestricted Total Funds 2016 £	Total Funds 2015 £
Income:			
Other trading activities			
Membership subscriptions		552,892	554,362
Charitable activities			
Events exhibitions and sponsorship	2	766,651	673,686
Charitable fundraising		2,727	2,675
Investments		213	239
Other		-	-
Total income		<u>1,322,483</u>	<u>1,230,962</u>
Expenditure:			
Raising funds			
Cost of raising voluntary income	3	570,872	492,943
Charitable activities			
Events, exhibition and sponsorship	2	769,409	667,101
Projects and surveys	4	73,342	67,201
Publicity and awards	5	22,177	40,169
Charitable donations		2,727	2,675
		<u>1,438,527</u>	<u>1,270,089</u>
Corporation Tax (due on subsidiary company)		128	74
Total expenditure		<u>1,438,655</u>	<u>1,270,163</u>
Net income/(expenditure)		(116,172)	(39,201)
Gains/(losses) on investment assets	10	190,664	6,754
Net movement in funds	14	<u>74,492</u>	<u>(32,447)</u>
Reconciliation of funds:			
Total funds brought forward		2,331,143	2,363,590
Total funds carried forward		<u>2,405,635</u>	<u>2,331,143</u>

All income and expenditure derive from continuing activities.

The consolidated Statement of Financial Activities includes all gains and losses recognised during the year.

The notes on pages 14 to 22 form an integral part of these financial statements

Universities and Colleges Information Systems Association

Consolidated Balance Sheet as at 31 December 2016

	Notes	Group 2016 £	Charity 2016 £	Group 2015 £	Charity 2015 £
Intangible Fixed Assets	9	288,000	288,000	360,000	360,000
Current Assets					
Investments	10	2,292,470	2,292,570	2,101,753	2,101,853
Debtors	11	112,165	147,502	158,965	232,220
Cash at bank and in hand		109,885	51,092	221,047	24,872
Total Current Assets		2,514,520	2,491,164	2,481,765	2,358,945
Creditors: amounts falling due within one year	12	(261,885)	(240,506)	(240,622)	(218,898)
Net Current Assets		2,252,635	2,250,658	2,241,143	2,140,047
Debtors: amounts falling due after more than one year	11	-	-	-	100,000
Creditors: amounts falling due after more than one year	12	(135,000)	(135,000)	(270,000)	(270,000)
Net assets		2,405,635	2,403,658	2,331,143	2,330,047
Funds:					
Unrestricted funds	14	2,403,658	2,403,658	2,330,047	2,330,047
Non-charitable trading funds	14	1,977	-	1,096	-
Total funds		2,405,635	2,403,658	2,331,143	2,330,047

These accounts were approved and authorised by the Board on 8th March 2017


David Telford
Chair—


Dean Phillips
Treasurer

The notes on pages 14 to 22 form an integral part of these financial statements

Universities and Colleges Information Systems Association

**Consolidated Statement of Cash Flows
for the year ended 31st December 2016**

	Note	2016 £	2015 £
Net cash flow from operating activities	15	<u>(111,322)</u>	<u>396,819</u>
Cash flow from investing activities			
Payments to acquire intangible fixed assets		-	(360,000)
Receipts from investments		190,664	6,754
Interest received		213	239
Net cash flow from investing activities		<u>190,877</u>	<u>(353,007)</u>
Net increase in cash and cash equivalents		79,555	43,812
Cash and cash equivalents at 1st January 2016		<u>2,322,800</u>	<u>2,278,988</u>
Cash and cash equivalents at 31st December 2016		<u><u>2,402,355</u></u>	<u><u>2,322,800</u></u>
Cash and cash equivalents consists of:			
Cash at bank and in hand		109,885	221,047
Short term deposits		2,292,470	2,101,753
Cash and cash equivalents at 31st December 2016		<u><u>2,402,355</u></u>	<u><u>2,322,800</u></u>

The notes on pages 14 to 22 form an integral part of these financial statements.

Universities and Colleges Information Systems Association

Notes to the Financial Statements for the year ended 31 December 2016

1. Accounting policies

1.1 Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with:

- Accounting and Reporting by Charities: 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 (FRS 102) issued on 16 July 2014;
- The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102);
- The Charities Act 2011;
- The Companies Act 2006; and
- UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity adopted SORP (FRS 102) in the current year and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in note 16.

1.2 Income

All income is included in the SOFA when the charity is legally entitled to the income and the amount can be measured reliably and it is probable that the income will be received.

Membership subscriptions, excluding VAT, are included in the SOFA in the year to which they relate.

Income from charges made for organising conferences, seminars and workshops represents the value of services provided during the year, excluding VAT.

Interest on funds held on deposit is included when receivable.

1.3 Expenditure

All expenditure is accounted for on an accruals basis, and is allocated to charitable expenditure, publicity expenses, awards, support costs and governance costs as follows:

- a Costs wholly incurred on activities falling within each category are charged directly to the category.
- b Costs involving more than one category are apportioned in accordance with reasonable estimates.

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure.

1.4 Intangible assets

Intangible assets are amortised on a straight line basis over their useful lives. The useful lives of intangible assets are as follows:

Intangible type	Useful life	Reason
Computer software	5 years	5 years as the economic useful life cannot be reliably estimated

Universities and Colleges Information Systems Association

Notes to the Financial Statements for the year ended 31 December 2016

.....continued

1. Accounting policies (continued)

1.5 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

1.6 Creditors

Creditors 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 are normally recognised at their settlement amount.

1.7 Investments

Investments are stated in the balance sheet at fair value at the balance sheet date. The SOFA includes the net gains and losses on revaluations and disposals throughout the year.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and deposits.

1.9 Fund accounting

General funds are unrestricted funds which 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 other purposes.

1.10 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements.

2. Income and expenditure resources from charitable activities:

Events, exhibition and sponsorship

	Income	Expenditure	Surplus/ (Deficit) 2016	2015
	£	£	£	£
Publications	200	-	200	275
UCISA Annual Conference	433,737	320,902	112,835	29,325
Corporate Information Systems Group	172,208	137,057	35,151	(7,263)
Digital Capabilities Group	27,500	31,281	(3,781)	2,896
Support Services Group	50,414	58,407	(7,993)	(3,227)
Managers' Forum	-	418	(418)	1,804
Infrastructure Group	64,242	36,745	27,497	4,191
Project and Change Management Group	-	1,425	(1,425)	2,205
Network Group	18,350	19,209	(859)	7,668
Enterprise Architecture	-	564	(564)	(1,289)
Management Charge from UCISA	-	163,400	(163,400)	(30,000)
Net movement in funds	766,651	769,409	(2,758)	6,585

Total restricted income and expenditure included in the above is £nil (2015: £nil).

Universities and Colleges Information Systems Association

Notes to the Financial Statements for the year ended 31 December 2016

.....continued

3. Costs of raising voluntary income

	2016 £	2015 £
Administration	116,165	34,917
Bank charges	11,377	10,692
Business systems	19,919	15,990
Content management system	18,628	15,063
Contracted administration and support costs	436,886	394,491
Less recharged to event costs (USL)	(163,400)	(30,000)
Meeting expenses	21,315	15,085
Public liability insurance	2,625	-
Amortisation	72,000	-
Governance costs (see note 6)	35,357	36,705
	<u>570,872</u>	<u>492,943</u>

Total restricted expenditure included in the above is £nil (2015: £nil).

4. Projects and surveys

	2016 £	2015 £
Projects	38,070	58,977
Digital skills survey	18,581	8,152
TEL survey	16,691	72
	<u>73,342</u>	<u>67,201</u>

Total restricted expenditure included in the above is £nil (2015: £nil).

5. Publicity and awards

	2016 £	2015 £
Restricted		
Stats working party	6,780	6,530
Sponsorship	5,150	5,055
Future Leaders bursaries	-	10,000
UCISA bursaries	10,247	18,584
	<u>22,177</u>	<u>40,169</u>

Universities and Colleges Information Systems Association

Notes to the Financial Statements for the year ended 31 December 2016

.....continued

6.	Governance costs	2016 £	2015 £
	Administration	4,738	1,619
	Auditor fees: Audit	6,000	6,000
	Other work	9,357	11,093
	Accountancy	-	-
	Contracted administration	8,916	8,051
	Meeting expenses	661	396
	Legal fees	5,685	9,546
	Public liability insurance	-	-
		<u>35,357</u>	<u>36,705</u>

7. Staff costs

There are no persons directly employed by the Association. The Association's support staff are employed by the University of Oxford IT Services. The University made a charge to the charity in respect of management fees for the year at a value of £609,202 (2015: £402,542).

8. Trustees' remuneration and reimbursed expenses

No remuneration was paid to the Trustees during the period (2015: £nil). Travelling expenses in connection with conferences, work shops and administration amounting to £21,315 (2015: £15,085) were reimbursed to certain committee members during the year.

9. Intangible fixed assets

	Computer software £
Cost as at 1 January 2016	360,000
Additions	-
Cost at 31 December 2016	<u>360,000</u>
Amortisation as at 1 January 2016	-
Charge for the year	72,000
Eliminated on disposals	-
Cost at 31 December 2016	<u>72,000</u>
Net book value at 31 December 2016	288,000
Net book value at 31 December 2015	<u><u>360,000</u></u>

Universities and Colleges Information Systems Association

Notes to the Financial Statements for the year ended 31 December 2016

.....continued

10. Investments

	COIF Deposit Fund £	COIF Fixed Interest Fund £
Valuation		
Market value at 1 January 2016	2,099,588	2,165
Interest credited during period	-	53
Increase in market value	190,664	-
Disposals	-	-
Transfer between funds	(2,290,252)	2,290,252
	<u>-</u>	<u>2,292,470</u>
Market value at 31 December 2016	<u>-</u>	<u>2,292,470</u>
Total - Group	<u>2,292,470</u>	
Investment in subsidiary company:		
UCISA Services Limited	100	
Total - Charity	<u>2,292,570</u>	

11. Debtors

	Group 2016 £	Charity 2016 £	Group 2015 £	Charity 2015 £
Due within one year:				
Trade debtors	25,802	1,510	19,319	2
Prepayments	67,820	47,420	97,954	59,302
VAT	18,543	13,338	41,692	38,945
Inter-company balance	-	85,234	-	133,971
	<u>112,165</u>	<u>147,502</u>	<u>158,965</u>	<u>232,220</u>
Due after more than one year:				
Inter-company loan	-	-	-	100,000
	<u>112,165</u>	<u>147,502</u>	<u>158,965</u>	<u>332,220</u>

Universities and Colleges Information Systems Association

Notes to the Financial Statements for the year ended 31 December 2016

.....continued

12. Creditors: amounts falling due within one year

	Group 2016 £	Charity 2016 £	Group 2015 £	Charity 2015 £
Trade creditors	5,957	1	51,006	51,006
Accruals	217,742	214,342	153,020	150,500
Deferred income	35,502	23,680	35,130	16,000
Other creditors	2,483	2,483	1,392	1,392
Corporation tax	201	-	74	-
	<u>261,885</u>	<u>240,506</u>	<u>240,622</u>	<u>218,898</u>
Due after more than one year:				
Provisions	<u>135,000</u>	<u>135,000</u>	<u>270,000</u>	<u>270,000</u>
	<u><u>396,885</u></u>	<u><u>375,506</u></u>	<u><u>510,622</u></u>	<u><u>488,898</u></u>

The provision relates to the acquisition and related costs of the intangible software as agreed by contract between the parties and is expected to give rise to a payment of £135,000 by 2018. The provisions total £135,000 and are fully attributable to unrestricted funds, of which £120,000 relates to the capitalised intangible asset and £15,000 to maintenance and other support costs.

13. Deferred income

Deferred income comprises membership subscriptions and event income relating to the following financial year.

Movements on deferred income during the year were:

	Group 2016 £	Charity 2016 £
Brought forward as at 1 January 2016	35,130	16,000
Amount released to incoming resources	(35,130)	(16,000)
Amount deferred in year	<u>35,502</u>	<u>23,680</u>
Balance carried forward as at 31 December 2016	<u><u>35,502</u></u>	<u><u>23,680</u></u>

Universities and Colleges Information Systems Association

Notes to the Financial Statements for the year ended 31 December 2016

.....continued

14. Analysis of funds

	As at 1 January 2016 £	Movements in year £	As at 31 December 2016 £
General funds	2,330,047	73,611	2,403,658
Non-charitable trading funds	1,096	881	1,927
	<u>2,331,143</u>	<u>74,492</u>	<u>2,405,635</u>

The non-charitable trading funds represent the results of the trading subsidiary company. See note 17 for details.

15. Reconciliation of net income to net cash flow from operating activities

	2016 £	2015 £
Net income/(expenditure) for year	74,492	(32,447)
Interest receivable	(213)	(239)
Amortisation of intangible fixed assets	72,000	-
Losses/(gains) on investments	(190,664)	(6,754)
Decrease/(increase) in debtors	46,800	(4,144)
(Decrease)/increase in creditors	(113,737)	440,403
Net cash flow from operating activities	<u>(111,322)</u>	<u>396,819</u>

16. First-time adoption of SORP (FRS 102)

The charity has adopted the SORP (FRS 102) for the first time in year ended 31 December 2016.

There were no significant adjustments resulting from the transition to SORP (FRS 102) that impact upon the net surplus for the year ended 31 December 2016. Total funds reported in these accounts as at 1 January 2015 and 31 December 2015 are as reported previously under the old SORP.

Universities and Colleges Information Systems Association

Notes to the Financial Statements for the year ended 31 December 2016

.....continued

17. Related parties

The wholly owned trading subsidiary UCISA Services Limited is incorporated in the United Kingdom and pays all of its profits to the charity by Gift Aid. The charity owns the entire share capital of 100 shares of £1 each.

For the period ended 31 December 2016 the subsidiary company showed the following results:

	2016 £	2015 £
Turnover	766,450	673,466
Cost of sales	(742,398)	(650,372)
Gross profit	24,052	23,094
Administrative and overhead costs	(23,151)	(22,820)
Interest receivable	107	94
Corporation Tax	(128)	(74)
Net profit	880	294
Amount gift aided to the charity	-	-
Profit retained	880	294

The balance sheet of the subsidiary as at 31 December 2016 was:

	2016 £	2015 £
Current assets:		
Debtors	24,293	19,318
Prepayments	20,400	38,652
Cash at bank	58,792	196,174
Other debtors	5,205	2,747
Current liabilities:		
Creditors	(5,956)	-
Accruals and deferred income	(15,222)	(21,650)
Other creditors	(202)	(74)
Owed to UCISA	(85,234)	(133,971)
Net current assets	2,076	101,196
Non-current liabilities:		
Loan from UCISA	-	(100,000)
Total net assets	2,076	1,196
Aggregate share capital and reserves:		
Share capital	100	100
Reserves	1,976	1,096
	2,076	1,196

Universities and Colleges Information Systems Association

Notes to the Financial Statements for the year ended 31 December 2016

.....continued

18. Charity statement of financial activities

The charity's own results are summarised below:

	2016 £	2015 £
Income and endowments from:		
Other trading activities		
Membership subscriptions	552,892	554,362
Charitable activities		
Events, exhibitions and sponsorship	200	275
Charitable fundraising	2,727	2,675
Investments	106	3,645
Other	-	-
Total income and endowments	555,925	560,957
Total expenditure	(672,978)	(600,452)
Gains/(losses) on investment assets	190,664	6,754
Net movement in funds	73,611	(32,741)