



Alexander Sloan

Accountants and Business Advisers

DIGITAL PRESERVATION COALITION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

PAGES FOR FILING WITH REGISTRAR

Company Registration No. 04492292 (England and Wales)

DIGITAL PRESERVATION COALITION

CONTENTS

	Page
Balance sheet	1
Statement of changes in equity	2
Notes to the financial statements	3 - 7

DIGITAL PRESERVATION COALITION**BALANCE SHEET****AS AT 31 JULY 2019**

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	4		5,460		2,852
Current assets					
Debtors	5	64,881		47,789	
Cash at bank and in hand		226,062		254,597	
		<u>290,943</u>		<u>302,386</u>	
Creditors: amounts falling due within one year	6	<u>(118,424)</u>		<u>(167,535)</u>	
Net current assets			<u>172,519</u>		<u>134,851</u>
Total assets less current liabilities			<u><u>177,979</u></u>		<u><u>137,703</u></u>
Reserves					
Other reserves			151,039		116,849
Designated supporters fund			9,039		4,139
Income and expenditure account			<u>17,901</u>		<u>16,715</u>
Members' funds			<u><u>177,979</u></u>		<u><u>137,703</u></u>

The directors of the company have elected not to include a copy of the income and expenditure account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 3 December 2019 and are signed on its behalf by:

Dr W Kilbride
Director

Company Registration No. 04492292

The notes on pages 3 to 7 form an integral part of these financial statements.

DIGITAL PRESERVATION COALITION**STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 JULY 2019**

	Other reserves	Designated Supporter Fund	Income and expenditure	Total
	£	£	£	£
Balance at 1 August 2017	114,208	-	15,295	129,503
Year ended 31 July 2018:				
Profit and total comprehensive income for the year	-	4,139	4,061	8,200
Transfers	2,641	-	(2,641)	-
Balance at 31 July 2018	116,849	4,139	16,715	137,703
Year ended 31 July 2019:				
Profit and total comprehensive income for the year	-	-	40,276	40,276
Transfers	34,190	4,900	(39,090)	-
Balance at 31 July 2019	151,039	9,039	17,901	177,979

Other reserves represents four months worth of budgeted forthcoming expenditure.

The notes on pages 3 to 7 form an integral part of these financial statements.

DIGITAL PRESERVATION COALITION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

Company information

Digital Preservation Coalition is a private company limited by guarantee and incorporated in England and Wales. The registered office is Triune Court, Monks Cross Drive, York, YO32 9GZ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements have been prepared with early application of the FRS 102 Triennial Review 2017 amendments in full.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income and expenditure

Income and expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable as the company cannot reclaim it.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment	33% straight line
Fixtures, fittings and equipment	20% straight line

DIGITAL PRESERVATION COALITION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in surplus or deficit, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

DIGITAL PRESERVATION COALITION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2019

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

DIGITAL PRESERVATION COALITION**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2019****3 Employees**

The average monthly number of persons (including directors) employed by the company during the year was:

	2019	2018
	Number	Number
Full time	7	6

The aggregate compensation relating to Key Management Personnel was £296,184 (2018: £284,974).

4 Tangible fixed assets

	Computer equipment	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
At 1 August 2018	20,137	3,676	23,813
Additions	6,119	588	6,707
Disposals	(4,524)	-	(4,524)
At 31 July 2019	21,732	4,264	25,996
Depreciation and impairment			
At 1 August 2018	18,142	2,819	20,961
Depreciation charged in the year	3,340	444	3,784
Eliminated in respect of disposals	(4,209)	-	(4,209)
At 31 July 2019	17,273	3,263	20,536
Carrying amount			
At 31 July 2019	4,459	1,001	5,460
At 31 July 2018	1,996	856	2,852

5 Debtors

	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	52,706	42,450
Prepayments and accrued income	12,175	5,339
	64,881	47,789

DIGITAL PRESERVATION COALITION**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2019****6 Creditors: amounts falling due within one year**

	Notes	2019 £	2018 £
Trade creditors		1,068	-
Corporation tax		558	200
Other taxation and social security		8,304	7,763
Deferred income	7	74,331	137,420
Other creditors		11,874	12,378
Accruals		22,289	9,774
		<u>118,424</u>	<u>167,535</u>

7 Deferred income

	2019 £	2018 £
Other deferred income	<u>74,331</u>	<u>137,420</u>

8 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

9 Audit report information

As the income statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was David Jeffcoat.

The auditor was Alexander Sloan.

10 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019 £	2018 £
Within one year	<u>3,072</u>	<u>7,600</u>

11 Related party transactions

There were no related party transactions which require disclosure in the accounts (2018: None).